

Dorothy A. Towne

AND WHEN RECORDED MAIL TO

NAME
ADDRESS
CITY &
STATE

Mabel Elizabeth Schopke
634 Fig Tree Lane
Martinez, CA. 94553

99500620

SPACE ABOVE THIS LINE FOR RECORDER'S USE

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

THIS AGREEMENT, made this 5th day of August, 1999, by Keith Jason Hart and Monica Schopke Hart, husband and wife as Community Property * owner of the land hereinafter described and hereinafter referred to as "Owner", and Mabel Elizabeth Schopke, Trustee of The Schopke Family Trust U/T/A dated May 30, 1986, present owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "Beneficiary":
*with Right of Survivorship

WITNESSETH

THAT WHEREAS, Keith Jason Hart and Monica Schopke Hart did execute a deed of trust, dated November 5, 1998, to Western Title Company, a Nevada Corporation, as trustee, covering: Lot 11, Block A as shown on the Final Subdivision Map #2012 for GANSBERG ESTATES, filed for record in the office of the County Recorder of Douglas County, State of Nevada, on October 28, 1997 in Book 1097, Page 5456, as Document No. 425008. A.P.N. 19-440-110

to secure a note in the sum of \$ 90,000.00 dated November 5, 1998 in favor of Mabel Elizabeth Schopke, Trustee of The Schopke Family Trust U/T/A dated May 30, 1986, which deed of trust was recorded November 19, 1998, in book 1198 page 4502, Official Records of said county; and

WHEREAS, Owner has executed, or is about to execute, a deed of trust and note in the sum of \$ 150,000.00, dated August 5, 1999, in favor of Dorothy Towne, Trustee of the Dorothy Towne Trust* hereinafter referred to as "Lender", payable with interest and upon the terms and conditions described therein, which deed of trust is to be recorded concurrently herewith; and *dated September 24, 1984

WHEREAS, it is a condition precedent to obtaining said loan that said deed of trust last above mentioned shall unconditionally be and remain at all times a lien or charge upon the land hereinbefore described, prior and superior to the lien or charge of the deed of trust first above mentioned; and

WHEREAS, Lender is willing to make said loan provided the deed of trust securing the same is a lien or charge upon the above described property prior and superior to the lien or charge of the deed of trust first above mentioned and provided that Beneficiary will specifically and unconditionally subordinate the lien or charge of the deed of trust first above mentioned to the lien or charge of the deed of trust in favor of Lender; and

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WHEREAS, it is to the mutual benefit of the parties hereto that Lender make such loan to Owner; and Beneficiary is willing that the deed of trust securing the same shall, when recorded, constitute a lien or charge upon said land which is unconditionally prior and superior to the lien or charge of the deed of trust first above mentioned.

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce Lender to make the loan above referred to, it is hereby declared, understood and agreed as follows:

- (1) That said deed of trust securing said note in favor of Lender, and any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the property therein described, prior and superior to the lien or charge of the deed of trust first above mentioned.
- (2) That Lender would not make its loan above described without this subordination agreement.
- (3) That this agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the deed of trust first above mentioned to the lien or charge of the deed of trust in favor of Lender above referred to and shall supersede and cancel, but only insofar as would affect the priority between the deeds of trust hereinbefore specifically described. any prior agreements as to such subordination including, but not limited to, those provisions, if any, contained in the deed of trust first above mentioned, which provide for the subordination of the lien or charge thereof to another deed or deeds of trust or to another mortgage or mortgages.

Beneficiary declares, agrees and acknowledges that

- (a) He consents to and approves (i) all provisions of the note and deed of trust in favor of Lender above referred to, and (ii) all agreements, including but not limited to any loan or escrow agreements, between Owner and Lender for the disbursement of the proceeds of Lender's loan;
- (b) Lender in making disbursements pursuant to any such agreement is under no obligation or duty to, nor has Lender represented that it will, see to the application of such proceeds by the person or persons to whom Lender disburses such proceeds and any application or use of such proceeds for purposes other than those provided for in such agreement or agreements shall not defeat the subordination herein made in whole or in part;
- (c) He intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of the deed of trust first above mentioned in favor of the lien or charge upon said land of the deed of trust in favor of Lender above referred to and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination specific loans and advances are being and will be made and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination; and
- (d) An endorsement has been placed upon the note secured by the deed of trust first above mentioned that said deed of trust has by this instrument been subordinated to the lien or charge of the deed of trust in favor of Lender above referred to.

NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND.

Mabel Elizabeth Schopke

Mabel Elizabeth Schopke, Trustee

Beneficiary

Keith Jason Hart

Keith Jason Hart

Monica Schopke Hart ^{Owner}

(All signatures must be acknowledged)

IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THERETO.

(SUBORDINATION FORM "A")

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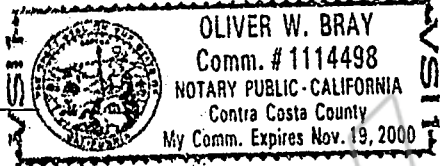
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STATE OF CALIFORNIA }
COUNTY OF Contra Costa } SS.

On August 13, 1999 before me, the undersigned, a Notary Public in and for said State,
personally appeared Mabel Elizabeth Schopke

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.
Signature *Oliver W. Bray*
Name Oliver W. Bray
(typed or printed)

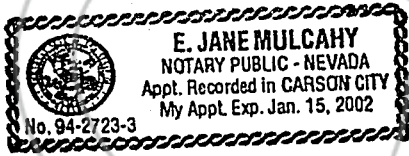


FTG-3197 (This area for official notarial seal)

State of Nevada
County of Douglas

Subscribed and sworn/affirmed to before me this 16th day of August,
1999, by Keith Jason Hart and Monica Schopke Hart

E. Jane Mulcahy
Notary Public



My Commission Expires: 1/15/02

REQUESTED BY
MARQUIS TITLE & ESCROW, INC.
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

1999 AUG 16 PM 4: 05

LINDA SLATER
RECORDER
\$1 PAID KS DEPUTY

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