

99011133

AND WHEN RECORDED MAIL TO

Five Creek LLC
P. O. Box 2410
Minden, NV 89423

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 20th day of September, 1999, by Sierra Ridge Properties, LLC., a Nevada Limited Liability Company

owner of the land hereinafter described and hereinafter referred to as "Owner," and Five Creek Limited Liability Company, a Nevada Limited Liability Company

present owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "Beneficiary";

WITNESSETH

THAT WHEREAS, Sierra Ridge Properties, LLC., a Nevada Limited Liability Co. did on December 2, 1998, execute a deed of trust to Stewart Title of Douglas County, a Nevada corporation, as trustee, covering:

The land referred to herein is situated in the State of Nevada, County of Douglas, described as follows:

Lot 30, in Block 3 as set forth on that certain Planned Unit Development 2014-1 of JOB'S PEAK RANCH UNIT 1, filed for record in the office of the County Recorder of Douglas County, State of Nevada, on June 13, 1997 in Book 697 at Page 3042 as Document No: 415114, Official Records.

Assessor's Parcel No. 19-140-65

to secure a note in the sum of \$113,050.00, dated December 2, 1998, in favor of Five Creek Limited Liability Company, a Nevada Limited Liability Co., which deed of trust was recorded December 11, 1998, in book 1298, page 3223, Official Records of said county and is subject and subordinate to the deed of trust next hereinafter described; and

WHEREAS, Sierra Ridge Properties, LLC did on December 30, 1998, execute a deed of trust to Stewart Title of Douglas County, a Nevada corporation, as trustee, covering said land and securing an indebtedness in the amount of \$450,000.00 in favor of Comstock Bank, hereinafter referred to as "Lender," which deed of trust was recorded December 31, 1998, in book 1298, page 7770, Official Records of said county and provides among other things that it shall also secure additional loans and advances thereafter made upon the terms and conditions therein set forth; and

WHEREAS, Owner has executed, or is about to execute, a note in the amount of \$32,000.00, dated 9/22/99, in favor of Lender, payable with interest and upon the terms and conditions described therein, which note evidences an additional loan to be made by Lender to Owner under the terms and provisions of, and secured by, said deed of trust in favor of Lender; and

WHEREAS, it is a condition precedent to obtaining said additional loan that said deed of trust in favor of Lender, securing all obligations recited therein as being secured thereby, including but not limited to said additional loan, 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 additional loan provided the deed of trust securing the same is a lien or charge upon said land 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 said deed of trust in favor of Lender; and

WHEREAS, it is to the mutual benefit of the parties hereto that Lender make said additional loan to Owner; and Beneficiary is willing that the deed of trust securing the same shall 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.

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SUBORDINATION, DEED OF TRUST TO ADDITIONAL LOAN UNDER PRIOR DEED OF TRUST THIS DOCUMENT IS EXECUTED IN COUNTER-PART

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 additional loan above referred to, it is hereby declared, understood, and agreed as follows:

- (1) That said deed of trust in favor of Lender, as to said additional loan as well as all other obligations recited as being secured thereby, 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 additional loan above described without this subordination agreement.
- (3) That this agreement shall be the whole and only agreement between the parties hereto 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 as to the additional loan above referred to and shall supersede and cancel any prior agreements as to such subordination.

Beneficiary declares, agrees, and acknowledges that

- (a) He consents to and approves (i) all provisions of the note evidencing said additional loan and the deed of trust securing same, 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 additional 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, as to said additional loan as well as all other obligations recited therein as being secured thereby, 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.

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FIVE CREEK LIMITED LIABILITY COMPANY, a Nevada Limited Liability Company

SIERRA RIDGE PROPERTIES, LLC., a Nevada Limited Liability Company

BY: Cole S. Smith
/S. Manager

BY: Alan Fleming, Manager

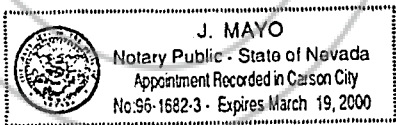
Beneficiary

Owner

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

STATE OF Nevada)
) SS.
 COUNTY OF Douglas)

This instrument was acknowledged before me on Sept. 27
 1999, by Cole S. Smith



J. Mayo
 Notary Public

0478415

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

BK 1099PG 1670

AP 19-140-65

AND WHEN RECORDED MAIL TO

Name Five Creek LLC
 Street Address P. O. Box 2410
Minden, NV 89423
 City & State

SPACE ABOVE THIS LINE FOR RECORDER'S USE

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Assessor's Parcel No. 19-140-65

to secure a note in the sum of \$113,050.00, dated December 2, 1998 Liability Co. in favor of Five Creek Limited Liability Company, a Nevada Limited which deed of trust was recorded December 11, 1998, in book 1298 page 3223, Official Records of said county and is subject and subordinate to the deed of trust next hereinafter described; and

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WHEREAS, Owner has executed, or is about to execute, a note in the amount of \$32,000.00, dated 9/22/99 in favor of Lender, payable with interest and upon the terms and conditions described therein, which note evidences an additional loan to be made by Lender to Owner under the terms and provisions of, and secured by, said deed of trust in favor of Lender; and

WHEREAS, it is a condition precedent to obtaining said additional loan that said deed of trust in favor of Lender, securing all obligations recited therein as being secured thereby, including but not limited to said additional loan, 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 additional loan provided the deed of trust securing the same is a lien or charge upon said land 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 said deed of trust in favor of Lender; and

WHEREAS, it is to the mutual benefit of the parties hereto that Lender make said additional loan to Owner; and Beneficiary is willing that the deed of trust securing the same shall 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.

0478415
 SUBORDINATION, DEED OF TRUST TO ADDITIONAL LOAN UNDER PRIOR DEED OF TRUST.

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 additional loan above referred to, it is hereby declared, understood, and agreed as follows:

- (1) That said deed of trust in favor of Lender, as to said additional loan as well as all other obligations recited as being secured thereby, 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 additional loan above described without this subordination agreement.
- (3) That this agreement shall be the whole and only agreement between the parties hereto 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 as to the additional loan above referred to and shall supersede and cancel any prior agreements as to such subordination.

Beneficiary declares, agrees, and acknowledges that

- (a) He consents to and approves (i) all provisions of the note evidencing said additional loan and the deed of trust securing same, 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 additional 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, as to said additional loan as well as all other obligations recited therein as being secured thereby, 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.

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FIVE CREEK LIMITED LIABILITY COMPANY, a Nevada Limited Liability Company SIERRA RIDGE PROPERTIES, LLC., a Nevada Limited Liability Company

BY: COLE SMITH, MANAGER

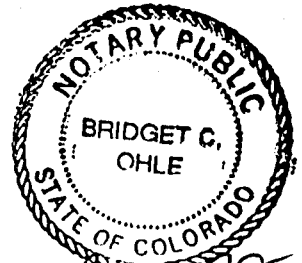
 Beneficiary

BY: ALAN FLEMING, MANAGER

 Owner

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

STATE OF Colorado)
) SS.
 COUNTY OF Dunnison)



This instrument was acknowledged before me on September 28
 1999, by Alan Fleming

8-7-2003

Self Agreement

[Signature]
 Notary Public

REQUESTED BY
STEWART TITLE of DOUGLAS COUNTY

IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

1999 OCT -8 PM 4: 44

LINDA SLATER
RECORDER

\$11⁰⁰ PAID *Ka* DEPUTY

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