

RECORDING REQUESTED BY:
STEWART TITLE COMPANY
WHEN RECORDED MAIL TO:

ESCROW NO. 98022604
A.P.N. # 07-050-05

BASIN STRATEGIES, INC.
PO BOX 11945
ZEPHYR COVE, NV 89448

THIS DOCUMENT IS RECORDED AS AN ACCOMMODATION ONLY and without liability for the consideration therefor, or as to the validity or sufficiency of said instrument or for the effect of such recording on the title of the property involved.

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 March 6, 2000, by GOSHAWK RIDGE DEVELOPMENT, LTD., LLC. A NEVADA LIMITED LIABILITY COMPANY owner of the land hereinafter described and hereinafter referred to as "Owner", BASIN STRATEGIES,* present owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "Beneficiary".

*INC., A NEVADA CORPORATION

WITNESSETH

THAT WHEREAS, Owner has executed a deed of trust, dated MARCH 6, 2000, to STEWART TITLE OF DOUGLAS COUNTY, as Trustee, covering:

SEE ATTACHED EXHIBIT "A"

to secure a note in the sum of \$15,000.00 in favor of BASIN STATEGIES; Beneficiary, which deed of trust is to be recorded concurrently herewith; and

*INC, A NEVADA CORPORATION

WHEREAS, Owner has executed, or is about to execute, a deed of trust and note in the sum of \$25,000.00, dated MARCH 3, 2000 in favor of DISTINCTIVE HOMES OF TAHOE, A NEVADA LIMITED LIABILITY COMPANY, DBA FRED SANDS DISTINCTIVE HOMES hereinafter referred to as "Lender", payable upon the terms and conditions described therein, which deed of trust is to be recorded concurrently herewith; and

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 frist 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

WHEREAS, it is to the mututal 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:

0487544

BK0300PG1208

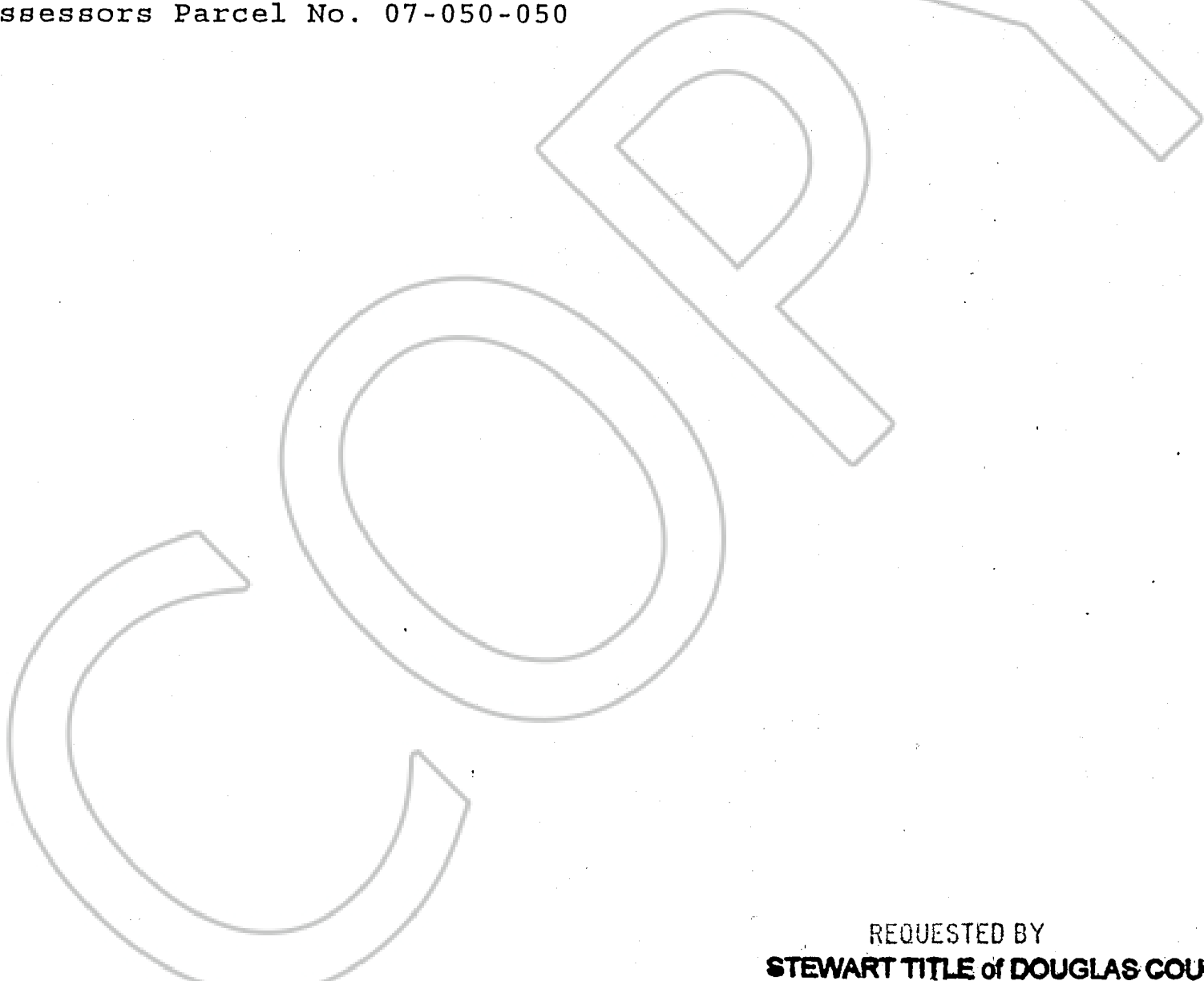
EXHIBIT "A"
LEGAL DESCRIPTION

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

Being a portion of the Section 23, Township 13 North, Range 18
East, M.D.B.&M., further described as follows:

Parcel A as set forth on Parcel Map for The Estate of Elizabeth
Schulz Rabe filed for record in the Office of the County
Recorder of Douglas County, State of Nevada, on September 21,
1990, in Book 990, Page 3206, as File No. 235099.

Assessors Parcel No. 07-050-050



REQUESTED BY
STEWART TITLE OF DOUGLAS COUNTY
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2000 MAR -7 PM 3: 57

LINDA SLATER
RECORDER

\$ 9.00 PAID LS DEPUTY

0487544

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