

**RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:**

[ADMINISTRATOR'S NAME]  
COMERICA BANK-CALIFORNIA  
75 E. Trimble Road, M. C. 4770  
San Jose, CA 95131  
APN 07-460-030  
#000200091

**SUBORDINATION, ATTORNMENT AND NON-DISTURBANCE AGREEMENT**

NOTICE: THIS SUBORDINATION, ATTORNMENT AND NON-DISTURBANCE AGREEMENT RESULTS IN YOUR LEASEHOLD INTEREST BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

THIS SUBORDINATION, ATTORNMENT AND NON-DISTURBANCE AGREEMENT ("Agreement"), dated as of April 3, 2000, between COMERICA BANK-CALIFORNIA, a California Banking Corporation ("Beneficiary"), Kenneth and Linda D'Alessandro ("Owner") and Sierra Patent Group, LTD. ("Tenant"), is as follows:

Owner and Tenant have entered into that certain Lease dated March 27, 2000, together with any amendments, modifications, renewals or extensions thereof ("Lease") pursuant to which Owner leased to Tenant and Tenant leased from Owner the premises more particularly described in the Lease ("Premises") and located on the real property described in Exhibit "A" attached hereto (the "Secured Property"). Owner is obtaining financing for the Secured Property to be evidenced by a promissory note in the principal amount of One Hundred Sixty Four Thousand Dollars (\$164,000.00) ("Note") in favor of Beneficiary, payment of which is secured by a Deed of Trust, Security Agreement and Fixture Filing ("Deed of Trust") encumbering the Secured Property and an Assignment of Real Property Leases and Rents.

In order to establish certain safeguards and priorities with respect to their respective rights in connection with the Premises, Beneficiary has requested that Owner obtain certain warranties and agreements from Tenant as hereinafter set forth. In consideration of the mutual benefits accruing to the parties hereto, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Subordination. The Lease is and at all times shall continue to be subject and subordinate to the Note and the lien of the Deed of Trust and to all advances made or to be made thereunder, and to any renewals, extensions, modifications or replacements thereof, unless Beneficiary has filed a notice subordinating the lien of its Deed of Trust to the Lease. Beneficiary specifically reserves the right to file such a notice at its sole election. Tenant shall not subordinate the Lease to any lien, claim, mortgage, deed of trust, or other encumbrance of any kind, except as provided in this paragraph, and any such other subordination shall be deemed a default under the Lease and this Agreement. Tenant agrees to execute and deliver to Beneficiary or to any party to whom Tenant hereby agrees to attorn, in form and substance satisfactory to such party, such other instrument as either shall request in order to effectuate the provisions of this Agreement.

2. Limitation on Liability. Nothing herein contained shall impose any obligation upon Beneficiary to perform any of the obligations of Owner under the Lease unless and until Beneficiary shall become an owner or mortgagee in possession of the Premises, and Beneficiary shall have no personal liability to Tenant beyond Beneficiary's interest in the Secured Property.

3. Attornment. In the event of a foreclosure or other acquisition of the Premises (including, without limitation, by deed in lieu of foreclosure), the Lease shall be recognized as a direct lease from the Beneficiary, the purchaser at the foreclosure sale, or any such subsequent owner (collectively referred to as "Purchaser"), except Purchaser shall not be (i) liable for any previous act or omission of Owner under the Lease; (ii) subject to any offset which shall theretofore have accrued to Tenant against Owner; (iii) subject to any obligation with respect to any security deposit under the Lease unless such security deposit has been physically delivered to Purchaser; or (iv) bound by any previous modification or prepayment of rents or other sums due under the Lease greater than one month unless such modification or prepayment shall have been expressly approved in writing by Beneficiary, which approval shall not be unreasonably withheld.

4. Non-disturbance. So long as no default exists, nor any event has continued to exist for such period of time (after notice, if any, required by the Lease) as would entitle Owner under the Lease to terminate the Lease or would cause, without any further action of Owner, the termination of the Lease or would entitle Owner to dispossess Tenant thereunder, the Lease shall not be terminated nor shall Tenant's use, possession, or enjoyment of the Premises be interfered with, nor shall the leasehold estate granted by the Lease be affected in any foreclosure, or in any action or proceeding instituted under or in connection with the Deed of Trust.

5. Payment of Rent on Default. Tenant acknowledges and agrees that the Lease has been assigned to Beneficiary by Owner as security for its obligations under, and secured by, the Note and Deed of Trust. Tenant agrees that, upon receipt of notice from Beneficiary that a default exists under the Note or Deed of Trust, or any instrument or document collateral thereto, Tenant shall make all rental and other payments required pursuant to the Lease, as directed by written instruction from Beneficiary. Tenant may make payments to Beneficiary directly in the event of such

a default, for which written notice has been delivered to Tenant, and thereby be properly credited with an offset and credit for such payments as against the rental payments then due under the Lease.

Owner acknowledges and agrees that Beneficiary shall be entitled to collect and receive rents pursuant to the Lease as provided herein and Tenant is authorized and hereby directed to make all such payments of rent to Beneficiary upon receipt of the notice of default provided that Tenant shall be under no duty or obligation to make further inquiry. Tenant shall continue to make all such payments of rent to Beneficiary unless and until Tenant is otherwise authorized and directed in writing by Beneficiary.

6. Further Documents. Tenant shall execute and deliver to Beneficiary or to any party to whom Tenant hereby agrees to attorn, in form and substance satisfactory to such party, such other instruments as either shall request in order to effectuate the provisions of this Agreement.

7. Subordination. Tenant declares, agrees and acknowledges that it intentionally and unconditionally subordinates the Lease and its leasehold interest in favor of the lien or charge upon the Secured Property of the Deed of Trust in favor of Beneficiary.

8. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the parties hereto, their successors and assigns, and the holder from time to time of the Note.

9. Attorneys' Fees. If any legal action, arbitration or other proceeding is commenced to enforce any provision of this Agreement, the prevailing party shall be entitled to an award of its actual expenses, including without limitation, expert witness fees, actual attorneys' fees and disbursements.

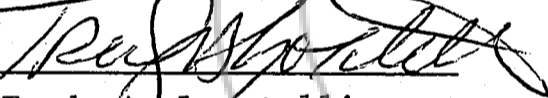
10. Notices. All notices to Beneficiary shall be by certified mail to the address given at the top of page one of this Agreement. All notices to Tenant shall be by certified mail to **Comerica Bank-California, Loan Services Department 75 E. Trimble Road, San Jose, CA 95131.**

11. Miscellaneous. This Agreement may not be modified other than by an agreement in writing, signed by the parties hereto or by their respective successors in interest. Except as herein modified all of the terms and provisions of the Lease shall remain in full force and effect. In the event of a conflict between the Lease and this Agreement, the terms and provisions of this Agreement shall control. Nothing in this Agreement shall in any way impair or affect the lien created by the Deed of Trust or the other lien rights of Beneficiary.

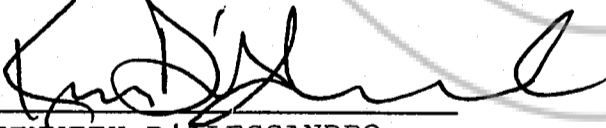
12. Counterparts. This Agreement may be executed in counterparts which together shall constitute but one and the same original.

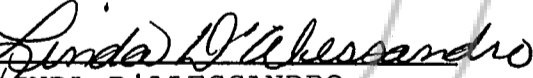
BENEFICIARY:

COMERICA BANK-CALIFORNIA,  
a California Banking Corporation


By:   
Trudy A. Locatelli  
Its: Vice President

OWNER: Kenneth and Linda D'Alessandro

By:   
KENNETH D'ALESSANDRO  
Its: \_\_\_\_\_

By:   
LINDA D'ALESSANDRO  
Its: \_\_\_\_\_

TENANT: Sierra Patent Group, LTD.

By:   
KENNETH D'ALESSANDRO  
Its: President

By: \_\_\_\_\_

Its: \_\_\_\_\_

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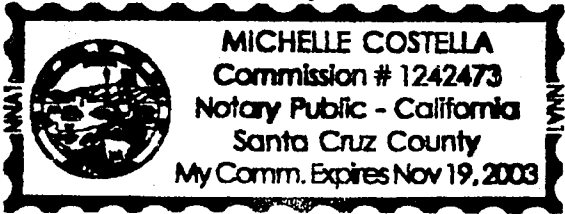
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(Rev.3/97)

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF Santa Cruz )

On April 03, 2000, <sup>19~~9~~</sup>me, before me, the undersigned, a Notary Public in and for said State, personally appeared TRUDY A. LOCATELLI, 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.



Michelle Costella  
NOTARY PUBLIC

STATE OF ~~CALIFORNIA~~ / NEVADA )  
 ) ss.  
COUNTY OF DOUGLAS )

On April 6, <sup>2000</sup>19, before me, the undersigned, a Notary Public in and for said State, personally appeared KENNETH D'ALESSANDRO, 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.

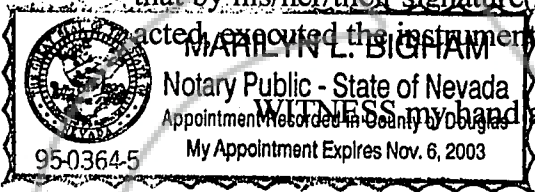
WITNESS my hand and official seal.



Marilyn L. Bigham  
NOTARY PUBLIC

STATE OF ~~CALIFORNIA~~ / NEVADA )  
 ) ss.  
COUNTY OF DOUGLAS )

On April 6, <sup>2000</sup>19, before me, the undersigned, a Notary Public in and for said State, personally appeared LINDA D'ALESSANDRO, 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.



Marilyn L. Bigham  
NOTARY PUBLIC

In representative capacity:

STATE OF NEVADA )  
COUNTY OF DOUGLAS ) SS



This instrument was acknowledged before me on 4/6/2000 (date) \_\_\_\_\_, by \_\_\_\_\_  
KEN D'ALESSANDRO [name(s)] \_\_\_\_\_ as president [trustee(s), officer,  
attorney in fact, etc.] \_\_\_\_\_ of/for SIERRA PATENT GROUP, LTD (name of entity or person) \_\_\_\_\_

Marilyn L. Bigham  
Notary Public

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EXHIBIT A

DESCRIPTION OF SECURED PROPERTY

*LD*  
*SL*  
Initial

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

Unit 14, as set forth on that map entitled CONDOMINIUM MAP LAKE VILLAGE PROFESSIONAL BUILDING, recorded June 1, 1979 in Book 679 of Official Records at page 83, as Document No. 33068, Douglas County, Nevada.

Together with an undivided interest in the common area as set forth and defined by that document recorded April 30, 1980 in Book 480 of Official Records at page 1788, Douglas County, Nevada.

Assessors Parcel No. 07-460-030

**COPIED**

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

2000 APR 10 PM 3: 24

LINDA SLATER  
RECORDER

\$10<sup>00</sup> PAID *KJ* DEPUTY

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