

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

WELLS FARGO BANK, NATIONAL
ASSOCIATION
Real Estate Group (AU #2961)
2835 Mitchell Drive, Suite 101
Walnut Creek, CA 94598

Attn: Margaret Diaz
Loan No. 14680W

**FOURTH REAFFIRMATION OF
SUBORDINATION AGREEMENT**

THIS FOURTH REAFFIRMATION OF SUBORDINATION AGREEMENT ("Reaffirmation") is made as of October 23, 2000, by and among JOHN C. SERPA, Sr., an unmarried man ("Serpa") and J.S. DEVCO, a Nevada limited partnership ("J.S. Devco") and DGD DEVELOPMENT LIMITED PARTNERSHIP, a Nevada limited partnership ("DGD DEVELOPMENT") (Serpa, J.S. Devco and DGD DEVELOPMENT being collectively referred to herein as "Borrower"), SYNCON HOMES, a Nevada corporation ("Syncon") and JAMES BAWDEN also known as J.F. BAWDEN, an unmarried man doing business as LANDMARK HOMES & DEVELOPMENT COMPANY ("Bawden") (each a "Non-Borrower Trustor" and collectively, the "Non-Borrower Trustors"), and WELLS FARGO BANK, NATIONAL ASSOCIATION ("Lender").

RECITALS:

- A. Serpa is the owner of certain real property located in Douglas County, State of Nevada (the "Property") which is encumbered by the Deed of Trust (defined below). As used here, the term "Property" means that real property, together with all improvements (the "Improvements") located on it.
- B. Borrower, Non-Borrower Trustors and Lender entered into a Subordination Agreement dated as of May 15, 1997 ("Subordination Agreement") and recorded on June 30, 1997, in the office of the County Recorder of the County in which the Property is located as document no. **0416243**.
- C. Lender, Borrower and Non-Borrower Trustors have entered into an Amended and Restated Revolving Credit Agreement dated March 31, 1998 (the "Amended Loan Agreement") wherein the credit facility was increased to \$10,000,000 ("Credit Facility"). The Credit Facility is evidenced by an Amended and Restated Line of Credit Note (the "Amended Note") which is secured by, among other things, a deed of trust encumbering the Property recorded on June 30, 1997 as document no. **0416241**, of said official records (which deed of trust, as amended, is referred to herein as the "Amended Deed of Trust"). The Amended Loan Agreement and the Amended Note

have been modified by a Modification Agreement dated as of July 27, 1998 (the "First Modification Agreement"); the First Amendment To The Amended and Restated Revolving Credit Agreement dated October 9, 1998 (the "Second Modification"), the Second Amendment to the Amended and Restated Credit Agreement, dated July 9, 1999 (the "Third Modification"), and the Third Amendment to the Amended and Restated Credit Agreement, dated July 6, 2000 (the "Fourth Modification"). The First Modification, Second Modification, Third Modification and the Fourth Modification are hereby collectively referred to as "Modification Agreements". The Amended Loan Agreement, the Amended Note, the Amended Deed of Trust, all other documents and instruments identified in the Amended Loan Agreement as "Loan Documents", the Modification Agreements and all documents executed pursuant to the Modification Agreements, shall be collectively referred to herein as the "Amended Loan Documents".

- D. The parties to this Fourth Reaffirmation of Subordination Agreement desire to reaffirm the Subordination Agreement as to the Amended Loan Documents.

NOW, THEREFORE, the parties hereto reaffirm the Subordination Agreement which shall remain in full force and effect as to the Amended Loan Documents.


IN WITNESS WHEREOF the parties hereto have executed this Third Reaffirmation of Subordination Agreement on the day and year first shown above.

"BORROWER"



JOHN C. SERPA, SR.

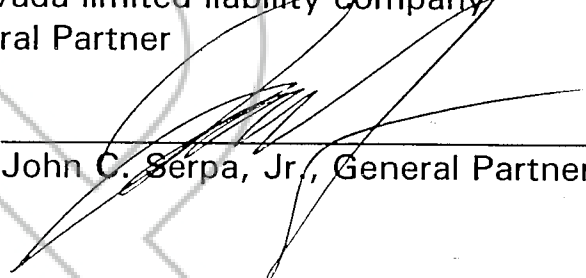
J.S. DEVCO LIMITED PARTNERSHIP,
a Nevada limited partnership

By: 

John C. Serpa, Sr., General Partner

DGD DEVELOPMENT LIMITED PARTNERSHIP,
a Nevada limited partnership

By: SSS INVESTMENTS, LLC,
a Nevada limited liability company
General Partner

By: 

John C. Serpa, Jr., General Partner

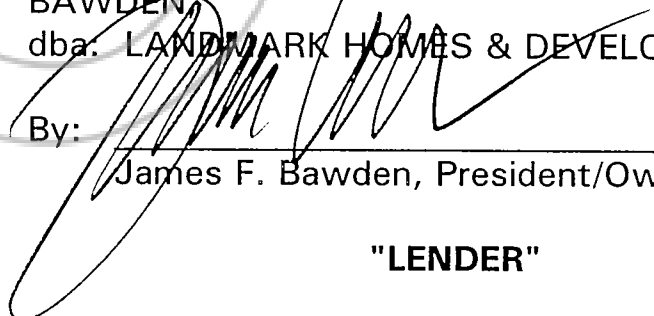
"NON-BORROWER TRUSTORS"

SYNCON HOMES, a Nevada corporation

By: 

Leo A. Hanly, President


JAMES F. BAWDEN, also known as J.F.
BAWDEN,
dba: LANDMARK HOMES & DEVELOPMENT

By: 

James F. Bawden, President/Owner

"LENDER"

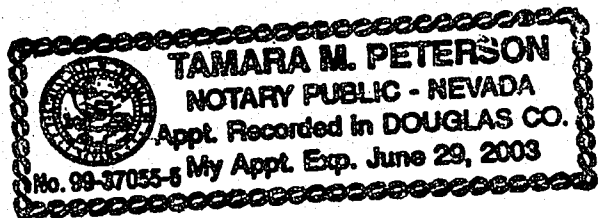
WELLS FARGO BANK,
NATIONAL ASSOCIATION

By: 

Kevin Williams, Vice President

STATE OF Nevada)
County of Douglas) ss.

This instrument was acknowledged before me on November 1, 2000, by John C. Serpa.

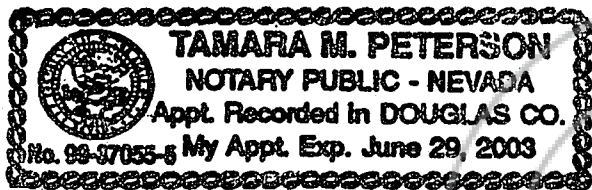


Tamara M. Peterson
Notary Public

My Commission Expires: 06-29-03

STATE OF Nevada)
County of Douglas) ss.

This instrument was acknowledged before me on November 1, 2000, by John C. Serpa, Sr., as General Partner, of J.S. Devco Limited Partnership, a Nevada limited partnership.

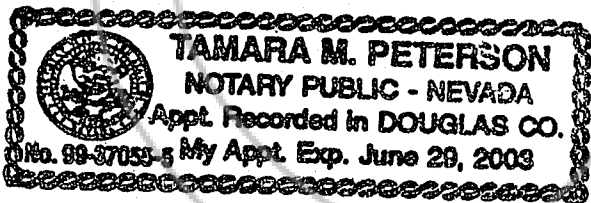


Tamara M. Peterson
Notary Public

My Commission Expires: 06-29-03

STATE OF Nevada)
County of Douglas) ss.

This instrument was acknowledged before me on November 1, 2000, by Leo A. Hanly, as President, of Syncon Homes, a Nevada corporation.

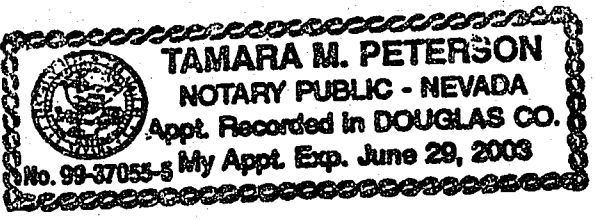


Tamara M. Peterson
Notary Public

My Commission Expires: 06-29-03

STATE OF Nevada)
County of Douglas) ss.

This instrument was acknowledged before me on November 1, 2000, by James F. Bawden, also known as J.F. Bawden, doing business as Landmark Homes & Development.



Tamara M. Peterson
Notary Public

My Commission Expires: 06-29-03

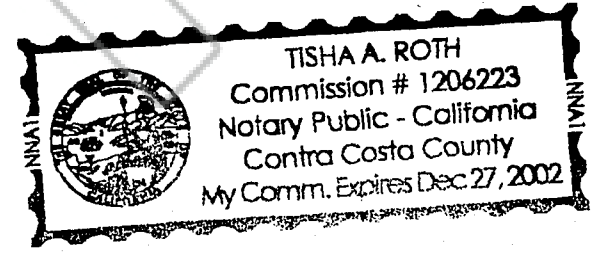
STATE OF CALIFORNIA
COUNTY OF Contra Costa ss.

On this 6th day of November, 2000 before me, Tisha A Roth
a Notary Public in and for the State of California, personally appeared Kevin Williams, Vice Pres
personally known to me (or proved 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 Tisha A Roth

My commission expires Dec 27, 2002



STATE OF NEVADA

COUNTY OF Douglas

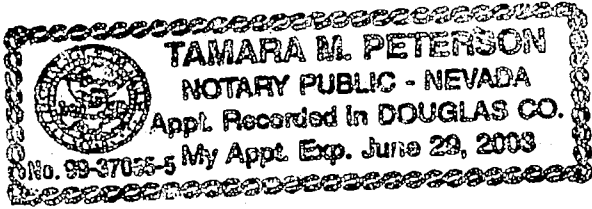
ss.

This instrument was acknowledged before me on November 1, 2000 by John C. Serpa, Jr.

as _____

of _____

a _____



Signature

Tamara M. Peterson

Notary Public for Nevada

My commission expires

06-29-03

COPIED

REQUESTED BY
STEWART TITLE of DOUGLAS COUNTY

IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2000 NOV -9 AM 10: 59

LINDA SLATER
RECORDER

\$12⁰⁰ PAID Bh DEPUTY

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