

RECORDING REQUESTED BY:

WHEN RECORDED MAIL TO:

Don and Loretta James
P.O. Box 2954
Carson City, NV 89702

***This document is being re-recorded to reflect the recording information of the existing Deed of Trust

SPACE ABOVE THIS LINE FOR RECORDER'S USE

2000-32007-GB

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 1st day of November, 2000, by

William J. Rankin and Gayle L. Rankin

owner of the land hereinafter described and hereinafter referred to as "Owner," and

Don James and Loretta James, husband and wife as joint tenants

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

WITNESSETH

THAT WHEREAS, Don James and Loretta James, husband and wife as joint tenants did execute a deed of trust, dated November 2, 2000, to First American Title Company of Nevada, a Nevada Corporation, as trustee, covering:

SEE ATTACHED LEGAL DESCRIPTION AND BY THIS REFERENCE IS MADE A PART HEREOF

to secure a note in the sum of \$ 28,394.00, dated November 2, 2000, in favor of Don James and Loretta James, husband and wife as joint tenants, which deed of trust was recorded November 7, 2000, in book 1100 page 1403, 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 \$ 122,000.00 dated November 2, 2000, in favor of Colonial Bank, 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

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

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.

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(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 agreement 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 OR WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND.

Don James
 Don James

Loretta James
 Loretta James Beneficiary

William J. Rankin
 William J. Rankin

Gayle L. Rankin
 Gayle L. Rankin Owner

STATE OF NEVADA,

ss.

County of Carson City

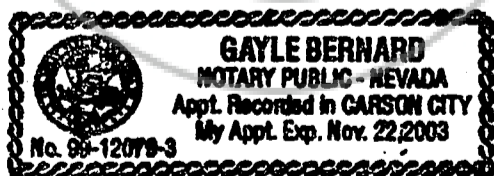
William J. Rankin and
Gayle L. Rankin and

On November 2, 2000 personally appeared before me, a notary public, Don James and Loretta James

personally known or proved to me to be the person whose name is subscribed to the above instrument who acknowledged that he executed the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official stamp at my office in the County of Carson City the day and year in this certificate first above written.

Gayle Bernard
Signature of Notary



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

(CLTA SUBORDINATION FORM "A")

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DESCRIPTION

All that certain lot, piece or parcel of land situate in the County of Douglas, State of Nevada, described as follows:

A Parcel of land located within a portion of the Southwest one-quarter (SW 1/4) of Section 29, Township 10 North, Range 22 East, Mount Diablo Meridian, more particularly described as follows:

Commencing at a found 6" diameter concrete monument, the Northeast corner of Lot 46 as shown on the amended Map of Topaz Lodge subdivision filed for record September 15, 1958 in the office of Recorder, Douglas County, Nevada as Document No. 13594; thence along the Westerly line of Beatty Street South 00°04'38" West, 142, 56 feet to the POINT OF BEGINNING; thence continuing along said Westerly line of Beatty Street South 00°04'38" West, 142.55 feet; thence West, 199.74 feet; thence along the Easterly line of Churchill Street North 00°04'55" East, 142.55 feet; thence East, 199.73 feet to the POINT OF BEGINNING.

Said premises further imposed as being Adjusted Parcel 2 on that certain Record of Survey recorded November 20, 1997, in Book 1197, Page 3919, Document No. 426750.

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REQUESTED BY
FIRST AMERICAN TITLE CO.
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

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LINDA SLATER
RECORDER

\$ 9.00 PAID *K2* DEPUTY

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REQUESTED BY
FIRST AMERICAN TITLE CO.

IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2000 NOV -7 PM 1: 46

LINDA SLATER
RECORDER

\$ 9.00 PAID *Dr* DEPUTY