

ESCROW NO.: 21190356

APN: 1220-22-310-090

WHEN RECORDED MAIL TO:
 GREATER NEVADA CREDIT UNION
 451 Eagle Station Lane
 Carson City, Nevad 89701

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 23 day of August, 2001, by

JUSTIN C. PRUETT and CHARISE N. PRUETT, husband and wife as joint tenants

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

GREATER NEVADA CREDIT UNION

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

WITNESSETH

THAT WHEREAS, JUSTIN C. PRUETT and CHARISE N. PRUETT, did execute a deed of trust, dated July 2, 2001, to MARQUIS TITLE & ESCROW, INC., a Nevada corp., as trustee, covering:

Lot 711, as shown on the map of GARDNERVILLE RANCHOS UNIT NO. 7, filed for record in the Office of the County Recorder of Douglas County, Nevada, on March 27, 1974, in Book 374, Page 676, as Document No. 72456.

Assessment Parcel No.: 1220-22-310-090

to secure a note in the sum of \$15,000.00, dated July 2, 2001, in favor of GREATER NEVADA CREDIT UNION, which deed of trust was recorded July 9, 2001, in Book 0701, Page 1344, as Document No. 517836, 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 \$152552.00 dated August 25, 2001, in favor of FIRST HORIZON HOME LOANS, recorded 8-31-01, Book 080, Page 979, as Document No. 521944, 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 the 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.

(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 Lenders loan;

(b) Lender in making disbursements pursuant to any such agreement is under not 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 disburse such proceeds and may 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;

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(c) He intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of 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 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 subordination 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.

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

GREATER NEVADA CREDIT UNION

Matthew Isika

Matthew Isika, Loan Supervisor

STATE OF NEVADA

COUNTY OF ~~Douglas~~ CARSON CITY

On AUG. 24, 2001 personally appeared before me, a Notary Public, MATTHEW ISIKA who acknowledged that he executed the above instrument.

Helene M. Albrecht
Notary Public

HELENE M. ALBRECHT
Notary Public, State of Nevada
Appointment No. 99-59489-3
My Appt. Expires Oct. 23, 2003

STATE OF _____

COUNTY OF _____

On _____ personally appeared before me, a Notary Public, _____ who acknowledged that he executed the above instrument.

Notary Public

REQUESTED BY
MARQUIS TITLE & ESCROW, INC.
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2001 AUG 31 PM 2:58

LINDA SLATER
RECORDER

\$ 8.00 PAID KD DEPUTY

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