

RECORDING REQUESTED BY:
First American Title Company Of Nevada
195 Highway 50, Suite 202
Zephyr Cove, NV 89448

WHEN RECORDED MAIL TO:
First American Title Company Of Nevada
195 Highway 50, Suite 202
Zephyr Cove, NV 89448
Escrow No. 2001-54414-DEC
Parcel No. 1320-33-712-018

SPACE ABOVE THIS LINE FOR RECORDER'S USE

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 7th day of, November, 20 01, by CRAIG L. KUGLER and JOY R. KUGLER, husband and wife

owner of the land hereinafter described and hereinafter referred to as "Owner," and DARYUSH PARSA and KATHLEEN L. PARSA, husband and wife

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

WITNESSETH

THAT WHEREAS, CRAIG LOUIS KUGLER and JOY ROSHANNE KUGLER, husband and wife did execute a deed of trust, dated March 20, 2000, to WESTERN TITLE COMPANY, INC., a Nevada Corporation, as trustee, covering:

Lot 51, Block C, as set forth on Final Subdivision Map FSM-1006-2 FOR CHICHESTER ESTATES PHASE 2, filed for record in the office of the County Recorder of Douglas County, State of Nevada, on December 9, 1996, in Book 1296, at Page 1286, as Document No. 402540, and amended by Certificate of Amendment recorded July 17, 2001, in Book 701, Page 3929, as Document No. 518479.

to secure a note in the sum of \$20,000.00, dated March 20, 2000 in favor of DARYUSH PARSA and KATHLEEN L. PARSA, husband and wife

recorded on April 20, 2000, as Instrument No. 489330, which deed of trust was, 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 \$130,000.00, dated November 1, 2001, in favor of CENTRAL PACIFIC MORTGAGE COMPANY, A California Corporation, 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.
- (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 agreements 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.

Daryush Parsa
 Daryush Parsa
Kathleen L. Parsa
 Kathleen L. Parsa Beneficiary

Craig L. Kugler
 Joy R. Kugler
Joy R. Kugler
 Joy R. Kugler Owner

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

State of Nevada
County of Douglas

This instrument was acknowledged before me on 11/8/01, by
Craig L. Kugler and Joy R. Kugler

Barbara A. Smith
 Notarial Officer

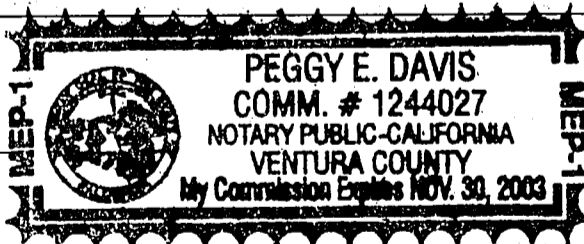


State of
County of

This instrument was acknowledged before me on 11-13-01, by

Daryush Parsa and Kathleen L. Parsa

Peggy E. Davis
 Notarial Officer



EXP 11-30-03

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

COPY

REQUESTED BY
FIRST AMERICAN TITLE CO.

IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2001 NOV 16 PM 4: 11

LINDA SLATER
RECORDER

\$16⁰⁰ PAID *KZ* DEPUTY

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BK 1101 PG 5342