

Recording Requested By:

WELLS FARGO BANK

When Recorded Mail To:

JAMES D. CORE
36380 Ranch Rd.
Bishop, CA 93514

Regional No. 3328460
Title Order No. 85268FLG

SUBORDINATION AGREEMENT

APN: 1220-01-001-010

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 September 28, 2001 by JAMES D. CORE AND MARY J. CORE, Trustees of The Core Family Trust dated 9/20/90, Owner of the land hereinafter described and hereinafter referred to as "Owner", and DEN-MAR ASSOCIATES, LIMITED LIABILITY COMPANY 2/12/96, present owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "Beneficiary";

WITNESSETH

THAT WHEREAS, JAMES D. CORE AND MARY J. CORE, Trustees of The Core Family Trust dated 9/20/90 did execute a deed of trust, dated December 15, 1999, to MARQUIS TITLE & ESCROW, INC., a Nevada corporation, as trustee, covering real property at 1361 Buckwheat Court, Gardnerville, NV 89410, County of Douglas, State of NEVADA:

PARCEL 10-B-1, as set forth on that certain Parcel Map No. LDA 97-077 for Den-Mar Associates, filed for record in the Office of the County Recorder of Douglas County, State of Nevada, on March 20, 1998, Book 398, Page 4640, Document No. 435441.

to secure a note in the sum of \$60,000.00, dated December 15, 1999, in favor of DEN-MAR ASSOCIATES, LIMITED LIABILITY COMPANY 2/12/96, which deed of trust was recorded as Instrument No. 0483190, on December 22, 1999, in Book 1299, Page 4269, 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 \$250,000.00, dated 10/18/2001, in favor of WELLS FARGO 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

INITIALS:

JDC MJC

JF

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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 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, 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 who 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.

INITIALS:

Joe Mgc

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NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN A PORTION OF 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 ATTORNEYS WITH RESPECT THERETO.

DEN-MAR ASSOCIATES,
LIMITED LIABILITY COMPANY 2/12/96

Janice Fortune
By: Beneficiary

James D. Core, Trustee
JAMES D. CORE, Trustee

Mary J. Core, Trustee
MARY J. CORE, Trustee
Owner

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

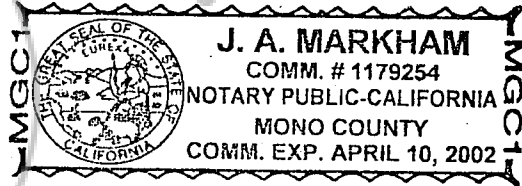
STATE OF CALIFORNIA
COUNTY OF Mono

ON 10-23-01 before me, J.A. Markham, Notary Public personally appeared James D. Core and Mary J. Core

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 entity upon behalf of which the person(s) acted, executed the instrument.

Witness my hand and official seal,

Signature J.A. Markham



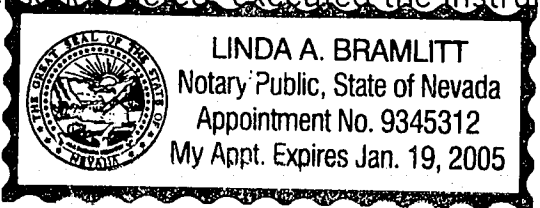
STATE OF CALIFORNIA Nevada
COUNTY OF Washoe

ON 10-13-2001 before me, Linda A. Bramlitt personally appeared Janice Fortune

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 entity upon behalf of which the person(s) acted, executed the instrument.

Witness my hand and official seal,

Signature Linda A. Bramlitt



INITIALS: jc mc y
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COPY

REQUESTED BY
WESTERN TITLE COMPANY, INC.
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2001 NOV 26 PM 12: 16

LINDA SLATER
RECORDER

\$17⁰⁰ PAID *KD* DEPUTY

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