

020300736
APN 03-171-02

MAIL TO: AGENCY ESCROW, INC.
2007 PALO VERDE AVE.
LONG BEACH, CA 90815

Space above line for recording purposes.

4514633881

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 is made this 6TH day of February, 2002, by and between **Wells Fargo Bank West, N.A.** a national bank with its headquarters located at **1740 Broadway, Denver, CO** (herein called "Lien Holder"), and **Wells Fargo Home Mortgage, Inc.**, with its main office located in the State of **Iowa** (herein called the "Lender").

RECITALS

Lien Holder is the beneficiary/mortgagee under a deed of trust/mortgage, dated **April 5th, 2001** executed by **Floyd "I." Gaugh, a single man** (the "Debtor") which was recorded in the county of **Douglas, State of Nevada**, as **0513220** on **April 30th, 2001** (the "Subordinated Instrument") covering real property located in **Zephyr Cove** in the above-named county of **Douglas, State of Nevada**, as more particularly described in the Subordinated Instrument (the "Property").

PLEASE SEE ATTACHED EXHIBIT "A" (Legal Description)

Lender will make a loan to the Debtor secured by a deed of trust/mortgage on the Property which will be recorded (the "Lender Instrument"). The Lender Instrument will secure a promissory note/line of credit agreement in the amount of **\$382,000.00**.

Lien Holder has agreed to execute and deliver this Subordination Agreement.

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ACCORDINGLY, in consideration of the property and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lien Holder hereby agrees with Lender as follows:

1. Regardless of any priority otherwise available to Lien Holder, the lien of the Subordinated Instrument is, shall be and shall remain fully subordinate for all purposes to the lien of the Lender Instrument, to the full extent of the sum secured by the Lender Instrument, including not only principal and interest on the principal indebtedness secured thereby but all other sums secured by the Lender Instrument, excluding non-obligatory future advances.
2. Lien Holder warrants to Lender that Lien Holder presently owns the Subordinated Instrument and indebtedness secured thereby, free and clear of all liens, security interests and encumbrances.
3. This Agreement is made under the laws of the State of Nevada. It cannot be waived or changed, except by a writing signed by the parties to be bound thereby. This Agreement is made between Lender and Lien Holder. It shall be binding upon Lien Holder and the successors and assigns of Lien Holder, and shall inure to the benefit of, and shall be enforceable by, Lender and its successors and assigns. Neither the Debtor nor any other person (except Lender, its successors and assigns), shall be entitled to rely on, have the benefit of or enforce this Agreement.

IN WITNESS WHEREOF, this Subordination Agreement is executed on the day and year first above stated.

WELLS FARGO BANK WEST, N.A.

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



By: Karla J. Bungert

Title: Assistant Vice President

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STATE OF MINNESOTA)
) SS.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this 6th day of February, 2002, by Karla J. Bungert of Wells Fargo Bank West, N.A.

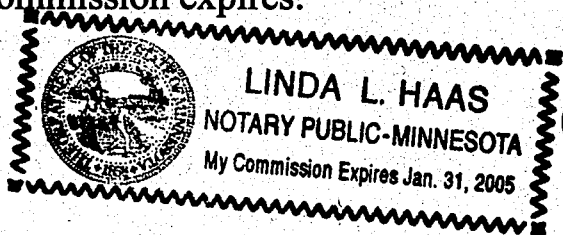
(bank officer name and title)

(name of Wells Fargo Bank)

Assistant Vice President

WITNESS my hand and official seal.

My commission expires:



Linda L. Haas
Notary Public

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EXHIBIT "A"

LEGAL DESCRIPTION

The land referred to herein is situated in the State of Nevada,
County of Douglas, described as follows:

Lot 61, as shown on the map of LAKERIDGE ESTATES NO. 2, filed in
the office of the County Recorder of Douglas County, Nevada, on
June 13, 1957, as document No. 12301, Official Records of
Douglas County, State of Nevada.

Assessors Parcel No. 03-171-020

REQUESTED BY
Stewart Title of Douglas County

IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2002 FEB 11 PM 3:44

LINDA SLATER
RECORDER

\$17.⁰⁰ PAID *Al* DEPUTY

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