

APN 1220-28-510-042

01023389

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

CALIFORNIA FEDERAL BANK
CONSUMER LOAN OPERATIONS
P.O. BOX 997150
SACRAMENTO, CA 95899-0222

ACCOUNT NO. 8250449165

SPACE ABOVE THIS LINE FOR RECORDER'S USE

SUBORDINATION AGREEMENT (DEED OF TRUST)

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 by **CALIFORNIA FEDERAL BANK, A FEDERAL SAVINGS BANK**, and affects the property described in Exhibit A attached hereto (the "Property"). This Agreement is entered into with reference to the following facts:

- A. **DENNA J. MCININCH AND JEFF G. GRAHAM** (hereinafter referred to as "Borrower") executed a deed of trust with **CALIFORNIA FEDERAL BANK, A FEDERAL SAVINGS BANK** (hereinafter "Existing Lender"), which was recorded **DECEMBER 31, 1998**, as Document/Instrument No. **0457811**, in Book **1298**, Page **7689-7694**, Official Records of **DOUGLAS** County, State of California covering the premises in the Property, securing a promissory note in the amount of **\$11,300.00** (hereinafter called the "Existing Deed of Trust").
- B. **FIRST NATIONWIDE MORTGAGE CORPORATION DBA CAL FED LENDING** (hereinafter referred to as "Lender") has agreed to make a loan in the amount of **\$117,000.00** (the "New Loan") to Borrower to be evidenced by the promissory note in the amount of **\$117,000.00** ("Note"), which Note is to be secured by the deed of trust dated February 5, 20002 covering the Property (hereinafter called the "New Deed of Trust"), provided that the Existing Deed of Trust is subordinated to the lien of the New Deed of Trust.
- C. For the purposes of completing the New Loan, Existing Lender desires expressly to subordinate the Existing Deed of Trust to the lien of the New Deed of Trust, it being a condition precedent to Lender's obligation to consummate the New Loan that the lien of the New Deed of Trust be unconditionally and at all times prior and superior to all other deed of trust.

NOW THEREFORE, Existing Lender agrees as follows:

1. **Subordination.** Notwithstanding anything to the contrary set forth in the Existing Deed of Trust, the Existing Deed of Trust and the security interests created thereby and the rights, interests, privileges and powers of Existing Lender thereunder, be and the same are hereby, and with full knowledge and understanding of the effect thereof, unconditionally made and shall at all times remain subject, subordinate and inferior to the New Deed of Trust and the lien thereof, and all the rights, privileges and powers of Lender thereunder.

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2. Miscellaneous

- a. It is expressly understood and agreed that this Agreement shall supersede, to the extent inconsistent herewith, any provisions of the New Deed of Trust relating to the subordination of the Existing Deed of Trust and the interests and estates created thereby to the lien or charge of the New Deed of Trust.
- b. This Agreement shall be governed by and construed in accordance with the laws of the state in which the Property is located.
- c. Existing Lender agrees to execute and deliver, in recordable form if necessary, any and all further documents and instruments reasonably requested by Lender or any title insurance company to give effect to the terms and provisions of this Agreement.
- d. The agreements contained herein shall run with the land and shall be binding upon and inure to the benefit of the respective heirs, administrators, executors, legal representatives, successors and assigns of the Existing Lender and Lender.

IN WITNESS WHEREOF, this Subordination Agreement is executed as of February 6, 2002.

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 PROPERTY.

IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE SUBORDINATING PARTY CONSULT WITH ITS ATTORNEY WITH RESPECT THERETO.

EXISTING LENDER:

**CALIFORNIA FEDERAL BANK
A FEDERAL SAVINGS BANK**

STATE OF CALIFORNIA
COUNTY OF YOLO SS.


By: DENNIS STREBEL

On February 6, 2002 before me,

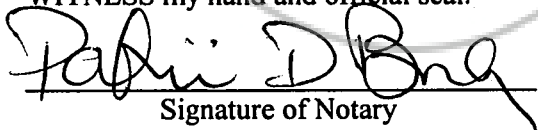
Its: FIRST VICE PRESIDENT

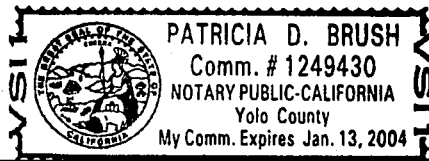
PATRICIA D. BRUSH, NOTARY PUBLIC
a Notary Public in and for said County and State, personally appeared

DENNIS STREBEL

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

WITNESS my hand and official seal.


Signature of Notary



Date my Commission Expires

FOR NOTARY SEAL OR STAMP

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COPY

REQUESTED BY
Stewart Title of Douglas County
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2002 FEB 21 PM 3: 39

LINDA SLATER
RECORDER

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\$16 PAID *KJ* DEPUTY