

**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 28TH day of MARCH, 2002  
by EVERETT LEWIS

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

LILLINDA HOUTS, EXECUTRIX OF THE ESTATE OF MARJORIE IRENE MOORE, DECEASED

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

**WITNESSETH**

THAT WHEREAS, Owner has executed a deed of trust, dated 5/20/98,

to LILLINDA HOUTS, EXECUTRIX OF THE ESTATE OF MARJORIE IRENE MOORE, as trustee, covering:  
See Exhibit A attached hereto and made a part hereof.

to secure a note in the sum of \$ 103,000.00, dated MAY 20, 1998,

in favor of LILLINDA HOUTS, EXECUTRIX OF THE ESTATE OF MARJORIE IRENE MOORE, DECEASED, which deed of trust was recorded MAY 29, 1998, in Book 598 Page 6391, 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 \$ 10,000.00, dated \_\_\_\_\_, in favor of DAVID S. KURTZMAN AND KAREN M. KURTZMAN, TRUSTEES OF THE KURTZMAN FAMILY TRUST DATED 5/17/95,

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 herein before 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 herein before 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 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 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.

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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.

Lillinda Houts, Executrix Everett L Lewis  
LILLINDA HOUTS, EXECUTRIX EVERETT LEWIS

Beneficiary

Owner

(All signatures must be acknowledged)

Form Furnished By Western Title Company, Inc.

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

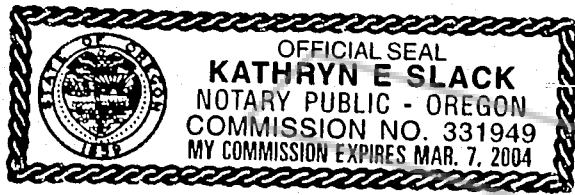
STATE OF ~~NEVADA~~ OREGON } S.S.  
COUNTY OF LANE

This instrument was acknowledged before me on

April 1st 2002

by Lillinda Houts

Kathryn E Slack  
Notary Public



(This area for official notarial seal)

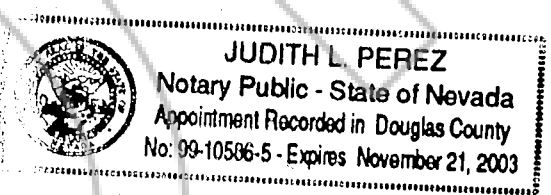
STATE OF NEVADA } S.S.  
COUNTY OF DOUGLAS

This instrument was acknowledge before me on

APRIL 10, 2002

by EVERETT L. LEWIS

Judith L Perez  
Notary Public



(This area for official notarial seal)

**RECORDING REQUESTED BY**

**AND WHEN RECORDED MAIL TO**

Name **LILLINDA HOUTS**  
Street Address **89 TIOGA DRIVE**  
**COTTAGE GROVE, OR 97424**

City, State, Zip **Bene's City, State, Zip**

Order No. **00085993-201-CLH**

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All that real property situate in the County of Douglas, State of Nevada, described as follows:

Lot 472 as shown on the map re-subdivision of Lots 91-A & B, 92-A & B, 93 through 96 and 221 through 232, GARDNERVILLE RANCHOS UNIT NO. 2 according to the map thereof, filed in the office of the County Recorder of Douglas County, State of Nevada, on July 10, 1967, in Book 51, Page 222, Document No. 37049.

COPY

REQUESTED BY  
**WESTERN TITLE COMPANY, INC.**

IN OFFICIAL RECORDS OF  
DOUGLAS CO., NEVADA

2002 APR 18 PM 3: 17

LINDA SLATER  
RECORDER

\$16<sup>00</sup> PAID *KJ* DEPUTY

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