

WHEN RECORDED MAIL TO
U.S. Bank National Association
Retail Service Center
4325 17th Ave. SW
Fargo, ND 58108-2687

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE

Deed Of Trust Subordination Agreement

Account No. 70000141098

This Agreement is made this 18th day of September, 2002, by and between U.S. Bank National Association ND ("Bank") and M & T Mortgage Corporation ("Refinancer").

Bank is the beneficiary under a deed of trust (the "Junior Deed of Trust") dated May 29, 1998, granted by Charles H Paya, an unmarried man ("Borrower"), and recorded in the office of the County Recorder, Douglas County, Nevada, on November 2, 1998, as Document No. 0453117, Book 1198, Page 0243, encumbering the real property described therein (collectively, the "Property"). Refinancer is the beneficiary under a deed of trust (the "Senior Deed of Trust") dated SEPTEMBER 6, 2002, 20 02, granted by the Borrower, and recorded in the same office on 9.19.02, 20 02, as concurrently, encumbering the property. To induce Refinancer to make a loan to the Borrower secured by the Senior Deed of Trust, Bank has agreed to execute and deliver this Subordination Agreement.

ACCORDINGLY, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Bank hereby agrees with Refinancer that the lien of the Junior Deed of Trust on the Property is and shall be and shall remain fully subordinate for all purposes to the lien of the Senior Deed of Trust on the Property, to the full extent of all sums from time to time secured by the Senior Deed of Trust; provided, however, that the total indebtedness secured by the Senior Deed of Trust does not exceed \$417,000.00, exclusive of interest thereon, amounts advanced to protect the lien and priority of the Senior Deed of Trust, and costs of collection, and provided further, that this agreement shall not be effective until each other mortgage or other lien recorded against the property (other than the Senior Mortgage) and each judgment that is a lien against the Property shall be subordinated of record of the lien of the Senior Mortgage.

Legal Description:
See attached for legal
APN: 1219-26-002-012
Property Address 402 Foothill Road, Gardnerville, NV 894106526

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

Bank Name: U.S. Bank National Association ND

By: [Signature]
Title: Operations Officer

SEAL

STATE OF North Dakota)
COUNTY OF Cass)

The foregoing instrument was acknowledged before me this 18th day of September, 2002, by (name) Amy M. Kotula, the (title) Operations Officer of (bank name) U.S. Bank National Association ND, a national banking association, on behalf of the association.

SARA KRAUS
Notary Public
State of North Dakota
My Commission Expires APRIL 24, 2008

[Signature]

Notary Public

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exhibit "a"

A parcel of land located within a portion of Section 26, Township 12 North, Range 19 East, Mount Diablo Baseline and Meridian, Douglas County, Nevada, described as follows:

All that portion of the Southeast one-quarter (SE 1/4) of Section 26, Township 12 North, Range 19 East, M.D.B.&M., which lies Southwesterly of the Southwest right-of-way line of Foothill Road per Book 1176 at Page 907, Douglas County, Nevada, Recorder's Office, further described as follows:

Commencing at the Southeast corner of Section 26, Township 12 North, Range 19 East, M.D.B.&M., THE POINT OF BEGINNING; thence along the South line of said Section 26, North $89^{\circ}58'00''$ West, 258.06 feet to a State Line Monument; thence along the California/Nevada state line North $49^{\circ}33'30''$ West, 1,395.09 feet; thence North $00^{\circ}03'10''$ East, 417.48 feet; thence South $89^{\circ}54'40''$ East, 447.46 feet to the Southwesterly right-of-way of Foothill Road; thence along said right-of-way South $46^{\circ}31'30''$ East, 374.12 feet; thence along the arc of a curve to the left having a delta angle of $14^{\circ}06'23''$, radius of 3,036.97 feet and an arc length of 747.71 feet; thence non-tangent to the preceding curve South $00^{\circ}02'29''$ East, 622.00 feet to THE POINT OF BEGINNING

Reference is made to Record of Survey for Lewallen Land and Cattle Co. filed for record July 02, 1991, in Book 791, at Page 297, as Document No. 254357, records of Douglas County, State of Nevada.

EXCEPT THEREFROM: All that portion of said property as conveyed to the United States of America in Warranty Deed recorded March 26, 1998, Book 398, Page 6070, Document No. 435904, Official Records, described as follows to wit:

A parcel of land located within a portion of the Southeast one-quarter of the Southeast one-quarter of Section 26, Township 12 North, Range 19 East, MDM, Douglas County, Nevada, being more particularly described as follows:

BEGINNING at a point being the intersection of the Southwesterly right-of-way line of Foothill Road with the
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Northerly line of said Southeast one-quarter of the Southeast one-quarter of Section 26, which bears North 33°23'54" West, 1583.40 feet from the Southeast corner thereof; thence South 46°31'52" East, along said Southwesterly right-of-way line of Foothill Road, 120.00 feet; thence South 66°53'43" West, 360.00 feet; thence North 73°06'34" West, 188.27 feet; thence South 35°11'01" West, 44.41 feet to a point on the Westerly line of said Southeast one-quarter of the Southeast one-quarter of Section 26; thence North 00°02'02" West, along said Westerly line of the Southeast one-quarter of the Southeast one-quarter of Section 26, 206.08 feet to the Northwest corner thereof; thence South 89°54'57" East, 449.90 feet to the POINT OF BEGINNING.

Basis of Bearing, the South line of the Southeast one-quarter of said Section 26, as shown on the Record of Survey map for Budd Dressler, recorded in Book 4 of Maps at Page 50, on file at the Alpine County, California, Recorder's Office, (North 89°58'00" West).

Assessors Parcel No. 1219-26-002-012

"IN COMPLIANCE WITH NEVADA REVISED STATUTE 111.312, THE HEREIN ABOVE LEGAL DESCRIPTION WAS TAKEN FROM INSTRUMENT RECORDED JULY 17, 1995, BOOK 0795, PAGE 4540, AS FILE NO. 357097, RECORDED IN THE OFFICIAL RECORDS OF DOUGLAS COUNTY, STATE OF NEVADA."

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

2002 SEP 19 PM 3:21

LINDA SLATER
RECORDER

Woy
PAID *BE* DEPUTY

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