

620200475

This instrument was prepared by:
Bank of America
26 Executive Park #200
Irvine, CA 92614-6740

After recording return to:
Bank of America
275 S. Valencia Avenue
Brea, CA 92823
Account #: 68181000085399

**Real Estate Subordination Agreement
(Bank of America to Bank of America)**

This Real Estate Subordination Agreement ("Agreement") is executed as of 10/08/2002, by Bank of America, N.A., having an address of 26 Executive Park #200, Irvine, CA 92614-6740

("Subordinator"), in favor of Bank of America, N.A., having an address for notice purposes of 275 S. Valencia Avenue, Brea, CA 92823

("Bank of America").

Whereas, Subordinator is the owner and holder of, or creditor under, the indebtedness described in and secured by a security instrument (deed of trust, deed to secure debt or mortgage) dated 09/09/1999, executed by Bank Of America, N.A.

and which is recorded in Volume/Book 999, Page 4,577, and if applicable, Document Number 0477289, of the land records of Douglas County, NV, as same may have been or is to be modified prior hereto or contemporaneously herewith (the "Senior Lien"), encumbering the land described therein (said land and such improvements, appurtenances and other rights and interests regarding said land, if any, as are described in the Senior Lien being called herein collectively, the "Property"); and

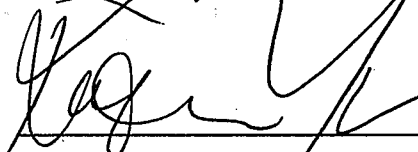
Whereas, Bank of America has been requested to make a loan, line of credit or other financial accommodation to William M. Knerr & Charna Knerr (jointly and severally, "Borrower"), to be secured by, without limitation, either a deed of trust, deed to secure debt or mortgage (the "Junior Lien"), covering without limitation, the Property and securing the

indebtedness described therein including the payment of a promissory note, line of credit agreement or other borrowing agreement made by Borrower and/or others payable to the order of Bank of America in the maximum principal face amount of \$ 358,000.00 (the "Principal Amount"), including provisions for acceleration and payment of collection costs (the "Obligation"); the Junior Lien and the Obligation to contain such other terms and provisions as Bank of America and Borrower shall determine; and

Now, Therefore, for valuable consideration, Subordinator hereby subordinates the Senior Lien to Bank of America's Junior lien, subject to the terms of this Agreement. The Subordinator's Senior Lien is subordinated to Bank of America's Junior Lien only to the extent of the principal Amount of the Obligation and any amounts advanced pursuant to the terms of the Obligation or the security instrument for the payment of insurance premiums, taxes, costs of collection, protection of the value of the property or Bank of America's rights in the Property or foreclosure. All other rights of Subordinator now or hereafter existing in or with respect to the Property (including but not limited to all rights and to proceeds of insurance and condemnation) are hereby subordinated, and are and shall remain completely and unconditionally subordinate, to the Junior Lien and the rights of Bank of America regardless of the frequency or manner of renewal, extension, consolidation or modification of the Junior Lien or the Obligation.

This Agreement shall inure to the benefit of the Subordinator and Bank of America and their respective successors and assigns, including any purchaser(s) (at foreclosure or otherwise) of the Property or any part thereof, and their respective successors and assigns.

Bank of America, N.A.

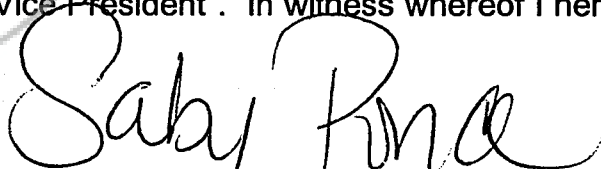

By: Katherine York Date: 10/08/2002
Its: Vice President

Bank of America Acknowledgment:

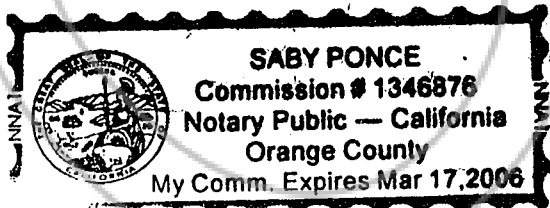
State/Commonwealth/District of California

County/City of Orange

On this the 8th day of October, before me, Saby Ponce
The undersigned officer, personally appeared Katherine York,
Who acknowledged him/herself to be the Vice President of Bank of America, N.A., and that (s)he, as such Katherine York,
Being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by him/herself as Vice President. In witness whereof I hereunto set my hand and official seal.



Signature of Person Taking Acknowledgment
Commission Expiration Date: 03/17/2006



COPY

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

2002 OCT 10 PM 3: 22

LINDA SLATER
RECORDER

\$ 16 PAID K DEPUTY

0554419

BK 1002 PG 04080