

020708553

Assessor Parcel No(s): 1220-12-000-001

**RECORDATION REQUESTED BY:**

Wells Fargo Bank Nevada, National Association  
Commercial Real Estate - North (Reno)  
MAC # S4649-023  
5340 Kietzke Lane, 2nd Floor  
Reno, NV 89511

**WHEN RECORDED MAIL TO:**

Wells Fargo Bank Nevada, National Association  
BBG-Boise Loan Operations Center, MAC#U1851-015  
Attn: Collateral Monitoring, PO Box 8203  
Boise, ID 83707-2203

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY



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**NOTICE: THIS SUBORDINATION OF DEED OF TRUST 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.**

**SUBORDINATION OF DEED OF TRUST**

**THIS SUBORDINATION OF DEED OF TRUST** dated December 18, 2002, is made and executed among The Gary L. Christy Separate Property Trust, The David and Linda Wesolowski Family Trust and The R. B. Klutz and Susan Kreuter Living Trust ("Beneficiary"); Western Title Company, Inc., a Nevada Corporation ("Trustee"); Pinion Ridge, LLC ("Borrower"); and Wells Fargo Bank Nevada, National Association ("Lender").

**SUBORDINATED INDEBTEDNESS.** Beneficiary has extended the following described financial accommodations (the "Subordinated Indebtedness") to Pinion Ridge LLC ("Trustor"):

a Note in the sum of \$150,000.00, dated July 31, 2002, in favor of Western Title Company, Inc., a Nevada Corporation.

**SUBORDINATED DEED OF TRUST.** The Subordinated Indebtedness is secured by a deed of trust dated July 31, 2002 from Trustor to Trustee in favor of Beneficiary (the "Subordinated Deed of Trust") recorded in Douglas County, State of Nevada as follows:

Recorded September 25, 2002 as Document No. 0552963 in Book 0902, Pages 8466-8468.

**REAL PROPERTY DESCRIPTION.** The Subordinated Deed of Trust covers the following described real property located in Douglas County, State of Nevada:

See See Attached Exhibit "A", which is attached to this Subordination and made a part of this Subordination as if fully set forth herein.

The Real Property or its address is commonly known as 1151 East Valley Road, Gardnerville, NV. The Real Property tax identification number is 1220-12-000-001

**REQUESTED FINANCIAL ACCOMMODATIONS.** Borrower, who may or may not be the same entity as Trustor, and Beneficiary each want Lender to provide financial accommodations to Borrower in the form of (A) new credit or loan advances, (B) an extension of time to pay or other compromises regarding all or part of Borrower's present indebtedness to Lender, or (C) other benefits to Borrower. Borrower and Beneficiary each represent and acknowledge to Lender that Beneficiary will benefit as a result of these financial accommodations from Lender to Borrower, and Beneficiary acknowledges receipt of valuable consideration for entering into this Subordination.

**LENDER'S LIEN.** As a condition to the granting of the requested financial accommodations, Lender has required that Lender's Lien be and remain superior to the Subordinated Deed of Trust.

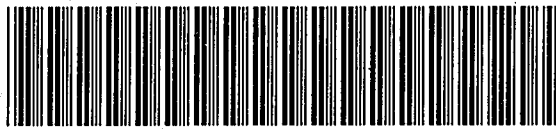
**NOW THEREFORE THE PARTIES TO THIS SUBORDINATION HEREBY AGREE AS FOLLOWS:**

**SUBORDINATION.** The Subordinated Deed of Trust and the Subordinated Indebtedness secured by the Subordinated Deed of Trust is and shall be subordinated in all respects to Lender's Lien and the Superior Indebtedness, and it is agreed that Lender's Lien shall be and remain, at all times, prior and superior to the lien of the Subordinated Deed of Trust. Beneficiary also subordinates to Lender's Lien all other Security Interests in the Real Property held by Beneficiary, whether now existing or hereafter acquired.

**BENEFICIARY'S REPRESENTATIONS AND WARRANTIES.** Beneficiary represents and warrants to Lender that: (A) no representations or agreements of any kind have been made to Beneficiary which would limit or qualify in any way the terms of this Subordination; (B) this Subordination is executed at Borrower's request and not at the request of Lender; (C) Lender has made no representation to Beneficiary as to the creditworthiness of Borrower; and (D) Beneficiary has established adequate means of obtaining from Borrower on a continuing basis information regarding Borrower's financial condition. Beneficiary agrees to keep adequately informed from such means of any facts, events, or circumstances which might in any way affect Beneficiary's risks under this Subordination, and Beneficiary further agrees that Lender shall have no obligation to disclose to Beneficiary information or material acquired by Lender in the course of its relationship with Borrower.

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**SUBORDINATION OF DEED OF TRUST  
(Continued)**

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**BENEFICIARY WAIVERS.** Beneficiary waives any right to require Lender: (A) to make, extend, renew, or modify any loan to Borrower or to grant any other financial accommodations to Borrower whatsoever; (B) to make any presentment, protest, demand, or notice of any kind, including notice of any nonpayment of any Superior Indebtedness secured by Lender's Lien, or notice of any action or nonaction on the part of Borrower, Lender, any surety, endorser, or other guarantor in connection with the Superior Indebtedness, or in connection with the creation of new or additional indebtedness; (C) to resort for payment or to proceed directly or at once against any person, including Borrower; (D) to proceed directly against or exhaust any collateral held by Lender from Borrower, any other guarantor, or any other person; (E) to give notice of the terms, time, and place of any public or private sale of personal property security held by Lender from Borrower or to comply with any other applicable provisions of the Uniform Commercial Code; (F) to pursue any other remedy within Lender's power; or (G) to commit any act or omission of any kind, at any time, with respect to any matter whatsoever.

**LENDER'S RIGHTS.** Lender may take or omit any and all actions with respect to Lender's Lien without affecting whatsoever any of Lender's rights under this Subordination. In particular, without limitation, Lender may, without notice of any kind to Beneficiary, (A) make one or more additional secured or unsecured loans to Borrower; (B) repeatedly alter, compromise, renew, extend, accelerate, or otherwise change the time for payment or other terms of the Superior Indebtedness or any part of it, including increases and decreases of the rate of interest on the Superior Indebtedness; extensions may be repeated and may be for longer than the original loan term; (C) take and hold collateral for the payment of the Superior Indebtedness, and exchange, enforce, waive, and release any such collateral, with or without the substitution of new collateral; (D) release, substitute, agree not to sue, or deal with any one or more of Borrower's sureties, endorsers, or guarantors on any terms or manner Lender chooses; (E) determine how, when and what application of payments and credits, shall be made on the Superior Indebtedness; (F) apply such security and direct the order or manner of sale of the security, as Lender in its discretion may determine; and (G) transfer this Subordination to another party.

**DEFAULT BY BORROWER.** If Borrower becomes insolvent or bankrupt, this Subordination shall remain in full force and effect. Any default by Borrower under the terms of the Subordinated Indebtedness also shall constitute an event of default under the terms of the Superior Indebtedness in favor of Lender.

**FACSIMILE AND COUNTERPART.** This document may be signed in any number of separate copies, each of which shall be effective as an original, but all of which taken together shall constitute a single document. An electronic transmission or other facsimile of this document or any related document shall be deemed an original and shall be admissible as evidence of the document and the signer's execution.

**MISCELLANEOUS PROVISIONS.** The following miscellaneous provisions are a part of this Subordination:

**Amendments.** This Subordination, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Subordination. No alteration of or amendment to this Subordination shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

**Attorneys' Fees; Expenses.** If Lender institutes any suit or action to enforce any of the terms of this Subordination, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. Beneficiary also will pay any court costs, in addition to all other sums provided by law. Fees and expenses shall include attorneys' fees that Lender, Trustee, or both incur, if either or both are made parties to any action to enjoin foreclosure or to any legal proceeding that Beneficiary institutes. The fees and expenses are secured by this Subordination and are recoverable from the Property.

**Authority.** The person who signs this Subordination as or on behalf of Beneficiary represents and warrants that he or she has authority to execute this Subordination and to subordinate the Subordinated Indebtedness and the Beneficiary's security interests in Borrower's property, if any.

**Caption Headings.** Caption headings in this Subordination are for convenience purposes only and are not to be used to interpret or define the provisions of this Subordination.

**Governing Law.** This Subordination will be governed by, construed and enforced in accordance with federal law and the laws of the State of Nevada. This Subordination has been accepted by Lender in the State of Nevada.

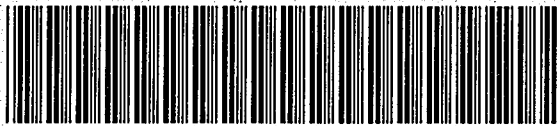
**Successors.** This Subordination shall extend to and bind the respective heirs, personal representatives, successors and assigns of the parties to this Subordination, and the covenants of Borrower and Beneficiary herein in favor of Lender shall extend to, include, and be enforceable by any transferee or endorsee to whom Lender may transfer any or all of the Superior Indebtedness.

**No Waiver by Lender.** Lender shall not be deemed to have waived any rights under this Subordination unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Subordination shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Subordination. No prior waiver by Lender, nor any course of dealing between Lender and Beneficiary, shall constitute a waiver of any of Lender's rights or of any of Beneficiary's obligations as to any future transactions. Whenever the consent of Lender is required under this Subordination, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

**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.**

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**SUBORDINATION OF DEED OF TRUST  
(Continued)**

Loan No: NEW

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EACH PARTY TO THIS SUBORDINATION ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS SUBORDINATION, AND EACH PARTY AGREES TO ITS TERMS. THIS SUBORDINATION IS DATED DECEMBER 18, 2002.

**BORROWER:**

PINION RIDGE, LLC

By: *Gregory W Painter*  
Gregory W Painter, Manager/Member of Pinion Ridge, LLC

JACK WHITE CUSTOM HOMES, Member of Pinion Ridge, LLC

By: *Jack White*  
Jack White, President of Jack White Custom Homes

**BENEFICIARY:**

THE GARY L. CHRISTY SEPARATE PROPERTY TRUST

By: *Gary L. Christy*  
Gary L. Christy, Trustee of The Gary L. Christy Separate Property Trust

THE DAVID AND LINDA WESOLOWSKI FAMILY TRUST

By: *David F. Wesolowski*  
David F. Wesolowski, Trustee of The David and Linda Wesolowski Family Trust

THE R. B. KLUTZ AND SUSAN KREUTER-LIVING TRUST

By: *R. B. Klutz*  
R. B. Klutz, Trustee of The R. B. Klutz and Susan Kreuter Living Trust

**TRUSTEE:**

WESTERN TITLE COMPANY, INC., A NEVADA CORPORATION

By: *DAVE ROBINSON*  
Authorized Signer for Western Title Company, Inc., a Nevada Corporation

**LENDER:**

X *ROBERT P. THOMAS*  
Authorized Officer

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CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

No. 5907

State of CALIFORNIA

County of FRESNO

On 12/18/02 before me, Brenda Smith, Notary Public

DATE

NAME, TITLE OF OFFICER - E.G., "JANE DOE, NOTARY PUBLIC"

personally appeared GARY L. CHRISTY & DAVID F. WESOLOWSKI

NAME(S) OF SIGNER(S)

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.

Brenda Smith

SIGNATURE OF NOTARY

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- INDIVIDUAL
- CORPORATE OFFICER

TITLE(S)

- PARTNER(S)
- LIMITED
- GENERAL

- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER: \_\_\_\_\_

SIGNER IS REPRESENTING:  
NAME OF PERSON(S) OR ENTITY(IES)

DESCRIPTION OF ATTACHED DOCUMENT

Subordination of Deed of Trust

TITLE OR TYPE OF DOCUMENT

Copy

NUMBER OF PAGES

12/18/02

DATE OF DOCUMENT

yes

SIGNER(S) OTHER THAN NAMED ABOVE

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NOTARY ACKNOWLEDGEMENT

STATE OF California )  
 )  
COUNTY OF San Luis Obispo )

On 12/19/02, 2002 before me, the undersigned, a Notary Public in and for said State, personally appeared

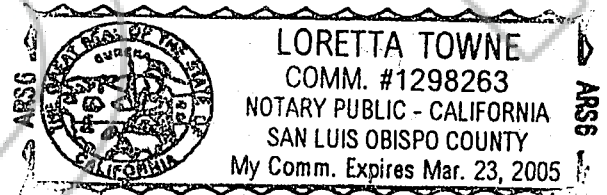
R.B. KEBUTTZ

~~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

*Loretta Towne*



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**SUBORDINATION OF DEED OF TRUST  
(Continued)**

Loan No: NEW

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**LIMITED LIABILITY COMPANY ACKNOWLEDGMENT**

STATE OF Nevada )

COUNTY OF Douglas )  
 ) SS  
 )

This instrument was acknowledged before me on 12/23/07 by Gregory W. Painter, Manager/Member of Pinion Ridge, LLC, as designated agent of Pinion Ridge, LLC.



[Signature]  
(Signature of notarial officer)  
Notary Public in and for State of NV

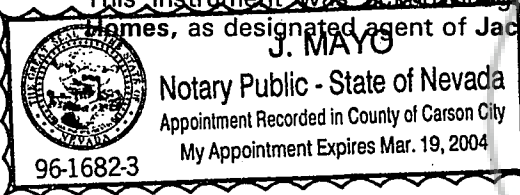
(Seal, if any)

**LIMITED LIABILITY COMPANY ACKNOWLEDGMENT**

STATE OF Nevada )

COUNTY OF Douglas )  
 ) SS  
 )

This instrument was acknowledged before me on 12/23/07 by Jack White, President of Jack White Custom Homes, as designated agent of Jack White Custom Homes.



[Signature]  
(Signature of notarial officer)  
Notary Public in and for State of NV

(Seal, if any)

**TRUST ACKNOWLEDGMENT**

STATE OF \_\_\_\_\_ )

COUNTY OF \_\_\_\_\_ )  
 ) SS  
 )

This instrument was acknowledged before me on \_\_\_\_\_ by Gary L. Christy, Trustee of The Gary L. Christy Separate Property Trust, as designated trustee of The Gary L. Christy Separate Property Trust.

see attached notary

\_\_\_\_\_  
(Signature of notarial officer)  
Notary Public in and for State of \_\_\_\_\_

(Seal, if any)

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**SUBORDINATION OF DEED OF TRUST  
(Continued)**

Loan No: NEW

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**TRUST ACKNOWLEDGMENT**

STATE OF \_\_\_\_\_ )

) SS

COUNTY OF \_\_\_\_\_ )

This instrument was acknowledged before me on \_\_\_\_\_ by David F. Wesolowski, Trustee of The David and Linda Wesolowski Family Trust, as designated trustee of The David and Linda Wesolowski Family Trust.

\_\_\_\_\_  
(Signature of notarial officer)

Notary Public in and for State of \_\_\_\_\_

*see attached notary*

(Seal, if any)

**TRUST ACKNOWLEDGMENT**

STATE OF \_\_\_\_\_ )

) SS

COUNTY OF \_\_\_\_\_ )

This instrument was acknowledged before me on \_\_\_\_\_ by R. B. Kluttz, Trustee of The R. B. Kluttz and Susan Kreuter Living Trust, as designated trustee of The R. B. Kluttz and Susan Kreuter Living Trust.

\_\_\_\_\_  
(Signature of notarial officer)

Notary Public in and for State of \_\_\_\_\_

*see attached notary*

(Seal, if any)

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**SUBORDINATION OF DEED OF TRUST  
(Continued)**

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**CORPORATE ACKNOWLEDGMENT**

STATE OF \_\_\_\_\_ )  
 ) SS  
COUNTY OF \_\_\_\_\_ )

This instrument was acknowledged before me on \_\_\_\_\_ by \_\_\_\_\_  
as designated agent(s) of Western Title Company, Inc., a Nevada Corporation.

*see attached*

\_\_\_\_\_  
(Signature of notarial officer)

Notary Public in and for State of \_\_\_\_\_

(Seal, if any)

**LENDER ACKNOWLEDGMENT**

STATE OF Nevada )  
 ) SS  
COUNTY OF Douglas )

This instrument was acknowledged before me on 12/23/02 by Robert P. Thomas  
as designated agent of Wells Fargo Bank Nevada, National Association.



*J. Mayo*  
(Signature of notarial officer)  
Notary Public in and for State of \_\_\_\_\_

(Seal, if any)



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LEGAL DESCRIPTION

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

The North one-half of Section 12, Township 12 North, Range 20 East, M.D.B.&M.

EXCEPT THEREFROM a parcel of land being a portion of the Northwest 1/4 of Section 12, Township 12 North, Range 20 East, M.D.B.&M., situated in Douglas County, State of Nevada, described as follows:

BEGINNING at a B.L.M. brass cap, marking the East 1/4 corner of said Section 12; thence North  $89^{\circ}53'54''$  West 2,647.33 feet to the True Point of Beginning, marked by an iron pipe tagged RLS 3519. Thence from said True Point of Beginning North  $89^{\circ}54'09''$  West 2,643.01 feet to the center line of East Valley Road; thence along said center line North  $0^{\circ}06'27''$  East 1,100.00 feet to a point; thence South  $89^{\circ}53'33''$  East 340.00 feet to a point; thence South  $50^{\circ}05'13''$  East 130.00 feet to a point; thence North  $48^{\circ}55'38''$  East 126.40 feet to a point; thence South  $89^{\circ}53'33''$  East 276.88 feet to a point; thence South  $48^{\circ}30'00''$  East 571.35 feet to a point; thence North  $41^{\circ}30'00''$  East 280.00 feet to a point; thence North  $48^{\circ}30'00''$  West 380.00 feet to a point; thence North  $25^{\circ}30'00''$  East 225.00 feet to a point; thence North  $49^{\circ}00'00''$  East 200.00 feet to a point; thence North  $77^{\circ}00'00''$  East 160.00 feet to a point; thence South  $55^{\circ}00'00''$  East 150 feet to a point; thence North  $83^{\circ}00'00''$  East 313.99 feet to a point; thence North  $7^{\circ}00'00''$  West 109.54 feet to a point; thence North  $83^{\circ}00'00''$  East 468.57 feet to a point; thence South  $9^{\circ}30'00''$  East 1,165.00 feet to a point of curvature; thence along a circular curve to the right, having a radius of 1,350 feet and a central angle of  $9^{\circ}36'06''$  a distance of 226.23 feet to a point of tangency; thence South  $0^{\circ}06'06''$  West 300.00 feet to the True Point of Beginning.

Assessors Parcel No. 1220-12-000-001

"IN COMPLIANCE WITH NEVADA REVISED STATUTE 111.312, THE HEREIN ABOVE LEGAL DESCRIPTION WAS TAKEN FROM INSTRUMENT RECORDED SEPTEMBER 25, 2002, BOOK 0902, PAGE 8451, AS FILE NO. 552962, RECORDED IN THE OFFICIAL RECORDS OF DOUGLAS COUNTY, STATE OF NEVADA."

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BK 1202 PG 10675

STATE OF NEVADA

} s.s.

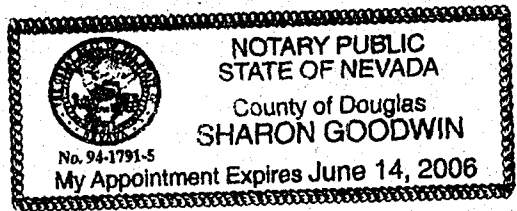
COUNTY OF DOUGLAS

This instrument was acknowledged before me on

December 23, 2002

by DAVE ROBINSON, SR VICE PRESIDENT WESTERN  
TITLE COMPANY INC

[Signature]  
Notary Public



(This area for official notarial seal)

**COOPER**

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

2002 DEC 23 PM 4: 12

LINDA SLATER  
RECORDER

\$ 23<sup>00</sup> PAID [Signature] DEPUTY

0561811

BK 1202 PG 10676

08929912/23/02