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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 19th day of June, 2003 ,by

Peter J. Rino and Sherry L. Rino, husband and wife, as Joint Tenants
owner of the land hereinafter described and hereinafter referred to as "Owner," and

Western Nevada HOME Consortium (Lyon County As Lead Agency)

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

WITNESSETH

THAT WHEREAS, Peter J. Rino and Sherry L. Rino did execute a deed of trust, dated November 1, 2001, to Stewart Title of Douglas County, as trustee, covering:

Lot 65, as shown on the map of GARDNERVILLE RANCHOS UNIT NO. 7, filed for record in the office of the County Recorder of Douglas county, Nevada, on March 27, 1974, as Document No. 72456

to secure a note in the sum of \$25,000.00 dated, November 1, 2001, in favor of Western Nevada HOME Consortium (Lyon County as Lead Agency) which deed of trust was recorded October 29, 2001, and re-recorded April 4, 2002 , 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 \$120,500.00 dated in favor of Wells Fargo Home Mortgage, 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 hereinbefore 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 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

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supersede and cancel, but only insofar as would affect the priority between the deeds of trust hereinbefore specifically described, any prior agreement as to such subordination including, but not limited to, those provision, 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

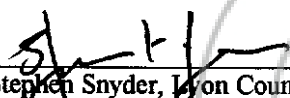
(a) He consents to and approves (i) all provisions of the note and deed of trust in favor of Lender above referred to, and (ii) all agreements, including but not limited to any loan or escrow agreements, between Owner and Lender for the disbursement of the proceeds of Lender's loan;

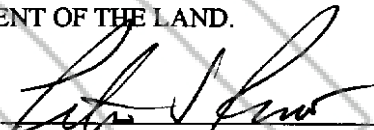
(b) Lender in making disbursements pursuant to any such agreement is under no obligation or duty to, or has Lender represented that it will, see to the application of such proceeds by the person or persons to whom Lender disburses such proceeds and any application or use of such proceeds for purposes other than those provided for in such agreement or agreements shall not defeat the subordination herein made in whole or in part;

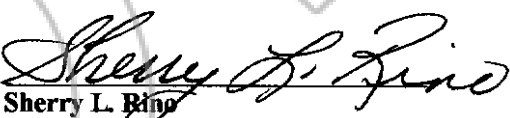
(c) He intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of the deed of trust first above mentioned in favor of the lien or charge upon said land of the deed of trust in favor of Lender above referred to and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination specific loans and advances are being and will be made and, as part and parcel thereof, specific monetary and other obligations 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.

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.


BY: Stephen Snyder, Lyon County Manager
Western Nevada HOME Consortium
(Lyon County as Lead Agency)
Beneficiary


Peter J. Rino


Sherry L. Rino

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

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

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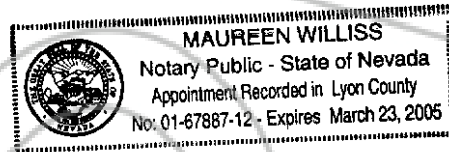
STATE OF NEVADA)

County of Lyon)

On this 24th Day of June, 2003, personally appeared before me a Notary Public in and for Lyon County, State of Nevada, Stephen F Snyder known to me to be the person as described in and who executed the foregoing instrument, who acknowledged to me that he ~~is~~ executed the same freely and voluntarily and for the uses and purposes therein mentioned.

WITNESS MY HAND AND OFFICIAL SEAL.

Maureen Willis
Notary Public



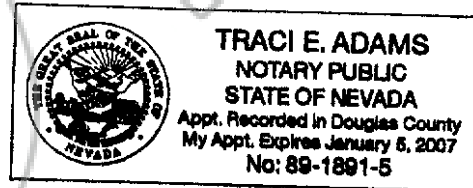
STATE OF NEVADA)

County of Douglas)

On this 26th day of June, 2003, personally appeared before me a Notary Public in and for Douglas County, State of Nevada, Peter J. Rino Sherry L. Rino known to me to be the person s described in and who executed the foregoing instrument, who acknowledged to me that they executed the same freely and voluntarily and for the uses and purposes therein mentioned.

WITNESS my hand and official seal.

Traci E. Adams
Notary Public



REQUESTED BY
Stewart Title of Douglas County

IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2003 JUN 27 PM 3:42

WERNER CHRISTEN
RECORDER

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