

OFFICIAL RECORD

Requested By:

STEWART TITLE OF DOUGLAS

COUNTY

Douglas County - NV

Werner Christen - Recorder

Page: 1 Of 7 Fee: 20.00

BK-1106 PG- 1445 RPTT: 0.00



*2ND*

RECORDING REQUESTED BY:

State of Nevada Dept. of Transportation  
Right-of-Way Division  
Attn: J. Darden  
1263 S. Stewart St.  
Carson City, NV 89712

WHEN RECORDED MAIL TO:

Deer Run Investments, LLC  
3384 Peachtree Road, Suite 375  
Atlanta, GA 30326

Escrow No. 060701115

**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 14th day of July, 2006, by Robert A. Keller, III, as Trustee of The Robert A. Keller, III Trust (uad February 20, 2000) owner of the land hereinafter described and hereinafter referred to as "Owner" and Deer Run Investments, LLC., a Georgia limited liability company present owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "Beneficiary";

WITNESSETH

THAT WHEREAS, Robert A. Keller, III, Trustee did execute a deed of trust, dated January 13, 2006, to Stewart Title of Douglas County, as trustee, covering:

See Exhibit "A"

to secure a note in the sum of \$300,000.00, dated January 13, 2006, in favor of Deer Run Investments, LLC, a Georgia limited liability company, which deed of trust was recorded January 13, 2006, in book 0106, page 4948, document no. 665755, Official Records of Douglas County; and

WHEREAS, Owner has executed, or is about to execute, an EASEMENT DEED in favor of the STATE OF NEVADA, acting by and through its Department of Transportation, hereinafter referred to as "State," subject to the terms and conditions contained within said Easement Deed, which is to be recorded concurrently herewith; and

WHEREAS, it is a condition precedent to the execution, deliver and acceptance of the Easement Deed last above mentioned, that said Easement Deed 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, State is willing to accept said Easement Conveyance provided the Deed conveying the Easement 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 Easement Deed in favor of State; and

WHEREAS, it is to the mutual benefit of the parties hereto that State accept such conveyance of an Easement Deed executed by the Owner; and Beneficiary is willing that the Easement Deed referencing and describing the conveyance of an easement right-of-way 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 State to accept the conveyance of an Easement Deed above referred to, it is hereby declared, understood and agreed as follows:

- (1) That said conveyance of an Easement Deed in favor of State 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 State would not enter into the agreement to accept the conveyance of a right-of-way 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 Easement Deed in favor of State above referred to and shall supersede and cancel, but only insofar as would affect the priority between the deed of trust and Easement Deed hereinbefore 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 conveyance of a right-of-way.

Beneficiary declares, agrees and acknowledges that

(a) He consents to and approves (i) all provisions of the agreement providing for a conveyance of an Easement Deed in favor of State above referred to, and (ii) all agreements, including but not limited to any compensation agreement between Owner and State for the acquisition and conveyance of the Easement Deed;

(b) State in making disbursements pursuant to any such agreement is under no obligation or duty to, nor has State represented that it will, see to the application of such proceeds by the person or persons to whom State 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 Easement Deed in favor of State above referred to and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination specific compensation is 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 Easement Deed in favor of State above referred to.

NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO CONVEY A RIGHT-OF-WAY TO THE STATE OF NEVADA, WHICH WILL BECOME A PRIORITY INTEREST OVER AND ABOVE YOUR INTEREST IN THE LAND OFFERED FOR SECURITY OF YOUR LOAN.

Beneficiary  
Deer Run Investments, LLC,  
A Georgia limited liability Company

BY: 

M. Douglas

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

Owner

\_\_\_\_\_  
Robert A. Keller, III, Trustee

Beneficiary declares, agrees and acknowledges that

(a) He consents to and approves (i) all provisions of the agreement providing for a conveyance of an Easement Deed in favor of State above referred to, and (ii) all agreements, including but not limited to any compensation agreement between Owner and State for the acquisition and conveyance of the Easement Deed;

(b) State in making disbursements pursuant to any such agreement is under no obligation or duty to, nor has State represented that it will, see to the application of such proceeds by the person or persons to whom State 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 Easement Deed in favor of State above referred to and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination specific compensation if it were made on part and parcel thereof, specific monetary and other of would not be made or entered into but and subordination; and

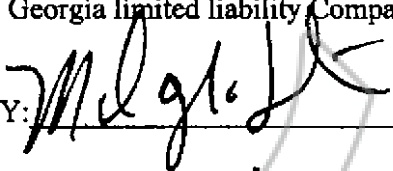
(d) An endorsement has been plac above mentioned that said deed of tru lien or charge of the Easement Deed in

NOTICE: THIS SUBORDINATI WHICH ALLOWS THE PERSON SECURITY TO CONVEY A RIG WHICH WILL BECOME A PRIOR INTEREST IN THE LAND OFFERE

<p><b>Important</b></p> <p>Please Sign your name in ink exactly as it is typewritten, and Acknowledge this document in the presence of a Notary Public. Please be sure to leave a clear 1 inch margin surrounding the Document. Failure to comply may cause additional charges with the County Recorder.</p>
<p><b>Attention Notary Public</b></p> <p>Your Notary Seal, embossed or stamped, must be printed in its entirety and must not obscure any printed matter on this document. Failure to comply may cause rejection by the County Recorder. Please check the clarity of the Notary Seal, as a blurred Notary will cause your document to be unrecordable.</p>

Beneficiary  
Deer Run Investments, LLC,  
A Georgia limited liability Company

BY:

  
M. Douglas

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

Owner

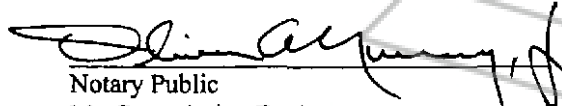
  
Robert A. Keller, III, Trustee

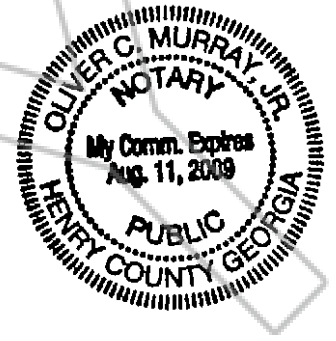


STATE OF GEORGIA )  
 )ss.  
COUNTY OF HENRY )

This instrument was acknowledged before me on JULY 14, 2006 by

M. Douglas Ivester of Deer Run Investments, LLC, a Georgia limited liability company

  
Notary Public  
My Commission Expires: \_\_\_\_\_



STATE OF NEVADA )  
 )ss.  
COUNTY OF DOUGLAS )

This instrument was acknowledged before me on \_\_\_\_\_, 2006 by

Robert A. Keller, III, Trustee

\_\_\_\_\_  
Notary Public  
My Commission Expires: \_\_\_\_\_

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

(SUBORDINATION FORM LOAN TO EASEMENT)

STATE OF GEORGIA )  
 )ss.  
COUNTY OF HENRY )

This instrument was acknowledged before me on July 14, 2006 by

M. Douglas Ivester of Deer Run Investments, LLC, a Georgia limited liability company

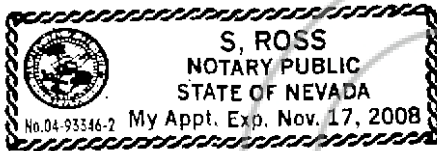
  
Notary Public  
My Commission Expires: \_\_\_\_\_



STATE OF NEVADA )  
 )ss.  
COUNTY OF DOUGLAS )

This instrument was acknowledged before me on 10.17, 2006 by

Robert A. Keller, III, Trustee



  
Notary Public  
My Commission Expires: 11.17.08

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

(SUBORDINATION FORM LOAN TO EASEMENT)



**EXHIBIT "A"  
LEGAL DESCRIPTION**

Order No.: 060701115

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

**PARCEL 1:**

Lot 1, as shown on the Map of Cedarbrook Subdivision, filed  
in the Office of the County Recorder of Douglas County,  
Nevada on November 2, 1964, as Document No. 26423.

Except Therefrom any portion of the above described Parcel  
1 lying within the bed of Lake Tahoe below the line of  
natural ordinary high water and also excepting any  
artificial accretions to the land waterward of the line of  
natural ordinary high water or, if lake level has been  
artificially lowered, excepting any portion lying below an  
elevation of 6,223.00 feet, Lake Tahoe Datum established by  
NRS 321.595.

APN 1418-22-510-001

**PARCEL 2:**

Together with a non-exclusive access and retaining Wall  
Easement affecting a portion of Lot 2 of the hereinabove  
mentioned subdivision as granted to Eugene R. White and  
Lorraine C. White, Trustees of the Eugene R. White Family  
Trust, dated December 9, 1988, in instrument recorded  
January 9, 1991 in Book 191 as Page 886 as Document No.  
242518.

"IN COMPLIANCE WITH NEVADA REVISED STATUTE 111.312, THE  
HEREIN ABOVE LEGAL DESCRIPTION WAS TAKEN FROM INSTRUMENT  
RECORDED MARCH 9, 2001, BOOK 0301, PAGE 2216, AS FILE NO.  
0510114, RECORDED IN THE OFFICIAL RECORDS OF DOUGLAS  
COUNTY, STATE OF NEVADA."