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08/20/2009 02:39 PM Deputy: GB

APN: 1418-11-110-001

OFFICIAL RECORD  
Requested By:  
TSI TITLE & ESCROW

WHEN RECORDED, MAIL TO:

Patrick K. Willis  
P.O. Box 1144  
Sacramento, CA 95812

Douglas County - NV  
Karen Ellison - Recorder  
Page: 1 of 15 Fee: 28.00  
BK-0809 PG- 4686 RPTT: 0.00



The undersigned hereby affirms that this document, including any exhibits, submitted for recording does not contain the social security number of any person or persons. (Per NRS 239B.030)

**SUBORDINATION AGREEMENT**

**NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN A LATER RECORDED EASEMENT AND MAINTENANCE AGREEMENT.**

THIS SUBORDINATION AGREEMENT ("Agreement") is made as of this 20 day of August, 2008, by Edwin James Vallier, Jr. and Jacqueline L. Vallier, as Trustees of the Edwin James Vallier, Jr. and Jacqueline L. Vallier Revocable Living Trust, as amended the 15<sup>th</sup> day of August, 2007 ("Owner"); Sherry McManus, a \_\_\_\_\_ woman, Keith A. and Dana M. Novotny, Trustees of the Keith A. and Dana M. Novotny Living Trust 2000 Agreement, Michael J. Sigala, a \_\_\_\_\_ man, Annabelle A. Tillinghast, ITF Wayne E. Snyder and Douglas S. Snyder (collectively "Beneficiary"), present owner and holder of the deed of trust and note hereinafter described; and Patrick K. Willis, as trustee of the Patrick K. Willis Family Trust dated March 28, 2000 and Paul P. Flynn (collectively "Easement Holder"); with reference to the following facts and is as follows:

**RECITALS:**

A. Owner executed a deed of trust (the "Deed of Trust") dated February 29, 2008, to Stewart Title of Nevada -- Western Division, as trustee, for the benefit of Beneficiary, encumbering all that certain real property (the "Property") situate in Douglas County, State of Nevada, described in **Exhibit "A"** attached hereto and by this reference incorporated herein (the "Property"), to secure a note (the "Note") in the original principal amount of THREE

HUNDRED THOUSAND DOLLARS AND NO/100THS (\$300,000.00), in favor of Beneficiary, which Deed of Trust was recorded March 3, 2008, as Document No. 718969, Official Records of said county.

B. Subsequent to the recording of the Deed of Trust, Owner and Easement Holder caused to be recorded on August 20TH, 2008, as Document No. 749221 of said official records, an instrument entitled "Utilities Easement" ("Easement Grant") encumbering a portion of the Property.

C. The parties hereto desire that the Deed of Trust be subordinated to the rights created by the Easement Grant and that the Easement Grant become, and at all times remain senior in priority to, the Deed of Trust.

D. It is the mutual benefit of all parties that the Easement Grant be unconditionally prior and superior to the lien or charge of the Deed of Trust.

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, it is hereby declared, understood and agreed as follows:

- (1) That the Deed of Trust is hereby unconditionally subordinated to the Easement Grant and that the Easement Grant is by this Subordination Agreement, and shall remain at all times, an encumbrance on the Property prior and superior to the lien or charge of the Deed of Trust.
- (2) An endorsement has been placed upon the Note that the Deed of Trust has by this Subordination Agreement been subordinated to the Easement Grant.

This Subordination Agreement may be signed in any number of counterpart originals, all of which shall constitute one document.

[Signature page follows.]

THIS DOCUMENT IS BEING EXECUTED IN COUNTERPART FOR THE PURPOSE OF OBTAINING SIGNATURES.

IN WITNESS WHEREOF, this Subordination Agreement is made as of the date first above written.

**OWNER:**

*Edwin James Vallier, Jr.*

Edwin James Vallier, Jr., as Trustee of the Edwin James Vallier, Jr. and Jacqueline L. Vallier Revocable Living Trust, as amended the 15<sup>th</sup> day of August, 2007

*Jacqueline L. Vallier*

Jacqueline L. Vallier, as Trustee of the Edwin James Vallier, Jr. and Jacqueline L. Vallier Revocable Living Trust, as amended the 15<sup>th</sup> day of August, 2007

**BENEFICIARY:**

Sherry McManus

Keith A. Novotny, Trustee of the Keith A. and Dana M. Novotny Living Trust 2000 Agreement

Dana M. Novotny, Trustee of the Keith A. and Dana M. Novotny Living Trust 2000 Agreement

Michael J. Sigala

Annabelle A. Tillinghast, ITF Wayne E. Snyder and Douglas S. Snyder

**EASEMENT HOLDER:**



Patrick K. Willis, Trustee of the Patrick K. Willis Family Trust dated March 28, 2000

Paul P. Flynn

**COPY**

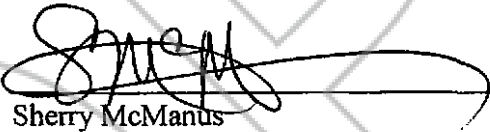
IN WITNESS WHEREOF, this Subordination Agreement is made as of the date first above written.

**OWNER:**

\_\_\_\_\_  
Edwin James Vallier, Jr., as Trustee of the Edwin James Vallier, Jr. and Jacqueline L. Vallier Revocable Living Trust, as amended the 15<sup>th</sup> day of August, 2007

\_\_\_\_\_  
Jacqueline L. Vallier, as Trustee of the Edwin James Vallier, Jr. and Jacqueline L. Vallier Revocable Living Trust, as amended the 15<sup>th</sup> day of August, 2007

**BENEFICIARY:**

  
\_\_\_\_\_  
Sherry McManus

\_\_\_\_\_  
Keith A. Novotny, Trustee of the Keith A. and Dana M. Novotny Living Trust 2000 Agreement

\_\_\_\_\_  
Dana M. Novotny, Trustee of the Keith A. and Dana M. Novotny Living Trust 2000 Agreement

**Klein Defined Benefit Plan**

**BY:** \_\_\_\_\_  
**ITS:** \_\_\_\_\_

\_\_\_\_\_  
Annabelle A. Tillinghast, ITF Wayne E. Snyder and Douglas S. Snyder

IN WITNESS WHEREOF, this Subordination Agreement is made as of the date first above written.

**OWNER:**

Edwin James Vallier, Jr., as Trustee of the Edwin James Vallier, Jr. and Jacqueline L. Vallier Revocable Living Trust, as amended the 15<sup>th</sup> day of August, 2007

Jacqueline L. Vallier, as Trustee of the Edwin James Vallier, Jr. and Jacqueline L. Vallier Revocable Living Trust, as amended the 15<sup>th</sup> day of August, 2007

**BENEFICIARY:**

Sherry McManus

*[Handwritten Signature]*

Keith A. Novotny, Trustee of the Keith A. and Dana M. Novotny Living Trust 2000 Agreement

*[Handwritten Signature]*

Dana M. Novotny, Trustee of the Keith A. and Dana M. Novotny Living Trust 2000 Agreement

**Klein Defined Benefit Plan**

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

Annabelle A. Tillinghast, ITF Wayne E. Snyder and Douglas S. Snyder

IN WITNESS WHEREOF, this Subordination Agreement is made as of the date first above written.

**OWNER:**

\_\_\_\_\_  
Edwin James Vallier, Jr., as Trustee of the Edwin James Vallier, Jr. and Jacqueline L. Vallier Revocable Living Trust, as amended the 15<sup>th</sup> day of August, 2007

\_\_\_\_\_  
Jacqueline L. Vallier, as Trustee of the Edwin James Vallier, Jr. and Jacqueline L. Vallier Revocable Living Trust, as amended the 15<sup>th</sup> day of August, 2007

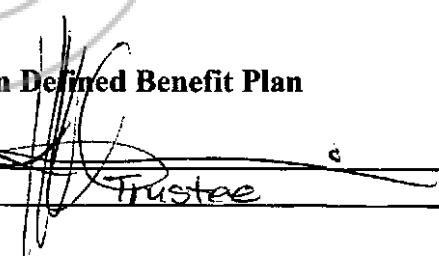
**BENEFICIARY:**

\_\_\_\_\_  
Sherry McManus

\_\_\_\_\_  
Keith A. Novotny, Trustee of the Keith A. and Dana M. Novotny Living Trust 2000 Agreement

\_\_\_\_\_  
Dana M. Novotny, Trustee of the Keith A. and Dana M. Novotny Living Trust 2000 Agreement

**Klein Defined Benefit Plan**

BY:  \_\_\_\_\_  
ITS: Trustee \_\_\_\_\_

\_\_\_\_\_  
Annabelle A. Tillinghast, ITF Wayne E. Snyder and Douglas S. Snyder

IN WITNESS WHEREOF, this Subordination Agreement is made as of the date first above written.

**OWNER:**

\_\_\_\_\_  
Edwin James Vallier, Jr., as Trustee of the Edwin James Vallier, Jr. and Jacqueline L. Vallier Revocable Living Trust, as amended the 15<sup>th</sup> day of August, 2007

\_\_\_\_\_  
Jacqueline L. Vallier, as Trustee of the Edwin James Vallier, Jr. and Jacqueline L. Vallier Revocable Living Trust, as amended the 15<sup>th</sup> day of August, 2007

**BENEFICIARY:**

\_\_\_\_\_  
Sherry McManus

\_\_\_\_\_  
Keith A. Novotny, Trustee of the Keith A. and Dana M. Novotny Living Trust 2000 Agreement

\_\_\_\_\_  
Dana M. Novotny, Trustee of the Keith A. and Dana M. Novotny Living Trust 2000 Agreement

**Klein Defined Benefit Plan**

**BY:** \_\_\_\_\_  
**ITS:** \_\_\_\_\_

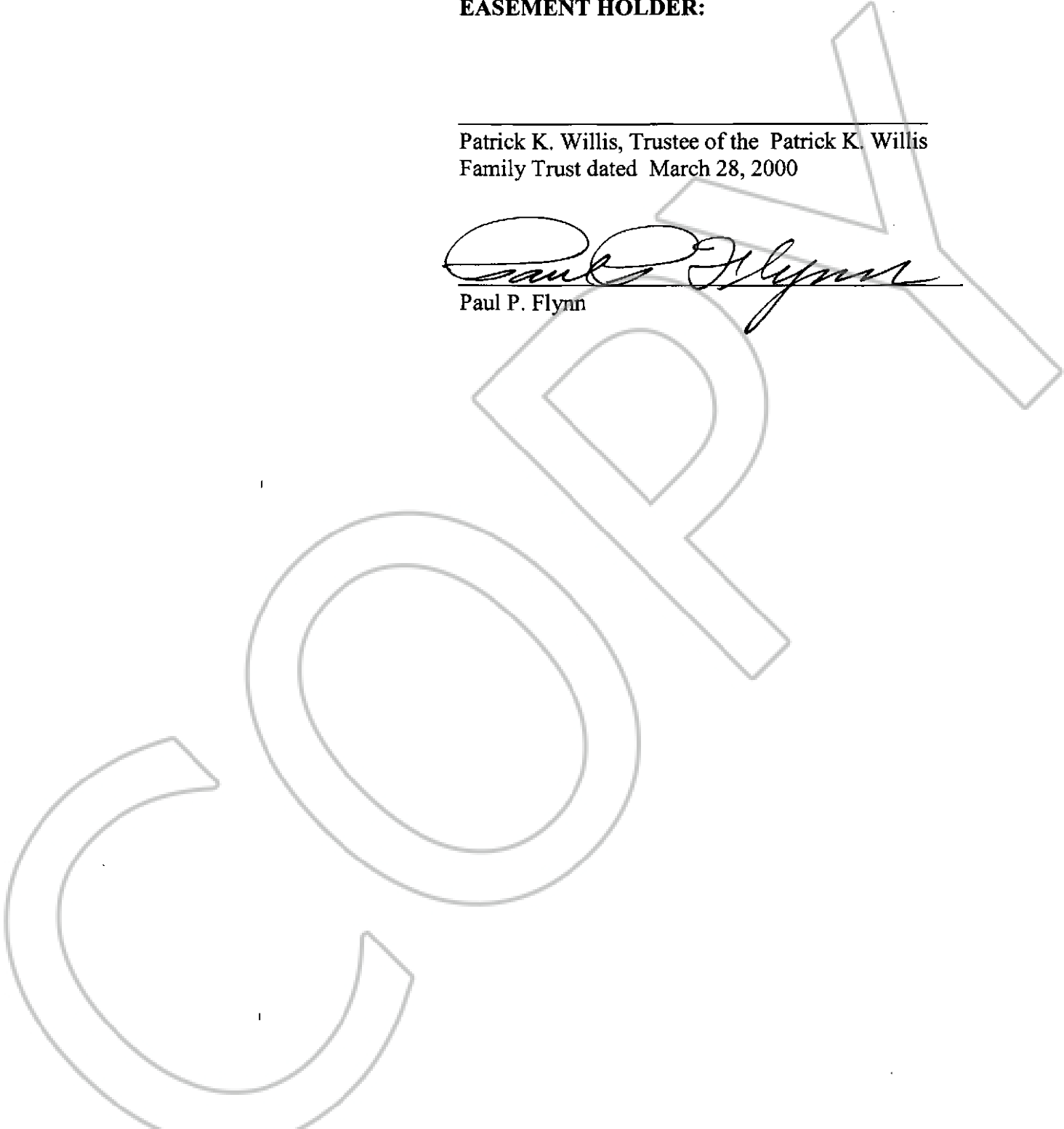
*Annabelle A. Tillinghast*  
Annabelle A. Tillinghast, ITF Wayne E. Snyder and Douglas S. Snyder



**EASEMENT HOLDER:**

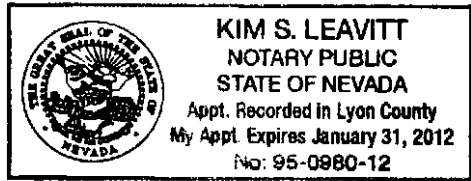
Patrick K. Willis, Trustee of the Patrick K. Willis  
Family Trust dated March 28, 2000

  
Paul P. Flynn



STATE OF Nevada )  
 )  
County of Douglas )

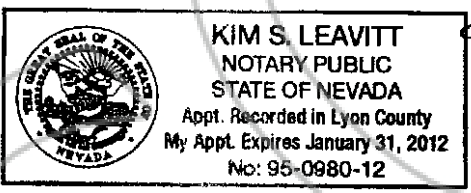
This instrument was acknowledged before me on Sept 18, 2008, by Edwin James Vallier, Jr., as Trustee of the Edwin James Vallier, Jr. and Jacqueline L. Vallier Revocable Living Trust, as amended the 15<sup>th</sup> day of August, 2007.



[Signature]  
Notary Public  
My Commission Expires: 1-31-2012

STATE OF Nevada )  
 )  
County of Douglas )

This instrument was acknowledged before me on Sept. 18, 2008, by Jacqueline L. Vallier, as Trustee of the Edwin James Vallier, Jr. and Jacqueline L. Vallier Revocable Living Trust, as amended the 15<sup>th</sup> day of August, 2007.



[Signature]  
Notary Public  
My Commission Expires: 1-31-2012

STATE OF NEVADA )  
County of Douglas )

This instrument was acknowledged before me on 12-30-08, 2008, by Sherry McManus.



**MIKE SIGALA**  
NOTARY PUBLIC  
STATE OF NEVADA  
My Commission Expires 04-01-2012  
Commission No. 04-88080-5

[Signature]  
Notary Public  
My Commission Expires: 4-1-12

STATE OF NEVADA )  
County of Douglas )

This instrument was acknowledged before me on 12-30-08, 2008, by Keith A. Novotny, as Trustee of the Keith A. and Dana M. Novotny Living Trust 2000 Agreement.



**MIKE SIGALA**  
NOTARY PUBLIC  
STATE OF NEVADA  
My Commission Expires 04-01-2012  
Commission No. 04-88080-5

[Signature]  
Notary Public  
My Commission Expires: 4-1-12

STATE OF NEVADA )  
County of Douglas )

This instrument was acknowledged before me on 12-30-08, 2008, by Dana M. Novotny, as Trustee of the Keith A. and Dana M. Novotny Living Trust 2000 Agreement.



[Signature]  
Notary Public  
My Commission Expires: 4-1-12

STATE OF NEVADA )  
County of DOUGLAS )

This instrument was acknowledged before me on 12/22, 2008, by KEITH K. KLEIN for Klein Defined Benefit Plan.



[Signature]  
Notary Public  
My Commission Expires: 4/1/12



STATE OF Nevada )  
County of Douglas )

This instrument was acknowledged before me on 12-22-08, 2008, by Annabelle A. Tillinghast, ITF Wayne E. Snyder and Douglas S. Snyder.



**MIKE SIGALA**  
**NOTARY PUBLIC**  
**STATE OF NEVADA**  
My Commission Expires 04-01-2012  
Commission No. 04-88020-5

[Signature]  
Notary Public  
My Commission Expires: 4-1-12

STATE OF \_\_\_\_\_ )  
County of \_\_\_\_\_ )

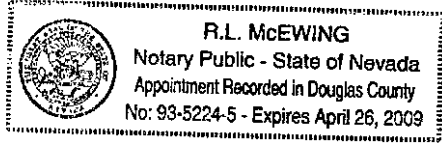
This instrument was acknowledged before me on \_\_\_\_\_, 2008, by Patrick K. Willis, as Trustee of the Willis Family Trust dated March 28, 2000.

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



STATE OF Nevada )  
County of Douglas )

This instrument was acknowledged before me on 8-26-08, 2008, by Paul P. Flynn.



*[Handwritten Signature]*  
\_\_\_\_\_  
Notary Public

My Commission Expires: 4-26-09

*[Large Faint Watermark: COOPER]*

**Exhibit "A"  
Legal Description**

The land referred to in this report is situated in the State of Nevada, County of Douglas, and is described as follows:

**Parcel 1**

Lot 12 Block A as shown on the final map of GLENBROOK UNIT NO. 3 filed June 13, 1980, in Map Book 680, Page 1269, of Official Records of Douglas County, Nevada

Said Lands are set forth on Record of Survey recorded March 4, 1991 in book 391 of Official Records, at Page 379, Douglas County, Nevada as Document No. 245941

**Parcel 2**

The Right to use the roads of the Glenbrook Company in accordance with the grant Contained in the Deed from the Glenbrook Company to Henry Quill recorded January 15, 1938 in Book U of Deeds, Page 574, Douglas County Records