

OFFICIAL RECORD

Requested By:

LYNN/TOWSE

A.P.N. 1220-17-615-011

Douglas County - NV
Karen Ellison - Recorder

RECORDING REQUESTED BY:

Page: 1 Of 3 Fee: 16.00
BK-0710 PG- 3518 RPTT: 0.00



AND WHEN RECORDED, MAIL TO:

Lynn & Towse

1222 Bobwire Lane

Gardnerville, NV 89460

THIS SPACE FOR RECORDER'S USE ONLY

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 July 14, 2010 by Gregory C. Lynn and Suzanne Towse, Trustees of the 1995 Gregory C. Lynn Suzanne Towse Trust Agreement dated May 16, 1995, owner of the land hereinafter described and hereinafter referred to as "Owner", and Gregory C. Lynn, an unmarried man, present owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "Beneficiary":

WITNESSETH

THAT WHEREAS, Owner has executed a deed of trust, dated February 3, 2009, to Northern Nevada Title Company, a Nevada corporation, as trustee,

to secure a note in the sum of \$123,485.80, dated February 3, 2009, in favor of Beneficiary, which deed of trust was recorded on February 6, 2009 in Book 209, Official Records, Page 1303, as Document No. 737235; and

WHEREAS, Owner has executed, or is about to execute, a deed of trust and note in the sum of \$500,000.00, dated April 27, 2004, in favor of, hereinafter referred to as "Lender," payable with interest and upon the terms and conditions described therein, which deed of trust recorded on April 27, 2004, in Book 0704, Official Records, Page 06445, as Document No. 0618963; and

A Notice of Advance under Deed of Trust, in the amount of ONE HUNDRED THOUSAND AND 00/100, (\$100,000.00), recorded on March 23, 2006, in Book 0306, at Page 8471, as Document No. 0670640, in the office of the County Recorder of Douglas, Nevada, and

An Assignment of Deed of Trust assigns, and transfers to Hildegard C. Bruni, Trustee of the A & H Bruni Trust dated September 12, 2007 recorded on September 25, 2007, in Book 0907, at Page 5770, as Document No. 0709907, in the office of the County Recorder of Douglas, Nevada, and

A Notice of Advance under Deed of Trust, in the amount of TWO HUNDRED THOUSAND AND 00/100, (\$200,000.00), recorded on September 25, 2007, in Book 0907, at Page 5772, as Document No. 0709908, in the office of the County Recorder of Douglas, Nevada, and

WHEREAS, it is a condition precedent to obtaining said loan from Lender 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 upon the land hereinbefore described, prior and superior to the lien or charge of the deed of trust first above mentioned;
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 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 Lender would not make its loan above described without this subordination agreement.
- (3) That this agreement shall supersede and cancel those provisions, if any, contained in any and all other agreements, including but not limited to the deed of trust first above mentioned, second loan or escrow agreements between the parties hereto, with regard to the subordination of the lien or charge of the deed of trust first above mentioned to the lien or charge of said deed of trust in favor of Lender, which provisions are inconsistent or contrary to the provisions herein.

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, nor 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 paid 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.

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.

Beneficiary:

[Signature]
Gregory C. Lynn

Gregory C. Lynn and Suzanne Towse, Trustees of The Gregory C. Lynn and Suzanne Towse Trust Agreement dated May 16, 1995

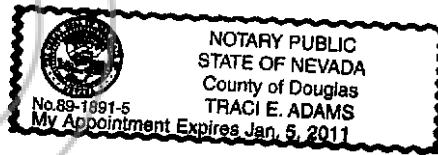
BY: [Signature]
Gregory C. Lynn, Trustee

BY: [Signature]
Suzanne Towse, Trustee

STATE OF NEVADA)
) ss.
COUNTY OF DOUGLAS)

On this 16th day of July, 2010 personally appeared before me a Notary Public in and for Douglas County, State of Nevada, Gregory C. Lynn known to me to be the person described in and who executed the foregoing instrument, who acknowledged to me that he executed the same freely and voluntarily and for the uses and purposes therein mentioned.

WITNESS my hand and official seal.
[Signature]
NOTARY PUBLIC



STATE OF NEVADA)
) ss.
COUNTY OF DOUGLAS)

On this 16th day of July, 2010 personally appeared before me a Notary Public in and for Douglas County, State of Nevada, Gregory C. Lynn and Suzanne Towse, Trustees known to me to be the persons 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.
[Signature]
NOTARY PUBLIC

