



Recording Requested By
And When Recorded Mail To:

City National Bank
2100 Park Place, Suite 150
El Segundo, CA 90245

Attn: Uma Sukal

Account No. XX4386
LR #123756

A.P.N.: 1320-32-702-021

SUBORDINATION AGREEMENT - LEASE

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR LEASEHOLD ESTATE IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INTEREST.

This Subordination Agreement ("Agreement") is made as of December 20, 2010 by and among Stuart S. Drange and Janice L. Drange, Trustees of the Drange Family Revocable Trust dated July 9, 1997 ("Owner") owner of the land hereinafter described and Stuart S. Drange, D.D.S., A Nevada Professional Corporation ("Tenant").

RECITALS

A. Owner, as landlord ("Landlord") did execute a lease in favor of Tenant dated December 1, 2010, ("Lease"), which Lease was not recorded, covering that certain real property ("Property") located in the County of Douglas, more particularly described as:

See Exhibit "A" attached hereto and by this reference made a part hereof.

B. Owner has executed, or is about to execute, a deed of trust in the amount of \$200,000.00 ("Deed of Trust") securing the obligation referred to therein dated December 20, 2010, in favor of City National Bank, a national banking association ("CNB"), which Deed of Trust is to be recorded concurrently herewith;

C. It is a condition precedent to obtaining the extension of credit secured by such Deed of Trust that the Deed of Trust shall unconditionally be and remain at all times a lien or charge upon the Property prior and superior to the Lease;

D. CNB is willing to make the extension of credit secured by such Deed of Trust, provided that the Deed of Trust is a lien or charge upon the Property prior and superior to the Lease, and provided that Tenant will specifically and unconditionally subordinate the Lease to the lien or charge of the Deed of Trust;

E. It is to the mutual benefit of the parties hereto that CNB make the extension of credit secured by such Deed of Trust; and Tenant is willing that the Deed of Trust shall, when recorded, constitute a lien or charge upon the Property which is unconditionally prior and superior to the Lease.

1. AGREEMENT:

THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to induce CNB to make the extension of credit secured by such Deed of Trust, it is hereby declared, understood and agreed as follows:

1.1. That the Deed of Trust, and any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge upon the Property prior and superior to the Lease and for all purposes, the Deed of Trust shall be deemed recorded prior to the execution of the Lease and Lender shall be deemed not to have notice of the Lease;

1.2. That any estate in the Property acquired by Tenant shall be fully subject to the Deed of Trust;

1.3. That CNB would not make the extension of credit secured by such Deed of Trust without this Agreement; and

1.4. That this Agreement shall be the whole and only agreement with regard to the subordination of the Lease to the lien or charge of the Deed of Trust, and shall supersede and cancel, but only insofar as would affect the priority between the Deed of Trust, and the Lease, any prior agreements as to such subordination including, but not limited to, those provisions, if any, contained in the Lease which provide for the subordination of the lien or charge thereof to a deed or deeds of trust or to a mortgage or mortgages.

2. TENANT DECLARES, AGREES AND ACKNOWLEDGES THAT:

2.1. CNB, in making disbursements pursuant to any such extension of credit Deed of Trust, is under no obligation or duty to, nor has CNB represented that it will, see to the application of such proceeds by the person or persons to whom CNB disburses such proceeds and any application or use of such proceeds for the purposes other than those provided in such agreement or agreements shall not defeat the subordination herein made in whole or in part;

2.2. Tenant intentionally and unconditionally waives, relinquishes and subordinates the Lease in favor of the lien or charge upon the Property 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 pursuant to the extension of credit secured by such Deed of Trust 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

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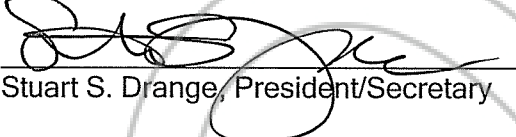
2.3. Without limiting the provisions of this Agreement, in the event that CNB shall acquire title to the Property, Tenant agrees to look solely to CNB's interest in the Property for the satisfaction of any remedy of Tenant for the collection of a judgment (or other judicial process) requiring the payment of money by CNB in the event of any default by CNB or any claim, cause of action, obligation, contractual, statutory or otherwise, by Tenant against CNB arising from or in any manner related to the Lease, and no other property or assets of CNB, or any officer, director, shareholder, partner, trustee, agent, servant or employee of CNB shall be subject to levy, execution or other enforcement procedure for the satisfaction of Tenant's remedies under or with respect to the Lease, CNB's obligations to Tenant whether contractual, statutory or otherwise, the relationship of CNB and Tenant hereunder, or Tenant's use or occupancy of the Property.

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NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS PERSON OBLIGATED ON YOUR REAL PROPERTY LEASE TO OBTAIN A LOAN, A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE PROPERTY.

"TENANT"

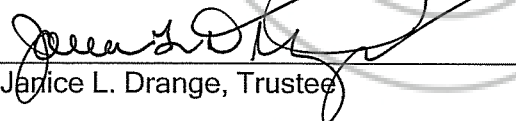
Stuart S. Drange, D.D.S., A Nevada Professional Corporation

By: 
Stuart S. Drange, President/Secretary

"OWNER"

Drange Family Revocable Trust dated July 9, 1997

By: 
Stuart S. Drange, Trustee

By: 
Janice L. Drange, Trustee

(ALL SIGNATURES MUST BE ACKNOWLEDGED BY A NOTARY PUBLIC)

("All Purpose" Acknowledgment)

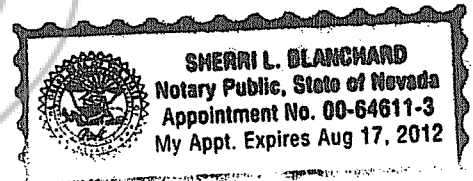
State of Nevada)
County of DOUGLAS)

On December 27, 2010 before me, SHERRI BLANCHARD
a Notary Public, personally appeared **Stuart S. Drange**, who 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.

I certify under PENALTY OR PERJURY under the laws of the State of Nevada that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Sherri L. Blanchard
(Seal)



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("All Purpose" Acknowledgment)

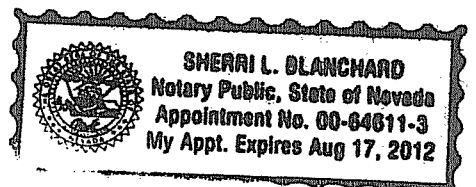
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a Notary Public, personally appeared **Janice L. Drange**, who proved to me on the
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the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies), 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.

I certify under PENALTY OR PERJURY under the laws of the State of Nevada that the
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WITNESS my hand and official seal.

Signature Sherri L. Blanchard
(Seal)



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EXHIBIT "A"

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

A Portion of the Southeast 1/4 of Section 32, Township 13 North, Range 20 East, M.D.B.&M., situate in the Town of Gardnerville, described as follows:

Commencing at the 1/4 section corner common to Section 32 and 33, thence South 29°03' West 942.71 feet to the Mill Street Monument of the Town of Gardnerville located at the intersection of the West line of Mill Street and the centerline of Main Street (U.S. Highway 395) thence South 40°18'44" East 379.52 feet to the True Point of Commencement, the most Easterly corner of the herein described parcel and being South 45°09'50" West 30.37 feet from the centerline of said Main Street; thence South 45°09'50" West along the Northwesterly line of the parcel of land distributed to Myrtle Rich, by decree out of the Estate of Martin Sorensen, deceased, recorded October 7, 1965, in Book 35 of Official Records at Page 21, Document No. 29688, records of Douglas County, a distance of 200.00 feet to a point on the Northeasterly boundary of an alley; thence North 44°50'10" West along said alley line, a distance of 64.00 feet more or less to the most Southerly corner of the lands conveyed to Henry Manke, et ux, by Deed recorded October 9, 1969 in Book 70 at Page 423, Official Records Document No. 45964, records of Douglas County, thence along the Southeasterly line of said Manke Property North 45°09'50" East 200.00 feet to the Northeast corner of said Manke parcel; thence along the Southeasterly line of Main Street, South 44°50'10" East 64.00 feet more or less to the True Point of Commencement.

EXCEPTING therefrom any portion thereof lying within the boundaries of Main Street (U.S. Highway 395).

