

Assessor's Parcel Number: 1318-10-316-016

**Recording Requested By/Return To:**

Wells Fargo  
P.O. Box 31557  
MAC B6955-013  
Billings, MT 59107-9900

**This Instrument Prepared by:**

Wells Fargo  
P.O. Box 4149 MAC P6051-019  
Portland, OR 97208-4149  
1-800-945-3056



1039863DR

[Space Above This Line for Recording Data]

Account #: XXX-XXX-XXX0923-1998

Reference Number: 8258294406

**SUBORDINATION AGREEMENT FOR  
MODIFICATION OF DEED OF TRUST (WITH FUTURE ADVANCE CLAUSE)**

Effective Date: 7/11/2011

Owner(s): JOHN LEE SMITH

Current Line of Credit Recorded Commitment \$350,000.00 being reduced to \$283,000.00.

Senior Lender: Wells Fargo Bank, N. A.

Subordinating Lender: Wells Fargo Bank, N.A.

*If Wells Fargo Bank, N.A. is subordinating to Wells Fargo Bank, N.A., this document is notice that the lien securing the loan or line of credit serviced by the Wells Fargo Bank Home Equity Group is subordinated to the first lien loan being originated or modified by the Wells Fargo Home Mortgage Group.*

Trustee: AMERICAN SECURITIES COMPANY OF NEVADA

Property Address: 637 ZEPHYR HEIGHTS DRIVE, ZEPHYR HEIGHTS, NV 89448-0000



**THIS AGREEMENT** (the "Agreement"), effective as of the Effective Date above, is made by and among the Subordinating Lender, Owners and the Senior Lender named above.

JOHN LEE SMITH, AN UNMARRIED MAN (individually and collectively the "Owner") own the real property located at the above Property Address (the "Property").

The Subordinating Lender has an interest in the Property by virtue of a Deed Of Trust (With Future Advance Clause) (the "Existing Security Instrument") given by the Owner, covering that real property, more particularly described as follows:

See Exhibit A

which document is dated the 6th day of May , 2005, which was filed in Book 0505 at page 6283 (or as No. 0644361) of the Official Records in the Office of the Recorder of the County of DOUGLAS, State of Nevada. The Existing Security Instrument secures repayment of a debt evidenced by a note or a line of credit agreement extended to JOHN L SMITH (individually and collectively "Borrower") by the Subordinating Lender.

The Senior Lender has agreed to make a new loan or amend an existing loan in the original principal amount NOT to exceed \$417,000.00 (the "New Loan or Amended Loan"), provided that the New Loan or Amended Loan is secured by a first lien mortgage on the Property (the "New Security Instrument") in favor of the Senior Lender. If the New Loan or Amended Loan exceeds this amount, the Subordination Agreement is VOID.

The Subordinating Lender is willing to subordinate the lien of the Existing Security Instrument to the lien of the New Security Instrument under the terms set forth in this Agreement.

**NOW, THEREFORE**, for and in consideration of the above recitals, the covenants herein contained, and for good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

**A. Agreement to Subordinate**

Subordinating Lender and Trustee, if applicable, hereby subordinates the lien of the Existing Security Instrument, and all of its modifications, extensions and renewals, to the lien of the New Security Instrument. This Agreement is effective as to any sum whose repayment is presently secured or which may in the future be secured by the Existing Security Instrument.

**B. Agreement to Change Credit Limit**

Change in Line of Credit Agreement

The Subordinating Lender's agreement to subordinate is conditioned on the reduction in the Borrower's revolving Line of Credit from \$400,000.00 to \$283,000.00.

By signing this Agreement below, the Borrower agrees to this change.

Change in Security Interest

The lien evidenced by the Existing Security Instrument is hereby reduced from \$350,000.00 to \$283,000.00.



**C. Appointment of Substitute Trustee *If Applicable***

The Existing Security Instrument names N/A, as Trustee and the Subordinating Lender as Beneficiary. The Existing Security Instrument provides that the Subordinating Lender may designate and appoint a substitute Trustee in place of any other trustee by an instrument recorded among the appropriate land records.

The Subordinating Lender hereby removes N/A as Trustee and designates and appoints N/A as substitute Trustee with the same powers and duties as were originally vested in the Original Trustee under the Existing Security Instrument.

**D. General Terms and Conditions**

**Binding Effect** – This Agreement shall be binding upon and inure to the benefit of the respective heirs, legal representatives, successors and assigns of the parties hereto and all of those holding title under any of them.

**Nonwaiver** – This Agreement may not be changed or terminated orally. No indulgence, waiver, election or non-election by New Lender or the trustee(s) under the New Security Instrument or related documents shall affect this Agreement.

**Severability** – The invalidity or unenforceability of any portion of this Agreement shall not affect the remaining provisions and portions of this Agreement.

**E. Signatures and Acknowledgements**

The Subordinating Lender, through its authorized officer, and the Trustee if applicable, individually or through its authorized officer or other representative, and the Borrower, have each set their hand and seal as of the Effective Date above unless otherwise indicated.

**(ACKNOWLEDGEMENT PAGE FOLLOWS)**



**SUBORDINATING LENDER:**

Wells Fargo Bank, N.A.

By [Signature]  
(Signature)

7/11/2011  
Date

Barbara A. Edwards  
(Printed Name)

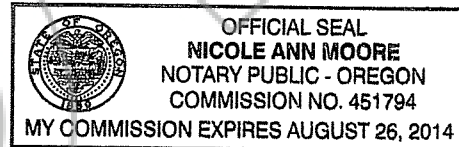
Work Director  
(Title)

**FOR NOTARIZATION OF LENDER PERSONNEL**

STATE OF Oregon, }  
COUNTY OF Washington } ss.

The foregoing Subordination Agreement was acknowledged before me, a notary public or other official qualified to administer oaths this 11 day of July 2011, by Barbara A. Edwards, as Work Director of Wells Fargo Bank, N.A., the Subordinating Lender, on behalf of said Subordinating Lender pursuant to authority granted by its Board of Directors. S/he is personally known to me or has produced satisfactory proof of his/her identity.

[Signature] (Notary Public)





**BORROWER(S):** I received and read a completed copy of this Modification Agreement before I signed it. I agree to all its terms.

(Signature)	<u>John L. Smith</u>	<u>7/19/11</u>
(Signature)	_____	(Date)
(Signature)	_____	(Date)
(Signature)	_____	(Date)
(Signature)	_____	(Date)
(Signature)	_____	(Date)
(Signature)	_____	(Date)
(Signature)	_____	(Date)

**OWNER(S):** As a signer on the Security Instrument under the Line of Credit Agreement, the undersigned hereby acknowledges this Modification Agreement and agrees to its terms, and a receipt of a copy of the same.

(Signature)	<u>John Lee Smith</u>	<u>7/19/11</u>
(Signature)	_____	(Date)
(Signature)	_____	(Date)
(Signature)	_____	(Date)
(Signature)	_____	(Date)
(Signature)	_____	(Date)
(Signature)	_____	(Date)
(Signature)	_____	(Date)



**For an Individual Trustee Borrower:**

State of Nevada

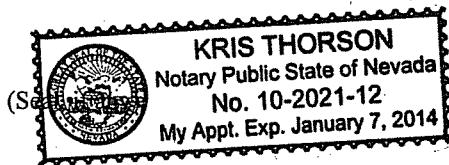
County of Winn

This instrument was acknowledged before me on July 19, 2011 (date) by John L. Smith

(name(s) of person(s)) as Trustee

(type of authority, e.g., officer, trustee, etc.) of John L. Smith Living Trust dated May 11, 2005

(name of party on behalf of whom instrument was executed).



Kris Thorson  
(Signature of notarial officer)

Notary Public  
(Title and rank (optional))



**Exhibit A**

Reference Number: 8258294406

**Legal Description:**

**Parcel 1:**

Lot 9 in Block F as shown on the map of Zephyr Heights Subdivision No. 5, filed in the office of the County Recorder on June 7, 1955 in Book 1 of Maps as Document No. 10442, Official Records of Douglas County, State of Nevada.

Excepting therefrom all that portion of Lot 9 in Block F as shown on that certain map entitled Zephyr Heights No. 5, filed for record on June 7, 1955 as Document No. 10442, more particularly described as follows:

Beginning at the most Easterly corner of said Lot 9; thence South  $67^{\circ}32'32''$  West, 10.51 feet; thence North  $03^{\circ}00'39''$  West, 31.57 feet; thence South  $22^{\circ}27'28''$  East, 29.77 feet to the Point of Beginning.

**Parcel 2:**

All that portion of Lot 7 in Block F as shown on that certain map entitled Zephyr Heights No. 5, filed for record on June 7, 1955, as Document No. 10442, more particularly described as follows:

Beginning at a point on the Westerly line of said Lot 7, which bears South  $22^{\circ}27'28''$  East, 20.69 feet from the most Westerly corner of Lot 7; thence South  $75^{\circ}16'16''$  East, 15.41 feet; thence South  $14^{\circ}43'44''$  West, 20.31 feet to a point on said Westerly line; thence North  $22^{\circ}27'28''$  West, 25.49 feet to the Point of Beginning.

Said Parcels 1 and 2 more fully shown on that certain Record of Survey Lot Line Adjustment for Dorothy Aller recorded in the office of the County Recorder of Douglas County, State of Nevada on December 13, 1988 in Book 1288, Page 1665, as Document No. 192513, of Official Records.

The above description was obtained from Document No. 648966.