



RECORDING REQUESTED BY:  
Northern Nevada Title Company

When Recorded Mail Document To:  
Western Nevada Home Consortium  
c/o Lyon County Comptroller  
27 S. MAIN ST.  
YERLINGTON, NV 89447

Escrow No.: 1098529-WD  
Title No.:

APN: 1420-06-410-017

SPACE ABOVE THIS LINE FOR RECORDER'S USE

### 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 July 17, 2012, by Gary Berner and Linda Berner, husband and wife owner of the land hereinafter described and hereinafter referred to as "Owner," and Western Nevada Home Consortium (Lyon County as Lead Agency) present owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "Beneficiary";

#### WITNESSETH

THAT WHEREAS, Gary Berner and Linda Berner, husband and wife did execute a deed of trust, dated April 20, 2010, to Northern Nevada Title Co., as trustee, covering:

All that certain real property situated in the County of Douglas, State of Nevada, described as follows:

Lot 35, of SIERRA ESTATES, according to the map thereof, filed in the office of the Douglas County Recorder, State of Nevada, on September 27, 1980, in Book 3, Page 70 as File No. 16665.

to secure a note in the sum of \$14,999.00, dated April 20, 2010, in favor of Western Nevada Home Consortium (Lyon County as Lead Agency), which deed of trust was recorded as Document No. no. 762385, on April 21, 2010, in Book 0410, Page 3859, Official Records of said county; and

WHEREAS, Owner has executed, or is about to execute, a deed of trust and note in the sum of \$231,111.00 dated AUGUST 6, 2012, in favor of JP Morgan Chase Bank, N.A., hereinafter referred to as "Lender", payable with interest and upon the terms and conditions described therein, which deed of trust is to be recorded concurrently herewith; and

WHEREAS, it is a condition precedent to obtaining said loan 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

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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 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 lien or charge of the deed of trust in favor of Lender; 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 above mentioned.
2. That Lender would not make its loan 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 deed of trust in favor of Lender above referred to and shall supersede and cancel, but only insofar as would affect the priority between the deeds of trust hereinbefore specifically described, any prior agreement as to such subordination including, but not limited, 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 deeds of trust or to another mortgage or mortgages.

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 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 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 deed of trust in favor of Lender above referred to.

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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.

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

Beneficiary:

Western Nevada Home Consortium

BY:

*Jeff Page*

Name Printed: Jeff Page

Title: County Manager - Lyon County

STATE OF NEVADA)

COUNTY OF Lyon )

On July 18, 2012 personally appeared before me, a Notary Public, Jeff Page

who acknowledged that he executed the above instrument.

Signature Maureen Willis  
(Notary Public)

Owner:

SIGNED IN COUNTERPART  
Gary Berner

SIGNED IN COUNTERPART  
Linda Berner

STATE OF NEVADA)

COUNTY OF DOUGLAS)

On \_\_\_\_\_ person personally appeared before me, a Notary Public, Gary Berner and Linda Berner

who acknowledged that he executed the above instrument.

Signature \_\_\_\_\_  
(Notary Public)

(ALL SIGNATURES MUST BE ACKNOWLEDGED)



INITIALS \_\_\_\_\_



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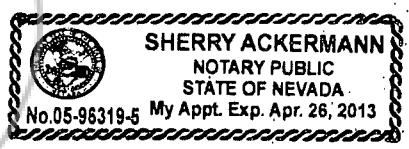
Beneficiary:  
  
Western Nevada Home Consortium  
  
BY: [Signature]  
Name Printed: Jeff Page  
Title: County Manager - Lyon County

Owner:  
  
[Signature]  
Gary Berner  
[Signature]  
Linda Berner

STATE OF NEVADA)  
COUNTY OF Lyon )  
On July 18, 2012 personally appeared  
before me, a Notary Public, Jeff Page  
who acknowledged that he executed the above  
Instrument.  
Signature [Signature]  
(Notary Public)

STATE OF NEVADA)  
COUNTY OF DOUGLAS)  
On 7-27-2012 person  
personally appeared before me, a Notary  
Public, Gary Berner and Linda Berner  
who acknowledged that they  
executed the above Instrument.  
Signature [Signature]  
(Notary Public)

(ALL SIGNATURES MUST BE ACKNOWLEDGED)



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