


DOC # 847508  
08/06/2014 01:20PM Deputy: SG  
OFFICIAL RECORD

Requested By:  
First Centennial - Reno  
Douglas County - NV  
Karen Ellison - Recorder  
Page: 1 of 11 Fee: \$24.00  
BK-814 PG-1102 RPTT: 0.00



I the undersigned hereby affirm that this document submitted for recording does not contain any personal information.

  
\_\_\_\_\_  
Signature

  
\_\_\_\_\_  
Title

07-29-2014  
Date

203 969-15  
Assessor Parcel No(s): 1320-04-001-063

**RECORDATION REQUESTED BY:**  
Bank of the West, SME SBA Lending Division, 500 Capitol Mall Suite 1200, Sacramento, CA 95814

**WHEN RECORDED MAIL TO:**  
Bank of the West, Loan Servicing, 500 Capitol Mall Suite 1200, Sacramento, CA 95814

**FOR RECORDER'S USE ONLY**

**NOTICE: THIS SUBORDINATION AGREEMENT - LEASE 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.**

**SUBORDINATION AGREEMENT - LEASE**

**THIS SUBORDINATION AGREEMENT - LEASE** dated July 29, 2014, is made and executed among PACIFIC RADOMES, INC. ("Lessee"); 2551 Precision Drive, LLC ("Borrower"); and Bank of the West ("Lender").

**SUBORDINATED LEASE.** Lessee has executed a lease dated April 1, 2015 of the property described herein (the "Subordinated Lease").

**REAL PROPERTY DESCRIPTION.** The Lease covers a portion of the following described real property located in Douglas County, State of Nevada:

See Exhibit "A", which is attached to this Subordination and made a part of this Subordination as if fully set forth herein.

The Real Property or its address is commonly known as 2551 Precision Drive, Minden, NV



**SUBORDINATION AGREEMENT - LEASE**

Loan No: 1060589625B

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89423. The Real Property tax identification number is 1320-04-001-063.

**SUPERIOR INDEBTEDNESS.** Lender has extended or has agreed to extend the following described financial accommodations to Borrower, secured by the Real Property (the "Superior Indebtedness"):

**The Note described in the Definitions section.**

**LENDER'S LIEN.** The Superior Indebtedness is or will be secured by the Real Property and evidenced by a deed of trust, dated July 29, 2014, from Borrower to Lender (the "Lender's Lien"). As a condition to the granting of the requested financial accommodations, Lender has required that the Lender's Lien be and remain superior to the Subordinated Lease.

**REQUESTED FINANCIAL ACCOMMODATIONS.** Lessee and Borrower each want Lender to provide financial accommodations to Borrower in the form of the Superior Indebtedness. Borrower and Lessee each represent and acknowledge to Lender that Lessee will benefit as a result of these financial accommodations from Lender to Borrower, and Lessee acknowledges receipt of valuable consideration for entering into this Subordination.

**NOW THEREFORE THE PARTIES TO THIS SUBORDINATION HEREBY AGREE AS FOLLOWS:**

**SUBORDINATION.** All of Lessee's right, title, and interest in and to the Subordinated Lease and the Real Property is and shall be subordinated in all respects to Lender's Lien and the Superior Indebtedness, and it is agreed that Lender's Lien shall be and remain, at all times, prior and superior to Lessee's interests in the Subordinated Lease and the Real Property. Lessee also subordinates to Lender's Lien all other Security Interests in the Real Property held by Lessee, whether now existing or hereafter acquired.

**LESSEE'S REPRESENTATIONS AND WARRANTIES.** Lessee hereby represents and warrants to Lender that Lessee has heretofore delivered to Lender a true, correct and complete copy of the Lease, which constitutes the entire agreement between the parties thereto and Lessee further acknowledges that the Lease is in full force and effect and that no default by Lessee or, to Lessee's knowledge, by other party under the terms and provisions of the Lease exists as of the date hereof.

**LESSEE WAIVERS.** Lessee waives any right to require Lender: (A) to make, extend, renew, or modify any loan to Borrower or to grant any other financial accommodations to Borrower whatsoever; (B) to make any presentment, protest, demand, or notice of any kind, including notice of any nonpayment of any secured by Lender's Lien, or notice of any action or nonaction on the part of Borrower, Lender, any surety, endorser, or other guarantor in connection with the Superior Indebtedness, or in connection with the creation of new or additional indebtedness; (C) to resort for payment or to proceed directly or at once against any person, including Borrower; (D) to proceed directly against or exhaust any collateral held by Lender from Borrower, any other guarantor, or any other person; (E) to pursue any other remedy within Lender's power; or (F) to commit any act or omission of any kind, at any time, with respect to any matter whatsoever.

**LENDER'S RIGHTS.** Lender may take or omit any and all actions with respect to Lender's Lien without affecting whatsoever any of Lender's rights under this Subordination. In particular, without limitation, Lender may, without notice of any kind to Lessee, (A) make one or more additional secured or unsecured loans to Borrower; (B) repeatedly alter, compromise, renew,



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extend, accelerate, or otherwise change the time for payment or other terms of the Superior Indebtedness or any part of it, including increases and decreases of the rate of interest on the Superior Indebtedness; extensions may be repeated and may be for longer than the original loan term; (C) take and hold collateral for the payment of the Superior Indebtedness, and exchange, enforce, waive, and release any such collateral, with or without the substitution of new collateral; (D) release, substitute, agree not to sue, or deal with any one or more of Borrower's sureties, endorsers, or guarantors on any terms or manner Lender chooses; (E) determine how, when and what application of payments and credits, shall be made on the Superior Indebtedness; (F) apply such security and direct the order or manner of sale of the security, as Lender in its discretion may determine; and (G) transfer this Subordination to another party.

**DEFAULT BY BORROWER.** If Borrower becomes insolvent or bankrupt, this Subordination shall remain in full force and effect. In the event of a corporate reorganization or corporate arrangement of Borrower under the provisions of the Bankruptcy Code, as amended, this Subordination shall remain in full force and effect and the court having jurisdiction over the reorganization or arrangement is hereby authorized to preserve such priority and subordination provided under this Subordination in approving any such plan of reorganization or arrangement. Any default by Borrower under the terms of the Subordinated Lease also shall constitute an event of default under the terms of the Superior Indebtedness in favor of Lender.

**MISCELLANEOUS PROVISIONS.** The following miscellaneous provisions are a part of this Subordination:

**Amendments.** This Subordination, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Subordination. No alteration of or amendment to this Subordination shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

**Attorneys' Fees; Expenses.** If Lender institutes any suit or action to enforce any of the terms of this Subordination, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees and title insurance, to the extent permitted by applicable law. Lessee also will pay any court costs, in addition to all other sums provided by law. Fees and expenses shall include attorneys' fees that Lender, Trustee, or both incur, if either or both are made parties to any action to enjoin foreclosure or to any legal proceeding that Lessee institutes. The fees and expenses are secured by this Subordination and are recoverable from the Property.



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**Authority.** The person who signs this Subordination as or on behalf of Lessee represents and warrants that he or she has authority to execute this Subordination and to subordinate the Subordinated Indebtedness and the Lessee's security interests in Lessee's property, if any.

**Caption Headings.** Caption headings in this Subordination are for convenience purposes only and are not to be used to interpret or define the provisions of this Subordination.

**Governing Law.** With respect to procedural matters related to the perfection and enforcement of Lender's rights against the Property, this Subordination will be governed by federal law applicable to Lender and to the extent not preempted by federal law, the laws of the State of Nevada. In all other respects, this Subordination will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of California without regard to its conflicts of law provisions. However, if there ever is a question about whether any provision of this Subordination is valid or enforceable, the provision that is questioned will be governed by whichever state or federal law would find the provision to be valid and enforceable. The loan transaction that is evidenced by the Note and this Subordination has been applied for, considered, approved and made, and all necessary loan documents have been accepted by Lender in the State of California.

**Choice of Venue.** If there is a lawsuit, Lessee agrees upon Lender's request to submit to the jurisdiction of the courts of Sacramento County, State of California.

(Initial Here *A.L. KYB*)

**No Waiver by Lender.** Lender shall not be deemed to have waived any rights under this Subordination unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Subordination shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Subordination. No prior waiver by Lender, nor any course of dealing between Lender and Lessee, shall constitute a waiver of any of Lender's rights or of any of Lessee's obligations as to any future transactions. Whenever the consent of Lender is required under this Subordination, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

**Successors.** This Subordination shall extend to and bind the respective heirs, personal representatives, successors and assigns of the parties to this Subordination, and the covenants of Lessee herein in favor of Lender shall extend to, include, and be enforceable by any transferee or endorsee to whom Lender may transfer any or all of the Superior Indebtedness.

**DEFINITIONS.** The following capitalized words and terms shall have the following meanings when used in this Subordination. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Subordination shall have the meanings attributed to such terms in the Uniform Commercial Code:



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**Borrower.** The word "Borrower" means 2551 Precision Drive, LLC and includes all co-signers and co-makers signing the Note and all their successors and assigns.

**Lender.** The word "Lender" means Bank of the West, its successors and assigns.

**Note.** The word "Note" means the Note dated July 29, 2014 and executed by 2551 Precision Drive, LLC in the principal amount of \$810,000.00, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the note or credit agreement.

**Real Property.** The words "Real Property" mean the real property, interests and rights, as further described in this Subordination.

**Related Documents.** The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.


**Security Interest.** The words "Security Interest" mean, without limitation, any and all types of collateral security, present and future, whether in the form of a lien, charge, encumbrance, mortgage, deed of trust, security deed, assignment, pledge, crop pledge, chattel mortgage, collateral chattel mortgage, chattel trust, factor's lien, equipment trust, conditional sale, trust receipt, lien or title retention contract, lease or consignment intended as a security device, or any other security or lien interest whatsoever whether created by law, contract, or otherwise.

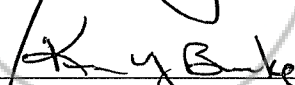
**NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN, A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND.**

**EACH PARTY TO THIS SUBORDINATION ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS SUBORDINATION, AND EACH PARTY AGREES TO ITS TERMS. THIS SUBORDINATION IS DATED JULY 29, 2014.**

**BORROWER:**

2551 PRECISION DRIVE, LLC

By:   
John F. Burke, Member of 2551 Precision Drive, LLC

By:   
Kim Y. Burke, Member of 2551 Precision Drive, LLC



**SUBORDINATION AGREEMENT - LEASE**

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LESSEE:

PACIFIC RADOMES, INC.

By: 

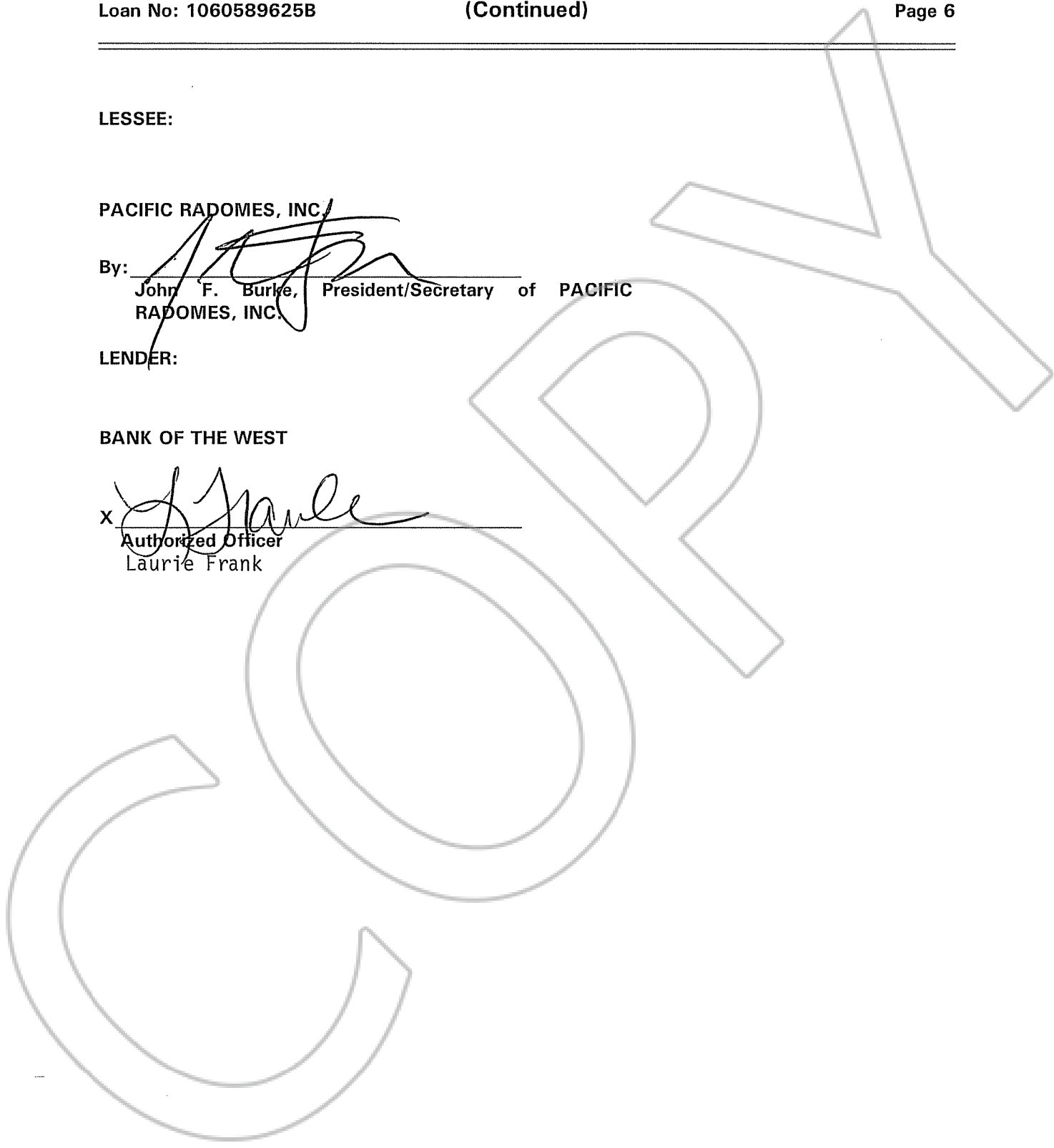
John F. Burke, President/Secretary of PACIFIC  
RADOMES, INC.

LENDER:

BANK OF THE WEST

X 

Authorized Officer  
Laurie Frank





**SUBORDINATION AGREEMENT - LEASE**

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**LIMITED LIABILITY COMPANY ACKNOWLEDGMENT**

STATE OF Nevada

COUNTY OF Carson City

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This instrument was acknowledged before me on 8-4-14 by **John F. Burke, Member of 2551 Precision Drive, LLC and Kim Y. Burke, Member of 2551 Precision Drive, LLC**, as designated agents of **2551 Precision Drive, LLC**.

*Karen Bice*

(Signature of notarial officer)

Notary Public in and for State of \_\_\_\_\_



(Seal, if any)



**SUBORDINATION AGREEMENT - LEASE**

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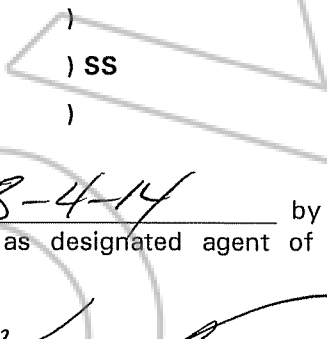
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**CORPORATE ACKNOWLEDGMENT**

STATE OF Nevada

COUNTY OF Carson City



This instrument was acknowledged before me on 8-4-14 by **John F. Burke, President/Secretary of PACIFIC RADOMES, INC.**, as designated agent of **PACIFIC RADOMES, INC.**

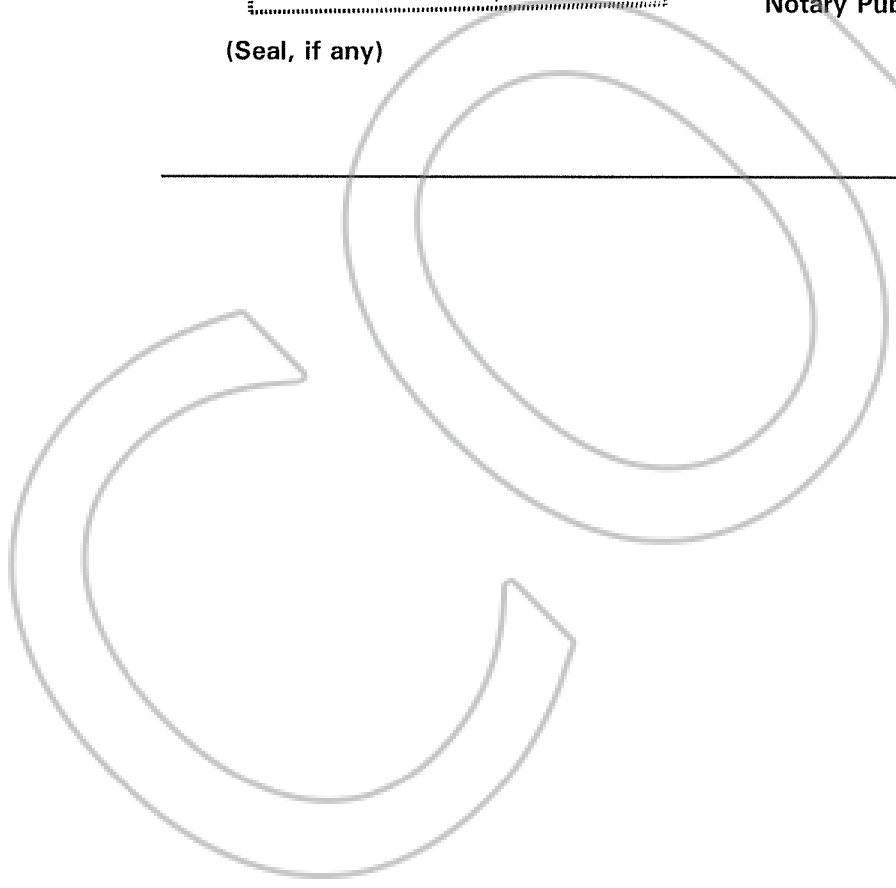


(Seal, if any)

*Karen Bice*

(Signature of notarial officer)

Notary Public in and for State of \_\_\_\_\_







**SUBORDINATION AGREEMENT - LEASE**

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**LENDER ACKNOWLEDGMENT**

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

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) SS  
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This instrument was acknowledged before me on \_\_\_\_\_ by \_\_\_\_\_  
of **Bank of the West**, as designated agent of  
**Bank of the West**.

\_\_\_\_\_  
(Signature of notarial officer)

Notary Public in and for State of \_\_\_\_\_

(Seal, if any)



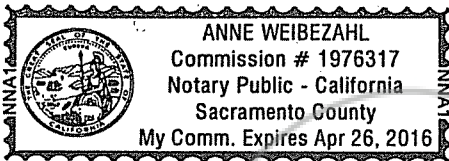
**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT  
CIVIL CODE § 1189**

State of California

County of Sacramento

On July 30 2014 before me, Anne Weibezahl, Notary Public  
Date Name and Title of the Officer

personally appeared Laurie Frank  
Name(s) of Signer(s)



Place Notary Seal Above

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 OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: [Signature]  
Signature of Notary Public

**OPTIONAL**

*Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.*

**Description of Attached Document**

Title or Type of Document: Subordination Agreement Document Date: July 29, 2014

Number of Pages: 7 Signer(s) Other Than Named Above: 2551 Precision Drive, LLC

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_

Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_



**EXHIBIT "A"**  
**Legal Description**

Being a portion of Block K, as shown on the Final Map #1015-2 for Carson Valley Business Park Phase 2, recorded in the office of the Douglas County Recorder, State of Nevada, on September 3, 1998, in Book 998, page 562, as File No. 448664, Official Records further described as follows:

That portion of the Northwest  $\frac{1}{4}$  of Section 4, Township 13 North, Range 20 East, M.D.B. & M., in the County of Douglas, State of Nevada, being more particularly described as follows:

Beginning at the North  $\frac{1}{4}$  corner of said Section 4; thence Southerly along the North-South centerline of said section S.  $00^{\circ}02'34''$  W., 1070.00 feet to the True Point of Beginning; thence continuing Southerly along said North-South centerline, S.  $00^{\circ}02'34''$  W., 220.00 feet; thence S.  $89^{\circ}56'52''$  W., 405.51 feet to a point on the Easterly right of way line of Precision Drive; thence Northerly along said right of way line N.  $00^{\circ}03'08''$  W., 220.00 feet; thence N.  $89^{\circ}56'52''$  E., 405.87 feet to the True Point of Beginning.

This parcel is also known as Lot 50, Block K, as shown on Record of Survey #4, for Carson Valley Business Park, Phase 2, recorded in the office of the Douglas County Recorder, State of Nevada, on July 27, 2004 in Book 704, page 11907, as Document No. 619925 and by Certificate of Amendment recorded November 2, 2004, in Book 1104, page 1057, as Document No. 628226.

NOTE: The above metes and bound description previously appeared in Grant, Bargain and Sale Deed, recorded July 26, 2011, in Book 711, page 5066, as Document No. 786992, Official Records of Douglas County, Nevada.

APN: 1320-04-001-063

Order Number: 203969-KB2