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| A.P.N. No.: | 1419-01-610-001 |
| File No.: | 1742242 KDJ |
| Recording Requested By: | |
| Stewart Title Company | |
| Mail Tax Statements To: | <i>Same as below</i> |
| When Recorded Mail To: | |
| Cherokee Hill, LLC | |
| PO Box 1724 | |
| Carson City, NV 89702 | |

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 5, 2022, by Quail Creek Estates, Inc., a Nevada Corporation owner of the land hereinafter described and hereinafter referred to as "Owner", and Cherokee Hill, LLC, a Nevada limited liability company present owner and holder of the Deed of Trust and Note first hereinafter described and hereinafter referred to as "Beneficiary".

WITNESSETH

THAT WHEREAS, Quail Creek Estates, Inc., a Nevada Corporation did execute a deed of trust, dated February 8th, 2021, to Western Title Company, as Trustee, covering:

Assessor's Parcel No. 1419-01-610-001

to secure a note in the sum of \$2,000,000.00, in favor of Cherokee Hill, LLC, a Nevada Limited Liability Company, Beneficiary, which deed of trust was recorded on 3/5/2021, as Instrument No. 2021-962999, 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 \$400,000.00, dated July 5th 2022, in favor of Kathryn Rohel, Trustee of The Kathryn P. Rohel Living Trust UTD April 3, 2017, hereinafter referred to as "Lender", payable with interest and upon the terms and conditions described therein; 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

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

This document is being recorded as an accommodation only.

charge upon said land which is unconditionally prior and superior to the lien or charge of the deed of trust first above mentioned.

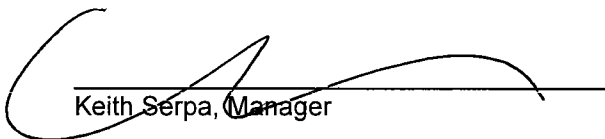
NOW THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce Lender to make the loan above referred to, it is hereby declared, understood and agreed 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 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 to, 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.
4. 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 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;
 - 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.

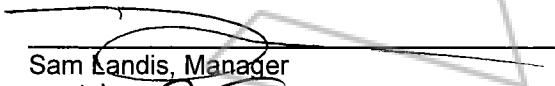
NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN, A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND.

Dated: July 14th, 2022

Cherokee Hill LLC, a Nevada limited liability company



Keith Serpa, Manager



Sam Landis, Manager



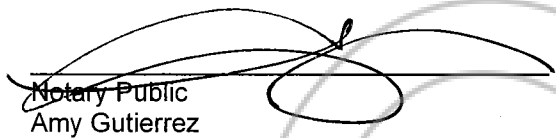
Rob McFadden, Manager



Mark Turner, Manager

State of Nevada)
) ss
County of Carson City)

This instrument was acknowledged before me, a notary public on the 14th day of July, 2022 by Keith Serpa, Sam Landis, Rob McFadden and Mark Turner as Managers of Cherokee Hill LLC, a Nevada limited liability company.



Notary Public
Amy Gutierrez

 **AMY GUTIERREZ**
Notary Public - State of Nevada
Appointment Recorded in Carson City
No: 09-10312-3 - Expires April 1, 2025

**EXHIBIT "A"
LEGAL DESCRIPTION**

File No.: 1742242

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

Lot 1 as shown on the FINAL SUBDIVISION MAP DP 18-0391 OF QUAIL CREEK ESTATES, filed for record in the office of the Douglas County Recorder, State of Nevada, on February 7, 2022 as File No. 2022-980814, Official Records.

