

RECORDING REQUESTED BY:

69048

WHEN RECORDED MAIL TO:

Kenneth Cox
P.O. Box 126
Ceres, Calif. 95307

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 this 22 day of June, 19 79, by KENNETH L. COX and GERALDINE COX, Husband and Wife.

owner of the land hereinafter described and hereinafter referred to as "Owner," and

FRANK B. DENIS and VETRA DENIS, Husband and Wife.

present owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "Beneficiary";

WITNESSETH

THAT WHEREAS, Owner has executed a deed of trust, dated June 22, 1979, to Title Insurance and Trust Company, as trustee, covering:

All that property in Eureka County, Nevada described as:

TOWNSHIP 21 NORTH, RANGE 53 EAST, M.D.B. & M.

Section 11: West one-half (W $\frac{1}{2}$);

Section 14: All;

Section 23: North one-half (N $\frac{1}{2}$).

EXCEPTING THEREFROM all oil and gas as reserved in Patents, executed by the United States of America, recorded July 16, 1962 in Book 62 of Deeds, at pages 241, 242 and 239 and recorded May 1, 1962 in Book 26 of Deeds at page 209, Eureka County, Nevada Records.

to secure a note in the sum of \$ 189,533.54, dated June 22, 1979, in favor of Beneficiary, which deed of trust is to be recorded concurrently herewith; and

WHEREAS, Owner has executed, or is about to execute, a deed of trust and note in the sum of \$ not to exceed \$400,000.00 dated n/a, in favor of ~~an institution or lender~~ or ~~lenders~~ ²³, hereinafter referred to as "Lender," payable with interest and upon the terms and conditions described therein, which deed of trust is also to be recorded ~~concurrently herewith~~ and subsequently ²³

WHEREAS, it is a condition precedent to obtaining said loan from Lender 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 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, 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 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; 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.

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.

Beneficiary Owner

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

Beneficiary also hereby agrees to subordinate the security agreement dated June 22, 1979 between the owner herein and beneficiary together with the financing statement appertaining thereto upon all the same applicable terms as contained in this agreement.

Frank R. Davis
John Davis
Beneficiary

Josephine C. Davis
Kenneth J. Davis
Owner

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

(CLTA SUBORDINATION FORM "B")

BOOK 72 PAGE 134

(Individual)



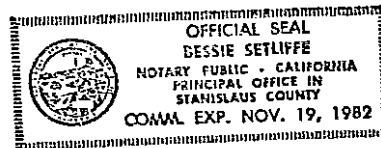
STATE OF CALIFORNIA } SS.
COUNTY OF Stanislaus }

On August 14, 1979 before me, the undersigned, a Notary Public in and for said State, personally appeared Kenneth L. Cox and Geraldine Cox

_____, known to me
to be the persons whose names are subscribed
to the within instrument and acknowledged that they
executed the same.

WITNESS my hand and official seal.

Signature Bessie Setliffe
Bessie Setliffe



(This area for official notarial seal)

TO 447 C
(Individual)

STATE OF CALIFORNIA } SS.
COUNTY OF Stanislaus }

On June 25, 1979 before me, the undersigned, a Notary Public in and for said State, personally appeared Frank B. Denis and Vetra Denis

_____, known to me
to be the person S whose names are subscribed
to the within instrument and acknowledged that they
executed the same.

WITNESS my hand and official seal.

Signature Corinne Y. Domecq
Corinne Y. Domecq
Name (Typed or Printed)



(This area for official notarial seal)

69048

RECORDED AT THE REQUEST OF First American Title Co. of Nevada
on August 22, 1979, at 32 min. past 3 P. M. in
Book 72 of OFFICIAL RECORDS, page 133-135, RECORDS OF
SUTTER COUNTY, NEVADA. WILLIS A. DePAOLI Recorder
File No. 69048 Fee \$ 5.00

BOOK 72 PAGE 135