

Name  
Street  
Address  
City & State

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO

149670

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 6th day of October 1993, by LARRY A. JONES and BENITA JONES, Husband and Wife

owner of the land hereinafter described and hereinafter referred to as "Owner," and Placer Dome U.S., Inc. a California corporation, Kennecott Exploration (Australia) LTD., a Delaware corporation, and present owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "Beneficiary";

\*corporation, and Vernon F. Taylor, Jr. and Ann Taylor, Husband and Wife dba The Cortez Joint Venture.

WITNESSETH

Larry A. Jones and Benita Jones, Husband and Wife

did execute a deed of trust, dated December 7, 1990, to Placer Dome U.S., Inc., a California corporation, Kennecott Exploration (Australia) LTD., a Delaware corporation, and \* as trustee, covering:

SEE LEGAL DESCRIPTION ATTACHED

to secure a note in the sum of \$ 4,500.00 dated December 7, 1990 in favor of

Placer Dome U.S., Inc., a California corporation, Kennecott Exploration (Australia) LTD., \* which deed of trust was recorded December 11, 1990 in book 218 page 46 Official Records of said

\*a Delaware corporation, and Vernon F. Taylor, Jr. and Ann Taylor, Husband and Wife, dba The Cortez Joint Venture

WHEREAS, Owner has executed, or is about to execute, a deed of trust and note in the sum of \$ 54,600.00 dated November 19, 1993, in favor of American Federal Savings Bank

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 hereinafter 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 the deed of trust first above mentioned;

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 hereinafter referred to and shall supersede and cancel, but only insofar as would affect the priority between the deeds of trust hereinafter specifically described, any prior agreements 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.

EU 410330

CONSULT WITH YOUR ATTORNEY WITH RESPECT TO THIS INSTRUMENT (CALIFORNIA SUBORDINATION FORM "A")

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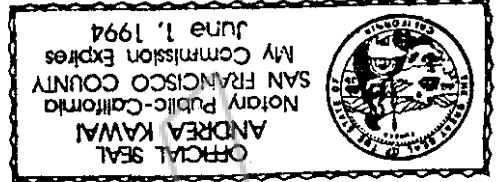
THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED AT RIGHT. Though the data requested here is not required by law, it could prevent fraudulent reattachment of this form.

SIGNER(S) OTHER THAN NAMED ABOVE Larry A. and Benita Jones

NUMBER OF PAGES two DATE OF DOCUMENT Oct. 6, 1993

TITLE OR TYPE OF DOCUMENT Subordination Agreement

OPTIONAL SECTION



SIGNATURE OF NOTARY *Andrea Kawai*

WITNESS my hand and official seal.

provided 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/hers/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

personally known to me - OR -  provided to me on the basis of satisfactory evidence

personally appeared C. E. McFarland

On 10/15/93 before me, Andrea Kawai, Notary Public

NAME, TITLE OF OFFICER - E.G., JANE DOE, NOTARY PUBLIC

State of California } County of San Francisco }

SIGNER IS REPRESENTING: The Cortez Joint Venture (NAME OF PERSON(S) OR ENTITY(ES))

- OTHER:
 GUARDIAN/CONSERVATOR
 TRUSTEE(S)
 ATTORNEY-IN-FACT
 PARTNER(S) LIMITED
 PARTNER(S) GENERAL
 CORPORATE OFFICER(S)
 INDIVIDUAL

CAPACITY CLAIMED BY SIGNER: Though statute does not require the Notary to fill in the data below, doing so may prove invaluable to persons relying on the document.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

On this day of 19, before me, a Notary Public in and for said state, personally appeared of PLACER DOME U.S., Inc.,

STATE OF COUNTY OF

OWNER: LARRY A. JONES, BENITA JONES

BY: C. E. McFarland, President Placer Dome U.S., Inc.

\*\* Recorded 3/2/93, BK 246, Pg. 014, File # 144859, Eureka County, NV.

By Its Attorney-In-Fact: \*\*

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: THE CORTAZ JOINT VENTURE, a joint venture

(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.

STATE OF NEVADA )  
                  ) SS.  
                  ) COUNTY OF ELKO )

On November 24, 1993 personally appeared before me, a notary public,  
LARRY A. JONES and BENITA I. JONES personally known or proved to me to  
be the person(s) whose name(s) are/is subscribed to the above instrument who  
acknowledged that he executed the instrument.

KELLY BARTORELLI  
NOTARY PUBLIC  
State of Nevada  
Elko County, Nevada  
My appointment expires March 7, 1995.



Kelly Bartorelli  
NOTARY PUBLIC

BOOK 262 PAGE 402  
OFFICIAL RECORDS  
RECORDED AT THE REQUEST OF  
*Frontier Title*  
93 DEC -7 P1:41

EUREKA COUNTY, NEVADA  
M.N. REBALATI, RECORDER  
FILE NO. 149670  
FEES \$ 9.00

BOOK 262 PAGE 404