

RECORDING REQUESTED BY
UNION BANK, N.A.

AND WHEN RECORDED MAIL TO:

UNION BANK, N.A.
Attn: Abigail Duenas
Commercial Real Estate Loan Administration
145 S. St. College
Brea, California 92821

DRAFT

Space Above This Line For Recorder's Use

**SUBORDINATION OF DEED OF TRUST
(To Deed of Trust)**

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 SUBORDINATION OF DEED OF TRUST ("Subordination Agreement") is made this ____ day of 2013 by Gary V. Burrows, Inc., owner of the land hereinafter described ("Owner") and the Successor Agency to the former Redevelopment Agency of the City of Lemoore, present owner and holder of the deed of trust and note first hereinafter described ("Beneficiary").

RECITALS

A. Gary V. Burrows, Inc. has executed, or is about to execute, a deed of trust dated _____, 20__ to _____ as trustee, covering that certain real property legally described in Exhibit "A" attached hereto (the "Property"), to secure a debt instrument in the sum One Million Two Hundred Thousand and No/100ths Dollars (\$ 1,200,000.00) dated 2011, in favor of the Successor Agency to the former Redevelopment Agency of the City of Lemoore ("Beneficiary's Deed of Trust"), which deed of trust was recorded on June 13, 2011 as Instrument No. 1110022 in Title 02, Page/Image(s) 006 of Official Records, in the County of Kings, State of California; and

B. Owner has executed, or is about to execute, a deed of trust dated December ____, 2013 to UnionBanCal Mortgage Corporation as trustee, covering said land and securing an indebtedness (the "Loan") in the amount of not to exceed One Million and No/100ths Dollars (\$ 1,000,000.00), evidenced by a debt instrument ("Lender's Note") in favor of Union Bank, N.A. ("Lender"), payable with interest and upon the terms and conditions described therein, which deed of trust ("Lender's Deed of Trust") was recorded on _____ as Instrument/Serial No. _____ in Book/Reel _____, Page/Image(s) _____ of the Official Records of Kings County; and

C. It is a condition precedent to obtaining the Loan from Lender that Lender's Deed of Trust, as amended from time to time, shall unconditionally be and remain at all times a lien or charge upon the Property prior and superior to the lien or charge of Beneficiary's Deed of Trust; and

D. It is to the mutual benefit of the parties hereto that Lender make the Loan to Owner and Beneficiary is willing that Lender's Deed of Trust, as amended from time to time, shall constitute a lien or charge upon the Property which is unconditionally prior and superior to the lien or charge of Beneficiary's Deed of Trust.

AGREEMENT

1. 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, it is hereby declared, understood and agreed as follows:

1.1 That Lender would not make the Loan without this Subordination Agreement.

1.2 That Lender's Deed of Trust, as amended from time to time, securing Lender's Note and any amendments, renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the Property prior and superior to the lien or charge of Beneficiary's Deed of Trust.

1.3 That this Subordination Agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of Beneficiary's Deed of Trust to the lien or charge of Lender's Deed of Trust, as amended from time to time, and shall supersede and cancel, but only insofar as would affect the priority between the deeds of trust hereinbefore specifically described, any prior agreements as to such subordination including, but not limited to, those provisions, if any, contained in Beneficiary's Deed of Trust which provide for the subordination of the lien or charge thereof to a deed or deeds of trust or to a mortgage or mortgages.

2. Beneficiary declares, agrees and acknowledges that:

2.1 Beneficiary consents to and approves (a) all provisions of Lender's Note and Lender's Deed of Trust, and (b) all agreements including, but not limited to, any loan or escrow agreements between Owner and Lender, for the disbursement of the proceeds of the Loan;

2.2 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;

2.3 Beneficiary intentionally and unconditionally subordinates the lien or charge of Beneficiary's Deed of Trust in favor of the lien or charge upon the Property of Lender's Deed of Trust, as amended from time to time, and understands that in reliance upon and in consideration of this 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 subordination; and

2.4 An endorsement has been placed upon the note secured by Beneficiary's Deed of Trust that Beneficiary's Deed of Trust has by this instrument been subordinated to the lien or charge of Lender's Deed of Trust, as amended from time to time.

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 PURPOSES OTHER THAN IMPROVEMENT OF THE LAND.

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

OWNER:

DRAFT

BENEFICIARY:

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

EXHIBIT "A"
LEGAL DESCRIPTION OF PROPERTY

INSERT LEGAL DESCRIPTION OF PROPERTY ENCUMBERED
BY SUBORDINATING DEED OF TRUST

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NOTARY ACKNOWLEDGMENT

INSERT APPROPRIATE NOTARY ACKNOWLEDGMENTS FOR APPLICABLE STATE

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