

APN: 139-33-811-028

WHEN RECORDED MAIL TO:

White and Case LLP
633 W. 5th Street, Suite 900
Los Angeles, CA. 90071
Attn: Neal S. Millard, Esq.

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT

THIS AGREEMENT, is made and is effective as of this ____ day of January 2007, by Opportunity Village Association of Retarded Citizens, a Nevada non-profit corporation, whose address for notice purposes is 6300 W. Oakey Blvd., Las Vegas, Nevada 89146 Attn: Ed Guthrie, Executive Director (“Opportunity Village”), and the City of Las Vegas, a Nevada municipal corporation, whose address for notice purposes is 400 Stewart Street, Second Floor, Las Vegas, Nevada 89101 Attn: Neighborhood Services Department (“City”),

WITNESSETH

WHEREAS, Opportunity Village is the owner of certain real property located at 10 Coolidge Avenue, in the City of Las Vegas, and more particularly described in Exhibit “A”, attached hereto and incorporated herein by reference (the “Property”).

WHEREAS, the City is the Trustee and Beneficiary of that certain Short Form Deed of Trust dated as of August 20, 2003 executed by Opportunity Village and recorded against the Property on December 19, 2003 in Book 20031219 as Instrument No. 01472 in the Clark County Recorder’s Office (the “City Deed of Trust”), securing a deferred loan in the amount of \$100,000 made in accordance with a Community Development Block Grant between Opportunity Village and the City.

WHEREAS, pursuant to the Economic Development Revenue Bond Law, NRS 244A669 through 244A763 (the "Act"), Clark County, Nevada Variable Rate Demand Economic Development Revenue Bonds (Opportunity Village Foundation Project) Series 2007 (the "Bond") are to be issued pursuant to an Indenture of Trust, dated as of January 1, 2007 (the "Indenture"), between Clark County and The Bank of New York Trust Company, N.A. (the "Trustee"). The proceeds of the Bonds will be loaned to Opportunity Village and Opportunity Village Foundation, a Nevada nonprofit corporation (the "Foundation") pursuant to the terms and conditions of a Loan Agreement, to assist Borrower and Foundation in the acquisition, construction and equipping of improvements and facilities located on land owned by Clark County and for the renovation and improvement of existing facilities operated by Opportunity Village. The Indenture, Loan Agreement and other related documents are collectively referenced herein as the "Bond Documents".

WHEREAS payment of the principal and interest on the Bonds, will be supported by an irrevocable direct pay letter of credit (the "Letter of Credit") issued by Allied Irish Banks, plc (the "Bank") pursuant to a Reimbursement Agreement between and among Opportunity Village, the Foundation and the Bank, and such other related documents, granting to the Bank certain security interests in real and personal property of Opportunity Village and the Foundation (the Reimbursement Agreement and all related documents are collectively referenced as the "Bank Documents"). In particular, it is a condition precedent to Bank that Opportunity Village execute in favor of Bank a Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing ("Senior Deed of Trust"), granting to Bank a first priority lien in and to the Property.

WHEREAS, it is a condition precedent to Bank that the Senior Deed of Trust 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 City Deed of Trust; and

WHEREAS, Bank is willing to issue the Letter of Credit provided the Senior Deed of Trust securing the Letter of Credit is a lien or charge upon Property prior and superior to the lien or charge of the City Deed of Trust and provided that City will specifically and unconditionally subordinate the lien or charge of the City Deed of Trust to the lien or charge of the Senior Deed of Trust in favor of Bank; and

WHEREAS, it is to the mutual benefit of the parties hereto that Opportunity Village obtain the Bond proceeds and that Bank issue the Letter of Credit, and, accordingly, City is willing that the Senior Deed of Trust shall, when recorded, constitute a lien or charge upon the Property which is unconditionally prior and superior to the lien or charge of the City Deed of Trust.

NOW THEREFORE, in consideration of mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which considerations is hereby acknowledged, and in order to induce Bank to issue the Letter of Credit, it is hereby declared, understood and agreed as follows:

- (1) That the Senior Deed of Trust in favor of Bank, together with any and all amendment, modifications, renewals and 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 the City Deed of Trust.
- (2) That Bank would not issue the Letter of Credit 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 City Deed of Trust in favor of Bank 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 the City Deed of Trust, which provide for the subordination of the lien or charge thereof to another deed or deeds of trust or to another mortgage or mortgages.

City declares, agrees and acknowledges that

- (a) City consents to and approves (i) all provisions contained in the Reimbursement Agreement and Senior Deed of Trust in favor of Lender, and (ii) all other Bond Documents or Bank Documents providing for the disbursement of the proceeds of Bonds to Opportunity Village;
- (b) Clark County, Trustee, and/or Bank, in making disbursements pursuant to any such agreement is under no obligation or duty to, nor has Clark County, Trustee or Bank represented that it will, see that the application or use of such Bond proceeds for purposes other than those provided for in the Bond Documents or Loan Documents shall not defeat the subordination herein made in whole or in part; and
- (c) City intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of City Deed of Trust in favor of the lien or charge upon the Property of the Bank Deed of Trust in favor of Bank and understands than 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

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

IN WITNESS WHEREOF, the parties have executed this Subordination Agreement effective as of the day first written above.

CITY OF LAS VEGAS

OPPORTUNITY VILLAGE
ASSOCIATION OF RETARDED
CITIZENS

By: _____
Oscar B. Goodman, Mayor

By: [Signature]
Title: EXECUTIVE DIRECTOR

ATTEST:

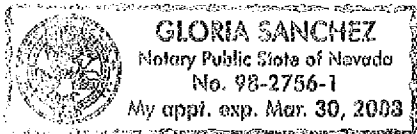
Barbara Jo Ronemus, City Clerk

Approved as to form:

[Signature] 1/8/07
Date

STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

This instrument was acknowledged before me on January 8, 2007 by Edward R. Guthrie, Executive Director of Opportunity Village Association of Retarded Citizens, Inc.



[Signature]
Notary Public
Expiration date: March 30, 2008

STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

This instrument was acknowledged before me on January __, 2007 by Oscar B. Goodman, Mayor of the City of Las Vegas.

Notary Public
Expiration date: _____

EXHIBIT A

(LEGAL DESCRIPTION)

Lots Seventeen (17) in Block "3" and Eighteen (18) thru Twenty-two (22) GEOID of South Addition, as shown by map thereof on file n Book 1 of Plat, Page 51, in the Office of the County Recorder of Clark County, Nevada, and commonly referred to as 10 Coolidge Avenue.