

WHEN RECORDED PLEASE RETURN TO
FEDERAL LAND BANK OF SACRAMENTO
P. O. Box 13106-C
Sacramento, California 95813

Loan No. 231592-0

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 is made this 15th day of December, 19 83 by
UNITED STATES OF AMERICA, Acting through the Farmer's Home Administration, United
States Department of Agriculture
holder(s) of the promissory note(s) secured by that certain deed of trust
executed by DONALD FRANK PALMORE and ELIZA M. PALMORE
the instrument being recorded December 15, 1983 in Book 118, Page 542
of Official Records of Eureka County, Nevada,
Instrument No. 91525.

W I T N E S S E T H

THAT WHEREAS, the above referenced deed of trust, encumbering all or a portion
of the real property described in Exhibit "A" attached hereto, is presently subject to the
prior lien of that certain deed of trust dated March 3, 1981
executed by DONALD FRANK PALMORE and ELIZA M. PALMORE, his wife;

wherein the FEDERAL LAND BANK OF SACRAMENTO is named beneficiary; the instrument
being recorded April 17, 1981, in Book 94, Page 129 of Official Records
of Eureka County, Nevada, Instrument No. 80151.
The said deed of trust, given to secure the payment of \$ 275,000.00
with interest as prescribed in trustors promissory note of even date, provides
that the same is also given to secure all renewals, reamortizations and extensions of the
indebtedness secured thereby and identified on the records of the bank by the above loan
number; and

ES 13508

WHEREAS, subject to the condition precedent that the deed of trust made in favor of the FEDERAL LAND BANK OF SACRAMENTO shall unconditionally be and remain a first lien on the real property described therein, the said bank has approved the borrower's request that the sum of \$ 38,532.03 be added to the unmatured principal balance of the above numbered loan and that the terms of payment of the total indebtedness be restructured as outlined in an Agreement for Reamortization dated December 15, 1983.

NOW, THEREFORE, in consideration of the premises and other valuable consideration, the sufficiency of which is acknowledged, the undersigned hereby agree that the above identified deed of trust securing the promissory note held by that undersigned shall remain junior and subordinate to the lien of the deed of trust herein referred to made in favor of the FEDERAL LAND BANK OF SACRAMENTO securing borrower's total indebtedness to the said bank amounting to \$ 299,382.32.

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.

UNITED STATES OF AMERICA, Acting through the Farmer's Home Administration, United States Department of Agriculture

BY: David E. Brown

BY: _____

EXHIBIT "A"

PARCEL I:

TOWNSHIP 22 NORTH, RANGE 54 EAST, M.D.B.&M.

Section 28: S 1/2

Excepting therefrom all oil, gas, potash and sodium in and under said land reserved by the United States of America.

PARCEL II:

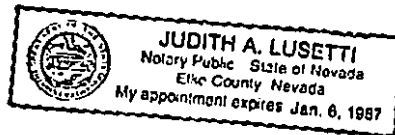
TOWNSHIP 22 NORTH, RANGE 54 EAST, M.D.B.&M.

Section 22: W 1/2 W 1/2

Excepting therefrom all oil and gas in and under said land reserved by the United States of America.

STATE OF NEVADA)
) ss.
COUNTY OF ELKO)

On this 3rd day of February, 1984, personally appeared before me,
a Notary Public, DAVID E. BROWN, known to me to be the County Supervisor
of the Farmers Home Administration, an agency of the United States of
America, and known to me to be the person who executed the within instrument
on behalf of said agency, and acknowledged to me that the United
States of America executed the same.



Judith A. Luetti
NOTARY PUBLIC

RECORDED AT REQUEST OF
Frontier Title Co.
BOOK 121 PAGE 187

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OFFICE OF THE CLERK
ELKO COUNTY, NEVADA
FILED FOR RECORD
92751
8.00

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