

RECORDING REQUESTED BY

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

119454

Loan No. 228018-3

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 12th day of May, 1988 by

NEVADA LIVESTOCK PRODUCTION CREDIT ASSOCIATION, now known as

SIERRA/NEVADA PRODUCTION CREDIT ASSOCIATION

holder(s) of the promissory note(s) secured by that certain deed of trust

executed by KENNETH F. BENSON and PATTI E. BENSON

the instrument being recorded April 22, 1983 in Book 110, Page 302

of Official Records of Eureka County, Nevada

Instrument No. 87424; and re-recorded May 29, 1987 in Book 156, Page 463 of Official Records of Eureka County, Nevada, Instrument No. 108147.

W I T N E S S E

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 July 12, 1978

executed by KENNETH F. BENSON and PATTI E. BENSON, husband and wife

wherein the FEDERAL LAND BANK OF SACRAMENTO is named trustee; the instrument being recorded September 27, 1978, in Book 66, Page 141 of Official Records of Eureka County, Nevada, Instrument No. 66303

The said deed of trust, given to secure the payment of \$ 90,000.00

with interest as prescribed in trustor's 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

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 \$ 21,606.51 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 Amending Loan Agreement dated May 12, 1988.

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 \$ 150,305.60.

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.

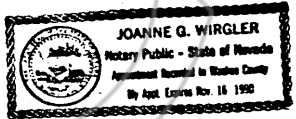
NEVADA LIVESTOCK PRODUCTION CREDIT ASSOCIATION, now known as Sierra/Nevada Production Credit Associat

By Reg B. Smith  
Name: Reg B. Smith  
Title: Vice President - Credit

STATE OF NEVADA )  
County of WASHOE )

On this 29th day of June, 1988 before me, the undersigned Notary Public in and for said County and State, personally appeared Reg B. Smith

[(X) personally known to me] [( ) proved to me on the basis of satisfactory evidence] to be the person(s) who executed the within instrument as Vice President - Credit or on behalf of the corporation therein named and acknowledged to me that the corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.



WITNESS my hand and official seal

Joanne G. Wirgler  
Notary Public in and for said County and State

FCB 1207 (3-87) Notarial Acknowledgment - Corporate

EXHIBIT "A"  
To Subordination Agreement

All that certain lot, piece or parcel of land situate in the County of Eureka,  
State of Nevada more particularly described as follows:

TOWNSHIP 21 NORTH, RANGE 53 EAST, MDB&M

Section 3: Lots 5, 6, 7 and 8; S1/2N1/2

EXCEPTING THEREFROM all oil, gas, potash and sodium in the  
lands so patented, and to it or persons authorized by it, the  
right to prospect for, mine and remove such deposits from the  
same upon compliance with the conditions and subject to the  
provisions and limitations of the Act of July 17, 1941 (38  
Stat. 509), as amended by the Act of March 4, 1933 (47 Stat.  
1570) as contained in Patent issued by THE UNITED STATES OF  
AMERICA to GEORGE G. KNOWLES, recorded November 14, 1964 in  
Book 6 of Official Records at Page 186, Eureka County,  
Nevada.

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BOOK 179 PAGE 399

First American Title Co  
88 JAN 30 11 22

OFFICIAL RECORDS  
EUREKA COUNTY, NEVADA  
M.M. REDA, COUNTY RECORDER

FILE NO. 119454

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