

BOOK 423 PAGE 156-172
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EUREKA COUNTY, NEVADA
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201078

APN# 007-20014

Recording Requested by and Return To:

Name Rabo Agrifinance Inc.

Address One City Place Dr. Suite 200

City/State/Zip St. Louis, Missouri 63141

05291891

Deed of Trust
(Title of Document)

This cover page must be typed or printed

WHEN RECORDED, MAIL TO:

RABO AGRIFINANCE, INC.
ONE CITYPLACE DRIVE, SUITE 200
ST. LOUIS, MISSOURI 63141
PHONE 314-887-4000

05291891

Loan No. F-20501142

NEVADA DEED OF TRUST, SECURITY AGREEMENT AND FINANCING STATEMENT

THIS DEED OF TRUST, SECURITY AGREEMENT AND FINANCING STATEMENT ("Deed of Trust") is made the 22ND day of AUGUST, 2005, between REESE W. MARSHALL AND LISA M. MARSHALL, HUSBAND AND WIFE whose principal residence is HC 62, BOX 186, EUREKA, NEVADA 89316, (herein called "Grantor"), G. MICHAEL SMITH (herein called "Trustee"), and RABO AGRIFINANCE, INC., a corporation duly organized and existing under the laws of DELAWARE, whose mailing address is ONE CITYPLACE DRIVE, SUITE 200, ST. LOUIS, MISSOURI 63141 (herein called "Beneficiary").

WITNESSETH: That Grantor grants, transfers and assigns to Trustee in trust, with power of sale, that certain real estate ("Real Estate") in EUREKA County, Nevada, described as:

See attached Exhibit "A", which is incorporated herein by reference.

TOGETHER WITH (1) all easements, rights-of-way and rights appurtenant to said Real Estate or used in connection therewith or as a means of access thereto; (2) all tenements, hereditaments and appurtenances thereto, including all water, water rights, and drainage rights appertaining thereto; (3) Grantor's interest as lessor in all leases affecting said Real Estate; (4) all buildings, structures, improvements, fixtures, attachments, appliances, equipment, machinery and other articles now or hereafter erected on, affixed or attached to, or located in or on said Real Estate which are real property, and all substitutions, replacements, additions and accessions thereof or thereto; (5) all rents, issues, profits, royalties, bonuses, income and other benefits derived from or produced by said Real Estate (subject, however, to the assignment of rents and profits to Beneficiary herein); and (6) all right, title, estate, interest, and other claim or demand, including, without limitation, all claims or demands to the proceeds of all insurance now or hereafter in effect with respect to said Real Estate, which Grantor now has or may hereafter acquire in said Real Estate, and all awards made for the taking by condemnation or the power of eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of said Real Estate.

AND ALSO, Grantor, as debtor, irrevocably grants and assigns to Beneficiary, as secured party, a security interest in all of the following collateral which is personal property now or hereafter owned by Grantor or in which Grantor now or hereafter has any rights and which is now or hereafter located on or at, or affixed or attached to, or produced from, or used in connection with said Real Estate, including but not limited to: All personal property described in

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Exhibit "B" attached hereto and made a part hereof and articles of personal or mixed property of every kind and nature whatsoever, including, without limitation, all (a) goods, including without limitation, equipment and machinery (excluding, however, automobiles, trucks, tractors, trailers, wheeled vehicles, planting and tillage equipment), watering and irrigation apparatus, pumps, motors, generators, pipes, center pivot irrigators and sprinklers, windmills, fences, fixtures, fittings, appliances, farm products, crops growing or to be grown, timber standing or to be cut, minerals or the like (including oil and gas), raw materials, inventory and work in process; (b) all water stock and water rights and, to the extent listed on the attached Exhibit "B", all investment property, including without limitation, certificated and uncertificated securities, securities entitlements, securities accounts and commodities accounts, including all stock, bonds and commodities contracts; (c) all permits and licenses used in the operation of the Real Estate and, to the extent listed on the attached Exhibit "B", general intangibles, including without limitation payment intangibles and software; (d) accounts, including without limitation all of Grantor's right to any payment arising out of the sale, lease or license of all kinds of tangible and intangible personal property, contract rights, general intangibles, instruments, documents, chattel paper, accounts receivable, deposits, fees, charges and other payments, income and cash receipts that are otherwise described in this paragraph; (e) personal property of the same general kind or class as otherwise described in this paragraph which Grantor may now own or hereafter acquire, wherever located, used or usable in the operation of or relating to the Real Estate; and all products and proceeds from the sale or other disposal thereof, including, without limitation, all payments under any insurance policies, substitutions and replacements, additions, accessions of or to said collateral and any indemnity, warranty or guaranty relating to any of the foregoing (all of the foregoing property shall be hereinafter collectively referred to as the "Collateral"; the Real Estate and the Collateral shall hereinafter be collectively referred to as the "Property"). PROVIDED HOWEVER, that nothing in this Deed of Trust shall prevent Grantor from obtaining secured crop financing which may include the perfection of a lien by the crop lender on the crops growing or to be grown for a period not to exceed the beginning of the next crop year. If Grantor exercises its right to place a single crop lien on the crops grown or to be grown on the Real Estate hereunder, such crop lien shall automatically be a superior lien to the lien on such crop created hereby without the need for any consent or subordination from Beneficiary.

TO HAVE AND TO HOLD the same unto the said Trustee and its successors for the purpose of securing payment of an indebtedness in the principal sum of ONE HUNDRED SIXTY FIVE THOUSAND AND NO/100 Dollars (\$165,000.00) with interest thereon according to the terms of a certain promissory note (which by reference is hereby made a part hereof) of even date herewith executed by Grantor, delivered to Beneficiary and payable to the order of Beneficiary ("Note"), and the performance and discharge of each and every obligation, covenant and agreement of Grantor herein contained; to have and to hold the Property upon the following express trusts, to wit:

1. The Grantor agrees to pay the indebtedness with interest as in said Note provided, and if default be made in the payment of any part thereof the Trustee on demand of the Beneficiary may foreclose this Deed of Trust in the manner provided by law, or by the terms of this Deed of Trust. In case of the renewal or extension of the indebtedness hereby secured, or any part thereof, all the provisions of this Deed of Trust and the lien thereof, from its date,

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shall remain in force as fully and with the same effect as if it were made originally to mature at such extended time.

2. The Grantor agrees to pay as the same become due and payable all taxes, assessments and other charges imposed by law upon the Property, or any part thereof including the Trustee's or Beneficiary's interest therein and upon this Deed of Trust or the Note or Indebtedness secured hereby, provided that should the amount of said payments made for the Trustee or Beneficiary under this paragraph for taxes, assessments and other charges together with the interest on the indebtedness exceed the highest interest rate permitted by law on the indebtedness then owing, Grantor shall not be liable to pay any of such excess over the highest lawful rate. In case the Grantor's obligation to make any of the payments required by this paragraph shall be deemed unlawful or legally inoperative, or in case the amount of such payments made for the Trustee or Beneficiary would constitute interest in excess of the maximum lawful rate, then and in any such case the entire indebtedness secured hereby shall at the option of the Beneficiary become immediately due and payable and this Deed of Trust subject to foreclosure after six (6) months' written notice to the Grantor.

3. The Grantor agrees to pay all other debts that are now or may become liens upon or charges against the Real Estate, and not to permit any lien of any kind to accrue and remain on the Real Estate, or the improvements thereon, which might take precedence over the lien of this Deed of Trust. The Grantor further agrees not to create any lien on the Real Estate junior hereto unless the person entitled to the benefits thereof shall have agreed that the time for the payment of the indebtedness hereby secured and the manner and amount of payment thereof and the benefits of the security afforded hereby may, without consent of such person and without any obligation to give notice of any kind thereto, be extended, re-extended, accelerated, suspended and refunded on any terms whatsoever without in any manner affecting the priority of the lien hereby created, as security for the payment of the indebtedness secured hereby or any obligation substituted therefore or issued to refund same.

4. The Grantor agrees to keep the Property in good condition and repair and not to commit or suffer waste thereof; to operate all lands, whether improved pastures, orchards, grazing, timber, or crop lands, in a good and husbandmanlike manner in accordance with accepted principles of sound agricultural and forestry practices; to take all reasonable precautions to control wind and water erosion; to fertilize improved pastures, if any, where necessary to maintain a good stand of desirable grasses; to protect orchards and timber, if any, by reasonable precautions against loss or damage by fire including the maintenance of appropriate fire breaks; and neither to remove nor permit the removal of any timber, buildings, oil, gas, mineral, stone, rock, clay, fertilizer, gravel or top soil without the prior written consent of the Beneficiary. The Beneficiary shall have the right to inspect the Property at such reasonable times and intervals as the Beneficiary may desire, to determine the Grantor's compliance with the covenants contained in any paragraph of this Deed of Trust.

5. The Grantor agrees to procure, maintain and deliver, premiums paid, to the Beneficiary policies of insurance against such hazards on the buildings now or hereafter located on the Property as the Beneficiary may from time to time require, in such companies and in such amount, and form and with such loss payable clauses as shall be satisfactory to the

9. In case default be made in the payment of any sum secured hereby, or in the performance of any act the performance of which is secured hereby, the Beneficiary shall be entitled at any time, at Beneficiary's option, either by itself or by a Receiver to be appointed by a court therefor, (i) to enter upon and take possession of the Property, or any part thereof, and to do and perform such acts of repair, cultivation, protection or irrigation as may be necessary or proper to conserve the value thereof; (ii) to rent or lease the same or any part thereof and to collect and receive the rents, issues and profits thereof; (iii) to prepare for harvest, harvest, remove and sell any crops that may be growing upon the Real Estate (which rents, issues, profits and crops, present and future, are hereby assigned to the Trustee as further security, but which assignment Trustee agrees not to enforce so long as Grantor is not in default in payment of any sum or performance of any act to be made or performed hereunder, provided that in no event shall the Grantor collect any of said rents, issues and profits prior to accrual), and apply such rents, issues and profits, or the proceeds of the sale of any of said crops, in the manner hereinafter specified in respect of proceeds of sale of the Property, (iv) to do any other act or acts, as it may deem necessary or proper, in the use, management or operation of the Property, or to protect or conserve the value thereof, the specific enumerations herein not excluding the general; and/or (v) to pursue every legal and equitable remedy available at law and including, without limiting the generality of the foregoing, the right, ex parte, to the appointment of a receiver of the Property without consideration of the value of the Property as security for amounts due or the solvency of any person liable for the payment of such amounts, the remedies of a grantee under the UCC (regardless of whether the UCC has been enacted in the jurisdiction where rights or remedies are asserted), the right to take possession of the Collateral and enter the Real Estate on which the Collateral or any part thereof may be situated and remove the same therefrom, the right to resell the Collateral at any place Beneficiary elects and deliver a bill of sale therefor, the right to require Grantor to make the Collateral available to Beneficiary at a place designated by Beneficiary and reasonably convenient to both parties, and without removal, the right to render the Collateral unusable and to dispose of the Collateral; provided that unless the Collateral is perishable or threatens to decline speedily in value Beneficiary shall send Grantor at least ten (10) days prior written notice of the time and place of any public sale of the Collateral or of the time after which any private sale or any other intended disposition is to be made, by United States mail, postage prepaid, to the address set forth above, and Beneficiary may bid and purchase Collateral at public or private sale

10. The Grantor promises to appear and defend any action or proceeding purporting to affect the interest of Beneficiary hereunder, or the Property or any part thereof, or the rights, powers and duties of the Trustee hereunder; and the Trustee or Beneficiary may likewise appear in and defend any such action or proceeding and take such action therein as either of them may be advised; and all costs and expenses, including costs of evidence of title, and reasonable attorney fees incurred or expended by the Beneficiary or Trustee in such action or proceeding, shall become immediately due from the Grantor to the Beneficiary or Trustee when so incurred or expended, and shall bear interest until paid at the default rate set forth in the Note and shall be secured hereby.

In the event that any action or proceeding is brought to exercise the right of eminent domain on the Property, or any part thereof, the Grantor agrees to pay to the Beneficiary all sums received by him as compensation or damages for the condemnation of said Property, or

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any part thereof, and said sum shall be applicable to the payment of the indebtedness secured hereby, whether due or not, or refunded to the Grantor, at the option of the Beneficiary.

11. The Beneficiary may release for such consideration, or none, as it may require, any portion of the Property without, as to the remainder of the security, in any wise impairing or affecting the liens and priorities herein provided for the Beneficiary compared to any subordinate lienholder.

12. As further security for the payment of said indebtedness and the performance of all of the terms, covenants and conditions hereof, the Grantor does hereby transfer, set over, assign and pledge to the Beneficiary the Grantor's interest and estate in all leases, including, but not limited to gas, oil and mineral leases, now or hereafter affecting the Real Estate or any part thereof, and all rents, issues, income, profits, royalties and bonuses due and to become due thereunder, and in the event of a default under any of the terms, covenants and conditions of this Deed of Trust the Beneficiary is hereby authorized and empowered to collect and receive all such rents, issues, income, profits, royalties and bonuses due and to become due and to apply the same against said indebtedness. So long, however, as there shall be no default hereunder the Grantor shall have the right to collect and receive any and all such rents, issues, income, profits, royalties and bonuses as they respectively become due and payable, and to use the same without accounting to the Beneficiary therefor.

13. The Grantor further agrees that the entire indebtedness secured by this Deed of Trust shall become and immediately be due at the option of the Beneficiary if by order of a court of competent jurisdiction, a receiver or liquidator or trustee of the Grantor, or of any of the Property, shall be appointed and shall not have been discharged within sixty (60) days, or, if, by decree of such a court, the Grantor shall be adjudicated bankrupt or insolvent or any of his property shall have been sequestered, and such decree shall have continued undischarged and unstayed for sixty (60) days after the entry thereof, or if a petition to reorganize the Grantor pursuant to the United States Bankruptcy Code, as amended, or any other similar statute applicable to the Grantor, as now or hereafter in effect, shall be filed against the Grantor and shall not be dismissed within sixty (60) days after such filing, or the Grantor shall file a petition in voluntary bankruptcy under any provision of any bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against him under any such law, or if (without limitation of the generality of the foregoing) the Grantor shall file a petition for an arrangement or to reorganize the Grantor pursuant to the United States Bankruptcy Code, as amended, or any other similar statute applicable to the Grantor, as now or hereafter in effect, or if the Grantor, shall institute any proceeding of the dissolution or liquidation of the Grantor, or if the Grantor shall make an assignment for the benefit of his creditors, or shall admit in writing his inability to pay his debts generally as they become due, or shall consent to the appointment of a receiver, or trustee, or liquidator of the Grantor, or of all or any part of the Property.

14. If breach or default be made in the prompt payment, when due, of any sum secured hereby or in the performance of any promise contained herein, or contained in any conveyance under which said Grantor claims or derives title, then and at any time thereafter the Beneficiary hereunder may declare all sums secured hereby immediately due and payable, without demand or notice and the Trustee may, at its option bring an action in any court of

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competent jurisdiction to foreclose this instrument as a mortgage or to enforce any of the covenants hereof, or the Beneficiary or Trustee may record in the office of the County Recorder of the county or counties wherein the Real Estate or any part thereof is situated, a notice of such breach or default and election to cause the Property to be sold to satisfy the indebtedness and obligations secured hereby, as provided by the laws of the State of Nevada with reference to the foreclosure of deeds of trust.

On application of the Beneficiary, and after at least three months shall have elapsed following the recordation of said notice of breach or default, the Trustee shall give notice of the time and place of sale in the manner and for a time not less than that required by law for the sale or sales of the Property under execution, and without demand on Grantor, shall sell the Property at the time and place of sale fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction, to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of the Property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement, and without further notice it may make such sale at the time to which the same shall be so postponed. Trustee shall deliver to the purchaser its deed conveying the Property so sold, but without any covenant or warranty, express or implied. The recital in any such deed of any matters or facts stated either specifically or in general terms, or as conclusions of law or fact, shall be conclusive proof of the truthfulness thereof, and such deed shall be conclusive against all persons as to all matters or facts therein recited. Any person, including, Grantor, Trustee or Beneficiary, may purchase at such sale. Grantor hereby agrees to surrender immediately, and without demand, possession of the Property to any purchaser at any sale held hereunder. In the conduct of any such sale the Trustee may act itself, or through any auctioneer, agent or attorney. In addition to the indebtedness and other obligations secured hereby, the Grantor hereby agrees to pay the expenses of such sale and of the trust created herein, together with customary compensation of the Trustee, and reasonable counsel fees, and also such sums, if any, as Trustee or Beneficiary shall have paid for procuring an abstract of title or search of or certificate or report as to the title to the Property or any part thereof subsequent to the execution of this instrument, all of which sums shall be secured hereby and become due upon any default hereunder made by the Grantor. The Trustee shall apply the proceeds of any sale held hereunder to the satisfaction of the sums secured hereby, in such order and to such extent as the Beneficiary, in the exercise of its absolute discretion, may direct. Any surplus in the hands of the Trustee after the payment of all sums secured hereby, shall be paid to the person or persons legally entitled thereto on the proof of such right.

15. The Beneficiary may, at any time, by instrument in writing, appoint a successor or successors to, or discharge and appoint a new trustee in the place of, any Trustee named herein or acting hereunder, which instrument, executed and acknowledged by Beneficiary, and recorded in the office of the County Recorder of the county or counties wherein the Real Estate is situated, shall be conclusive proof of the proper substitution of such successor or successors or new Trustee, who shall have all the estate, powers, duties, rights and privileges of the predecessor Trustee.

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16. All the provisions of this instrument shall inure to and bind the heirs, devisees, legal representatives, successors and assigns of each party hereto, respectively. All obligations of each Grantor hereunder are joint and several. The rights or remedies granted hereunder or by law shall not be exclusive but shall be concurrent and cumulative.

17. It is expressly agreed that the trusts created hereby are irrevocable by the Grantor.

18. If Grantor, or any successor or assign, sells, conveys, alienates, leases (other than to tenants in the ordinary course of business with no option to purchase), assigns, transfers or encumbers, or contracts to sell, convey, alienate, lease (other than to tenants in the ordinary course of business with no option to purchase), assign, transfer or encumber, all or any part of said Real Estate or any interest in said Real Estate, or if more than forty-nine percent (49%) of the capital or voting stock or partnership or other beneficial interest of Grantor is sold, conveyed, alienated, assigned, transferred, or encumbered, whether any of the foregoing events occurs in any manner, directly or indirectly, whether voluntary, involuntary or by operation of law, without the prior written consent of Beneficiary, then, and in any such event, all indebtedness secured by this Deed of Trust shall become immediately due and payable at the election of Beneficiary, without notice. Grantor shall give reasonable written notice to Beneficiary of any transfer of said Real Estate or other event described in this paragraph prior to any such transfer or event. Grantor shall furnish in writing to Beneficiary all reasonable information concerning any transfer of said Real Estate or other such event that is requested by Beneficiary, including, without limitation, the name and address of the transferee, financial statements of the transferee, a full description of the business of the transferee, and the complete terms of the transfer.

19. Grantor shall not suffer any waste of the Property and will not permit or conduct either the generation, treatment, storage or disposal of hazardous waste, as defined in the Resource Conservation and Recovery Act, or the disposal on the Real Estate of petroleum or any hazardous substance, as defined in the Comprehensive Environmental Response, Compensation, and Liability Act, and will perform all remedial actions reasonably necessary as the result of the presence of any such hazardous wastes, petroleum or hazardous substances on, at or near the Real Estate. Grantor shall be personally liable for and agrees to indemnify, defend with counsel satisfactory to Beneficiary and hold Beneficiary harmless against any loss, damage, or liability suffered by the Beneficiary, including but not limited to attorneys' fees, due to the presence of any such hazardous waste, petroleum or hazardous substance at, on or near the Real Estate, and the Grantor shall be liable for compliance (and for costs associated therewith) with any directive or order by any governmental entity relating to the presence of any such hazardous waste, petroleum or hazardous substance on, at, or near the Real Estate. Grantor will deliver promptly to the Beneficiary (i) copies of any documents received from the United States Environmental Protection Agency and/or any state, county or municipal environmental or health agency concerning the Grantor's operations upon the Real Estate; and (ii) copies of any documents submitted by the Grantor to the United States Environmental Protection Agency and/or any state, county or municipal environmental or health agency concerning operations on the Real Estate. Grantor agrees that, notwithstanding any provision to the contrary in this Deed of Trust, this indemnification and hold harmless shall survive the

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release or reconveyance of this Deed of Trust, whether pursuant to payment in full of the Note, or judicial or non-judicial foreclosure under this Deed of Trust, or otherwise.

20. This Deed of Trust constitutes a security agreement within the meaning of the UCC with respect to any part of the Property which may now or hereafter be characterized by law as personal property, and in the event of any default under this Deed of Trust which continues beyond the applicable notice and cure period, if any, the Beneficiary shall have all the rights and remedies of a secured party under the UCC, as well as all other rights and remedies available hereunder or under this Deed of Trust at law or in equity. Grantor authorizes Beneficiary to file one or more financing statements and continuation statements describing the Collateral and hereby ratifies any such financing statement or continuation statement previously filed by Beneficiary. Grantor will, from time to time, within ten (10) days after request by the Beneficiary, execute, acknowledge and deliver any financing statement, continuation statement or other document that the Beneficiary might request in order to perfect, protect, preserve, continue, extend or maintain the security interest created by and the priority of this Deed of Trust and will, on demand, pay any expenses incurred by the Beneficiary in the preparation, execution and filing of any such documents. Grantor represents and warrants that: (a) all Collateral is located in the state in which the Real Estate is located; (b) Grantor's chief executive office or principal residence is Grantor's address set forth in the first paragraph of this Deed of Trust; (c) Grantor's state of organization, if applicable, is as set forth in the first paragraph of this Deed of Trust; and (d) Grantor's exact legal name is as set forth in the first paragraph of this Deed of Trust.

21. Grantor, its successors and assigns and each of them, represent and warrant that the Property involved in this transaction does not represent the proceeds of some form of unlawful activity under any state, federal or foreign law.

22. This Deed of Trust shall be governed by and construed and interpreted in accordance with the internal laws of the State of Nevada, except and only to the extent the UCC provides otherwise.

IN WITNESS WHEREOF, the Grantor has executed these presents, the day and year first above written.


REESE W. MARSHALL


LISA M. MARSHALL

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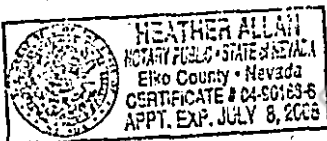
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STATE OF NEVADA)
COUNTY OF Elko) SS:

On September 1, 2005, before me, a Notary Public in and for Elko County, personally appeared REESE W. MARSHALL AND LISA M. MARSHALL, HUSBAND AND WIFE, known to me to be the person whose name subscribed to the within instrument, and acknowledged to me that they executed the same freely and voluntarily and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on the day and year first above written.

(SEAL)



Heather Allan
Notary Public
Name printed Heather Allan
County Elko

My commission expires: 7/8/08

W1029Q RVSD 09-11-03
L:\MTG_DOT\NV_DOT
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Initials Reese
Lisa

Exhibit "A"

Legal Description

TOWNSHIP 21 NORTH, RANGE 53 EAST, M.D.B. & M.

Section 8: E1/2;

EXCEPTING THEREFROM, all the oil and gas, potash and sodium in said land, reserved by THE UNITED STATES OF AMERICA, in Patent recorded March 10, 1963, in Book 26, Page 386, Official Records, Eureka County, Nevada.

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Exhibit "B"

Personal Property

All fixtures, water rights, equipment and machinery (excluding, however, automobiles, trucks, tractors, trailers, wheeled vehicles, planting and tillage equipment), watering and irrigation apparatus, pumps, motors, generators, pipes, center pivot irrigators and sprinklers, frost protection apparatus, windmills, fences, fixtures, fittings, appliances, whether any of the foregoing is owned now or acquired later; all accessions, additions, replacements, and substitutions relating to any of the foregoing; all records of any kind relating to any of the foregoing; all proceeds relating to any of the foregoing (including insurance, general intangibles and accounts proceeds).

Water Rights, Permits and Certificates:

Permit Number 22566 – Certificate # 6561

Permit Number 22567 – Certificate # 6562


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EXHIBIT C

ADJUSTABLE RATE RIDER
(3 Year Treasury Index - No Rate Cap - Convertible)

This ADJUSTABLE RATE RIDER is made this 22nd day of August, 2005 and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to RABO AGRIFINANCE, INC. (the "Lender") of the same date and covering the property described in the Security Instrument and located on Exhibit "A".

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE SEMI-ANNUAL PAYMENT. THE NOTE ALSO CONTAINS THE OPTION TO CONVERT THE ADJUSTABLE RATE TO ANOTHER RATE.

ADDITIONAL COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

A. ADJUSTABLE RATE AND SEMI-ANNUAL PAYMENT CHANGES

The Note provides for an initial interest rate of 6.12%. The Note provides for changes in the adjustable interest rate and the semi-annual payments as follows:

1. Payment of Principal and Interest.

(a) Interest shall accrue on the unpaid balance of this Note at a rate equal to the sum of (i) the Current Index (defined below) and (ii) the Margin (defined below) ("the Adjustable Rate"). The Adjustable Rate shall change on the first day of each third JULY, commencing JULY 1, 2008 (each, a "Rate Change Date") until the loan is repaid in full or until the Borrower exercises the option to convert the interest rate to another rate as provided in paragraph (f) below.

(b) The Adjustable Rate shall be 6.12% per annum until JULY 1, 2008.

(c) A payment of interest only calculated at the Adjustable Rate from the date of closing shall be due on the first day of JANUARY 1, 2006. Thereafter, consecutive semi-annual installments of principal and interest, each in the amount required to pay the unpaid principal balance of this Note in equal semi-annual installments, including accrued interest at the Adjustable Rate calculated over the 25 year period beginning with JANUARY 1, 2006 shall be payable on the first day of each January and July, until the entire indebtedness evidenced by this Note is fully paid. Any remaining indebtedness, if not sooner paid, shall be due and payable on the Maturity Date (as defined below). The initial installment of principal and interest in the amount of SIX THOUSAND FOUR HUNDRED EIGHTY SIX AND 06/100 Dollars (\$6,486.06) shall be due on JULY 1, 2006. Thereafter, to the extent that the Adjustable Rate has changed, the amount of the installment payment shall change in accordance with the second sentence of this paragraph. For purposes of determining the "principal balance" under the second sentence of this paragraph, calculations shall be based on the binding presumption of timely future payments, without any prepayments made after the date of the calculation, through the next scheduled Rate Change Date.

(d) At least 30 days before each Rate Change Date, Lender shall re-calculate the Adjustable Rate and shall notify Borrower (in the manner specified in the Security Instrument for giving notices) of any change in the Adjustable Rate and the installment payment due on each payment date.

(e) If Lender at any time determines, in its sole but reasonable discretion, that it has miscalculated the amount of any installment payment (whether because of a miscalculation of the Adjustable Rate or otherwise), then Lender shall give notice to Borrower of the corrected amount of the installment payment (and the corrected Adjustable Rate, if applicable) and (i) if the corrected amount of the installment payment represents an increase, then Borrower shall, within 30 calendar days thereafter, pay to Lender any sums that Borrower would have otherwise been obligated under this Note to pay to Lender had the amount of the installment payment not been miscalculated, or (ii) if the corrected amount of the installment payment represents a decrease thereof and Borrower is not otherwise in breach or default under any of the terms and provisions of this Note, the Security Instrument or any other loan document evidencing or securing this Note, then Borrower shall thereafter be paid the sums that Borrower would not have otherwise been obligated to pay to Lender had the amount of the installment payment not been miscalculated.

(f) If Borrower timely exercises Borrower's option to convert the interest rate on this Note to another rate pursuant to paragraph 3. ("Interest Rate Conversion Option") of this Note, the applicable interest rate under this Note, beginning on the date the conversion becomes effective and continuing until the Maturity Date, shall not be the rate determined in accordance with subsection (e) above, but shall be the rate established in accordance with Section 3 "Interest Rate Conversion Option" hereof. Such rate shall be reflected in an "Agreement to Convert" substantially in the form attached as Exhibit A to this Note.

(g) For purposes of this Section, the following definitions shall apply:

Current Index: The published Index that is in effect on the 45th day before the applicable Rate Change Date.

Index: The weekly average yield on United States Treasury securities adjusted to a constant maturity of three years published by the Federal Reserve Board. In the event the Federal Reserve Board ceases making the Index available, Lender shall select a comparable publication to determine the Index and provide notice thereof to Borrower. In the event no comparable organization publishes the Index, Lender shall select a method of calculating interest at the Adjustable Rate that Lender deems comparable in its sole discretion and provide notice thereof to Borrower.

Margin: 2.700%.

Maturity Date: JANUARY 1, 2021.

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B. INTEREST RATE OPTION

The Note provides for the Borrower's option to convert from an adjustable interest rate to another interest rate, as follows:

3. Interest Rate Conversion Option.

(a) **Option to Convert to Other Rate.** Borrower may exercise the Conversion Option unless Borrower is in default under this Note or the Security Instrument if the conditions of this Paragraph 3(a) are met. The "Conversion Option" is the Borrower's option to convert the interest rate specified in this Note from an adjustable rate with no interest rate limits to the converted rate calculated under Section 3(b) below.

The conversion can only take place on a date a payment is due under this Note. The date on which the Borrower converts the adjustable interest rate to the converted rate is called the "Conversion Date."

The Borrower's ability to exercise the Conversion Option is conditioned upon: (i) the Borrower giving the Lender written notice at least 21 days prior to the Conversion Date that the Borrower wants to exercise the Conversion Option; (ii) at the Conversion Date, the Borrower must not be in default under the terms of this Note or the Security Instrument; (iii) payment to the Lender prior to the Conversion Date of a conversion fee of the greater of \$1,000 or 0.5 percent of the outstanding loan balance, not to exceed \$5,000; (iv) the Borrower's completion and execution of any documents the Lender requires to effect the conversion; and (v) the loan product selected for conversion being different from the current loan product.

(b) **Calculation of Converted Rate.** The converted interest rate in effect as of the Conversion Date will be equal to the Federal Agricultural Mortgage Corporation's required net yield as of noon, Eastern Time, 7 days prior to the Conversion Date for a conversion to a loan product, other than the loan product under which the current interest rate was established, offered by the Federal Agricultural Mortgage Corporation. Such required net yield shall be that for (i) if Borrower elects to have the option to prepay the loan on any date a payment is due without paying a yield maintenance amount, the open prepay comparable (as determined in the Lender's sole discretion) term mortgages (with amortization terms equal to the amortization term of this Note) covered by applicable 1-week mandatory delivery commitments, plus 0.23%, or (ii) if Borrower agrees that any prepayment of the loan will be subject to Borrower's paying a yield maintenance amount, comparable (as determined in the Lender's sole discretion) term mortgages (with amortization terms equal to the amortization term of this Note) with yield maintenance covered by applicable 1-week mandatory delivery commitments, plus 0.23%. If this required net yield cannot be determined because the applicable commitments are not available, the Lender will determine the interest rate by using comparable information. If Borrower elects to convert to another adjustable rate product, the Federal Agricultural Mortgage Corporation's required net yield for conversion to the selected loan product will be higher than the applicable required net yield for new originations of the same loan product.

(c) **New Payment and Effective Date.** Upon the Borrower's exercise of the Conversion Option, the Lender will determine the amount of the semi-annual installment, which will be calculated to

repay the unpaid principal (net of any principal payment due on the Conversion Date) in full on the final amortization date at the new interest rate in substantially equal payments.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Adjustable Rate Rider.

Reese W. Marshall

REESE W. MARSHALL

Lisa M. Marshall

LISA M. MARSHALL

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BOOK 423 PAGE 172