

48-57624 TSO

Recording Requested By And
When Recorded, Return To:

Federal Land Bank of Sacramento
P.O. Box 13106
Sacramento, CA 95813

Loan No. 218440-0

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 12th day of October, 1987, by Bradshaw, Inc., a Nevada corporation, holder(s) of the promissory note(s) secured by that certain deed of trust executed by Jensens Palisade, Inc., a Utah corporation, the instrument being recorded June 11, 1979, in Book 30, Page 354, of Official Records of Lincoln County, State of Nevada.

WITNESSETH

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 November 9, 1977, executed by Bradshaw Inc., a Nevada corporation, wherein the FEDERAL LAND BANK OF SACRAMENTO is named Trustee and Beneficiary; the instrument being recorded December 5, 1977, in Book 23, Page 229, of Official Records of Lincoln County, State of Nevada, as Instrument No. 60944. The said deed of trust, given to secure the payment of \$140,000.00 with interest as prescribed in that certain 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 Federal Land Bank of Sacramento by the above referenced 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 \$39,160.81 be added to the unsaturated principal balance of the above numbered loan and that the terms of payment of the total indebtedness by restructured as outlined in an Amending Loan Agreement dated October 12, 1987.

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 the 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 \$109,097.38.

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.

BRADSHAW'S INC., a Nevada corporation

By: Don L. Bradshaw
name:
title: President

By: Barbara J. Bradshaw
name:
title: Vice Pres. Treasurer

STATE OF Nevada)
County of Lincoln)

On this 18th day of February, 1988 before me, the undersigned Notary Public in and for said County and State, personally appeared Don L. Bradshaw & Barbara J. Bradshaw [(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 President Vice President & Treasurer 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

Margaret Conner
Notary Public in and for said County and State



EXHIBIT "A"

PARCEL I:

The Southeast Quarter (SE 1/4) of the Northwest Quarter (NW 1/4) and the East Half (E 1/2) of the Southwest Quarter (SW 1/4) of Section 11, Township 9 South, Range 67 East, M.D.M.

PARCEL II:

The Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4) and the West Half (W 1/2) of the Southwest Quarter (SW 1/4) of Section 11, Township 9 South, Range 67 East, M.D.M.

The Northwest Quarter (NW 1/4) of the Northwest Quarter (NW 1/4), the South Half (S 1/2) of the Northwest Quarter (NW 1/4), The Northeast Quarter (NE 1/4) of the Southwest Quarter (SW 1/4) of Section 14, Township 9 South, Range 67 East, M.D.M.

PARCEL III:

The Northeast Quarter (NE 1/4) of the Northwest Quarter (NW 1/4) of Section 14, Township 9 South, Range 67 East, M.D.M.

TOGETHER WITH the following water rights for irrigation of the above described land as evidenced by filings with the State Engineer's Office of Nevada:

a) Certificate No. 2017 (Application No. 5461) being the right to waters of Meadow Valley Wash, for irrigation of 38.8 acres of land;

b) All the water rights under Permit no. 20212, Certificate No. 6030, being the right to underground water from a well located near the Northeast corner of the Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4) of Section 11, Township 9 South, Range 67 East, Mount Diablo Base and Meridian, for irrigation of 154.46 acres of the above described land.

ALSO TOGETHER WITH the right to underground water from a well located in the Northeast Quarter (NE 1/4) of the Northwest Quarter (NW 1/4) of Section 14, Township 9 South, Range 67 East, Mount Diablo Base and Meridian, for irrigation of 222 acres of the above described land as evidenced by Permit No. 31098 on file with the State Engineer.

TOGETHER WITH the following enumerated components of the sprinkler irrigation system located on the land above described which are deemed by the grantor to the fixtures and a part of the real property encumbered by this deed of trust.

No. 88328
FILED AND RECORDED AT REQUEST OF
Dominick Belingheri
March 2, 1988
AT 1 MINUTES PAST 9 O'CLOCK
A M IN BOOK 78 OF OFFICIAL
RECORDS, PAGE 602 LINCOLN
COUNTY, NEVADA.
FRANK C. HULSE
COUNTY RECORDER

By Maria Cordia Deputy