

RECORDING REQUESTED BY:  
Mesquite Title Company

AND WHEN RECORDED MAIL TO:

Western AgCredit, FLCA  
51 East 400 North Ste 2-B  
Cedar City, UT 84720

Order No. 15370  
Escrow No. 15370

FILED FOR RECORDING  
AT THE REQUEST OF  
Mesquite Title Co.

2006 OCT 13 AM 10 17

LINCOLN COUNTY RECORDED  
FEE \$41.00 DEP  
LESLIE BOUCHER RB

## 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, made this 2nd day of October, 2006, by Turner Lincoln Ranch, LLC, a Nevada limited liability company owner of the land hereinafter described and hereinafter referred to as "Owner", and A. Morley Wilson and Mary Ellen Wilson, Trustees of the A. Morley and Mary Ellen Wilson Family Trust under agreement dated 11-13-86 and by amendment dated May 6, 1999 present owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "Beneficiary";

### WITNESSETH

THAT WHEREAS, Owner has executed a deed of trust, dated October 2, 2006 to A. Morley Wilson and Mary Ellen Wilson, Trustees of the A. Morley and Mary Ellen Wilson Family Trust as beneficiary, covering:

PARCEL ONE (1):

The South Half (S1/2) of the Southwest Quarter (SW1/4); and the Northwest Quarter (NW1/4) of the Southwest Quarter (SW1/4) of Section 13, Township 2 South, Range 67 East, M.D.B. & M.

PARCEL TWO (2):

The Northeast Quarter (NE1/4); and the East Half (E1/2) of the Southeast Quarter (SE1/4); and the North Half (N1/2) of the Northwest Quarter (NW1/4), all in Section 14, Township 2 South, Range 67 East, M.D.B. & M.

PARCEL THREE (3):

The Southeast Quarter (SE1/4) of the Northeast Quarter (NE1/4) of Section 23, Township 2 South, Range 67 East, M.D.B. & M.

PARCEL FOUR (4):

Parcel One (1) as set forth in that certain Map filed in Book C of Parcel Maps, Page 101.

TOGETHER WITH 1,575 acre-feet of water rights from Water Permit No(s) 65702, 65703, 65704 and 69447 registered with the State of Nevada Division of Water Resources.

to secure a note in the sum of \$750,000.00, in favor of A. Morley Wilson and Mary Ellen Wilson, Trustees of the A. Morley and Mary Ellen Wilson Family Trust, which deed of trust is to be recorded concurrently herewith, Official Records of said county; and

WHEREAS, Owner has executed, or is about to execute, a deed of trust and note in the sum of \$412,200.00 dated September 18, 2006, in favor of Western AgCredit, FLCA hereinafter referred to as "Lender", payable with interest and upon the terms and conditions described therein, which deed of trust is to be recorded concurrently herewith; and

WHEREAS, it is a condition precedent to obtaining said loan that said deed of trust last above mentioned 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 deed of trust first above mentioned; and

WHEREAS, Lender is willing to make said loan provided the deed of trust securing the same is a lien or charge upon the above described property prior and superior to the lien or charge of the deed of trust first above mentioned and provided that Beneficiary will specifically and unconditionally subordinate the lien or charge of the deed of trust first above mentioned to the lien or charge of the deed of trust in favor of Lender; and

WHEREAS, it is to the mutual benefit of the parties hereto that Lender make such loan to Owner; and Beneficiary is willing that the deed of trust securing the same shall, when recorded, constitute a lien or charge upon said land which is unconditionally prior and superior to the lien or charge of the deed of trust first above mentioned.

NOW THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce Lender to make the loan above referred to, it is hereby declared, understood and agreed as follows:

- (1) That said deed of trust securing said note in favor of Lender, and any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the property therein described, prior and superior to the lien or charge of the deed of trust first above mentioned.
- (2) That Lender would not make its loan 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 deed of trust first above mentioned to the lien or charge of the deed of trust in favor of Lender above referred to and shall supersede and cancel, but only insofar as would affect the priority between the deeds of trust hereinbefore specifically described, any prior agreement as to such subordination including, but not limited to, those provisions, if any, contained in the deed of trust first above mentioned, which provide for the subordination of the lien or charge thereof to another deed or deeds of trust or to another mortgage or mortgages.

Beneficiary declares, agrees and acknowledges that

- (a) He consents to and approves (i) all provisions of the note and deed of trust in favor of Lender above referred to, and (ii) all agreements, including but not limited to any loan or escrow agreements, between Owner and Lender for the disbursement of the proceeds of Lender's loan;
- (b) Lender in making disbursements pursuant to any such agreement is under no obligation or duty to, nor has Lender represented that it will, see to the application of such proceeds by the person or persons to whom Lender disburses such proceeds and any application or use of such proceeds for purposes other than those provided for in such agreement or agreements shall not defeat the subordination herein made in whole or in part;
- (c) He intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of the deed of trust first above mentioned in favor of the lien or charge upon said land of the deed of trust in favor of Lender above referred to and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination specific loans and advances 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
- (d) An endorsement has been placed upon the note secured by the deed of trust first above mentioned that said deed of trust has by this instrument been subordinated to the lien or charge of the deed of trust in favor of Lender above referred to.

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.

A. Morley and Mary Ellen Wilson Family Trust dated 11-13-86

*A. Morley Wilson*  
A. Morley Wilson

*Mary Ellen Wilson*  
Mary Ellen Wilson  
Beneficiary

Turner Lincoln Ranch, LLC

*Nelson Hafen*  
By: Nelson Hafen, Managing Member

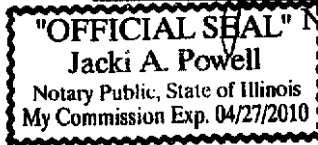
\_\_\_\_\_  
Owner

IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THERETO.

STATE OF ILLINOIS )  
 ) SS.  
COUNTY OF HANCOCK )

On the 4 day of October, 2006, A.D., personally appeared before me **A. Morley Wilson and Mary Ellen Wilson,** Trustees, the signer(s) of the within instrument, who duly acknowledged to me that they executed the same.

My Commission expires: 4-27-2010  
Residing at: 2015 N. St. Hwy 96  
NAUVOO, IL 62354



Jacki A Powell

STATE OF Nevada )  
 ) SS.  
COUNTY OF Clark )

This instrument was acknowledged before me this 2nd day of October, 2006  
by Turner Lincoln Ranch, LLC, a Nevada limited liability company, by Nelson Hafen Managing Member

My Commission Expires: \_\_\_\_\_

[Signature]  
Notary Public

