

**Official Record**Recording requested By  
FIRST AMERICAN TITLE COMPANY

Lincoln County - NV

Leslie Boucher - Recorder

Fee: \$22.00

Page 1 of 9

RPTT:

Recorded By: AE

Book- 250 Page- 0086

APN 011-030-02, 011-050-01, 011-050-02, 011-060-01, 011-060-02, 011-060-03, 011-060-04, 011-060-05, 011-060-06, 011-060-07, 011-060-08, 011-110-01, 011-110-18, and 011-110-20

Recording Requested By:



And When Recorded Return To:

American AgCredit, FLCA  
P.O. Box 1708  
Fallon, Nevada 89407

The undersigned hereby affirm that there is no Social Security number contained in this document.

*Escrow # 151-2383794*

**LEASEHOLD SUBORDINATION**

**NOTICE: THIS LEASEHOLD SUBORDINATION RESULTS IN YOUR LEASEHOLD INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME LATER SECURITY INSTRUMENT.**

**THIS LEASEHOLD SUBORDINATION** ("Subordination") is executed and made effective this 20th day of July, 2009, by Mathews Farms, a Nevada general partnership ("Lessee"), present lessee under that certain unrecorded lease agreement ("Lease") executed by and between Nevada Rock and Sand Company, a Nevada corporation and Lessee on March 1, 2002, in favor of American AgCredit, FLCA ("Lender").

**RECITALS**

- (1) On or about March 1, 2002, Nevada Rock and Sand Company, a Nevada corporation predecessor in interest to Stewart-Nevada Enterprises, LLC, a Nevada limited liability company and Lessee entered into the Lease covering the following property ("Property"):

Refer to Exhibit "A" attached hereto and incorporated herein by reference thereto

Said Lease provides Lessee with a leasehold interest in the above-described property.

- (2) Stewart-Nevada Enterprises, LLC, a Nevada limited liability company ("Owner") is seeking a loan and/or other financial accommodations ("financial accommodations") from Lender and is about to execute a deed of trust dated July 20, 2009 to be recorded in the official records of Lincoln County, State of Nevada (the "Lender's Deed of Trust") to secure a note in the sum of \$415,000.00, together with all renewals, modifications and additional financial accommodations of Owner secured thereby, payable with interest and subject to the terms and conditions described therein, in favor of Lender. Lender's Deed of Trust provides Lender with a lien on the Property.
- (3) Lender is willing to extend said credit provided the Lender's Deed of Trust securing the same is a lien or charge upon the Property prior and superior to the estate, lien, charge or encumbrance of the Lease and Lessee's leasehold interest and provided that Lessee will specifically and unconditionally subordinate the



estate, lien, charge, or encumbrance of the Lease and Lessee's leasehold interest to the lien or charge of the Lender's Deed of Trust.

- (4) It is to the benefit of the undersigned hereto that Lender extend said credit to the Owner; and Lessee is willing that the Lender's Deed of Trust shall, when recorded, constitute a lien or charge upon said land which is unconditionally prior and superior to the estate, lien, charge, or encumbrance of the Lease and Lessee's leasehold interest.

**NOW, THEREFORE**, in consideration of the benefits accruing to the undersigned hereto and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to induce Lender to extend such credit, the undersigned hereto declares, acknowledges and agrees as follows:

- (a) That Lender's Deed of Trust shall unconditionally be and at all times remain a lien or charge on the Property described therein, prior and superior to the estate, lien, charge, or encumbrance of the Lease and Lessee's leasehold interest together with all rights and privileges of Lessee thereunder.
- (b) That the purpose of this Subordination is to establish a lien priority for Lender which will allow it to provide the financial accommodations evidenced by the note described in paragraph 2 above, and that this Subordination is to continue in effect as to all credit extended to Owner, whether resulting from loans or advances hereto or hereafter made. Said aggregate amount shall include all sums resulting from any extensions or renewals of such credit, and all costs, and attorney's fees incurred in connection with such credit.
- (c) That Lender is providing and will in the future provide financial accommodations to Owner in reliance upon, and in consideration of this waiver, relinquishment and subordination. Specific loans and advances are being made and will be made and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said Lender's reliance upon this waiver, relinquishment and subordination.
- (d) Lessee consents to and approves: (i) all provisions of the note and Lender's Deed of Trust, and (ii) all agreements, including but not limited to, any loan or escrow agreements between the Owner and the Lender regarding disbursement of the proceeds of the loan.
- (e) Lender, in making disbursements pursuant to any note, loan agreement or similar document, 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 made herein in whole or in part.
- (f) That this Subordination shall be the sole document establishing the lien priorities regarding the subordination of the Lease and Lessee's leasehold interest to the lien or charge of the Lender's Deed of Trust and shall supersede or cancel, but only in so far as would effect the priority between the Lender's Deed of Trust and the Lease and the leasehold interest, any prior agreements as to such subordination, including but not limited to, those provisions, if any, contained in the Lease, which provide for the subordination, including but not limited to, those provisions, if any, contained in another deed or deeds of trust or to another mortgage or mortgages.
- (g) This Subordination, without further reference, shall pass to and may be relied upon and enforced by any transferee or subsequent holder of the Lender's Deed of Trust.
- (h) This Subordination may not be amended or modified orally but may be modified only in writing, signed by Lender and all parties hereto. No waiver of any term or provision of this Subordination shall be effective unless it is in writing, making specific reference to this Subordination and signed



by the party against whom such waiver is sought to be enforced. This Subordination shall be binding upon the parties hereto and their respective heirs, legal representatives, successors and assigns. This Subordination shall be governed by and construed in accordance with the laws of the State of Nevada.

- (i) This Subordination may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute and be construed as one and the same instrument.

**NOTICE: THIS SUBORDINATION CONTAINS A PROVISION WHICH ALLOWS THE OWNER TO OBTAIN A LOAN, A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN THE IMPROVEMENT OF THE LAND.**

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

IN WITNESS WHEREOF, the parties have executed this Subordination as of the date hereof.

This document must be acknowledged before a Notary Public.

Lessee

Mathews Farms, a Nevada general partnership

By: Robert Mathews  
Robert Mathews, Partner



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Page 89

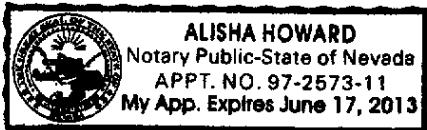
08/06/2009  
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Attachment to Leasehold Subordination  
Stewart-Nevada Enterprises, LLC  
July 20, 2009

STATE OF Nevada )  
COUNTY OF Lincoln )

On 29<sup>th</sup> day of July, 2009, before me, a notary public, personally appeared **Robert Mathews, Partner of Mathews Farms, a Nevada General Partnership** who is personally known or proven to me, or has proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the entity upon behalf of which he acted, executed this instrument.

WITNESS my hand and official seal.



Alisha Howard  
Notary Public





Attachment to Leasehold Subordination  
Stewart-Nevada Enterprises, LLC  
July 20, 2009

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*Handwritten signatures and initials*

**EXHIBIT "A"**

The land referred to is situated in the County of Lincoln, State of Nevada, and is described as follows:

**PARCEL I:**

The South Half (S 1/2) of the North Half (N 1/2) of the Northwest Quarter (NW 1/4) of the Southwest Quarter (SW 1/4), and the South Half (S 1/2) of the Northwest Quarter (NW 1/4) of the Southwest Quarter (SW 1/4) of Section 1, Township 4 South, Range 60 East, M.D.B.& M., Lincoln County, Nevada; and the North Half (N 1/2) of the Southeast Quarter (SE 1/4) of Section 2, Township 4 South, Range 60 East, M.D.B.& M., Lincoln County, Nevada.

EXCEPTING THEREFROM the North Half (N 1/2) of the North Half (N 1/2) of the Northeast Quarter (NE 1/4) of the Southeast Quarter (SE 1/4) of said Section 2; and the South Half (S 1/2) of the South Half (S 1/2) of the South Half (S 1/2) of the North Half (N 1/2) of the Southeast Quarter (SE 1/4) of said Section 2.

**PARCEL II:**

The South Half (S 1/2) of the Northeast Quarter (NE 1/4) of the Southwest Quarter (SW 1/4); and the South Half (S 1/2) of the Northwest Quarter (NW 1/4) of the Southeast Quarter (SE 1/4); and the Northerly 19 acres (627 by 1320 feet) of the Southeast Quarter (SE 1/4) of the Southwest Quarter (SW 1/4) of Section 11, Township 4 South, Range 60 East, M.D.B.& M., Lincoln County, Nevada

EXCEPTING THEREFROM the North Half (N 1/2) of the North Half (N 1/2) of the South Half (S 1/2) of the Northwest Quarter (NW 1/4) of the Southeast Quarter (SE 1/4) of said Section 11.

**PARCEL III:**

Lot Four (4), and the North Half (N 1/2) of the North Half (N 1/2) of the North Half (N 1/2) of the Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4) of Section 1, Township 4 South, Range 60 East, M.D.B.& M., Lincoln County, Nevada; and Lot One (1), and the North Half (N 1/2) of the North Half (N 1/2) of the North Half (N 1/2) of the Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4) of Section 2, Township 4 South, Range 60 East, M.D.B.& M., Lincoln County, Nevada.

**PARCEL IV:**

The South Half (S 1/2) of the South Half (S 1/2) of the South Half (S 1/2) of the North Half (N 1/2) of the Southeast Quarter (SE 1/4); and the South Half (S 1/2) of the Southeast Quarter (SE 1/4) of Section 2, Township 4 South, Range 60 East, M.D.B.& M., Lincoln County, Nevada.

**PARCEL V:**

The Northeast Quarter (NE 1/4) of the Northeast Quarter (NE 1/4); and the Northeast Quarter (NE 1/4) of the Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4); and the North Half (N 1/2) of the Northwest Quarter (NW 1/4) of the Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4) of Section 11, Township 4 South, Range 60 East, M.D.B.& M., Lincoln County, Nevada.

**PARCEL VI:**

The South Half (S 1/2) of the South Half (S 1/2) of the South Half (S 1/2) of the South Half (S 1/2) of the Northeast Quarter (NE 1/4); and the North Half (N 1/2) of the Northwest Quarter (NW 1/4) of the Southeast Quarter (SE 1/4); and the North Half (N 1/2) of the North Half (N 1/2) of the South Half (S 1/2) of the Northwest Quarter (NW 1/4) of the Southeast Quarter (SE 1/4); and the North Half (N 1/2) of the Northeast Quarter (NE 1/4) of the Southwest Quarter (SW 1/4) of Section 11, Township 4 South, Range 60 East, M.D.B.& M., Lincoln County, Nevada.

**PARCEL VII:**

The South Half (S 1/2) of the North Half (N 1/2) of the North Half (N 1/2) of the Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4), and the South Half (S 1/2) of the North Half (N 1/2) of the Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4), and the South Half (S 1/2) of the Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4), and the North Half (N 1/2) of the North Half (N 1/2) of the Northwest Quarter (NW 1/4) of the Southwest Quarter (SW 1/4) of Section 1, Township 4 South, Range 60 East, M.D.B.& M., Lincoln County, Nevada; and the South Half (S 1/2) of the North Half (N 1/2) of the North Half (N 1/2) of the Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4), and the South Half (S 1/2) of the North Half (N 1/2) of the Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4), and the North Half (N 1/2) of the North Half (N 1/2) of the Northeast Quarter (NE 1/4) of the Southeast Quarter (SE 1/4) of Section 2, Township 4 South, Range 60 East, M.D.B.& M., Lincoln County, Nevada.

**PARCEL VIII:**

The South Half (S 1/2) of the Northeast Quarter (NE 1/4) of Section 11, Township 4 South, Range 60 East, M.D.B.& M., Lincoln County, Nevada;

EXCEPTING THEREFROM the Northeast Quarter (NE 1/4) of the Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4), and the North Half (N 1/2) of the Northwest Quarter (NW 1/4) of the Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4), and the South Half (S 1/2) of the South Half (S 1/2) of the South Half (S 1/2) of the Northeast Quarter (NE 1/4) of Section 11, Township 4 South, Range 60 East, M.D.B.& M., Lincoln County, Nevada.

**PARCEL IX:**

The South Half (S 1/2) of the Southeast Quarter (SE 1/4) of Section 13, Township 3 South, Range 60 East, M.D.B.& M.; and the East Half (E 1/2) of Section 24, Township 3 South, Range 60 East, M.D.B.& M., Lincoln County, Nevada;

The Northeast Quarter (NE 1/4), the North Half (N 1/2) of the Southeast Quarter (SE 1/4), and the Southwest Quarter (SW 1/4) of the Southeast Quarter (SE 1/4); all in Section 25, Township 3 South, Range 60 East, M.D.B.& M., Lincoln County, Nevada;

The Northwest Quarter (NW 1/4) of the Northeast Quarter (NE 1/4), the Northwest Quarter (NW 1/4), the Northwest Quarter (NW 1/4) of the Southwest Quarter (SW 1/4), and Lot One (1); all in Section 36, Township 3 South, Range 60 East, M.D.B.& M., Lincoln County, Nevada.



EXCEPTING THEREFROM those portions of land conveyed to the State of Nevada for highway purposes in that certain document recorded June 25, 1975 in Book 14 of Official Records, Pages 606-608, as Instrument No. 56884, Lincoln County, Nevada, Records.

**PARCEL X:**

The Southwest Quarter (SW 1/4) of Section 18, Township 3 South, Range 61 East, M.D.B. & M., Lincoln County, Nevada;

The North Half (N 1/2) of the Northwest Quarter (NW 1/4), the Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4), and the Northwest Quarter (NW 1/4) of the Southwest Quarter (SW 1/4); all in Section 19, Township 3 South, Range 61 East, M.D.B. & M., Lincoln County, Nevada.

EXCEPTING THEREFROM that portion of land conveyed to the State of Nevada for highway purposes in that certain document recorded June 25, 1975 in Book 14 of Official Records, Pages 606-608, as Instrument No. 56884, Lincoln County, Nevada, Records.

**PARCEL XI:**

Lot Four (4), the Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4), the Northwest Quarter (NW 1/4) of the Southwest Quarter (SW 1/4); all in Section 1, Township 4 South, Range 60 East, M.D.B. & M., Lincoln County, Nevada;

Lot One (1), the Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4), and the Southeast Quarter (SE 1/4) all in Section 2, Township 4 South, Range 60 East, M.D.B. & M., Lincoln County, Nevada;

The East Half (E 1/2) of the Northeast Quarter (NE 1/4), the Southwest Quarter (SW 1/4) of the Northeast Quarter (NE 1/4), and the Northwest quarter (NW 1/4) of the Southeast Quarter (SE 1/4); all in Section 11, Township 4 South, Range 60 East, M.D.B. & M., Lincoln County, Nevada.

EXCEPTING THEREFROM all the following lands:

The South Half (S 1/2) of the Northeast Quarter (NE 1/4) of Section 11, Township 4 South, Range 60 East, M.D.B. & M., Lincoln County, Nevada;

The South Half (S 1/2) of the North Half (N 1/2) of the Northwest Quarter (NW 1/4) of the Southwest Quarter (SW 1/4), and the South Half (S 1/2) of the Northwest Quarter (NW 1/4) of the Southwest Quarter (SW 1/4) of Section 1, Township 4 South, Range 60 East, M.D.B. & M., Lincoln County, Nevada; and the North Half (N 1/2) of the Southeast Quarter (SE 1/4) of Section 2, Township 4 South, Range 60 East, M.D.B. & M., Lincoln County, Nevada.

The South Half (S 1/2) of the Northeast Quarter (NE 1/4) of the Southwest Quarter (SW 1/4); and the South Half (S 1/2) of the Northwest Quarter (NW 1/4) of the Southeast Quarter (SE 1/4); and the Northerly 19 acres (627 by 1320 feet) of the Southeast Quarter (SE 1/4) of the Southwest Quarter (SW 1/4) of Section 11, Township 4 South, Range 60 East, M.D.B. & M., Lincoln County, Nevada





Lot Four (4), and the North Half (N 1/2) of the North Half (N 1/2) of the North Half (N 1/2) of the Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4) of Section 1, Township 4 South, Range 60 East, M.D.B.& M., Lincoln County, Nevada; and Lot 1, and the North Half (N 1/2) of the North Half (N 1/2) of the North Half (N 1/2) of the Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4) of Section 2, Township 4 South, Range 60 East, M.D.B.& M., Lincoln County, Nevada.

The South Half (S 1/2) of the South Half (S 1/2) of the South Half (S 1/2) of the North Half (N 1/2) of the Southeast Quarter (SE 1/4); and the South Half (S 1/2) of the Southeast Quarter (SE 1/4) of Section 2, Township 4 South, Range 60 East, M.D.B.& M., Lincoln County, Nevada.

The Northeast Quarter (NE 1/4) of the Northeast Quarter (NE 1/4); and the Northeast Quarter (NE 1/4) of the Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4); and the North Half (N 1/2) of the Northwest Quarter (NW 1/4) of the Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4) of Section 11, Township 4 South, Range 60 East, M.D.B.& M., Lincoln County, Nevada.

The South Half (S 1/2) of the South Half (S 1/2) of the South Half (S 1/2) of the South Half (S 1/2) of the Northeast Quarter (NE 1/4); and the North Half (N 1/2) of the Northwest Quarter (NW 1/4) of the Southeast Quarter (SE 1/4); and the North Half (N 1/2) of the North Half (N 1/2) of the South Half (S 1/2) of the Northwest Quarter (NW 1/4) of the Southeast Quarter (SE 1/4); and the North Half (N 1/2) of the Northeast Quarter (NE 1/4) of the Southwest Quarter (SW 1/4) of Section 11, Township 4 South, Range 60 East, M.D.B.& M., Lincoln County, Nevada.

The South Half (S 1/2) of the North Half (N 1/2) of the North Half (N 1/2) of the Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4), and the South Half (S 1/2) of the North Half (N 1/2) of the Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4), and the South Half (S 1/2) of the Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4), and the North Half (N 1/2) of the North Half (N 1/2) of the Northwest Quarter (NW 1/4) of the Southwest Quarter (SW 1/4) of Section 1, Township 4 South, Range 60 East, M.D.B.& M., Lincoln County, Nevada; and the South Half (S 1/2) of the North Half (N 1/2) of the North Half (N 1/2) of the Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4), and the South Half (S 1/2) of the North Half (N 1/2) of the Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4), and the North Half (N 1/2) of the North Half (N 1/2) of the Northeast Quarter (NE 1/4) of the Southeast Quarter (SE 1/4) of Section 2, Township 4 South, Range 60 East, M.D.B.& M., Lincoln County, Nevada.

**PARCEL XII:**

The Northeast Quarter (NE 1/4) of Section 3, the Northeast Quarter (NE 1/4) of the Northeast Quarter (NE 1/4) of Section 10, and the Southeast Quarter (SE 1/4) of the Northwest Quarter (NW 1/4) of Section 11; all in Township 5 South, Range 60 East, M.D.B.& M., Lincoln County, Nevada;

EXCEPTING THEREFROM that portion of land conveyed to the State of Nevada for highway purposes in documents recorded March 25, 1948 in Book H-1 of Deed Records, Page 208 and Page 209, as Instrument No. 23762 and Instrument No. 23763, Lincoln County, Nevada, Records.





FURTHER EXCEPTING THEREFROM that portion of the Northeast Quarter (NE 1/4) of the Northeast Quarter (NE 1/4) of Section 10, Township 5 South, Range 60 East, M.D.B. & M., lying Northerly of State Highway 38, excepting therefrom the Southwesterly 200.00 feet measured at right angles to and equidistant from the highway center line of said State Highway 38; and that portion of the East Half (E 1/2) of the Southeast Quarter (SE 1/4) lying Easterly of the following described line, said line being the approximate centerline of the old Hiko Highway, further described as follows: Commencing at the quarter section corner common to Sections 2 and 3, Township 5 South, Range 60 East, M.D.B. & M.; Thence South 42°42' West, 600.33 feet; Thence South 22°08' West, 1267.66 feet; Thence South 52°29' West, 540 feet to the East 1/16 line of said Section 3.

PLEASE NOTE: The above legal descriptions for Parcels I through VIII previously appeared on that certain document recorded September 29, 1998 in Book 137, Page 349 as Instrument No. 111659 and later re-recorded October 6, 1998 in Book 137, Page 404 as Instrument No. 111677, Lincoln County, Nevada, Records. The legal descriptions for Parcels IX through XII previously appeared on that certain document recorded September 29, 1998 in Book 137, Page 343 as Instrument No. 111658 and later re-recorded October 6, 1998 in Book 137, Page 398 as Instrument No. 111676, Lincoln County, Nevada, Records.