

APN: 1220-28-000-005  
When Recorded Mail To:  
WESTERN TITLE  
INSTALLMENT COLLECTIONS  
665 Sierra Rose Drive  
Reno, NV 89509

7083-PAH

Douglas County - NV  
Werner Christen - Recorder  
Page: 1 Of 11 Fee: 24.00  
BK-1206 PG- 9718 RPTT: 0.00



**THE UNDERSIGNED affirm by executing this document that it does not contain the social security number of any person. (Per NRS 239B.030).**

SUBORDINATION AGREEMENT

THIS SUBORDINATION AGREEMENT, entered into this 20 day of December, 2006 by and between JACKSON-McCRAW, LLC, a Nevada limited liability company (hereinafter referred to as "Beneficiary"), and RANCHO SIERRA, LLC, a Nevada limited liability company (hereinafter referred to as "Trustor"), and the persons and entities set forth on Exhibit "1," attached hereto and incorporated herein by this reference (hereinafter referred to as "Lenders").

WITNESSETH:

WHEREAS, on February 28, 2005, Trustor executed a Deed of Trust and Assignment of Rents in favor of Beneficiary, recorded on March 1, 2005, as Document No. 637858 of Official Records, Douglas County, Nevada, securing a promissory note of even date (Beneficiary's Deed of Trust); and

WHEREAS, Trustor desires to borrow funds from Lenders secured by the same real property as Beneficiary's Deed of Trust; and

WHEREAS, Beneficiary desires Lenders to loan funds to Trustor, if Two Hundred Thousand Dollars (\$200,000) is paid to Beneficiary on Beneficiary's promissory note to be applied as agreed between Beneficiary and Trustor; and

WHEREAS, Lenders desire to loan funds to Trustor only if their security is in a first lien position on the real property security and Trustor has executed a deed of trust in favor of Lenders (hereinafter referred to as "Lenders' Deed of Trust").

NOW, THEREFORE, in consideration of the mutual covenants, conditions and terms hereinafter set forth, and other good and valuable consideration, the parties hereto do agree that:

1. Upon payment of Two Hundred Thousand Dollars (\$200,000) to Beneficiary, the Beneficiary's Deed of Trust referenced above shall be, and the same hereby is, made subject to and unconditionally subordinate to Lenders' Deed of Trust, recorded on Dec. 27, 2006 as Document No. 1091164 Official Records, Douglas County, Nevada.

2. Except as specifically provided for herein, all of the rest and remainder of the terms and conditions of the above-referenced Beneficiary's Deed of Trust and Lenders' Deed of Trust shall remain in full force and effect, and their validity and enforceability shall not be impaired, diminished nor their priority otherwise affected hereby.

IN WITNESS WHEREOF, the parties hereto have set their hands on the day and year first above written.

"BENEFICIARY"

JACKSON-McCRAW, LLC,  
a Nevada limited liability company

By: Daniel McCraw  
DANIEL McCRAW, Manager

By: Lance Jackson  
LANCE JACKSON, Manager

"LENDERS"

By: \_\_\_\_\_  
Name: RANDAL S. KUCKENMEISTER  
Sierra Financial Mortgage as  
Title: the attorney-in-fact for Lenders

"TRUSTOR"

RANCHO SIERRA, LLC, a Nevada limited liability company

By: THE SIERRA SIGNATURE GROUP, LLC, a Nevada limited liability company, Manager

By: THE RYCKEBOSCH FAMILY TRUST, Member

By: STEVEN RYCKEBOSCH,  
Trustee

By: LYNN RYCKEBOSCH,  
Trustee

WHEREAS, Lenders desire to loan funds to Trustor only if their security is in a first lien position on the real property security and Trustor has executed a deed of trust in favor of Lenders (hereinafter referred to as "Lenders' Deed of Trust").

NOW, THEREFORE, in consideration of the mutual covenants, conditions and terms hereinafter set forth, and other good and valuable consideration, the parties hereto do agree that:

1. Upon payment of Two Hundred Thousand Dollars (\$200,000) to Beneficiary, the Beneficiary's Deed of Trust referenced above shall be, and the same hereby is, made subject to and unconditionally subordinate to Lenders' Deed of Trust, recorded on \_\_\_\_\_, 200\_\_, as Document No. \_\_\_\_\_, Official Records, Douglas County, Nevada.

2. Except as specifically provided for herein, all of the rest and remainder of the terms and conditions of the above-referenced Beneficiary's Deed of Trust and Lenders' Deed of Trust shall remain in full force and effect, and their validity and enforceability shall not be impaired, diminished nor their priority otherwise affected hereby.

IN WITNESS WHEREOF, the parties hereto have set their hands on the day and year first above written.

"BENEFICIARY"

JACKSON-McCRAW, LLC,  
a Nevada limited liability company

By: \_\_\_\_\_  
DANIEL McCRAW, Manager

By: \_\_\_\_\_  
LANCE JACKSON, Manager

"LENDERS"

By: \_\_\_\_\_  
Name: RANDAL S. KUCKENMEISTER  
Sierra Financial Mortgage as  
Title: the attorney-in-fact for Lenders

"TRUSTOR"

RANCHO SIERRA, LLC, a Nevada limited liability company

By: THE SIERRA SIGNATURE GROUP, LLC, a Nevada limited liability company, Manager

By: THE RYCKEBOSCH FAMILY TRUST, Member

By: \_\_\_\_\_  
STEVEN RYCKEBOSCH,  
Trustee

By: \_\_\_\_\_  
LYNN RYCKEBOSCH,  
Trustee

By: *Douglas C. Egstrom*  
DOUGLAS C. EGSTROM, Member

By: *Louise Smith-Egstrom*  
LOUISE SMITH-EGSTROM,  
Member

STATE OF NEVADA        )  
                                  : ss.  
COUNTY OF WASHOE    )

On \_\_\_\_\_, 200\_\_, personally appeared before me, a notary public, DANIEL McCRAW, personally known (or proved) to me to be the person whose name is subscribed to the foregoing instrument, who acknowledged to me that he is a Manager of JACKSON -McCRAW, LLC, a Nevada limited liability company, and who further acknowledged to me that he executed the foregoing document on behalf of said company.

\_\_\_\_\_  
NOTARY PUBLIC

STATE OF NEVADA        )  
                                  : ss.  
COUNTY OF WASHOE    )

On \_\_\_\_\_, 200\_\_, personally appeared before me, a notary public, LANCE JACKSON, personally known (or proved) to me to be the person whose name is subscribed to the foregoing instrument, who acknowledged to me that he is a Manager of JACKSON -McCRAW, LLC, a Nevada limited liability company, and who further acknowledged to me that he executed the foregoing document on behalf of said company.

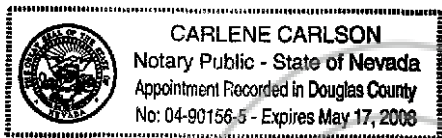
\_\_\_\_\_  
NOTARY PUBLIC

By: DOUGLAS C. EGSTROM, Member

By: LOUISE SMITH-EGSTROM, Member

STATE OF NEVADA )  
                          ) : ss.  
COUNTY OF WASHOE )

On 12-21, 2006, personally appeared before me, a notary public, DANIEL McCRAW, personally known (or proved) to me to be the person whose name is subscribed to the foregoing instrument, who acknowledged to me that he is a Manager of JACKSON -McCRAW, LLC, a Nevada limited liability company, and who further acknowledged to me that he executed the foregoing document on behalf of said company.



*Carlene Carlson*  
NOTARY PUBLIC

STATE OF NEVADA )  
                          ) : ss.  
COUNTY OF WASHOE )

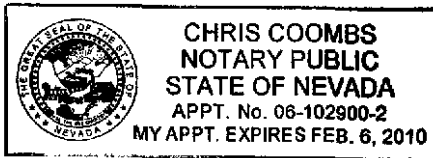
On 12-21, 2006, personally appeared before me, a notary public, LANCE JACKSON, personally known (or proved) to me to be the person whose name is subscribed to the foregoing instrument, who acknowledged to me that he is a Manager of JACKSON -McCRAW, LLC, a Nevada limited liability company, and who further acknowledged to me that he executed the foregoing document on behalf of said company.



*Carlene Carlson*  
NOTARY PUBLIC

STATE OF NEVADA )  
 : ss.  
CARSON CITY )

On December 20, 2006, personally appeared before me, a notary public, RANDAL S. KUCKENMESITER, personally known (or proved) to me to be the person whose name is subscribed to the foregoing document, who acknowledged to me that he executed the foregoing document as an attorney-in-fact for Lenders.



Chris Coombs  
NOTARY PUBLIC

STATE OF NEVADA )  
 : ss.  
COUNTY OF WASHOE )

On December 21, 2006, personally appeared before me, a notary public, STEVEN RYCKEBOSCH, personally known (or proved) to me to be the person whose name is subscribed to the foregoing instrument, who acknowledged to me that he is a Trustee of THE RYCKEBOSCH FAMILY TRUST, which is a Member of SIERRA SIGNATURE GROUP, LLC, a Nevada limited liability company, which is the Manager of RANCHO SIERRA, LLC, a Nevada limited liability company, and who further acknowledged to me that he executed the foregoing Deed of Trust on behalf of said company.



P. Hanson  
NOTARY PUBLIC

STATE OF NEVADA )  
 : ss.  
COUNTY OF WASHOE )

On December 21, 2006, personally appeared before me, a notary public, LYNN RYCKEBOSCH, personally known (or proved) to me to be the person whose name is subscribed to the foregoing instrument, who acknowledged to me that she is a Trustee of THE RYCKEBOSCH FAMILY TRUST, which is a Member of SIERRA SIGNATURE GROUP, LLC,



Exhibit "1"  
Rancho Sierra

Steven Schiff as Trustee of the Alpine Hematology-Oncology Ltd. 401K Profit Sharing Plan as to an undivided 0.58140% interest;

Angie B. Quilici as Trustee of the Angie B. Quilici 2005 Trust as to an undivided 1.74419% interest;

Barry Buehler, a single man as to an undivided 1.16279% interest;

Bret E. Watson as Trustee of The Bret & Nicole Watson Family Trust as to an undivided 0.58140% interest;

Candace R. Jones as Trustee of the Candace R. Jones Family Trust as to an undivided 1.16279% interest;

California National Bank Custodian FBO Cheryl Stoddard IRA Acct CSC0500 as to an undivided 1.91860% interest;

Peter M. DiGrazia as Trustee of the DiGrazia Family Trust as to an undivided 1.16279% interest;

DJ Ventures, LLC, a Washington limited liability company as to an undivided 1.16279% interest;

Donald B. Snow and Janet M. Snow as Trustees of the Snow Family Trust as to an undivided 2.90698% interest;

Donald V. Weir as Trustee of the Donald & Julianne Weir Family Trust as to an undivided 2.03488% interest;

Edward Graham and Louise Graham, husband and wife as joint tenants with right of survivorship as to an undivided 2.90698% interest;

Edward C. Coppin as Trustee of the Edward C. Coppin Living Trust dated 04/03/2002 as to an undivided 1.16279% interest;

Elaine James-Lieberstein, a married woman as her sole and separate property as to an undivided 0.34884% interest;

Elliot J. Ashford, a married man as his sole and separate property as to an undivided 1.16279% interest;

Frederick Dressler as Trustee of the Frederick Dressler Survivor's Trust as to an undivided 2.32558% interest;



H. Gene Allensworth as Trustee of the Allensworth-1998 Trust as to an undivided 2.32558% interest;

George N. Valerio as Trustee of the George N. Valerio Trust dated 09/25/2006 as to an undivided 0.58140% interest;

Lisa Lekumberry as Trustee of the Giovacchini Family 1989 A Trust as to an undivided 8.72093% interest;

Stephen Herz as Trustee of the Harold & Irene Herz Trust FBO The Harold Stephen Herz Family Trust dated 12/28/1990 as to an undivided 0.87209% interest;

Homer E. Talbot and Barbara J. Talbot as Trustee of the Talbot Family Trust as to an undivided 1.16279% interest;

Cary Lurie as Trustee of the In Good Taste Profit Sharing Plan as to an undivided 1.56977% interest;

James L. Pfrommer as Trustee of the Jacquelan Read Family Irrevocable Trust as to an undivided 0.58140% interest;

James R. Davenport and Susan Davenport as Trustees of the James R. & Susan Davenport Family Trust as to an undivided 2.32558% interest;

Janice C. Speth as Trustee of the Janice C. Speth Living Trust as to an undivided 1.74419% interest;

J. Warner Griswold as Trustee of the John Warner Griswold Family Trust as to an undivided 2.32558% interest;

Joseph Walls as Trustee of the Walls Family Trust as to an undivided 2.32558% interest;

Kevin Kiene and Heidi Kiene, husband and wife as joint tenants with right of survivorship as to an undivided 2.03488% interest;

Laurie A. Feldman, a married woman as her sole and separate property as to an undivided 1.16279% interest;

Loth E. Lieberstein as Trustee of the Loth E. Lieberstein Trust as to an undivided 3.48837% interest;

Loth E. Lieberstine as Trustee of the Loth E. Lieberstein MD Ltd. Profit Sharing Plan as to an undivided 2.15116% interest;

Michael Valerio and Shelly Valerio as Trustees of the Michael and Shelly Valerio 2000 Trust as to an undivided 0.87209% interest;

Mountrail County Aquatic Foundation, a North Dakota corporation as to an undivided 1.16279% interest;

Paul I. Sheykhzadeh, a single man as to an undivided 1.16279% interest;

Philip Maita and Michelle Maita, husband and wife as joint tenants with right of survivorship as to an undivided 1.16279% interest;

Randolph B. Tucker as Trustee of the Anzac Living Trust dated 05/17/2001 as to an undivided 3.48837% interest;

Raymond C. Rude Foundation, Inc., a Nevada non-profit corporation as to an undivided 4.65116% interest;

Rod V. Smith as Trustee of the Smith Family Trust dated 12/22/2003 as to an undivided 1.16279% interest;

Ronald Sobczak, a single man as to an undivided 1.16279% interest;

Randolph B. Tucker and Randal S. Kuckenmeister as Trustees of the Scott B. Tucker Testamentary Trust for the Benefit of Randolph B. Tucker and Issue as to an undivided 1.16279% interest;

Sean Stafford and Loan Thai, husband and wife as joint tenants with right of survivorship as to an undivided 0.58140% interest;

Sharon K. Lieberstein as Trustee of the Sharon K. Lieberstein Children's Trust as to an undivided 1.74419% interest;

Dennis A. Mackey as Trustee of the Sierra Pathology Associates, Inc. Profit Sharing Plan FBO Ellen G. Clark as to an undivided 1.86047% interest;

Speth Chicks, LLC, a Nevada limited liability company as to an undivided 1.16279% interest;

Speth Sons, LLC, a Nevada limited liability company as to an undivided 1.16279% interest;

Steven Schiff as Trustee of the Schiff Family Trust as to an undivided 1.74419% interest;

Susan Herz-Callahan as Trustee of the Susan Herz GST Trust dated 07/01/2004 as to an undivided 1.16279% interest;

Susen L. Speth-Briganti, a single woman as to an undivided 0.58140% interest;

Terence Denman as Trustee of the Terrence Denman MD Inc. Profit Sharing Plan as to an undivided

3.48837% interest;

Elliott J. Ashford as Trustee of The Gene Whitworth Trust as to an undivided 2.32558% interest;

Loth Lieberstien as Trustee of The Lieberstein Family Trust as to an undivided 2.03488% interest;

Theodore C. Lambertson, a single man as to an undivided 4.65116% interest;

Thomas Dudley as Trustee of the Tom & Michelle Dudley Family Trust as to an undivided 2.32558% interest;

William Little and Suzanne Little as Trustees of the William & Suzanne Little Family Trust dated 09/16/2004 as to an undivided 2.32558% interest;

William S. Brock as Trustee of The W & E Brock Family Trust as to an undivided 1.16279% interest;

all in pari passu.

