

OFFICIAL RECORD

Requested By:
STEWART TITLE

A.P.N. # 1320-33-001-005

ESCROW NO. 070100988

RECORDING REQUESTED BY:
STEWART TITLE COMPANY

The undersigned hereby affirms that this document submitted for recording does not contain the social security number of any person or persons. (Per NRS 239B.303)

WHEN RECORDED MAIL TO:

Wealth Strategies Investment Fund

Douglas County - NV
Werner Christen - Recorder

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BK-0707 PG-1947 RPTT: 0.00



(Space Above for Recorder's Use Only)

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 July 3, 2007, by The Ranch at Gardnerville, LLC, a Nevada limited liability company owner of the land hereinafter described and hereinafter referred to as "Owner", and Wealth Strategies Investment Fund, LLC, a Nevada Limited Liability present owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "Beneficiary".

WITNESSETH

THAT WHEREAS, The Ranch at Gardnerville, LLC, a Nevada limited liability company did execute a deed of trust, dated July 7, 2006 to Stewart Title, a Nevada Corporation, as Trustee, covering:

SEE ATTACHED EXHIBIT "A"

to secure a note in the sum of \$15,000,000.00, in favor of Wealth Strategies Investment Fund, LLC, a Nevada limited liability company which deed of trust was recorded December 29, 2006, in Book 1206, Page 11107, Instrument No. 691846, 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 \$8,800,000.00, dated July 6, 2007, in favor of Nevada State Bank, 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 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 reliance upon this waiver, relinquishment and subordination;
- (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.

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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.

The Ranch at Gardnerville, LLC
A Nevada Limited Liability Company

Wealth Strategies Investment Fund, LLC
A Limited Liability Company

BY: Wealth Strategies Investment Fund, LLC

Carrie L. McAninch
Owner Carrie L. McAninch, President

Carrie L. McAninch
Beneficiary Carrie L. McAninch
President

Eagle Ridge Painter, Inc.

Gregory W. Painter
Owner Gregory W. Painter, President

Beneficiary

Owner

Beneficiary

Owner

Beneficiary

STATE OF NEVADA }
COUNTY OF Douglas } ss.

DATE: 7/6/07

This instrument was acknowledged before me on 7/6/07
by, Carrie L. McAninch and
Gregory W. Painter

Signature [Signature]
Notary Public

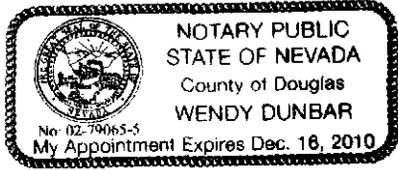


EXHIBIT "A"
LEGAL DESCRIPTION

Order No.: 070100988A

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

PARCEL 1 (ADJUSTED PARCEL 48):

A parcel of land located within portions of Sections 32 and
33, Township 13 North, Range 20 East, Mount Diablo
Meridian, more particularly described as follows:

Commencing at the center of Section 29, Township 13 North,
Range 20 East, M.D.M., a found 5/8" rebar with plastic cap,
PLS 11172 as shown on the Record of Survey to Support a
Boundary Line Adjustment for Park Cattle Co. recorded
September 28, 2004 in the office of Recorder, Douglas
County, Nevada as Document No. 625243;

thence along the north line of the southeast one-quarter of said
Section 29, South 89°23'21" East, 1693.57 feet;

thence South 00°20'20" West, 1690.72 feet to the northeast corner
of Lot 42 as shown on the Second Amended Record of Survey
for John B. Anderson recorded June 4, 1981 in said office
of Recorder as Document No. 56926, a found 5/8" rebar with
cap, RLS 2280;

thence along the east line of said Lot 42, South 00°20'20" West,
1775.04 feet to the southeast corner of said Lot 42;

thence continuing South 00°20'20" West, 25.00 feet to the POINT OF
BEGINNING:

thence along north line of Parcel 48 as shown on the Land Division
Map for John B. Anderson No. 2 recorded September 27, 1978
in said office of Recorder as Document No. 25700, South
89°42'55" East, 1770.21 feet along the centerline of an
existing dirt road;

thence along the centerline of an existing dirt road, South
00°25'14" West, 897.89 feet;

thence South 89°20'57" East, 884.10 feet;

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thence South 00°39'03" West, 910.00 feet to a point on the north line of Chichester Estates as shown on the Final Subdivision Map for Chichester Estates, Phase 1, recorded September 12, 1995 in said office of Recorder as Document No. 370215;

thence along said north line of Chichester Estates, North 89°20'57" West, 513.00 feet to the northwest corner of said Chichester Estates, a found 5/8" rebar with plastic cap, PLS 6899;

thence North 89°19'12" West, 1261.23 feet to a found 1/2" iron pipe, no tag;

thence North 89°09'51" West, 302.55 feet to the southeast corner of Adjusted A.P.N. 1320-32-601-013 as shown on the Record of Survey to Support a Boundary Line Adjustment for Robert M. and Rebecca S. Oxoby and Dinsmore Family Trust recorded June 30, 2003 in said office of Recorder as Document No. 581916;

thence along the easterly line of said Adjusted A.P.N. 1320-32-601-013 and Adjusted A.P.N. 1320-32-601-012 as shown on said Oxoby/Dinsmore Record of Survey and as described in the Deed between Carson Valley Packing, Inc and Henry and Edith Hazel Seeman recorded April 14, 1944 in said office of Recorder in Book W of Deeds, at Page 572, the following courses:

North 00°40'36" East, 120.30 feet;

North 53°24'24" West, 328.80 feet;

thence continuing along a fence line as described in said Carson Valley Packing, Inc./Seeman Deed, North 45°13'00" West, 429.86 feet to a found fence corner;

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thence continuing along said fence line as described in the Carson Valley Packing, Inc./Seeman Deed, North 00°20'20" East, 1182.36 feet to the POINT OF BEGINNING.

APN 1320-33-001-005

"IN COMPLIANCE WITH NEVADA REVISED STATUTE 111.312, THE HEREIN ABOVE LEGAL DESCRIPTION WAS TAKEN FROM INSTRUMENT RECORDED JULY 7, 2006, BOOK 0706, PAGE 2210, AS FILE NO. 679108, RECORDED IN THE OFFICIAL RECORDS OF DOUGLAS COUNTY, STATE OF NEVADA."

PARCEL 2:

An easement for the purpose of ditches, with incidental rights thereto as shown in document recorded February 1, 2002 in Book 0202, at Page 623, as Document No. 533883.

Reference is made to Record of Survey to Support a Boundary Line Adjustment for ALTON A. & SUSAN L. ANKER and PARK CATTLE CO., filed for record with the Douglas County Recorder on June 28, 2006 in Book 0606, Page 9503 as Document No. 678199.