

*The undersigned hereby affirm that this document submitted for recording does not contain the social security number of any person or persons (per NRS 239B.030).*

**APN: 1320-30-410-014**

After Recording, please return to

Tacy A. Hartman, Esq.  
c/o Van Cott, Bagley, Cornwall  
& McCarthy  
P.O. Box 45340  
Salt Lake City, Utah 84145-0340

DOC # 785576  
06/27/2011 02:52PM Deputy: PK  
**OFFICIAL RECORD**  
Requested By:  
Fidelity National Title - I  
Douglas County - NV  
Karen Ellison - Recorder  
Page: 1 of 8 Fee: \$21.00  
BK-611 PG-5613 RPTT: 0.00



## **SUBORDINATION AGREEMENT**

This Subordination Agreement ("Agreement") is effective as of the 27<sup>th</sup> day of June, 2011 by and between Western Nevada HOME Consortium (Lyon County, State of Nevada, as Lead Agency) (the "Subordinated Lender") and UTAH COMMUNITY REINVESTMENT CORPORATION ("UCRC").

### **RECITALS**

A. Minden Pacific Associates, LP a Nevada limited partnership ("Borrower"), is the owner of certain real property located in Douglas County, State of Nevada, which property is more particularly described in Exhibit "A" attached hereto and by this reference incorporated herein (the "Subject Property").

B. Borrower has requested that UCRC lend Borrower the sum of EIGHT HUNDRED SIXTY TWO THOUSAND AND NO/100 DOLLARS (\$862,000.00) (the "Subject Property Loan") for permanent financing of the Subject Property, and the improvements thereon, such obligation to be evidenced by a certain Promissory Note (the "Note") dated as of even date herewith, and secured by, among other things, first liens covering, respectively, the Subject Property, as evidenced by a Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (the "Deed of Trust") dated as of even date herewith, and executed by the Borrower in favor of UCRC, and a financing statement naming Borrower as Debtor and UCRC as Secured Party (the "Financing Statement") filed with the Nevada Secretary of State on or about the date hereof. The Note, Deed of Trust, Financing Statement and all other documents evidencing or securing the Subject Property Loan are hereinafter collectively referred to as the "Loan Documents."



C. Subordinated Lender is the beneficiary under that certain Long Form Deed of Trust and Assignment of Rents (the "Subordinated Lender Trust Deed") dated February 25, 2011, executed by Borrower, as Trustor and recorded in the official records of the Recorder's Office of Douglas County, State of Nevada (the "Douglas County Recorder's Office"), on February 25, 2011, as Document No. 779085 in Book 211 at Page 4959 *et seq.* The Subordinated Lender Trust Deed encumbers the Subject Property and secures indebtedness to the Subordinated Lender under that certain Promissory Note in the principal sum of ONE HUNDRED THOUSAND AND NO/100 DOLLARS (\$100,000.00), executed and delivered by Borrower on or about February 25, 2011 (the "Subordinated Lender Note"). The Subordinated Lender Note, the Subordinated Lender Trust Deed, and all other documents evidencing or securing the Subordinated Lender Note, are hereinafter collectively referred to as the "Subordinated Lender Loan Documents."

D. In connection with the Subject Property Loan to Borrower, Borrower has agreed to procure this Agreement to be executed by the Subordinated Lender and delivered to UCRC.

E. It is a condition precedent to UCRC making the Subject Property Loan that the Subject Property Loan shall be and remain at all times prior and superior to any indebtedness owed by Borrower to Subordinated Lender, and that the Deed of Trust and the security interests and all other rights granted under the Loan Documents shall be and remain at all times a lien or charge upon the Subject Property and personal property related thereto prior and superior to the lien or charge of the Subordinated Lender Trust Deed and all other Subordinated Lender Loan Documents, in accordance with the terms of this Agreement.

NOW, THEREFORE, the parties hereto agree as follows:

1. That said Loan Documents 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 Subordinated Lender Trust Deed, and to any claim to such property by Subordinated Lender.

2. That UCRC would not make its loan above-described or disburse funds thereafter without this subordination agreement.

3. This agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the Subordinated Lender Trust Deed to the lien or charge of the Loan Documents and shall supersede and cancel, but only insofar as would affect the priority between the documents hereinbefore specifically described, any prior agreements as to such subordination.

Subordinated Lender declares, agrees, and acknowledges that:

a. UCRC may without affecting the subordination of the Subordinated Lender Loan Documents (1) release or compromise any obligation in the Loan Documents, (2) release its liens in, or surrender, release or permit any substitution or exchange of all or any part of any properties securing repayment of



the Note or (3) retain or obtain a lien in any property to further secure payment of the Note.

b. It intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of the Subordinated Lender Trust Deed [and the Deed Restriction] in favor of the lien or charge upon said land in the Loan Documents, 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.

4. All notices expressly provided hereunder to be given shall be in writing and shall be (i) hand-delivered, effective upon receipt, (ii) sent by United States Express Mail or by private overnight courier, effective upon receipt, or (iii) served by certified mail. Any such notice or demand served by certified mail, return receipt requested, shall be deposited in the United States mail, with postage thereon fully prepaid and addressed to the party so to be served at its address stated below or at such other address of which said party shall have theretofore notified in writing, as provided above, the party giving such notice. Service of any such notice or demand so made shall be deemed effective on the day of actual delivery as shown by the addressee's return receipt or the expiration of three (3) business days after the date of mailing, which ever is the earlier in time. Notices to be served hereunder shall be addressed to the appropriate address set forth below, or at such other place as the parties may from time to time designate in writing by ten (10) days prior written notice thereof:

If to Subordinated Lender: Western Nevada HOME Consortium  
Lyon County, Comptroller's Office  
27 South Main Street  
Yerington, Nevada 89447

If to UCRC: UTAH COMMUNITY REINVESTMENT  
CORPORATION  
Attn: Steven L. Graham, President  
475 East 200 South, Suite 210  
Salt Lake City, Utah 84111

5. This Agreement will be governed by, and construed and enforced in accordance with, the laws of the State of Nevada.

6. This Agreement may be signed in multiple counterparts with the same effect as if all signatories had executed the same instrument.



IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth above.

SUBORDINATED LENDER: **WESTERN NEVADA HOME CONSORTIUM**

By: Lyon County, State of Nevada, as Lead Agency

By: *Jeffery A. Page*  
As: Jeffery A. Page

STATE OF NEVADA )  
 : ss.  
COUNTY OF Lyon )

The foregoing instrument was acknowledged before me this 22<sup>nd</sup> day of June, 2011, by Jeffery A. Page who, being duly sworn, did say that he/she is the \_\_\_\_\_ of LYON COUNTY, State of Nevada and that the foregoing instrument was signed on behalf of the WNHC, and that the aforesaid agency executed the same.

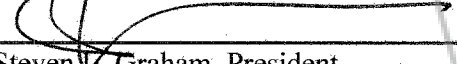
*Maureen Willis*  
Notary Signature and Seal





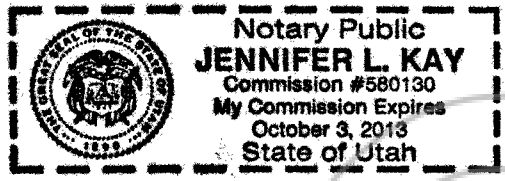
UCRC:

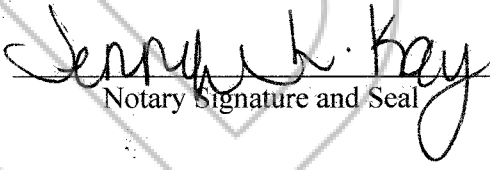
**UTAH COMMUNITY REINVESTMENT CORPORATION**, a Utah non-profit corporation

By:   
Steven L. Graham, President

STATE OF UTAH            )  
                                  ) : ss.  
COUNTY OF SALT LAKE )

The foregoing instrument was acknowledged before me this 17<sup>th</sup> day of June, 2011, by Steven L. Graham, the President of UTAH COMMUNITY REINVESTMENT CORPORATION, a Utah non-profit corporation.



  
Notary Signature and Seal





ACKNOWLEDGED AND CONSENTED to as of this 27<sup>th</sup> day of June, 2011.

**BORROWER: MINDEN PACIFIC ASSOCIATES, A NEVADA LIMITED PARTNERSHIP**  
a Nevada limited partnership ("Borrower")

**By: RURAL NEVADA DEVELOPMENT CORPORATION**, a Nevada nonprofit corporation

Its: General Partner

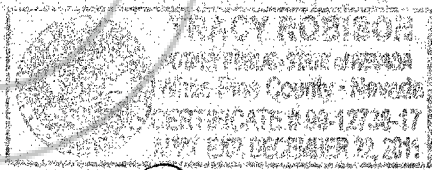
By: *Ferrel D. Hansen*  
Ferrel D. Hansen

Its: Chief Executive Officer

STATE OF NEVADA )  
: ss.  
COUNTY OF White Pine )

The foregoing instrument was acknowledged before me this 23<sup>rd</sup> day of June, 2011, by Ferrel D. Hansen, the Chief Executive Officer of RURAL NEVADA DEVELOPMENT CORPORATION, a Nevada nonprofit corporation, the General Partner of MINDEN PACIFIC ASSOCIATES, A NEVADA LIMITED PARTNERSHIP, a Nevada limited partnership.

*Tracy Robison*  
NOTARY PUBLIC SIGNATURE AND SEAL



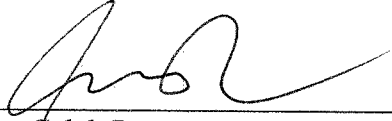
Tracy Robison  
Notary Public, State of Nevada  
White Pine County Nevada  
Certificate # 99-12738-17  
Appt Exp December 22, 2011



By: **ROOPE L.L.C., AN IDAHO LIMITED LIABILITY COMPANY,**

an Idaho limited liability company

Its: General Partner

By: 

Caleb Roope

Its: Manager

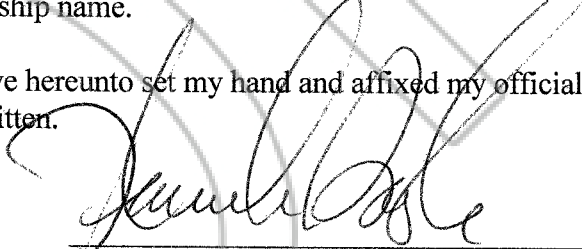
STATE OF IDAHO )

: ss.

COUNTY OF Ada )

On this 23rd day of June, 2011, before me the undersigned, a Notary Public in and for said state, personally appeared Caleb Roope known or identified to me to be the Manager of ROOPE L.L.C., AN IDAHO LIMITED LIABILITY COMPANY, an Idaho limited liability company, a general partner of the partners in the limited partnership of MINDEN PACIFIC ASSOCIATES, A NEVADA LIMITED PARTNERSHIP, a Nevada limited partnership, and a partner who subscribed said partnership's name to the foregoing instrument, and acknowledged to me that such Roope L.L.C. executed the same in said partnership name.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Notary Public for Idaho

Residing at \_\_\_\_\_

My commission expires Residing in Meridian, Idaho  
My Commission expires: 11-12-2016

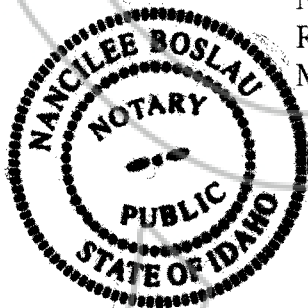




EXHIBIT A

(Legal Description of the Property)

ALL THAT REAL PROPERTY situate in the County of Douglas, State of Nevada, described as follows:

A portion of Parcel 3 as shown on the map of WESTWOOD VILLAGE UNIT NO.4, Phase A, filed for record in the office of the County Recorder of Douglas County, State of Nevada, on September 29, 1992, in Book 992, Page 5212, as Document No. 289477, more particularly described as follows:

COMMENCING at the Northwest corner of Parcel 3 as shown on Westwood Village Unit No. 4, Phase A, filed for record September 29, 1992 in the office of Recorder, Douglas County, Nevada in Book 992, Page 5212, as Document No. 289477; thence along the North line of said Parcel 3, South 89°20'23" East, 12.00 feet to the point of beginning; thence continuing along said North line, South 89°20'23" East, 627.00 feet to the East line of said parcel 3; thence along said East line, South 00°49'00" West, 133.41 feet to the North right-of-way line of Mahogany Drive; thence along said right-of-way line the following three courses; North 89°11'00" West, 209.34 feet to the beginning of a curve, concave to the North; along the arc of said curve, having a radius of 470.00 feet, central angle of 21°02'00", arc length of 172.54 feet; and chord bearing and distance of North 78°40'00" West, 171.57 feet; North 68°09'00" West, 266.73 feet; thence North 00°39'37" East, 4.65 feet to the point of beginning.

The Basis of Bearing of this description is North 89°20'23" West, the North line of said Parcel 3.

Note: The above metes and bounds description appeared previously in that certain Deed recorded in the office of the County Recorder of Douglas County, Nevada, on June 11, 2008 as Document No. 724839 of Official Records.