



200002040103

Kathy Hill, Skagit County Auditor
2/4/2000 Page 1 of 4 4:02:07PM

When recorded return to:

Farmland Legacy Program
County Administration Building
700 South Second St., Room 202
Mount Vernon, WA 982763

Grantor: Scott MacMurchie and Delois Fox

Grantee: Skagit County, Washington

Legal Description

Abbreviated form: A portion of the East 1/2 of the Southwest 1/4 of Section 22, Township 36 North, Range 3 East, W.M.

Additional legal at Exhibit A.

Assessor's Tax Parcel Number: P48073, P48072, P48065

Reference number(s) of related/assigned/released documents: 200002040101, 200002040102
Reference(s) to document(s) appears on page(s) _____

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 INSTRUMENT.

The undersigned subordinator agrees as follows:

1. Interwest Savings Bank ("Subordinator") is the owner and holder of a mortgage dated December 27, 1995, which was recorded under Auditor's File No. 9605220038, records of Skagit County;
2. Skagit County("Grantee") is the holder of a conservation easement dated June 14, 1999 executed by Grantor(as hereinafter defined) which will be recorded concurrently with this Subordination Agreement;

3. Scott MacMurchie and Delois Fox, husband and wife, ("Grantor"), are the owners of all the real property described in the conservation easement identified above in Paragraph 2.
4. In consideration of benefits to Subordinator from Owner, receipt and sufficiency of which is hereby acknowledged, and as required by Treasury Regulation § 170A-14(g)(2) for any conservation easement transaction with anticipated federal income, gift or estate tax benefits to the property owner, the Subordinator does hereby unconditionally subordinate the lien of the mortgage identified above in Paragraph 1 to the conservation easement identified above in Paragraph 2.
5. This Agreement shall be the whole and only agreement between the parties hereto with regard to the subordination of the lien or charge of the mortgage first above mentioned to the conservation easement in favor of Easement Holder above referred to and shall supersede and cancel any prior agreements as to such, or any subordination including, but not limited to, those provisions, if any, contained in the mortgage first above mentioned, which provided for the subordination of the lien or charge thereof to a mortgage to be thereafter executed.
6. The heirs, administrators, assigns and successors in interest of the Subordinator shall be bound by this agreement. Where the word mortgage appears herein it shall also be considered as deed of trust, and gender and number of pronouns considered to conform to undersigned.



Executed this 28th day of April, 1999.

SUBORDINATOR

[Signature]
(Name)

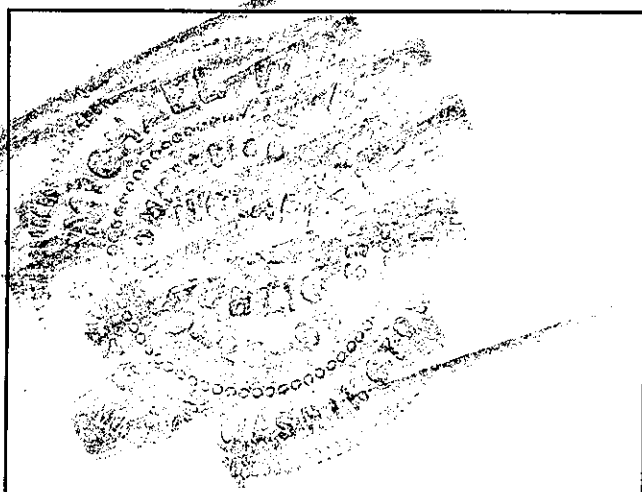
SUBORDINATOR

[Signature]
(Name)

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that Gloria Jackson & Sharon Exley the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the Vice Presidents of InterWest Bank to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 4/28/99



(Use this space for notarial stamp/seal)

[Signature]
Notary Public
Print Name Michael W. Wright
My commission expires 10-2-99

C-3



200002040103
Kathy Hill, Skagit County Auditor
2/4/2000 Page 3 of 4 4:02:07PM

EXHIBIT A

Legal Description

Portion of Lot 3 Under Agricultural Conservation Easement:

A portion of the East Half of the Southwest Quarter of Section 22, Township 36 North, Range 3 East, W.M., being more particularly described as follows:

Commencing at the South Quarter Corner of said Section 22; thence South $89^{\circ}19'18''$ West along the South line of said Section 22, a distance of 397.74 feet; thence North $18^{\circ}32'07''$ East a distance of 63.54 feet to the TRUE POINT OF BEGINNING; thence South $89^{\circ}19'18''$ West a distance of 497.66 feet to the Easterly margin of the Burlington-Northern Railroad; thence North $25^{\circ}21'51''$ West along the said East line of the Burlington Northern Railroad a distance of 1080.02 feet to the Easterly right-of-way margin of county road known as Legg Road; thence North $0^{\circ}23'55''$ West along said East line of Legg Road a distance of 565.18 feet to the Southwesterly right-of-way margin of Washington Street in Morrison's Addition to Blanchard; thence South $45^{\circ}49'41''$ East along said Southwesterly margin of Washington Street a distance of 268.86 feet; thence North $44^{\circ}10'19''$ East along the Southeasterly line of said Morrison's Addition a distance of 235.47 feet;

thence South $54^{\circ}07'08''$ East a distance of 340.08 feet;
thence South $35^{\circ}14'17''$ West a distance of 192.68 feet;
thence South $52^{\circ}34'10''$ East a distance of 224.95 feet;
thence North $30^{\circ}00'28''$ East a distance of 199.80 feet;
thence South $54^{\circ}07'08''$ East a distance of 83.96 feet;
thence South $69^{\circ}56'50''$ East a distance of 318.69 feet;
thence South $39^{\circ}18'26''$ East a distance of 92.03 feet;
thence South $16^{\circ}22'52''$ West a distance of 770.92 feet;
thence South $18^{\circ}32'07''$ West a distance of 197.47 feet to the TRUE POINT OF BEGINNING.

Containing 26.46 Acres.

SUBJECT TO a strip of land for ingress, egress and utilities, over, under and across the following described parcel:

Commencing at the intersection of the Westerly margin of Washington Street in the Plat of Morrison's Addition to Blanchard and the Easterly margin of Legg Road (being 20 feet East of centerline); thence South $45^{\circ}49'41''$ East along the Southwesterly margin of said Washington Street a distance of 268.86 feet to the TRUE POINT OF BEGINNING; thence South $54^{\circ}18'59''$ East a distance of 600.90 feet; thence North $30^{\circ}00'28''$ East a distance of 30.00 feet; thence North $52^{\circ}34'10''$ West a distance of 224.95 feet; thence North $55^{\circ}20'50''$ West a distance of 371.56 feet to the Southeasterly line of said Morrison's Addition to Blanchard; thence South $44^{\circ}10'19''$ West along said Southeasterly line of Morrison's Addition, a distance of 32.72 feet to the TRUE POINT OF BEGINNING.

