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Kathy Hill, Skagit County Auditor
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When recorded return to:
Skagit County Farmland Legacy Program
County Administration Building
700 South Second Street, Rm. 202
Mount Vernon, WA 98273

Grantor: Triple J Enterprises, a Washington General Partnership consisting of Larry R. Jensen, Michael L. Jensen and Catherine L. Jensen

Grantee: Skagit County, Washington

Legal Description

Abbreviated form: a portion of Sections 13 & 24, Township 34 North, Range 2 East W.M. and Sections 18 & 19, Township 34 North, Range 3 East, W.M.
Additional legal at Exhibit A.

Assessor's Tax Parcel Numbers: P20305, P20308, P20309, P20682, P20684, P20709, P20708, P20317, P20316, P20307, P22109, P22110, P22111, P22140, P22141, P22122, P22124

Reference number(s) of related/assigned/released documents: _____ P-87460
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. Skagit Properties Group, consisting of Alvin Sparks, Thad Hodgins, James Neff, Pat Good, Karen Kesselring, and Ronald E. Kesselring ("Subordinator") is the owner and holder of a mortgage dated May 27, 1994, which was recorded under Auditor's File No. 9405270163, records of Skagit County;
2. Skagit County ("Grantee") is the holder of a conservation easement dated June 27, 2000, executed by Grantor (as hereinafter defined) which will be recorded concurrently with this Subordination Agreement;
Auditor's # 200006300061
3. Triple J Enterprises, a Washington General Partnership consisting of Larry R. Jensen, Michael L. Jensen and Catherine L. Jensen, ("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.



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Executed this 15th day of June, 2000.

SUBORDINATOR

SUBORDINATOR

James Neff
(Name)

(Name)

James Neff, individually
and as attorney-in-fact
for Alvin Sparks,

Thad Hodgins, Pat Good, Ronald Kesselring, and Karen Kesselring

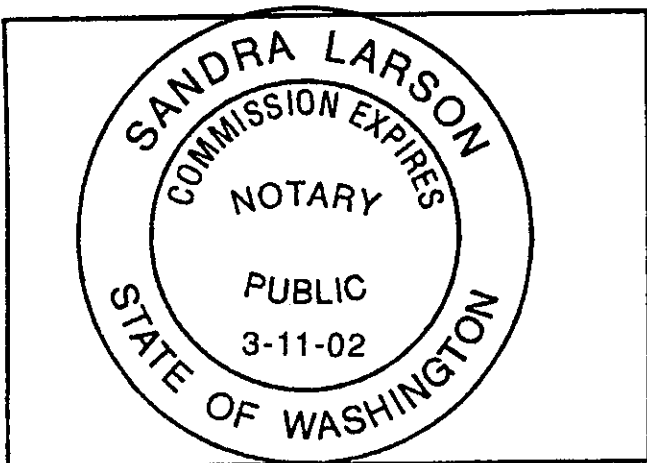
STATE OF WASHINGTON)

) ss.

COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that James Neff is 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 attorney-in-fact
of Skagit Properties Group to be the free and voluntary act of such party for the uses and
purposes mentioned in the instrument.

Dated: _____



(Use this space for notarial stamp/seal)

Sandra Larson
Notary Public

Print Name Sandra L. Larson

My commission expires 3-11-02



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