

Return Address:
Northwest Farm Credit Services
PO Box 966
Burlington, WA 98233


200410080112
Skagit County Auditor
10/8/2004 Page 1 of 4 11:42AM

Please print neatly or type information

Document 1 Title: Subordination Agreement

Reference #s: 200206070170; 200410080111

Additional Reference #s on page ____

Grantors:

Washington Mutual Bank

Grantees:

Northwest Farm Credit Services, FLCA

Additional grantors on page ____

Additional grantees on page ____

Document 2 Title:

Reference #s: _____

Additional Reference #s on page ____

Grantors:

Nelson Brothers Properties LLC
NB/Nelson Inc

Grantees:

Additional grantors on page ____

Additional grantees on page ____

Legal description (abbreviated form: i.e. lot, blk, plat or S,T,R quarter/quarter):

a ptn of SE1/4 of NW1/4 & NE1/4 of SW1/4 & Gov. Lots 5 & 6, 6-35-3 E.W.M., Skagit County, Washington

Additional legal is on page 4

Assessor's Property Tax Parcel/Account Numbers:

350306-0-0004, 350306-0-008-0002, 350306-2-001-0005 and 350306-3-001-0100

Customer/Note No. 49027-441

After recording return to:
Northwest Farm Credit Services
PO Box 966
Burlington, WA 98233

SUBORDINATION AGREEMENT

PARTIES AND INTERESTS.

Subordinator: Washington Mutual Bank

1201 Third Ave., Suite 1000

Seattle, WA

Subordinator's Interest: Deed of Trust dated June 29, 1999, recorded June 7, 2002 as Auditor's File No. 200206070170, assigned to Washington Mutual Bank, by Assignment of Deed of Trust dated May 20, 2002, recorded June 7, 2002 as Auditor's File No. 200206070171, records of Skagit County, Washington, covering property described in Exhibit "A" attached hereto and made a part hereof.

Subordinate: Northwest Farm Credit Services, FLCA

PO Box 966

Burlington, WA 98233

Subordinate's Interest: Deed of Trust dated October 8, 2004, recorded _____, as Auditor's File No. 200410080111, records of Skagit County, Washington.

Subordinate's Note: Note, executed by Borrower or Borrower's successor, dated October 8, 2004, and any amendments thereto, secured by Subordinate's Interest.

Borrower: Nelson Brothers Properties LLC, a limited liability company; Norm Nelson, Inc., a corporation

AGREEMENT.

The property described in the above-referenced instruments creating Subordinate's Interest is referred to as the "Property."

For good and valuable consideration, Subordinator subordinates its interest in the Property to Subordinate's Interest and all advances or charges, if any, made or accruing under Subordinate's Note, if any. This subordination also includes any extension, refinancing, reindexing, renewal, or renegotiation of Subordinate's Note, if any.

Subordinator acknowledges the opportunity to examine the terms of the documents pertaining to Subordinate's Interest.

The heirs, personal representatives, successors and assigns of Subordinator shall be bound by this Agreement. This Agreement shall inure to the benefit of Subordinate and its personal representatives, successors and assigns.

Dated: 10-8-2004



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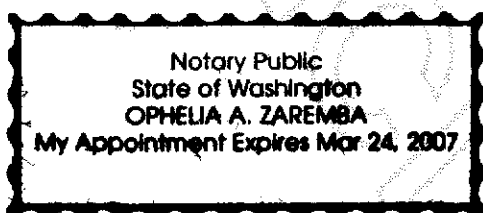
Washington Mutual Bank

By Jim Danicich

Authorized Agent

STATE OF WA)
County of King) ss.

On this 8th day of October, 2004, before me personally appeared James Danicich, known to me to be the Authorized Agent, of Washington Mutual Bank that executed the within instrument, and acknowledged to me that such entity executed the same as its free act and deed; and each on oath stated that he/she was authorized to execute said instrument.



Ophelia A. Zaremba
Printed Name: Ophelia A. Zaremba
Notary Public for the State of WA
Residing at Sumner, WA
My commission expires 3/24/07



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EXHIBIT "A"

The Southeast 1/4 of the Northwest 1/4, the Northeast 1/4 of the Southwest 1/4, Government Lot 5 and Government Lot 6, all in Section 6, Township 35 North, Range 3 East, W.M.;

EXCEPT Lot 1, Skagit County Short Plat No. 94-049, approved December 9, 1994, and recorded December 12, 1994, in Volume 11 of Short Plats, pages 155 and 156, under Auditor's File No. 9412120047, records of Skagit County, Washington;

ALSO EXCEPT the following described tract:

Beginning at the Northwest corner of Government Lot 5 of Section 6, Township 35 North, Range 3 East, W.M.; thence North 87°16'33" East along the North line of said Government Lot 5, a distance of 93.43 feet to the Southwest line of the dike right-of-way appropriated by Dike District No. 5 in Superior Court Cause No. 3050 and the point of beginning of this description; thence North 87°16'33" East along the North line of said Government Lot 5 and the North line of the Southeast 1/4 of the Northwest 1/4 of said Section 6 a distance of 2,273.77 feet to the Northeast corner of said Southeast 1/4 of the Northwest 1/4; thence South 01°47'11" West along the East line of said Southeast 1/4 of the Northwest 1/4 a distance of 838.62 feet;

thence South 89°51'49" West a distance of 443.94 feet; thence South 06°29'11" West a distance of 389.83 feet to a point on a non-tangent curve to the right having a chord bearing of South 43°02'28" East and a radius of 107.00 feet; thence Easterly along said curve through a central angle of 149°54'56" and an arc length of 279.97 feet; thence South 31°55'00" West a distance of 74.02 feet; thence South 39°55'12" West a distance of 128.24 feet; thence South 52°43'07" West a distance of 75.85 feet; thence South 06°29'11" West a distance of 305.29 feet to Point "A"; thence South 33°11'29" West a distance of 80.17 feet; thence North 56°48'31" West a distance of 227.08 feet; thence North 11°48'07" West a distance of 592.76 feet; thence North 13°36'57" East a distance of 817.98 feet to the center of an existing drainage ditch; thence along the center of said ditch through the following four courses:

North 64°33'03" West a distance of 333.20 feet; North 71°54'21" West a distance of 66.52 feet; North 89°15'51" West a distance of 75.43 feet; South 75°58'32" West a distance of 42.25 feet to the center of a ditch intersecting from the Southwest; thence South 28°52'12" West along the center of said intersecting ditch a distance of 52.59 feet; thence continuing along the center of said intersecting ditch South 23°18'16" West a distance of 231.48 feet to the East line of said Government Lot 5; thence South 01°43'11" West along the East line of said Government Lot 5 a distance of 605.60 feet; thence South 87°06'54" West parallel with the South line of said Government Lot 5 a distance of 355.29 feet; thence North 01°29'29" East parallel with the West line of said Government Lot 5 a distance of 436.48 feet; thence North 41°15'24" West a distance of 89.43 feet to the point of beginning of this description. (Being a portion of Lot 2, Skagit County Short Plat No. 94-049, approved December 9, 1994, and recorded December 12, 1994, in Volume 11 of Short Plats, pages 155 and 156, under Auditor's File No. 9412120047, records of Skagit County, Washington.)

Situate in the County of Skagit, State of Washington.

Account No.:
Property ID No.:
350306-0-006-0004 P33858
350306-0-008-0002 P33860
350306-2-001-0005 P33865
350306-3-001-0100 P106593.



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