

Return Address:  
Farm Credit Services - Burlington  
265 E. George Hopper Road  
PO Box 966  
Burlington, WA 98233



200706010058  
Skagit County Auditor

6/1/2007 Page 1 of 5 11:23AM

Please print neatly or type information

125341.32

LAND TITLE OF SKAGIT COUNTY

**Document 1 Title: Subordination Agreement**

Reference #s: 200004110034

200706010057

Additional Reference #s on page \_\_\_\_

**Grantors:**

Norm Nelson, Inc.

**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:**

**Grantees:**

Additional grantors on page \_\_\_\_

Additional grantees on page \_\_\_\_

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

Ptn. SW 1/4, 9-35-3 E.W.M. & Ptn. N 1/2 , 16-35-3 E.W.M., Skagit County, Washington

Additional legal is on pages 4 and 5

**Assessor's Property Tax Parcel/Account Numbers:**

Account No.:

350309-3-005-0014	Property I.D. No.: P33978
350309-0-006-0001	Property I.D. No.: P33948
350309-0-005-0100	Property I.D. No.: P118645
350309-3-004-0015	Property I.D. No.: P33976
350309-3-003-0024	Property I.D. No.: P33974
350316-2-004-0000	Property I.D. No.: P34397
350316-2-001-0003	Property I.D. No.: P34395
350316-1-007-0009	Property I.D. No.: P34392
350316-1-003-0003	Property I.D. No.: P34388

The Auditor/Recorder will rely on the information provided on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.

After recording return to:  
Farm Credit Services - Burlington  
265 E. George Hopper Road, PO Box 966  
Burlington, WA 98233

Customer/Note No. 54642 - 441 and 54642-442

## **SUBORDINATION AGREEMENT**

### PARTIES AND INTERESTS.

Subordinator: Norm Nelson, Inc.  
PO Box 444  
Burlington, WA 98233

Subordinator's Interest: Agricultural Lease dated March 21, 2000, by Far West Farms, Inc. a corporation, as Lessor and Norm Nelson, Inc., a corporation, as Lessee, as disclosed by a Memorandum of Lease recorded January 11, 2000, as Auditor's File No. 200004110034, records of Skagit County, Washington, covering a portion of the property in Exhibit "A" attached.

Subordinatee: Northwest Farm Credit Services, FLCA  
265 E. George Hopper Road  
PO Box 966  
Burlington, WA 98233

Subordinatee's Interest: Mortgage dated May 31, 2007, recorded June 1, 2007, as Auditor's File No. 200706010057 records of Skagit County, Washington.

Subordinatee's Note: Note, executed by Borrower or Borrower's successor, dated May 31, 2007, and any amendments thereto, secured by Subordinatee's Interest.

Borrower: Gerald E. Nelson and Jenny T. Nelson, husband and wife

### AGREEMENT.

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

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

Subordinator acknowledges the opportunity to examine the terms of the documents pertaining to Subordinatee'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 Subordinatee and its personal representatives, successors and assigns.

Dated: May 31, 2007

Norm Nelson, Inc.

By: 

Gerald E. Nelson, President

Attest: 

Myron D. Ayers, Secretary

(54642-442)

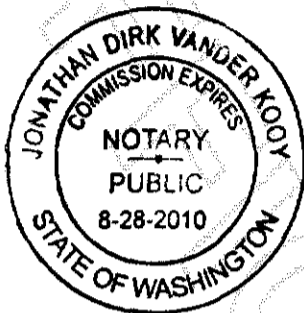
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200706010058  
Skagit County Auditor

STATE OF Washington)  
County of Skagit) ss.

On this 31st day of May, 2007 before me personally appeared Gerald E. Nelson and Myron D. Ayers, known to me to be the President and Secretary, respectively, of the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same as its free act and deed; and each on oath stated that he was authorized to execute said instrument.



Jon V

Printed Name Jonathan Vander Koo  
Notary Public for the State of Washington  
Residing at Mount Vernon  
My commission expires 8-28-2010

## EXHIBIT "A"

### PARCEL "A":

The Southeast 1/4 of the Southwest 1/4 of Section 9, Township 35 North, Range 3 East, W.M.,

EXCEPT road, dike and ditch rights of way,

EXCEPT the North 297 feet thereof,

AND EXCEPT that portion described as follows:

Beginning at the intersection of the South line of said North 297 feet of the Southeast 1/4 of the Southwest 1/4 and the North and South centerline of said Section;

thence West along said South line of said North 297 feet a distance of 228 feet;

thence South parallel to said North and South centerline 180 feet;

thence East parallel to the North line of this excepted tract 228 feet, more or less, to said North and South centerline;

thence North along said North and South centerline to the point of beginning.

TOGETHER WITH that portion of the Southwest 1/4 of the Southwest 1/4 of Section 9, Township 35 North, Range 3 East, W.M., described as follows:

Beginning at the Southeast corner of said Southwest 1/4 of the Southwest 1/4;

thence North along the East line of said subdivision 660 feet;

thence West 660 feet;

thence South to the Northerly bank of the Samish River;

thence Southeasterly along the Northerly bank of said river to the South line of said Southwest 1/4 of the Southwest 1/4;

thence East to the point of beginning,

EXCEPT road, dike and ditch rights of way.

Situate in the County of Skagit, State of Washington.

### PARCEL "B":

That portion of the North 1/2 of the Northwest 1/4 and that portion of the West 1/2 of the West 1/2 of the Northeast 1/4 of Section 16, Township 35 North, Range 3 East, W.M., lying Northerly of the Samish River,

EXCEPT road, dike and ditch rights of way.

TOGETHER WITH that portion of Section 9, Township 35 North, Range 3 East, W.M., described as follows:

The North 297 feet of the Southeast 1/4 of the Southwest 1/4; and that portion of the Southwest 1/4 of the Southwest 1/4, lying Northeasterly of Warners Slough and the following described portion of the North 1/2 of the Southwest 1/4;

Beginning at the Southeast corner of the Northeast 1/4 of the Southwest 1/4;

thence West 1,410.75 feet;

thence North 165 feet, more or less, to the County road;

thence East to the East line of said Northeast 1/4 of the Southwest 1/4;

thence South to the point of beginning, all in Section 9, Township 35 North, Range 3 East, W.M.,

EXCEPT roads.

ALSO EXCEPT the following described tract:

Beginning at the Southeast corner of the Northeast 1/4 of the Southwest 1/4 of said Section 9;

thence North 89°27'33" West, along the South line of the Northeast 1/4 of the Southwest 1/4, a distance of 944.21 feet to the TRUE POINT OF BEGINNING;

thence continuing North 89°27'33" West a distance of 375.39 feet, to the West line of the Northeast 1/4 of the Southwest 1/4;

thence North 00°32'27" East, a distance of 25.81 feet to a non-tangent curve of radius 1480 feet (the center of which bears South 07°17'43" East), said curve being the South line of the County road known as Field Road (as built);



## EXHIBIT "A"

thence North 01°34'38" East, along said West line, a distance of 92.96 feet;  
thence North 61°00'22" West a distance of 105.59 feet, to the West line of that certain tract of land described in deed recorded under Skagit County Auditor's File No. 664782;  
thence along said curve through a central angle of 00°14'34", a distance of 6.27 feet;  
thence South 89°20'35" East, along said South line, a distance of 467.06 feet;  
thence South 02°49'16" West, along an existing fence and its Southerly extension, a distance of 169.09 feet to the TRUE POINT OF BEGINNING.

Situate in the County of Skagit, State of Washington.

### PARCEL "C":

That portion of the West 1/2 of the Southwest 1/4 of Section 9, Township 35 North, Range 3 East, W.M., described as follows:

Beginning at the Northwest corner of said subdivision;  
thence East along the North line thereof a distance of 1125.30 feet to the Southwest corner of tract described in deed filed under Skagit County Auditor's File No. 9507100155;  
thence South along the Southerly projection of the West line of said tract for a distance of 15 feet;  
thence East, parallel to said North line, a distance of 130.00 feet, more or less, to the West line of the County road known as the Conn Road No. CXLII;  
thence South along the West line of said County road to the Northeast corner of that certain tract conveyed to School District No. 43 by deed dated March 27, 1893 and recorded April 1, 1893, in Volume 26 of Deeds, page 200;  
thence West along the North line of said School District tract 12 1/2 rods to the Northwest corner thereof;  
thence South along the West line of said School District tract and the West line extended to the centerline of the County road;  
thence East along the centerline of said County road to a point that is 5 1/2 rods West of the East line of the Northwest 1/4 of the Southwest 1/4;  
thence South parallel to and 5 1/2 rods West of the East line of the Northwest 1/4 of the Southwest 1/4 to the South line of said Northwest 1/4 of the Southwest 1/4;  
thence along the South line of said Northwest 1/4 of the Southwest 1/4 to the intersection with Newman's Slough, (also known and designated as Warner's Slough and as Watkinson's Slough);  
thence Westerly along said slough to the West line of said Section 9;  
thence North along the West line of said Section 9 to the point of beginning,

### Schedule "A-1"

EXCEPT roads and dike and drainage ditch rights of way,

AND EXCEPT that portion thereof conveyed to the State of Washington for highway purposes by deed recorded under Auditor's File Nos. 444491 and 445900.

Situate in the County of Skagit, State of Washington.  
(See Note#1)

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