

Return Address:
Farm Credit Services - Burlington
265 East George Hopper Road
Burlington, WA 98233



201310070179

Skagit County Auditor \$364.00
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LAND TITLE OF SKAGIT COUNTY

147727-0

Please print neatly or type information

Document 1 Title: Subordination Agreement	
Reference #s: 200808260112; 200906120126; 201004050192;	
Additional Reference #s on page 201007270076; 201310070178	
Grantors:	Grantees:
Northwest Farm Credit Services, PCA	Northwest Farm Credit Services, FLCA
Smith & Morrison Farms, LLC	
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 SW1/4 of SW1/4, 5-33-4 E W.M.

Additional legal is on page 2

Assessor's Property Tax Parcel/Account Numbers:

330405-3-005-0001

P16291

Subordination Agreement
(Smith and Morrison Farms, L.L.C./Note No. 6213584)

SUBORDINATION AGREEMENT

WHEREAS, NORTHWEST FARM CREDIT SERVICES, PCA (hereinafter referred to as "PCA") is the holder of the loans designated as follows:

Note No. 53185-242, dated August 20, 2008, in the face amount of \$404,000.00 and secured by Mortgage given to Northwest Farm Credit Services, PCA, dated August 20, 2008, recorded on August 26, 2008, as Instrument No. 200808260112, records of Skagit County, State of Washington;

Note No. 6075251, dated June 11, 2009, in the face amount of \$597,920.00 and secured by Mortgage given to Northwest Farm Credit Services, PCA, dated June 11, 2009, recorded on June 12, 2009, as Instrument No. 200906120126, records of Skagit County, State of Washington;

Note No. 6098229, dated March 31, 2010, in the face amount of \$359,550.00 and secured by Mortgage given to Northwest Farm Credit Services, PCA, dated March 31, 2010, recorded on April 5, 2010, as Instrument No. 201004050192, records of Skagit County, State of Washington;

Note No. 6070361 dated July 14, 2010, in the face amount of \$346,369.54 and secured by Mortgage given to Northwest Farm Credit Services, PCA, dated January 14, 2010, recorded on July 27, 2010, as Instrument No. 201007270076, records of Skagit County, State of Washington;

covering in whole or in part the property described in Exhibit A attached hereto and incorporated herein by this reference ("Property").

WHEREAS, Borrower has applied for a loan from Northwest Farm Credit Services, FLCA (hereinafter referred to as "FLCA") to be designated as Loan No. 6213584 and evidenced as follows:

Note dated October 2, 2013, in the face amount of \$500,000.00 and secured by Mortgage given to FLCA, dated October 2, 2013, recorded on 10-7-13, as Instrument No. 201310070178, records of Skagit County, State of Washington;

covering in whole or in part the Property.

NOW, THEREFORE, in consideration of FLCA making Loan No. 6213584 to Borrower, FLCA and PCA agree as follows:

PCA's interest in the Property under Loan Nos. 53185-242, 6075251, 6098229 and 6070361 is subordinate to FLCA's interest in the Property under Loan No. 6213584, including all interest, advances or charges made or accruing under Loan No. 6213584, if any.

In the event Borrower shall default in the obligations to FLCA under Loan No. 6213584 prior to satisfaction of Loan Nos. 53185-242, 6075251, 6098229 and 6070361, the proceeds from any foreclosure sale, less expenses of the sale, shall be distributed first to Loan No. 6213584, with the balance of the proceeds, if any, distributed to Loan No. 53185-242, 6075251, 6098229 and 6070361.

This Agreement does not affect Lender's right to enforce any Loan documents, for either Loan No. 6213584 or Loan Nos. 53185-242, 6075251, 6098229 and 6070361 in accordance with their terms and this Agreement and does not alter the relative priority of liens on any collateral other than the Property.

Subordination Agreement
(Smith and Morrison Farms, L.L.C./Note No. 6213584)



This Agreement shall be for the benefit of and binding upon the heirs, personal representatives, successors and assigns of all parties to this Agreement.

Dated: 10/4/13

NORTHWEST FARM CREDIT SERVICES, PCA

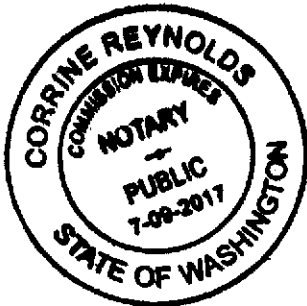
By: Tom Fawcett
Authorized Agent

NORTHWEST FARM CREDIT SERVICES, FLCA

By: Tom Fawcett
Authorized Agent

STATE OF Washington)ss.
County of Skagit)

On this 4th day of October, 2013, before me personally appeared Trevor Fawcett, known to me to be an authorized agent of the Northwest Farm Credit Services, PCA, that executed the within instrument, and acknowledged to me that such corporation executed the same as its free act and deed; and on oath stated that he/she was authorized to execute said instrument.



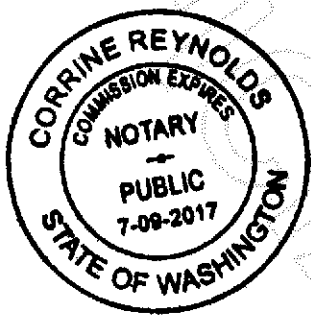
Corrine Reynolds
Printed Name Corrine Reynolds
Notary Public for the State of Washington
Residing at LaConner
My commission expires 7/9/17

Subordination Agreement
(Smith and Morrison Farms, L.L.C./Note No. 6213584)



STATE OF Washington)
County of Skagit)ss.

On this 4th day of October, 2013, before me personally appeared _____
Trevor Fausset, known to me to be an authorized agent of the
Northwest Farm Credit Services, FLCA, that executed the within instrument, and acknowledged to me that such
corporation executed the same as its free act and deed; and on oath stated that he/she was authorized to execute
said instrument.



Corrine Reynolds
Printed Name Corrine Reynolds
Notary Public for the State of Washington
Residing at LaConner
My commission expires 7/9/17

Subordination Agreement
(Smith and Morrison Farms, L.L.C./Note No. 6213584)



**EXHIBIT A TO
SUBORDINATION AGREEMENT**

The Southwest ¼ of the Southwest ¼ of Section 5, Township 33 North, Range 4 East, W.M.,
EXCEPT that portion of said property described as follows:

Beginning at a point on the West line of said Section 5 which bears North 1°30'00" East
1,120.77 feet from the Southwest corner of said Section 5;
thence South 88°30'00" East a distance of 30 feet to the East right of way line of PSH No. 99,
said point being the true point of beginning;
thence South 88°30'00" East a distance of 208.71 feet;
thence North 1°30'00" East parallel with the West line of said Section, a distance of 417.42
feet;
thence North 88°30'00" West a distance of 208.71 feet to the East right of way line of PSH No.
99;
thence South 1°30'00" West along said East right of way line 417.42 feet to the true point of
beginning.

EXCEPT that portion conveyed to the State of Washington by deed recorded December 15,
1971, under Auditor's File No. 761886.

Situate in the County of Skagit, State of Washington.

Tax Parcel No.: 330405-3-005-0001

Subordination Agreement
(Smith and Morrison Farm Note No. 6213584)



Skagit County Auditor
10/7/2013 Page

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