After recording return to: Northwest Farm Credit Services, FLCA 265 E George Hopper Rd Burlington, WA 98233

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01/24/2019 08:52 AM Pages: 1 of 3 Fees: \$101.00 Skapit County Auditor

Land Title and Escrow

SUBORDINATION AGREEMENT

unrecorded lease

PARTIES AND INTERESTS.

Subordinator:

Sterling Hill, L.L.C.

Subordinator's Interest:

Oral lease by Sterling Hill Holdings, L.L.C. as Lessors and Sterling Hill, L.L.C. as Lessees, covering the property described in Exhibit "A" attached hereto and incorporated

herein.

Subordinatee:

Northwest Farm Credit Services, FLCA

265 E George Hopper Rd, Burlington, WA 98233

Subordinatee's Interest:

Mortgage and Fixture Filing dated August 20, 2018, recorded 2-29-18, as Instrument No. 2018 of Skagit County, State of

Washington.

Subordinatee's Note:

Note, executed by Borrower or Borrower's successor, dated August 20, 2018 and any

amendments thereto, secured by Subordinatee's Interest.

Borrower(s):

James N. Nelson, Sterling Hill Potatoes, Inc., a Corporation, Norman W. Nelson Jr.,

Sharrie L. Nelson and Sterling Hill Holdings, L.L.C., a Limited Liability Company

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. This Subordination also includes any extension, refinancing, reindexing, renewal, or renegotiation of Subordinatee's Note.

> Subordination Agreement (Sterling Hill Holdings, L.L.C./Note No. 6241115)



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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 Subordination. This Subordination shall inure to the benefit of Subordinatee and its personal representatives, successors and assigns.

Dated: August 20, 2018

Sterling Hill, L.L.C., a Limited Liability Company

Norman W. Nelson Jr., President

STATE OF Washington

On this 28th day of August, 2018, before me personally appeared Norman W. Nelson Jr., known to me to be a president in Sterling Hill, L.L.C., the limited liability company which executed the within instrument, and acknowledged that he executed the same as such president and in the limited liability company's

name freely and voluntarily.

Printed name Trevar Faucet
Notary Public for the State of W

Residing at Arlington, WA

My commission expires 9/11

EXHIBIT A PROPERTY DESCRIPTION

The South 500.00 feet of the East 730.00 feet of the Southwest ¼ of the Northwest ¼ of Section 28, Township 35 North, Range 4 East, W.M., EXCEPT the East 30 feet thereof conveyed to Skagit County for road purposes by deeds dated April 27, 1911, and April 20, 1911, in Volume 85 of Deeds, pages 319 and 321, records of Skagit County, Washington.

Situate in the County of Skagit, State of Washington.

Subordination Agreement (Sterling Hill Holdings, L.L.C./Note No. 6241115)