

Return Address:
Northwest Farm Credit Services, ACA
2120 Freeway Drive, PO Box 307
Mount Vernon, WA 98273



199908130020

Kathy Hill, Skagit County Auditor
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SUBORDINATION AGREEMENT

Reference numbers of related documents: 910830093, 199908100016
on page 1 of document

Grantor(s):

1. Dynes, James H.
2. Dynes, Peggy H.
- 3.

Grantee(s):

1. Northwest Farm Credit Services, ACA
- 2.
- 3.

Assessor's Property Tax Parcel Account Number(s):

After recording return to:
Northwest Farm Credit Services, ACA
2120 Freeway Drive, PO Box 307
Mount Vernon, WA 98273

Customer/Note No. 26037-141
26037-244

SUBORDINATION AGREEMENT

PARTIES AND INTERESTS.

Subordinator: James H. Dynes and Peggy H. Dynes, husband and wife.

Subordinator's Interest: Deed of Trust dated July 30, 1991, recorded August 30, 1991, under Auditor's File No. 910830093, records of Skagit County, State of Washington.

Subordinatee: Northwest Farm Credit Services, ACA
2120 Freeway Drive, PO Box 307
Mount Vernon, WA 98273

Subordinatee's Interest: Mortgage dated August 4, 1999, recorded 8/10/99, under Auditor's File No. 199908100016, records of Skagit County, State of Washington.

Subordinatee's Notes: Note, executed by Borrower or Borrower's successor, dated August 4, 1999, in the principal amount of \$450,000.00 and Note, executed by Borrower or Borrower's successor, dated August 4, 1999, in the principal amount of \$57,000.00, and any amendments thereto, secured by Subordinatee's Interest.

Borrower: Dynes Farms, Inc., a corporation; Riverview Farms Partnership, a partnership consisting of Charles Dynes and A. W. Dynes; Charles Dynes and Elizabeth Dynes, husband and wife, A. W. Dynes, a married person dealing in his separate property.

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: August 4, 1999

James H. Dynes
James H. Dynes

Peggy H. Dynes
Peggy H. Dynes

(26037-141)

2



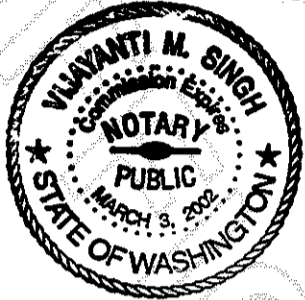
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STATE OF Washington)
County of King) ss.

On this 6th day of August, 1999, before me personally appeared James H. Dynes, to me known to be the person(s) described in and who executed the within instrument, and acknowledged that he/she executed the same as his/her free act and deed.



Vijayanti M Singh
Notary Public for the State of WA
Residing at Renton
My commission expires March 3, 2002

STATE OF Washington)
County of King) ss.

On this 6th day of August, 1999, before me personally appeared Peggy H. Dynes, to me known to be the person(s) described in and who executed the within instrument, and acknowledged that he/she executed the same as his/her free act and deed.



Vijayanti M Singh
Notary Public for the State of WA
Residing at Renton
My commission expires March 3, 2002



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Kathy Hill, Skagit County Auditor