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Skagit County Auditor
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Exhibit C

SUBORDINATION AGREEMENT

When recorded return to:
Skagit County Farmland Legacy Program
County Administration Building
700 South Second Street, Rm. 202
Mount Vernon, WA 98273

Grantor: KeyBank National Association, *Michael A. Youngquist*
Jeanne M. Youngquist

Grantee: Skagit County Washington

Legal Description

Abbreviated form: Lots 1 & 2, Skagit County Short Plat no. 00-0062 located in the NW ¼ of Sec. 26,
Township 34 N, Range 3 E, W.M. in Skagit County, Washington

Additional legal description at Exhibit A.

Assessor's Tax Parcel / Account Number: P22771

SURBORDIATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER INSTRUMENT.

SUBORDINATOR'S NOTICE: THIS SUBORDAITON DOES NOT BECOME EFFECTIVE OR INURE TO THE BENEFIT OF THE GRANTEE UNLESS AND UNTIL THE SUBJECT PROPERTY REFERENCED ABOVE AND FULLY DESCRIBED IN EXHIBIT "A" IS LEGALLY DIVIDED INTO TWO PARCELS, LOTS 1 AND 2, EACH LOT TO BE NOT LESS THAN 35 ACRES NOR MORE THAN 41 ACRES, BY THAT CERTAIN LOT LINE ADJUSTMENT DESCRIBED IN SHORT PLAT APPLICATION NO. 00-0062, AND SAID SHORT PLAT APPLICATION IS APPROVED AND RECORDED IN THE RECORDS OF SKAGIT COUNTY, WASHINGTON.

The undersigned subordinator agrees as follows:

1. KeyBank National Association ("Subordinator") is the owner and holder of; a mortgage dated July 23, 1997 which was recorded under Auditor's File no. 9707280080, records of Skagit County; a mortgage dated July 17, 1998 which was recorded under Auditor's File no. 9807200110, records of Skagit County and a mortgage dated July 15, 1999 which was recorded under Auditor's File no. 1999090066, records of Skagit County;
2. Skagit County, Washington ("Grantee") is the holder of an undated, 2000 Grant Deed of Conservation Easement, stamped on each page with the number 005020, with the signatures of Michael A. & Jeanne M. Youngquist notarized on July 5, 2000 and the Grantee's signatures notarized August 28, 2000, which may be recorded concurrently with this Subordination Agreement;
3. Michael A. Youngquist and Jeanne M. Youngquist, husband and wife, ("Owner"), are the owners of all the real property described in the conservation easement identified above in Paragraph 2. and identified on Exhibit A hereto incorporated herein by this reference.
4. This subordination does not become effective or inure to the benefit of the Grantee, unless and until the subject property referenced above and fully described in Exhibit "A" is legally divided into two parcels, lots 1 and 2, each lot to be not less than 35 acres nor more than 41 acres, by that certain lot line adjustment described in Short Plat Application no. 00-0062, and said Short Plat is approved and recorded in the records of Skagit County, Washington;
5. In consideration of benefits to Subordinator from Owner, receipt and sufficiency of which is hereby acknowledged, the Subordinator does conditionally subordinate the lien(s) of the mortgage(s) identified above in Paragraph 1. to the conservation easement identified above in Paragraph 2. subject to full and complete performance of Paragraph 4.

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6. This Agreement shall be the whole and only agreement between the parties hereto with regard to the subordination of the lien(s) or charge of mortgage(s) first above mentioned to the conservation easement referenced in Paragraph 2. above in favor of the easement holder above referenced and shall supersede and cancel any prior agreements as to such, or any subordination including, but not limited to, those provisions, if any, contained in the mortgage(s) first above mentioned, which provided for the subordination of the lien or charge thereof to a mortgage to be thereafter executed. Except or otherwise provided herein, the mortgage(s) identified in Paragraph 1. remain in full force and effect as liens and encumbrances on the subject property and shall remain as liens and encumbrances upon Lot 1 and Lot 2 of Short Plat no. 00-0062.

7. The heirs, administrators, assigns and successors in interest to the Subordinator shall be bound by this agreement. Where the word mortgage appears herein it shall also be considered as deed of trust, and gender and number of pronouns considered to conform to the undersigned.

Executed this 20th day of OCTOBER, 2000

Subordinator:
KeyBank National Association

By: Drew Hardin
Its: Vice President

Subordinator:
KeyBank National Association

By: Penny Rohrs
Its: Vice President

STATE OF WASHINGTON)

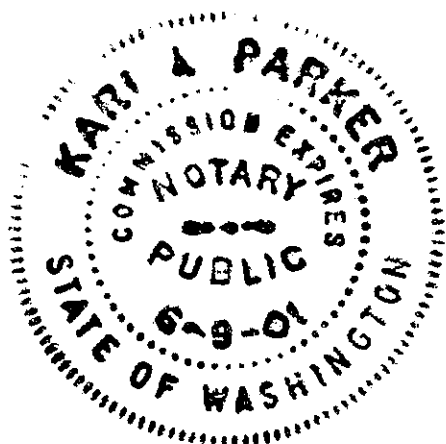
ss.

COUNTY OF PIERCE)

I certify that I know or have satisfactory evidence that Drew Hardin and Penny Rohrs signed this instrument, on oath stated that they were authorized to execute the instrument and acknowledged it as the Vice Presidents of Key Bank National Association to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: , 2000

NOTARY PUBLIC in and for the State of Washington,
residing at Tacoma



Kari A. Parker
Printed Name: Kari A. Parker
My appointment expires 6/9/01



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EXHIBIT A

Legal Description

That portion of Tract C, REVISED SKAGIT COUNTY SHORT PLAT NO. 46-81, approved August 18, 1981, and recorded August 25, 1981, in Volume 5 of Short Plats, page 119, under Auditor's File No. 8108250001, records of Skagit County, Washington; being a portion of the North Half of Section 26, Township 34 North, Range 3 East of the Willamette Meridian, being more particularly described as follows:

Beginning at the Northeast corner of Tract B of said Short Plat No. 46-81;
thence North 00°25'41" East a distance of 1,970.75 feet to the North line of said Tract C;
thence North 89°15'45" West along the North line of said Tract C a distance 1,347.74 feet to the Northwest corner of said Tract C;
thence South 00°12'50" West a distance of 2,613.26 feet to the Southwest corner of said Tract C;
thence South 89°22'54" East along the South line of said Tract C a distance of 1,008.37 feet;
thence North 00°37'06" East a distance of 10.00 feet to the Southwest corner of said Tract B;
thence continue North 00°37'06" East a distance of 288.37 feet;
thence South 89°22'54" East a distance of 91.00 feet;
thence North 00°37'06" East a distance of 116.55 feet;
thence North 89°22'54" West a distance of 183.75 feet;
thence North 00°37'06" East a distance of 179.66 feet;
thence South 89°22'54" East a distance of 204.60 feet;
thence North 00°37'06" East a distance of 45.07 feet
thence South 89°22'54" East a distance of 215.61 feet to the point of beginning;

EXCEPT for that portion conveyed for right-of-way by deed recorded on November 2, 1981, under Auditor's File No. 8111020017, records of Skagit County, Washington.

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