

WHEN RECORDED RETURN TO:

Brent Carson / Duncan Greene
Van Ness, Feldman, GordonDerr
719 2nd Street, Suite 1150
Seattle, Washington 98104



Skagit County Auditor \$74.00
7/19/2013 Page 1 of 3 1:44PM

GUARDIAN NORTHWEST TITLE CO.
SUBORDINATION INSTRUMENT *M 9745-5*
ACCOMMODATION RECORDING ONLY

Grantor/Subordinator: Swan Road (Sherron Associates) LLC, a Washington limited liability company

Grantee: Forterra NW, a Washington nonprofit corporation

Abbreviated legal description: Ptns. of Secs. 10, 11, 14 & 15 in 34-4-E W.M.

Assessor's Tax Parcel Number(s):

Assessor's Property Tax Parcel or Account No.: APN's: P109226; P109241; P24443; P24483; P24490;
P24491; P24494; P24497; P24498; P24612; P24630; P24631; P24632; P24633; P24636; P24692;
P24695; P24696; P24697; P24731; P24743; P24801; P24805; P24806; P24880; P24891; P24892;
P24894, P24694, P128690

Recording Number(s) Affected:

200908100155, 200908100156, 20120712088, 20120712089

The undersigned Subordinator acknowledges, consents, and agrees as follows:

1. Swan Road (Sherron Associates) LLC, a Washington limited liability company, referred to herein as "Subordinator," is the sole owner and holder of a certain term note dated August 7, 2009. Such term note is secured by that certain Deed of Trust and Assignment of Rents, dated August 7, 2009, and recorded as Auditor's File No. 200908100155 Skagit County, Washington (the "Security Instrument").
2. Subordinator is the sole legal and equitable beneficiary under the Security Instrument.
3. Clear Valley Environmental Farm, LLC, a Washington limited liability company, and Clear Valley Environmental Farm II, Inc., a Washington corporation (collectively, the

EZ AF #201307190125

"Owner"), are the owners of all the real property legally described in the Security Instruments (the "Property").

4. Owner has executed a Grant Deed of Conservation Easement, dated July 19, 2013, in favor of Forterra NW, a Washington nonprofit corporation (the grantee hereof, "Grantee"), in certain real property that includes a portion of the Property, which is recorded under Auditor's File No. 201307190129, Skagit County, Washington (the "Conservation Easement"). The portion of the Property encumbered by the Conservation Easement is legally described in the Conservation Easement.
5. In consideration of benefits to Subordinator from Owner, the receipt and sufficiency of which are acknowledged, Subordinator does hereby unconditionally subordinate in perpetuity the lien of the Security Instrument and all of Subordinator's other rights in the Property, if any, to the Conservation Easement.
6. Subordinator acknowledges that prior to executing this Subordination Instrument, Subordinator has had opportunity to inspect the form of the Conservation Easement, and is fully aware of its contents, and consents to and approves the same.
7. Subordinator acknowledges that this Subordination Instrument results in Subordinator's interest in the Property becoming subject to, and of lower priority, than the Conservation Easement.
8. Subordinator agrees that any foreclosure of the Security Instrument shall not adversely affect the existence or continuing validity of the Conservation Easement. Subordinator acknowledges the rights of Grantee to enforce the Conservation Easement, with the same force and effect as if the Conservation Easement had been executed, delivered, and recorded prior to the execution and delivery or other effective date of the Security Instruments.
9. This Subordination Instrument shall be the whole and only instrument regarding the subordination of the lien or charge of the Security Instrument to the Conservation Easement in favor of Grantee.
10. The Subordinator's successors and assigns shall be bound by this Subordination Instrument.
11. Subordinator hereby consents to Grantee inserting the dates and recording numbers of the Conservation Easement in the recording information section and in Section 4 above after Subordinator's execution of this instrument.
12. This Subordination Instrument and the rights of the parties shall be governed by and construed in accordance with the laws of the state of Washington. Venue for any action is in Skagit County.



WITNESS WHEREOF, the undersigned Subordinator has executed this instrument this 9th day of July, 2013.

SWAN ROAD (SHERRON ASSOCIATES), LLC
a Washington limited liability company

By: JAN EIVIN HANSEN
Name: JAN EIVIN HANSEN
Title: V.P.

STATE OF Washington)
) ss.
COUNTY OF King)

On this 9th day of July, 2013, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared J. Eivin Hansen, to me known to be the Vice President of SWAN ROAD (SHERRON ASSOCIATES), LLC, a Washington limited liability company, that executed the within and foregoing Subordination Instrument, and acknowledged the said Subordination Instrument to be the free and voluntary act and deed of said limited partnership for the uses and purposes therein mentioned, and on oath stated that s/he is authorized to execute the said Subordination Instrument.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.



Paula M. Hardin
[Signature of Notary]
Paula M. Hardin
[Print Name of Notary]

Notary Public in and for the State of Washington, residing at Maple Valley.
My commission expires: 8/21/2014

