

Return Address:  
Northwest FCS-Burlington  
265 E. George Hopper Road  
Burlington, WA 98233



Skagit County Auditor  
6/23/2016 Page 1 of 5 11:15AM \$77.00

**Document 1 Title: Subordination Agreement**

Reference Nos: 201606230032  
Additional Reference #s on page: \_\_\_\_\_

**Grantors:**

Northwest Farm Credit Services, PCA

**Land Title and Escrow**

**Grantees:**

#155296-0

Northwest Farm Credit Services, FLCA

Additional Grantors on page: \_\_\_\_\_ Additional Grantees on page: \_\_\_\_\_

**Abbreviated Legal Description:**

Grant County: Parcel 1: Ptn Farm Units 10 & 96, Irrigation Block 79; Parcel 2: Lot 3, Vanderveen Short Plat; Parcel 3: Farm Unit 121, Irrigation Block 78

Skagit County: Parcel "A": SW1/4 of NE1/4 & Ptn. Gov. Lot 2, 6-33-4 E; Parcel "B": N1/2 of NW1/4 of SE1/4, 17-33-4E; Parcel "C": Lot 3B, SP PL 07-0565; Ptn. SE1/4, 17-33-4E W.M.

Additional legal is on pages: 4 and 5

**Assessor's Property Tax Parcel/Account Numbers:**

Tax Parcel Nos: 31-3591-000, 20-1732-000, 61-4280-000 (Grant County)

<u>Account No.</u>	<u>Property ID No. (Skagit County)</u>
330406-0-003-0008	P16412
330406-1-002-0007	P16436
330417-4-002-0008	P16743
330417-4-001-0009	P16739

# 20160623 0032

Subordination Agreement  
(Western Valley Farms L.L.C./Note No. 6228647)

**SUBORDINATION AGREEMENT**

This Subordination Agreement (this "Agreement") is made effective June 15, 2016, by and between **NORTHWEST FARM CREDIT SERVICES, PCA** (hereinafter referred to as "PCA") and **NORTHWEST FARM CREDIT SERVICES, FLCA** (hereinafter referred to as "FLCA").

**WHEREAS, PCA** is the holder of certain loan(s), under the terms of certain note(s) and loan documents, as amended (the "PCA Loan"), secured, all or in part, by that certain Mortgage, dated June 10, 2010, recorded on June 15, 2010, as Instrument No(s). 201006150013, records of Skagit County, State of Washington; Mortgage dated December 16, 2014, recorded on December 24, 2014, as Instrument No. 201412240026, records of Skagit County, State of Washington; Line of Credit Mortgage and Fixture Filing dated June 11, 2010, recorded June 17, 2010, as Instrument No. 1272346, records of Grant County, State of Washington; Line of Credit Mortgage and Fixture Filing dated December 16, 2014, recorded December 29, 2014, as Instrument No. 1341874, records of Grant County, State of Washington collectively, (the "PCA Security Instrument");

**WHEREAS, FLCA** intends to extend or amend certain loan(s), under the terms of certain note(s) and loan documents, as amended (the "FLCA Loan"), secured, all or in part, by that certain Mortgage and Fixture Filing, dated June 15, 2016, recorded on 6/15/16, as Instrument No(s). 201606230032, records of ~~Grant~~ Skagit County, State of Washington; and recorded on \_\_\_\_\_, as Instrument No. \_\_\_\_\_, records of ~~Grant~~ Skagit County, State of Washington, collectively, (the "FLCA Security Instrument");

**WHEREAS,** The PCA Loan and the FLCA Loan are and will be secured by, in relevant part, all or a portion of the property described in the PCA Security Instrument and the FLCA Security Instrument, including all improvements and personal property referenced therein (collectively, the "Property"), located on the real property described on Exhibit A attached hereto.

**NOW, THEREFORE,** in consideration of FLCA making or amending the FLCA Loan, PCA and FLCA agree as follows:

PCA's interest in the Property is subordinate to FLCA's interest in the Property securing the FLCA Loan, including all interest, advances or charges made or accruing thereunder, if any.

In the event of default in the obligations under the FLCA Loan prior to satisfaction of the PCA Loan, the proceeds from any foreclosure sale, less expenses of the sale, shall be distributed first to the FLCA Loan, with the balance of the proceeds, if any, distributed to the PCA Loan.

This Agreement does not affect PCA's or FLCA's right to enforce any loan documents, for either the PCA Loan or the FLCA Loan in accordance with their terms and does not alter the relative priority of liens on any collateral other than the Property which is commonly described in both the PCA Security Instrument and the FLCA Security Instrument.

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

Dated: June 15, 2016

**NORTHWEST FARM CREDIT SERVICES, PCA**

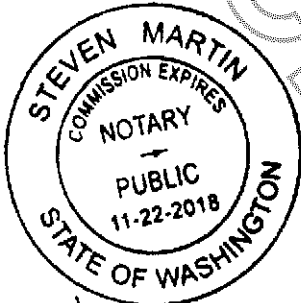
By: *E. Johnson*  
Authorized Agent

**NORTHWEST FARM CREDIT SERVICES, FLCA**

By: *Eric Fohn*  
Authorized Agent

STATE OF Washington )ss.  
County of Skagit

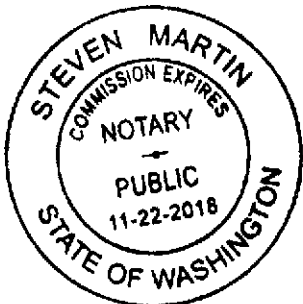
On this 23 day of June, 2016, before me personally appeared Eric Fohn, known to me to be an authorized agent of Northwest Farm Credit Services, PCA, that executed the within instrument, and acknowledged to me that such corporation executed the same as its free act and deed; and on oath stated that he/she was authorized to execute said instrument.



*Steven Martin*  
Printed Name Steven Martin  
Notary Public for the State of Washington  
Residing at Oak Harbor  
My commission expires 11-22-2018

STATE OF Washington )ss.  
County of Skagit

On this 23 day of June, 2016, before me personally appeared Eric Fohn, known to me to be an authorized agent of 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.



*Steven Martin*  
Printed Name Steven Martin  
Notary Public for the State of Washington  
Residing at Oak Harbor  
My commission expires 11-22-2018

**EXHIBIT A TO  
SUBORDINATION AGREEMENT**

Grant County:

Parcel 1:

Lot 3, Vanderveen Short Plat, according to the plat thereof recorded in Volume 26 of Short Plats, pages 29, 30 and 31, records of Grant County, Washington.

Parcel 2:

Farm Unit 121, Irrigation Block 78, Third Revision, Columbia Basin Project, according to the plat thereof recorded on August 18, 1958, records of Grant County, Washington.

Tax Parcel Nos: 31-3591-000, 20-1732-000, 61-4280-000

Skagit County:

PARCEL "A":

The Southwest  $\frac{1}{4}$  of the Northeast  $\frac{1}{4}$  and that portion of Government Lot 2, Section 6, Township 33 North, Range 4 East, W.M.,

EXCEPT that portion of Government Lot 2, described as follows:

Beginning at the South line of Hickox Road and the East line of Government Lot 2 of said Section 6, said point being 20 feet South of the Northeast corner of said Government Lot 2;  
thence South  $89^{\circ}31'13''$  West along the South line of Hickox Road, a distance of 780.22 feet;  
thence South  $00^{\circ}05'06''$  West, a distance of 149.15 feet;  
thence South  $38^{\circ}18'48''$  East, a distance of 62.11 feet;  
thence South  $89^{\circ}18'22''$  East, a distance of 367.28 feet;  
thence South  $2^{\circ}35'57''$  East, a distance of 148.45 feet;  
thence North  $89^{\circ}31'13''$  East, a distance of 395.05 feet to the East line of said Government Lot 2;  
thence North  $4^{\circ}22'57''$  West, along said East line of Government Lot 2, a distance of 354.89 feet to the point of beginning of this description.

Situate in the County of Skagit, State of Washington.

PARCEL "B":

The North  $\frac{1}{2}$  of the Northwest  $\frac{1}{4}$  of the Southeast  $\frac{1}{4}$  of Section 17, Township 33 North, Range 4 East, W.M., EXCEPT that portion condemned by Drainage District No. 17 in Skagit County Civil Cause No. SC5271.

Situate in the County of Skagit, State of Washington.

PARCEL "C":

Lot 3B, Short Plat No. PL 07-0565, approved July 29, 2008 and recorded July 29, 2008, under Skagit County Auditor's File No. 200807290012, records of Skagit County, Washington; being a portion of the Southeast  $\frac{1}{4}$  of Section 17, Township 33 North, Range 4 East, W.M.

Situate in the County of Skagit, State of Washington.

Account No.

330406-0-003-0008

330406-1-002-0007

330417-4-002-0008

330417-4-001-0009

Property ID No.

P16412

P16436

P16743

P16739

Subordination Agreement  
(Western Valley Farms L.L.C./Note No. 6228647)