

When recorded return to:

Pope Resources
Attn: Land Records
19950 7th Avenue NE, Suite 200
Poulsbo, WA 98370

Subordination Agreement

Subordinators: Northwest Farm Credit Services, FLCA
Northwest Farm Credit Services, PCA

Borrower: Pope Resources, a Delaware limited partnership

Legal Description:

Abbreviated form: Portion of Sections 4, 5, 6, 8, 9, 15, 16, 17, and 23, T 7 N, R 6 E, W.M.

Complete legal description begins on page 5 of this document.

Assessor's Tax Parcel Numbers:

07 06 00000 3 0000; 07 06 00000 4 0000; 07 06 00000 5 0000;
07 06 00000 7 0000; 07 06 00000 8 0000; 07 06 0000 13 0000;
07 06 0000 14 0000; 07 06 0000 149 000; 07 06 0000 180 000

Reference number(s) of related/assigned/released documents: N/A

SUBORDINATION 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.

The undersigned subordinators agree as follows:

1. Northwest Farm Credit Services, FLCA, and Northwest Farm Credit Services, PCA ("Subordinators") are the owners and holders of mortgages dated June 10, 2010, which are recorded under Auditor's file numbers 2010175728, 2010175729, records of Skamania County;
2. Columbia Land Trust, a Washington nonprofit corporation ("Easement Holder") is the holder of a conservation easement dated December 22 2014, executed by Borrower, **Pope Resources, a Delaware limited partnership** ("Pope" as hereinafter defined) which will be recorded concurrently with this Subordination Agreement. Notwithstanding anything to the contrary in the Conservation Easement, the Parties agree that any and all liens (consensual or non-consensual, judicial or non-judicial) arising from non-performance of the obligations of Grantor/Borrower under the Conservation Easement and charged to Grantor/Borrower by Grantee/Easement Holder shall be subordinate, junior, and subject to the Mortgage;
3. **Pope** is the owner of all the real property described in the conservation easement identified above in Paragraph 2.
4. In consideration of benefits to Subordinator from **Pope**, receipt and sufficiency of which is hereby acknowledged, the Subordinator does hereby unconditionally subordinate the lien of the mortgage identified above in Paragraph 1 to the conservation easement identified above in Paragraph 2.
5. This Agreement shall be the whole and only agreement between the parties hereto with regard to the subordination of the lien or charge of the mortgage first above mentioned to the conservation easement in favor of Easement Holder above referred to 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 first above mentioned, which provided for the subordination of the lien or charge thereof to a mortgage to be thereafter executed.

6. The heirs, administrators, assigns and successors in interest of the Subordinator shall be bound by this agreement.

Executed this 22 day of December 2014.

SUBORDINATOR:

Northwest Farm Credit Services, FLCA

By: Erin Dorsey
Name: Erin Dorsey
Title: Authorized Agent

SUBORDINATOR:

Northwest Farm Credit Services, PCA

By: Erin Dorsey
Name: Erin Dorsey
Title: Authorized Agent

BORROWER:

POPE RESOURCES, A DELAWARE LIMITED PARTNERSHIP
By: Pope MGP Inc., a Delaware corporation
Its Managing General Partner

By: David L. Nanes
Name: David L. Nanes
Title: President & CEO

STATE OF WASHINGTON)
) ss:
 County of Kitsap)

On this day personally appeared before me David L. Nunes, to me known to be the President & CEO of Pope MGP, Inc., a Delaware corporation, managing partner of Pope Resources, a Delaware limited partnership, and acknowledged said instrument to be the free and voluntary act and deed of said corporation and limited partnership for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument on behalf of said corporation and limited partnership.

SUBSCRIBED AND SWORN to before me this 24th day of March, 2014.

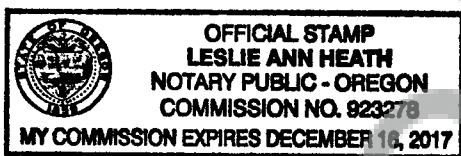


[Signature]
 Print Name: Michelle S. Verlander
 Notary Public in and for the
 State of Washington,
 residing at Bremerton
My commission expires 6-9-2016

STATE OF OREGON)
) ss:
 County of Marion)

On this day personally appeared before me Erin Dorsey, to me known to be the Authorized Agent of Northwest Farm Credit Services, FLCA the company that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said company for the uses and purposes therein mentioned, and on oath stated that ~~She~~ was authorized to execute said instrument on behalf of said company.

SUBSCRIBED AND SWORN to before me this 20th day of March, 2014.

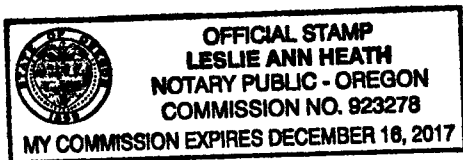


[Signature]
 Print Name: Leslie A. Heath
 Notary Public in and for the
 State of Oregon,
 residing at Keizer, OR

STATE OF OREGON)
) ss:
 County of Marion)

On this day personally appeared before me Erin Dorsey, to me known to be the Authorized Agent of Northwest Farm Credit Services, PCA, the company that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said company for the uses and purposes therein mentioned, and on oath stated that ~~She~~ was authorized to execute said instrument on behalf of said company.

SUBSCRIBED AND SWORN to before me this 20th day of March, 2014.



[Signature]
 Print Name: Leslie A. Heath
 Notary Public in and for the
 State of Oregon,
 residing at Keizer OR

AGRI BUSINESS
650 Hawthorne Ave SE, Ste 210, Salem OR 97301
PO Box 13309, Salem, OR 97309-1309
Voice: 503.373.3002 Toll Free: 800-235-7024 Fax: 503.373.3006

EXHIBIT A

LEGAL DESCRIPTION OF CONSERVATION EASEMENT AREA

A tract of land located in Skamania County, Washington, being a portion of the land described in the "Third Revised Division Map of Swift North" recorded under Auditor's file number 2014 002266, and in the Statutory Warranty Deed recorded under Auditor's file number 2014 002269, Records of Skamania County, Washington, more particularly described as follows:

BLOCK "A"

The North half of Section 6, Township 7 North, Range 6 East, Willamette Meridian, Skamania County, Washington. Also described as Lots A-1 through 16 per said "Third Revised Division Map of Swift North";

BLOCK "B"

The Southeast quarter, a portion of the Northeast quarter south and west of Pine Creek and a portion of the Northwest quarter south and west of Pine Creek, in Section 5, Township 7 North, Range 6 East, Willamette Meridian, Skamania County, Washington. Also described as Lots B-1, 2, 5, 8 through 14, 17, 18, 21, 22, 25, 26, 29 and 30 per said "Third Revised Division Map of Swift North";

BLOCK "C"

That portion of the West half of the West half the Southwest quarter and the West half of the West half of the Southwest quarter of the Northwest quarter, all west of Pine Creek, of Section 4, Township 7 North, Range 6 East, Willamette Meridian, Skamania County, Washington. Also described as Lot C-19 per said "Third Revised Division Map of Swift North";

BLOCK "F"

The Northeast quarter and the East half of the East half of the Southeast quarter of Section 8, Township 7 North, Range 6 East, Willamette Meridian, Skamania County, Washington. Also described as Lots F-2 through 5, 7, 8, 11, 12, 20 and 28 per said "Third Revised Division Map of Swift North";

BLOCK "G"

The Southwest quarter, a portion of the Northeast quarter south and west of Pine Creek, a portion of the Southeast quarter south and west of Pine Creek and a portion of the Northwest quarter south and west of Pine Creek, of Section 9, Township 7 North, Range 6 East, Willamette

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Meridian, Skamania County, Washington. Also described as Lots G-1, 8, 11, 14, 15, 17, 18 and 21 through 26 per said "Third Revised Division Map of Swift North";

BLOCK "K"

A portion of the Northeast quarter, a portion of the Southeast quarter and a portion of the Southwest quarter of Section 17, Township 7 North, Range 6 East, Willamette Meridian, Skamania County, Washington. Also described as Lots K- 8, 12, 17, 18, 20, 21, 23, 24, 25, 27, 28 and 29 per said "Third Revised Division Map of Swift North";

BLOCK "L"

The Southeast quarter, the Southwest quarter, the Northwest quarter and a portion of the Northeast west of Pine Creek, of Section 16, Township 7 North, Range 6 East, Willamette Meridian, Skamania County, Washington. Also described as Lots L-1 through 3 and 5 through 30 per said "Third Revised Division Map of Swift North";

BLOCK "M"

A portion of the Southeast quarter, a portion of the Southwest quarter and a portion of the Northwest quarter, all south of Pine Creek, of Section 15, Township 7 North, Range 6 East, Willamette Meridian, Skamania County, Washington. Also described as Lots M-16 and 18 through 29 per said "Third Revised Division Map of Swift North".

BLOCK "T"

The West half, the West half of the Southeast quarter, and Government Lots 1 and 2 of Section 23, Township 7 North, Range 6 East, Willamette Meridian, Skamania County, Washington, Also described as Lots T-1 through 20 per said "Third Revised Division Map of Swift North".

EXCEPT THE FEE RIPARIAN AREA as shown on said "Third Revised Division Map of Swift North," which area is legally described as follows:

Beginning at the Northwest corner of Section 5, Township 7 North, Range 6 East, Willamette Meridian, Skamania County, Washington;
 Thence South $88^{\circ}55'49''$ East, along the north line of said Section 5, for a distance of 2085.87 feet to the TRUE POINT OF BEGINNING;
 Thence South $88^{\circ}55'49''$ East, along said north line, for a distance of 399.64 feet to the thread of Pine Creek;
 Thence southeasterly along the thread of Pine Creek, said thread being the southwesterly boundary of the lots conveyed to Columbia Land Trust by deed recorded under Auditor's file number 2013000998, Records of Skamania County, Washington, to a point on the East line of said Section 15;
 Thence South $00^{\circ}51'28''$ West along said East line, for a distance of 493.81 feet;

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Thence leaving said East line, North 50°43'59" West, for a distance of 183.04 feet;
 Thence North 43°32'17" West, for a distance of 524.07 feet;
 Thence North 57°54'34" West, for a distance of 285.15 feet;
 Thence North 88°36'49" West, for a distance of 295.31 feet;
 Thence South 84°52'41" West, for a distance of 310.89 feet;
 Thence South 86°54'11" West, for a distance of 612.80 feet;
 Thence South 86°18'05" West, for a distance of 663.75 feet;
 Thence North 74°53'22" West, for a distance of 409.65 feet;
 Thence South 87°53'59" West, for a distance of 162.46 feet;
 Thence North 88°00'19" West, for a distance of 337.55 feet;
 Thence North 77°47'50" West, for a distance of 890.51 feet;
 Thence South 87°25'04" West, for a distance of 455.90 feet;
 Thence North 71°13'37" West, for a distance of 436.30 feet;
 Thence North 46°29'36" West, for a distance of 514.62 feet;
 Thence North 07°36'21" West, for a distance of 1179.16 feet;
 Thence North 28°22'01" West, for a distance of 538.33 feet;
 Thence North 07°36'23" West, for a distance of 669.12 feet;
 Thence North 08°24'36" West, for a distance of 552.20 feet;
 Thence North 36°03'42" West, for a distance of 508.01 feet;
 Thence North 09°05'52" East, for a distance of 483.24 feet;
 Thence North 58°12'26" West, for a distance of 650.26 feet;
 Thence North 36°41'55" West, for a distance of 1960.17 feet;
 Thence North 69°39'46" West, for a distance of 221.68 feet;
 Thence North 49°57'16" West, for a distance of 163.52 feet;
 Thence North 58°46'43" West, for a distance of 498.22 feet;
 Thence North 53°50'44" West, for a distance of 535.22 feet;
 Thence North 21°15'19" West, for a distance of 1521.66 feet;
 Thence along the arc of a 1454.28 foot radius curve to the right, for an arc distance of 1131.22 feet, through a central angle of 44°34'05", the radius of which bears North 68°44'41" East, the long chord of which bears North 01°01'44" East, for a chord distance of 1102.92 feet;
 Thence North 23°04'46" East, for a distance of 148.57 feet;
 Thence North 68°13'03" East, for a distance of 369.17 feet;
 Thence North 23°38'54" West, for a distance of 1081.14 feet;
 Thence North 21°35'02" East, for a distance of 240.07 feet;
 Thence North 02°08'10" East, for a distance of 579.23 feet;
 Thence along the arc of a 168.55 foot radius curve to the left, for an arc distance of 293.73 feet, through a central angle of 99°50'52", the radius of which bears North 85°45'25" West, the long chord of which bears North 45°40'51" West, for a chord distance of 257.95 feet;
 Thence South 84°23'43" West, for a distance of 523.46 feet;
 Thence North 73°49'57" West, for a distance of 438.38 feet;
 Thence North 55°18'25" West, for a distance of 183.80 feet;
 Thence North 42°11'04" West, for a distance of 175.00 feet;
 Thence North 46°30'21" West, for a distance of 199.93 feet;
 Thence North 39°32'29" West, for a distance of 249.29 feet;

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Thence North $86^{\circ}35'36''$ West, for a distance of 627.53 feet;

Thence North $62^{\circ}53'20''$ West, for a distance of 999.80 feet;

Thence along the arc of a 1168.31 foot radius curve to the right, for an arc distance of 1033.14 feet, through a central angle of $50^{\circ}40'00''$, the radius of which bears North $40^{\circ}00'08''$ East, the long chord of which bears North $24^{\circ}39'52''$ West, for a chord distance of 999.80 feet;

Thence North $15^{\circ}02'50''$ West, for a distance of 150.87 feet to the TRUE POINT OF BEGINNING.

Unofficial
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