

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

Abbreviated Legal Description: Portions of Secs. 19, 20, 21, 22, 27, 28, 29, and 33, T07N-R06E, W.M., County of Skamania, State of Washington.

Complete legal description begins on page 5 of this document.

Assessor's Property Tax Parcel Account Numbers: 07060000040000, 07060000140000,
07060000159000, 07060000150000, 07060000160000, 07060000170000, 07060000260000,
07060000270000, 07060000280000, 07060000300000, 07060000310000

Reference number(s) of related documents: 2010175728, 2010175729, 2015000692,
2016001429 and 2017001322

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, as modified on April 1, 2015, July 20, 2016 and June 27, 2017 under Auditor's file numbers 2015000692, 2016001429 and 2017001322, records of Skamania County;
2. State of Washington, acting by and through the Department of Natural Resources ("Easement Holder") is the holder of a conservation easement dated June ____, 2018, executed by Borrower, **Pope Resources, a Delaware limited partnership** ("Pope" as hereinafter defined) ("Conservation Easement") 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 14th day of June, 2018.

SUBORDINATOR:

Northwest Farm Credit Services, FLCA

By: _____

Name: _____

Title: _____

SUBORDINATOR:

Northwest Farm Credit Services, PCA

By: _____

Name: _____

Title: _____

BORROWER:

POPE RESOURCES, A DELAWARE LIMITED PARTNERSHIP

By: Pope MGP Inc., a Delaware corporation
Its Managing General Partner

By: Thomas M. Ringo

Name: Thomas M. Ringo

Title: President and Chief Executive Officer

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 11 day of June, 2018.

SUBORDINATOR:

Northwest Farm Credit Services, FLCA

By: Tyler West
Name: Tyler West
Title: Credit Officer

SUBORDINATOR:

Northwest Farm Credit Services, PCA

By: Tyler West
Name: Tyler West
Title: Credit Officer

BORROWER:

POPE RESOURCES, A DELAWARE LIMITED PARTNERSHIP

By: Pope MGP Inc., a Delaware corporation
Its Managing General Partner

By: _____
Name: Thomas M. Ringo
Title: President and Chief Executive Officer

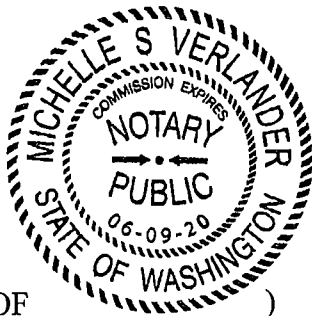
STATE OF WASHINGTON)

ss:

County of Kitsap)

On this day personally appeared before me Thomas M. Ringo, to me known to be the President and Chief Executive Officer 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 14th day of June, 2018.



[Signature]
 Print Name: Michelle S. Verlander
 Notary Public in and for the
 State of Washington, residing at Bremerton.
 My commission expires: 6/9/2020

STATE OF _____)

ss:

County of _____)

On this day personally appeared before me _____, 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 he was authorized to execute said instrument on behalf of said company.

SUBSCRIBED AND SWORN to before me this _____ day of _____, 2018.

 Print Name: _____
 Notary Public in and for the State of Oregon,
 residing at _____
 My commission expires: _____

STATE OF WASHINGTON)

ss:

County of Kitsap)

On this day personally appeared before me Thomas M. Ringo, to me known to be the President and Chief Executive Officer 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 _____ day of _____, 2018.

Print Name: Michelle S. Verlander
Notary Public in and for the
State of Washington, residing at Bremerton.
My commission expires: 6/9/2020

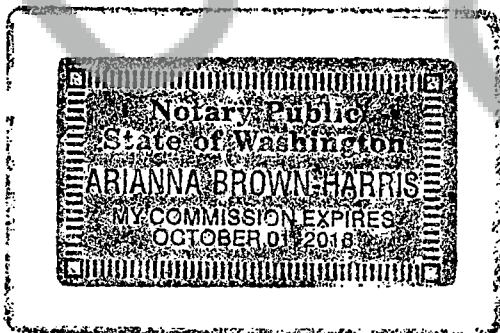
STATE OF WASHINGTON)

ss:

County of Spokane)

On this day personally appeared before me Tyler West, 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 he was authorized to execute said instrument on behalf of said company.

SUBSCRIBED AND SWORN to before me this 11th day of June, 2018.



Arianna Brown-Harris

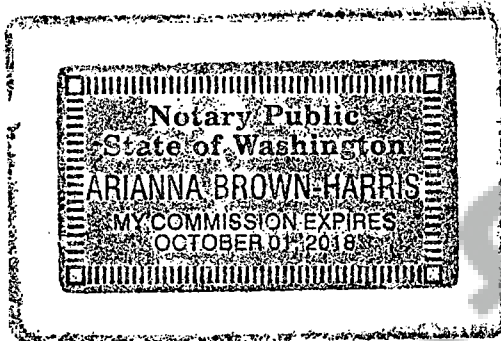
Print Name: Arianna Brown-Harris
Notary Public in and for the State of Washington
residing at Spokane, WA
My commission expires: October 1, 2018

STATE OF WASHINGTON)

County of Spokane) ss:

On this day personally appeared before me Tyler West, 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 _he was authorized to execute said instrument on behalf of said company.

SUBSCRIBED AND SWORN to before me this 11th day of June, 2018.



Arianna Brown-Harris

Print Name: Arianna Brown-Harris

Notary Public in and for the State of Washington
residing at Spokane, WA

My commission expires: October 1, 2018

Exhibit A

DESCRIPTION/DEPICTION OF PORTION OF MT. ST. HELENS FOREST PHASE 2

PARCEL I: SWIFT NORTH

A tract of land located in Sections 21 and 22, and in a portion of Sections 19, 20, 27, 28, 29 and 33, Township 7 North, Range 6 East, Willamette Meridian, Skamania County, Washington, being a portion of the land described in the "Second Revised Division Map of Swift North", according to the plat thereof, recorded in Auditor's File Number 2013000822, Records of Skamania County, Washington, and in Deed recorded in Auditor's File Number 2013000915, and "Fourth Revised Division Map of Swift North", according to the plat thereof, recorded in Auditor's File Number 2015001133, and in Deed recorded in Auditor's File Number 2015001132, Records of Skamania County, Washington, more particularly described as follows:

The South Half of the Northeast Quarter of the Northeast Quarter, the South Half of the Northeast Quarter, the Southeast Quarter, the North Half of the Northeast Quarter of the Southwest Quarter, the South Half of the North Half of the Southwest Quarter and the South Half of the Southwest Quarter of Section 19, Township 7 North, Range 6 East of the Willamette Meridian, Skamania County, Washington. Also described as Lots P-16, P-20, P-23, P-24, and P-26 through P-32 and in portions of Lots P-8, P-11, P-12, P-15, P-18, P-19, P-21, P-22 and P-25 per said "Fourth Revised Division Map of Swift North";

EXCEPTING therefrom that portion lying North and West of a line beginning at the Northwest corner of the South Half of the Southwest Quarter of the Southwest Quarter; Thence Northeasterly to the Northeast corner of the South Half of the South Half of the Northeast Quarter of the Northeast Quarter of said Section 19;

Section 20, Township 7 North, Range 6 East, Willamette Meridian, Skamania County, Washington. Also described as Lots Q-2, Q-4, Q-6 and Q-8 through Q-32, and portions of Lots Q-1 and Q-5 per said "Fourth Revised Division Map of Swift North";

EXCEPTING therefrom the Northwest quarter of the Northeast Quarter and that portion lying North and West of a line beginning at the Northwest corner of the South Half of the South Half of the Northwest Quarter of the Northwest Quarter of said Section 20; Thence running Northeasterly to the Northeast corner of the Northwest Quarter of the Northwest Quarter of said Section 20;

Section 21, Township 7 North, Range 6 East, Willamette Meridian, Skamania County, Washington. Also described as Lots R-1 through R-32 per said "Fourth Revised Division Map of Swift North";

Section 22, Township 7 North, Range 6 East, Willamette Meridian, Skamania County, Washington. Also described as Lots S-1 through S-32 per said "Fourth Revised Division Map of Swift North";

Section 27, Township 7 North, Range 6 East, Willamette Meridian, Skamania County, Washington, except the South half of the Northeast quarter of the Northwest quarter thereof. Also described as Lots W- 1 through W-5 and Lots W-7 through W-31 per said "Fourth Revised Division Map of Swift North";

EXCEPTING therefrom that portion conveyed to Swift Creek Estates, by deed under Auditor's File No. 99965 recorded in Book 85, Page 66, records of Skamania County, Washington.

ALSO EXCEPTING that portion of the East Half of the Southeast Quarter of said Section 27, being that certain Short Plat recorded under Auditor's File No. 104203 in Book 3 of Short Plats, at Page 125, Records of Skamania County, Washington;

Section 28 and 33, Township 7 North, Range 6 East, Willamette Meridian, Skamania County, Washington. Also described as Lots V-1 through V-29 per said "Fourth Revised Division Map of Swift North";

EXCEPTING therefrom the following described tracts;

Beginning at a point on the West line of said Section 28 which is South 0° 16' 55" East a distance of 1,674.98 feet from the West quarter section corner thereof and running thence South 25° 37' East 498.22 feet; thence South 47° 34' 30" East 595.58 feet; thence North 59° 33' 30" East 240.47 feet; thence South 40° 26' East 296.84 feet; thence South 89° 49' 45" West 1,050.02 feet to the Southwest corner of said Section 28; and thence North 0° 16' 55" West 958.19 feet to the point of beginning.

ALSO EXCEPTING, Beginning at a point on the South line of said Section 28 which is North 89° 49' 45" East 2,006.72 feet from the Southwest corner thereof; and running thence North 78° 19' 30" East 237.50 feet; thence North 33° 28' East 235.01 feet; thence North 63° 23' East 464.47 feet; thence North 21° 05' 30" East 360.93 feet; thence North 17° 30' 30" East 212.97 feet; thence North 57° 42' East 110.31 feet; thence South 16° 09' 30" East 375.99 feet; thence South 10° 31' 30" East 336.26 feet; thence South 31° 11' West 416.74 feet to a point on the South line of said Section 28, which is South 89° 52' 30" West 2,259.98 feet from the Southeast corner thereof; thence South 89° 52' 30" West 380.01 feet to the South quarter corner of said Section 28; and thence South 89° 49' 45" West 634.99 feet to the Point of Beginning.

Section 29, Township 7 North, Range 6 East, Willamette Meridian, Skamania County, Washington. Also described as Lots U-1 through U-17 per said "Fourth Revised Division Map of Swift North";

EXCEPTING therefrom that portion conveyed to Pacific Power and Light Company by deed recorded under Auditor's File Number 55342, Book 46, Page 115, records of Skamania County, Washington, also described as those portions lying below the 1,000 foot elevation;

The Northeast Quarter of the Northeast Quarter and the North Half of the Northwest Quarter of the Northeast Quarter of Section 33, Township 7 North, Range 6 East Willamette Meridian,

Skamania County, Washington. Also described as Lot X-1 per said "Fourth Revised Division Map of Swift North";

EXCEPTING therefrom that portion conveyed to Pacific Power and Light Company by deed recorded under Auditor's File Number 55342, Book 46, Page 115, records of Skamania County, Washington, also described as those portions lying below the 1,000 foot elevation.

Unofficial
Copy