

13

When Recorded Return to:

Evergreen Community Development Association
Attention: Loan Servicing Department
900 Fourth Avenue, Suite 2900
Seattle, WA 98164

SKAGIT COUNTY AUDITOR

'98 SEP -1 A9:37

INDEXED _____ FILED _____
REQUEST OF _____

9809010019

COVER SHEET

Document Title: Subordination, Prior Lienholder and Reconveyance Agreement

Reference Number(s) of Documents: 9301190089; 9801190087

Grantors: Clarence E. Holden and Beverly J. Holden

Grantees: U.S. Small Business Administration; Evergreen Community Development Association

Legal Description: Apartment Unit "B" "Cedarcrest Dental Center Condominium" as shown on Survey and Floor Plans filed in Volume 15 of Plats, pages 70, 71 and 72 and as identified by Declaration of Condominium Subdivision and Covenants, Conditions, Restrictions and Reservations for Cedarcrest Dental Center, Condominium recorded under Auditor's File No. 9301040070 records of Skagit County, Washington; and as further identified by that certain amendment to said Declaration of Condominium recorded under Auditor's File No. 9301150078.

Assessor's Property Tax Parcel/Account Number: 340420-1-008-0300

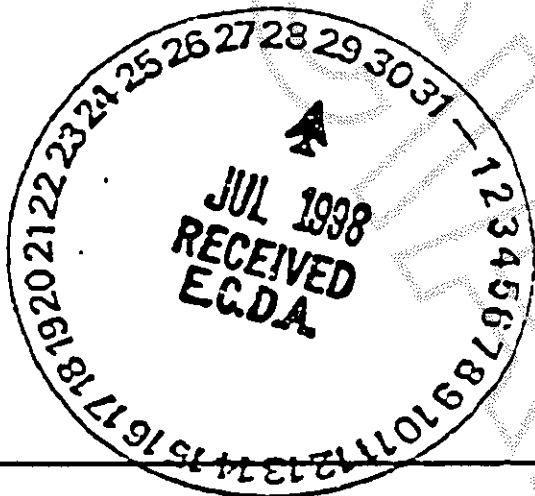
9809010019

BK1864PG0137

After Recording Return To:
EVERGREEN COMMUNITY DEVELOPMENT ASSOCIATION
Attn: Loan Servicing Dept.
900 Fourth Avenue, Suite 2900
Seattle, WA 98164



3106054
Page: 1 of 5
07/27/1998 01:41P
Kitsap Co, WA



SUBORDINATION, PRIOR LIENHOLDER AND RECONVEYANCE AGREEMENT

1. The United States Small Business Administration (hereafter "Subordinator") is the holder of a deed of trust for \$150,000.00 dated January 14, 1993, which was recorded on January 19, 1993, with the Skagit County Auditor under file no. 9301190089. This deed of trust was assigned as security to the Subordinator by Evergreen Community Development Association (hereafter "Beneficiary") pursuant to an assignment dated January 14, 1993, recorded on January 19, 1993 with the Skagit County Auditor under file no. 9301190087.

2. Peoples Bank (hereafter "Lender"), is the holder of a \$ 136,000.00 deed of trust dated 5/6/98, executed by CLARENCE E. HOLDEN & BEVERLY J. HOLDEN (hereafter "Owners"), recorded on MAY 15, 1998, with the SKAGIT County Auditor under file no. 9805150131.

3. Owners own the real property described in the \$150,000.00 deed of trust noted in paragraph 1.

4. In order to induce Lender to advance funds under its deed of trust identified in paragraph 2 and all agreements in connection therewith, the Subordinator and Beneficiary hereby subordinate the lien of the deed of trust identified in paragraph 1 to the lien of the Lender's deed of trust identified in paragraph 2.

5. Any liens, security or other interests of the Lender due to further advances beyond those noted in paragraph 2 made pursuant to the terms of the security instruments described in paragraph 2 above, and subordinated to in paragraph 4, made to the Owners after the date of this agreement, shall be subordinate to the lien of the deed of trust noted in paragraph 1 (except for amounts necessarily expended by the Lender to protect the Lender's interest under its note and deed of trust noted in paragraph 2, provided such amounts are repayable to the Lender under the terms of its note and deed of trust).

6. Any new security agreements taken from Owners (except Purchase Money Security Interests having priority under UCC9-312(4)) in favor of the Lender will be subordinate to liens, security or other interests created by the \$150,000.00 deed of trust noted in paragraph 1.

9809010019

BK1864PG0138

7. The Lender warrants there are no intervening liens between the Beneficiary's deed of trust identified in paragraph 1 and the Lender's deed of trust identified in paragraph 2.

8. Lender has obtained Reconveyance of the previous \$180,000.00 deed of trust dated 1/13/93 and filed on 1/15/93 with the SKAGIT County Auditor. Upon this subordination, Lender will have a first lien position deed of trust on the described property and Beneficiary's deed of trust will be in second position, with no intervening liens.

9. Lender agrees to notify Beneficiary and Subordinator in writing of any default and/or delinquency by the Owners on the Owners' obligation to the Lender which is not cured within a 30 day period of such default and/or delinquency and to notify Beneficiary and Subordinator in writing 60 days prior to any foreclosure sale. In addition to all rights and remedies available to Beneficiary and the Subordinator under law, the Lender agrees that in the event of default and/or delinquency by the Owners, the Subordinator has the right to an immediate purchase of the Lender's senior loan. Beneficiary's address is 900 Fourth Avenue, Suite 2900, Seattle, WA 98164 or such other address as Beneficiary may designate in writing to the Lender. The Subordinator's address is 2719 North Air Fresno Drive, Suite 107, Fresno, CA 93727-1547 or such other address as the Subordinator may designate in writing.

10. It is understood by the parties hereto that Lender would not make the loan secured by deed of trust described in paragraph 2 without this agreement.

11. The heirs, administrators, assigns and successors in interest of the Subordinator, Beneficiary, Lender and Owner shall be bound by this agreement.

12. The prior lienholder agrees upon the request of ECDA and/or SBA to tell either or both of them the payment status and loan balance owed to prior lienholder by the Borrower.

EXECUTED this 6TH day of MAY, 19 98

SUBORDINATOR

UNITED STATES SMALL BUSINESS
ADMINISTRATION

By: 

VICE PRESIDENT

Title

Manuel R. Gonzalez
Supervisory Loan Specialist

LENDER

PEOPLES BANK

By: 

Title

BENEFICIARY

EVERGREEN COMMUNITY
DEVELOPMENT ASSOCIATION

By: 

Title

VICE PRESIDENT

OWNER

By: 

Clarence E. Holden, D.D.S.


Beverly J. Holden

9809010019

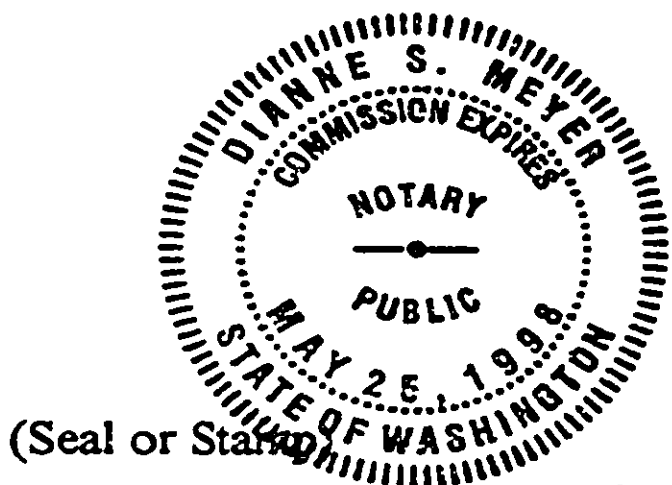


3106054
Page: 2 of 5
07/27/1998 01:41P
Kitsap Co, WA

BK1864260139

STATE OF WASHINGTON)
County of KING) ss.

I certify that I know or have satisfactory evidence that James R. McDonald signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Executive Director of Evergreen Community Development Association, a non-profit Washington corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

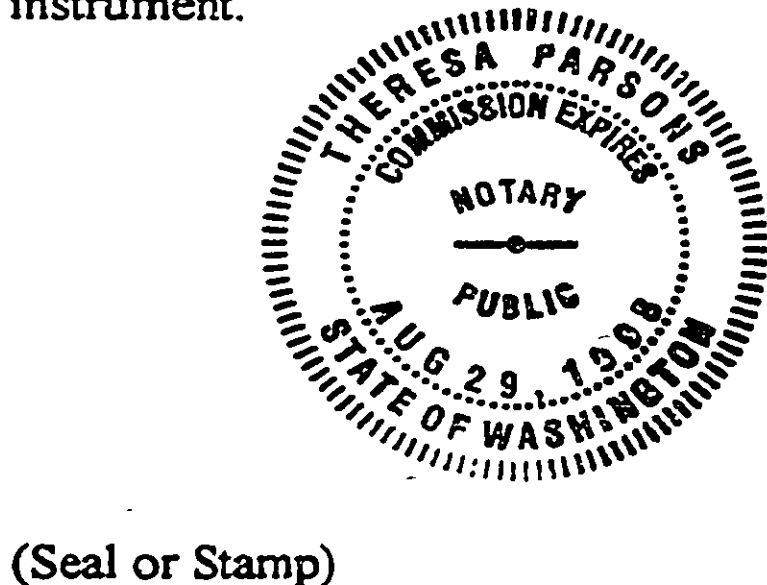


Dated 5/20/98
Dianne S. Meyer
(Signature)
Dianne S. Meyer
(Print Name)

NOTARY PUBLIC in and for the State of
Washington, residing at: Seattle
My appointment expires: 5/25/98

STATE OF WASHINGTON)
County of Skagit) ss.

I certify that I know or have satisfactory evidence that James M. Vandervley signed this instrument, on oath stated that ~~he~~ she was authorized to execute the instrument and acknowledged it as the Vice President of Peoples Bank, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



Dated 5/14/98
Theresa Parsons
(Signature)
Theresa Parsons
(Print Name)

NOTARY PUBLIC in and for the State of
Washington, residing at: Mount Vernon
My appointment expires: 8/29/98

9809010019



3106054
Page: 3 of 5
07/27/1998 01:41P
Kitsap Co, WA

BK 1864PG0140

STATE OF WASHINGTON)

County of Skagit) ss.

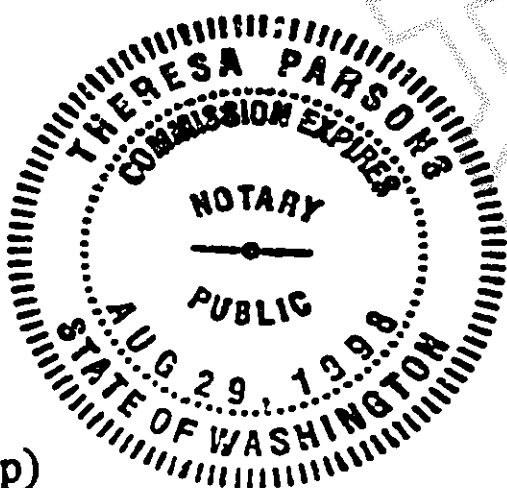
I certify that I know or have satisfactory evidence that **Clarence E. Holden, D.D.S.** signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated 5/14/98

(Signature)

(Print Name)

NOTARY PUBLIC in and for the State of
Washington, residing at: Mount Vernon
My appointment expires: 8/29/98



(Seal or Stamp)

STATE OF WASHINGTON)

County of Skagit) ss.

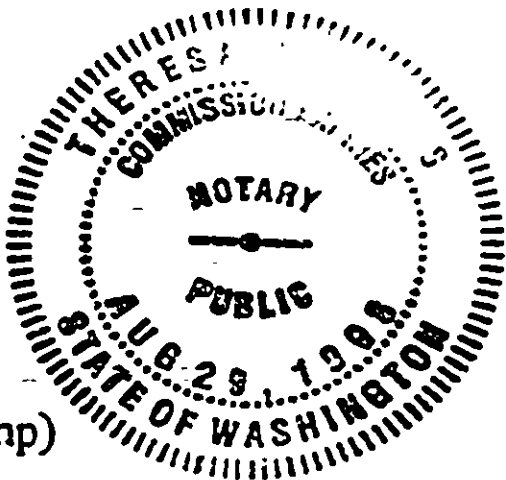
I certify that I know or have satisfactory evidence that **Beverly J. Holden** signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated 5/14/98

(Signature)

(Print Name)

NOTARY PUBLIC in and for the State of
Washington, residing at: Mount Vernon
My appointment expires: 8/29/98



(Seal or Stamp)



3106054
Page: 4 of 5
67/27/199801:41P
Kitsap Co, WA

9809010019

BK 1864 PG 0141

State of CALIFORNIA

County of FRESNO

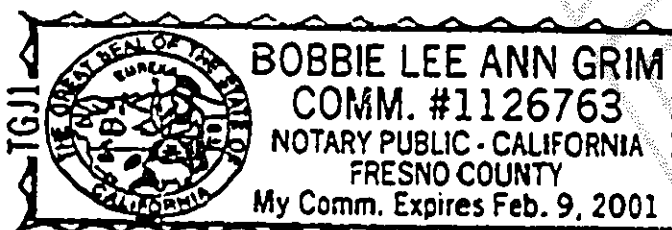
On June 3, 1998 before me, BOBBIE LEE ANN GRIM

Name, Title of Officer, Eg. Jane Doe, Notary Public

personally appeared Manned R. Gonzalez

Name(s) of Signer(s)

☒ personally known to me - OR - ☐ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Bobbie Lee Ann Grim
Signature of Notary

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

☐ Individual

☐ Corporate Officer

Title(s)

☐ Partner(s) ☐ Limited

☐ General

☐ Attorney-In-Fact

☐ Trustee(s)

☐ Gaurdian/Conservator

☐ Other:

SIGNER IS REPRESENTING:
Name of Person(s) or Entities

DESCRIPTION OF ATTACHED DOCUMENT

LN# 480114-3004

Subordination

Title or Type of Document

Number of Pages

Date of Document

Signature(s) other than named above

9809010019

BK 1664 PG 0142

41P
sap Co, WA