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AFTER RECORDING MAIL TO:

Land Title Company of Skagit County  
2801 Commercial Ave.  
Anacortes, WA 98221

KATHY HILL  
SKAGIT COUNTY CLERK

98 SEP 29 P3:55

9809290191

RECORDED \_\_\_\_\_ FILED \_\_\_\_\_  
REQUEST OF \_\_\_\_\_

Filed for Record at Request of  
Land Title Company of Skagit County  
Escrow Number: PA-84825-E  
LAND TITLE COMPANY OF SKAGIT COUNTY

**Subordination Agreement**

Reference Number(s): 9608230105  
Grantor(s): LES BONNER and LAURA BONNER  
Grantee(s): INTERWEST BANK

**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 SECURITY INSTRUMENT.**

The undersigned subordinator and owner agrees as follows:

1. LES BONNER and LAURA BONNER, husband and wife  
referred to herein as "subordinator", is the owner and holder of a mortgage dated October 31,  
1995 which is recorded in volume 1579 of Mortgages, page 558-560  
under auditor's file No. 9608230105, records of Skagit County.
2. INTERWEST BANK  
referred to herein as "lender", is the owner and holder of a mortgage dated July 22, 1998  
executed by BDHP, INC., a Washington Corporation  
(which is recorded in volume 1845 of Mortgages, page 355-566, under  
auditor's file No. 9807240083 records of Skagit County) (which is to  
be recorded concurrently herewith).
3. BDHP, INC., a Washington Corporation  
referred to herein as "owner", is the owner of all the real property described in the mortgage identified  
above in Paragraph 2.
4. In consideration of benefits to "subordinator" from "owner", receipt and sufficiency of which is hereby  
acknowledged, and to induce "lender" to advance funds under its mortgage and all agreements in  
connection therewith, the "subordinator" does hereby unconditionally subordinate the lien of his mortgage  
identified in Paragraph 1 above to the lien of "lender's" mortgage, identified in Paragraph 2 above, and all  
advances or charges made or accruing thereunder, including any extension or renewal thereof.
5. "Subordinator" acknowledges that, prior to the execution hereof, he has had the opportunity to  
examine the terms of "lender's" mortgage, note and agreements relating thereto, consents to and approves  
same, and recognizes that "lender" has no obligation to "subordinator" to advance any funds under its  
mortgage or see to the application of "lender's" mortgage funds, and any application or use of such funds  
for purposes other than those provided for in such mortgage, note or agreements shall not defeat the  
subordination herein made in whole or in part.
6. It is understood by the parties hereto that "lender" would not make the loan secured by the mortgage in  
Paragraph 2 without this agreement.
7. 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 lien or charge of the  
mortgage in favor of "lender" above referred to and shall supercede 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 provide for the subordination of the lien or charge thereof to a  
mortgage or mortgages to be thereafter executed.

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8. The heirs, administrators, assigns and successors in interest of the "subordinator" shall be bound by this agreement. Where the word "mortgage" appears herein it shall be considered as "deed of trust", and gender and number of pronouns considered to conform to undersigned.

Executed this 11 day of September, 1998

NOTICE: THIS SUBORDINATION CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND. IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE PARTIES CONSULT THEIR ATTORNEYS WITH RESPECT THERETO.

Les Bonner  
Les Bonner  
Laura Bonner  
Laura Bonner

BDHP, Inc., a Washington  
Linda E. Porter, Treas.  
Linda E. Porter, Treasurer

STATE OF Alaska )  
County of        ) SS:

I certify that I know or have satisfactory evidence that Les Bonner and Laura Bonner

are the person s who appeared before me, and said person s acknowledged that they signed this instrument and acknowledge it to be their free and voluntary act for the uses and purposes mentioned in this instrument.

Dated: Sept. 11, 1998

Margaret Lifer  
Notary Public in and for the State of Alaska  
Residing at Anchorage, Alaska  
My appointment expires: 4-6-2000