

9
WHEN RECORDED RETURN TO:

Name: INTERWEST BANK
Address: 275 SE PIONEER WAY
City, State, Zip OAK HARBOR, WAY, 98277

LN # 05-81123453

KATHY HILL
SKAGIT

98 DEC -7 P4:11

RECORDED _____ FILED _____
REQUEST OF _____

9812070173

Chicago Title Insurance Company

ISLAND TITLE CO.
SB-13889 ✓

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 SECURITY INSTRUMENT.

The undersigned subordinator and owner agrees as follows:

1. INTERWEST PROPERTIES referred to herein as "subordinator", is the owner and holder of a mortgage dated NOVEMBER 13, 19 98 which is recorded in volume of Mortgages, page _____, under auditor's file No. 9811200087 records of SKAGIT COUNTY County.
2. INTERWEST BANK referred to herein as "lender" is the owner and holder of the mortgage dated DECEMBER 5, 19 98, executed by NORD NORTHWEST, INC (which is recorded in volume _____ of Mortgages, page _____, under auditor's file no. 9812070172, records of SKAGIT County) (which is to be recorded concurrently herewith).
3. NORD NORTHWEST, INC 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 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 provide for the subordination of the lien or charge thereof to a mortgage or mortgages to be thereafter executed.

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 4th day of December 19 98

NOTICE: THIS SUBORDINATION AGREEMENT 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 WITH THEIR ATTORNEYS WITH RESPECT THERETO.

INTERWEST PROPERTIES

BY: [Signature]
JOSEPH STELLA, VICE PRESIDENT

State of
County of }

I certify that I know or have satisfactory evidence that _____

is/are the person(s) who appeared before me, and said person(s) acknowledged that _____ signed this instrument and acknowledged it to be _____ free and voluntary act for the uses and purposes mentioned in this instrument.

Dated _____

Notary Public in and for the State of _____

residing at _____

My appointment expires: _____

State of WASHINGTON
County of ISLAND }

On 12/4/98, before me the undersigned, a Notary Public in and for the State of WASHINGTON, duly commissioned and sworn, personally appeared JOSEPH STELLA and VICE PRESIDENT to me known to be the VICE PRESIDENT and respectively, of INTEREST PROPERTIES, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that HE WAS authorized to execute the said instrument.

Witness my hand and official seal hereto affixed the day and year first written above.

JUANITA M MORRIS-ANDRES
STATE OF WASHINGTON
NOTARY - - - PUBLIC
MY COMMISSION EXPIRES 5-10-02

Juanita M. Morris-Andres
Notary Public in and for the State of WASHINGTON

residing at LAKE HARBOR

My Commission expires on 5/10/2005

Juanita M. Morris-Andres

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