

WHEN RECORDED RETURN TO:

Name: ISLAND TITLE COMPANY
Address: P O BOX 670
City, State, Zip BURLINGTON WA 98233



200002140071

Kathy Hill, Skagit County Auditor
2/14/2000 Page 1 of 2 11:22:04AM

Island Title Company

Island Title SB-15669 ✓
BE3673

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. Clarence B. Jones referred to herein as "subordinator", is the owner and holder of a mortgage dated February 14, 2000, 19 which is recorded in volume _____ of Mortgages, page _____, under auditor's file No. 200002140070 records of Skagit County.
2. State Bank of Concrete referred to herein as "lender" is the owner and holder of the mortgage dated February 11, 2000, 19, executed by George A. Crane * (which is recorded in volume _____ of Mortgages, page _____, under auditor's file no. 200002140069, records of Skagit County) (which is to be recorded concurrently herewith). *and Donna L. Crane
3. George A. Crane and Donna L. Crane 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 10th day of February, 2000 10

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.

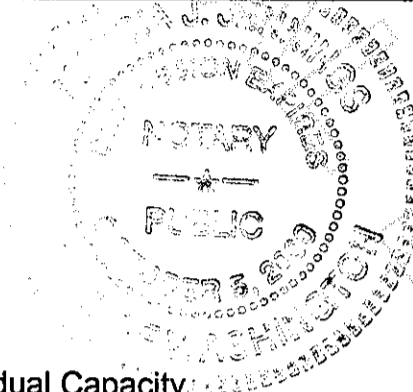
Clarence B. Jones
Clarence B. Jones

STATE OF WASHINGTON

COUNTY OF SKAGIT

I certify that I know or have satisfactory evidence that Clarence B. Jones
_____ is the person who appeared before
me, and said person acknowledged that _____ he
signed this instrument and acknowledged it to be his free and voluntary act for
the uses and purposes mentioned in the instrument.

DATED: February 10, 2000



Marcia J. Jennings
Notary Public
Marcia J. Jennings
My appointment expires
10/5/2000

A-7 -Individual Capacity

STATE OF WASHINGTON

COUNTY OF _____

I certify that I know or have satisfactory evidence that
_____ is
the person who appeared before me, and said person acknowledged that
_____ signed this instrument, on oath stated that
_____ was authorized to execute the instrument and acknowledged it
as _____
of _____
to be the free and voluntary act of such party for the uses and purposes mentioned in the
instrument.

DATED: _____

Notary Public
My appointment expires

A-7 -Representative Capacity



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