



200011130138

, Skagit County Auditor

11/13/2000 Page 1 of 3 12:12:43PM

Name WHIDBEY ISLAND BANK
Address PO BOX 990
City, State, Zip OAK HARBOR WA 98277

SUBORDINATION AGREEMENT

ISLAND TITLE CO.

B168532

Reference # (If applicable): _____

Grantor(s): (1) PAUL S WELLS(2) DARCY G WELLSGrantees(s): (1) WHIDBEY ISLAND BANK

(2) _____

Additional Grantor(s) on pg. _____

Additional Grantee(s) on pg. _____

Legal Description (abbreviated): Ptn Lot 1 and all of Tract G, Plat of SKAGIT BEACH NO 1Additional legal(s) on page 3Assessor's Tax Parcel ID# 4008-000-001-0011 & 4008-000-018-0004

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. SKAGIT COUNCIL OF GOVERNMENTS referred to herein as "subordinator", is the owner and holder of a mortgage dated NOVEMBER 1, 1999, 19____, which is recorded in volume _____ of Mortgages, page _____, under auditor's file No. 99112266 records of SKAGIT County.
2. WHIDBEY ISLAND BANK *199911290105 referred to herein as "lender", is the owner and holder of a mortgage dated 10-2-00, 19____, executed by Paul S Wells + Darcy G Wells (which is recorded in volume _____ of Mortgages, page _____, under auditor's file No. 200010030059 records of Skagit County) (which is to be recorded concurrently herewith).
3. PAUL S WELLS AND DARCY G WELLS 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 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 25 day of September, 192000

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.

Skagit Council of Governments
Kelly Maudslai
Executive Director

(Acknowledgment on reverse)



STATE OF WASHINGTON

COUNTY OF _____

On this _____ day personally appeared before me

to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that _____ signed the same as _____ free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this _____ day of _____ 19____.

Notary Public in and for the State of Washington,
residing at _____
My appointment expires: _____

STATE OF WASHINGTON

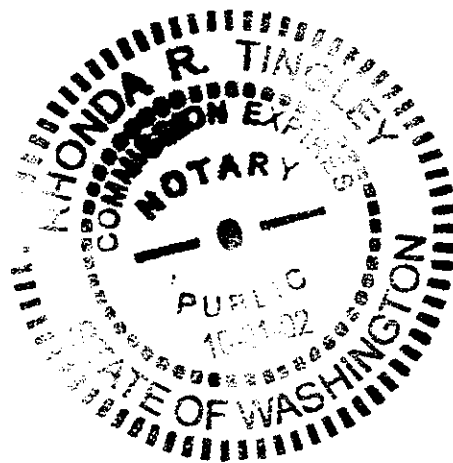
COUNTY OF Skagit

On this 13 day of September, 1900,
before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared
Kelly Molstead and

to me known to be the Executive President and Director
Secretary, respectively, of Skagit County of Grange
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 new authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

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

Rhonda R. Tingley
Notary Public in and for the State of Washington
residing at Burlington
My appointment expires: 10/1/00



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, Skagit County Auditor

Order No.: B16833

EXHIBIT "A"

PARCEL A:

The Northerly Half of Lot 1, PLAT OF SKAGIT BEACH NO. 1, according to the plat thereof recorded in Volume 8 of Plats, page 71, records of Skagit County, Washington;

EXCEPT that portion of said North Half of Lot 1, granted to Skagit County by right-of-way deed recorded March 8, 1990, under Auditor's File No. 9003080030, records of Skagit County, Washington.

PARCEL B:

Tract G, PLAT OF SKAGIT BEACH NO. 1, according to the plat thereof recorded in Volume 8 of Plats, page 71, records of Skagit County, Washington

ALL situated in Skagit County, Washington.

- END OF EXHIBIT "A" -



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