



200111090008
Skagit County Auditor

11/9/2001 Page 1 of 2 8:52:24AM

Name Whidbey Island Bank
Address P O Box 1589
City, State, Zip Oak Harbor, WA 98277

LAND TITLE COMPANY OF SKAGIT COUNTY

P-98767-E

SUBORDINATION AGREEMENT

Reference # (If applicable): _____
Grantor(s): (1) Brad L Warren (2) Debra D Warren
Grantees(s): (1) Whidbey Island Bank (2) _____
Additional Grantor(s) on pg. _____ Additional Grantee(s) on pg. _____
Legal Description (abbreviated): Lot 3 "Youngquist's Addition" as per plat recorded in Volume 7 of Plats, page 72, records of Skagit Co. Additional legal(s) on page _____
Assessor's Tax Parcel ID# _____

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. Whidbey Island Bank referred to herein as "subordinator", is the owner and holder of a mortgage dated April 28, 1999, which is recorded in volume _____ of Mortgages, page _____, under auditor's file No. 9904290139, records of Skagit County.
2. Principal Residential Mortgage referred to herein as "lender", is the owner and holder of a mortgage dated 11/2/, 2001, executed by Brad L Warren & Debbie D Warren (which is recorded in volume _____ of Mortgages, page _____, under auditor's file No. 200111090007 records of Skagit County) (which is to be recorded concurrently herewith).
3. Brad L & Debra D Warren 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 5th day of November, 2001 x10x

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.

x John Lavel VP.
WHIDBEY ISLAND BANK

Brad L Warren
Brad L. Warren
Debra D Warren
Debra D. Warren

(Acknowledgment on reverse)



STATE OF WASHINGTON
COUNTY OF Skagit

On this day personally appeared before me
Brad L. Warren & Debbie D. Warren
to me known to be the individual described in and who
executed the within and foregoing instrument, and
acknowledged that they signed the same as
their free and voluntary act and deed, for the
uses and purposes therein mentioned.

GIVEN under my hand and official seal this 5th day
of November, 2001 15X

[Signature]
Notary Public in and for the State of Washington,
residing at Mount Vernon
My appointment expires: 9-1-02

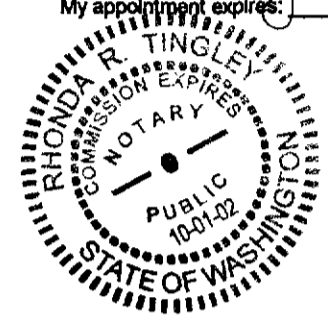
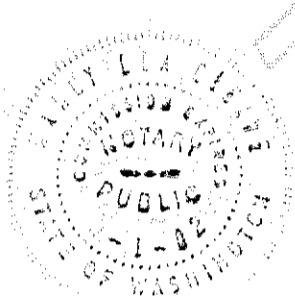
STATE OF WASHINGTON
COUNTY OF Skagit

On this 5th day of November, 2001,
before me, the undersigned, a Notary Public in and for the State of
Washington, duly commissioned and sworn, personally appeared
John Lund and

to me known to be the Vice President and DIA
Secretary, respectively, of Whidbey Island Bank
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 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.

[Signature]
Notary Public in and for the State of Washington
residing at Burlington
My appointment expires: 10-1-02



UNOFFICIAL DOCUMENT



200111090008
Skagit County Auditor