

WHEN RECORDED RETURN TO:

Name:
Address:
City, State, Zip



200202070117
Skagit County Auditor

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Island Title Company

ISLAND TITLE CO. B18955

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:

- GERALD F. FALLER and SUSAN LENNARTZ-FALLER, as Co-Trustees of the Faller Family Trust under Agreement dated the 19th day of April, 1994** referred to herein as "subordinator", is the owner and holder of a mortgage dated **February 7, 2002** which is recorded in volume _____ of Mortgages, page _____, under Auditor's File No. 200202070116 records of **Skagit** County, Washington.
- Whidbey Island Bank** referred to herein as "lender" is the owner and holder of the mortgage dated ~~October 30th~~ ^{X5} **30th, 2002**, executed by **DANIEL SORIA, A SINGLE PERSON** (which is recorded in volume _____ of Mortgages, page _____, under Auditor's File No. 200202070115 ^{JANUARY}, records of **Skagit** County, Washington) (which is to be recorded concurrently herewith).
- DANIEL SORIA, A SINGLE PERSON** referred to herein as "owner", is the owner of all the real property described in the mortgage identified above in Paragraph 2.
- 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.
- "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.
- It is understood by the parties hereto that "lender" would not make the loan secured by the mortgage in Paragraph 2 without this agreement.
- 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.
- 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 **February, 2002**.

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.

Daniel Soria by Julie Caldwell, his attorney
DANIEL SORIA, by Julie Caldwell, his
Attorney-in-fact in fact

Gerald F. Faller
GERALD F. FALLER, CO-TRUSTEE

Susan Lennartz-Faller
SUSAN LENNARTZ-FALLER, CO-TRUSTEE

STATE OF WASHINGTON
COUNTY OF SKAGIT

I certify that I know or have satisfactory evidence that, JULIE CALDWELL who executed the within instrument as Attorney in Fact for DANIEL SORIA and acknowledged to me that she signed and sealed the same as free and voluntary act and deed as attorney in fact for DANIEL SORIA for the uses and purposes therein mentioned, and on oath stated that the power of attorney authorizing the execution of this instrument has not been revoked and that the said DANIEL SORIA is now living, and is not incompetent.

Dated: February 6 2002

Marcie K. Paleck

Marcie K. Paleck
Notary Public in and for the State of Washington
Residing at Mount Vernon
My appointment expires: October 15, 2004



STATE OF WASHINGTON
COUNTY OF Skagit

I certify that I know or have satisfactory evidence that GERALD F. FALLER and SUSAN-LENNARTZ FALLER is/are the person who appeared before me, and said person acknowledged that they signed this instrument, on oath stated that they was/were authorized to execute the instrument and acknowledge it as The Co-Trustees of THE FALLER FAMILY TRUST UNDER AGREEMENT DATED THE 19th Day of April 1994 to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: February 6 2002

Marcie K. Paleck

Marcie K. Paleck
Notary Public in and for the State of Washington
Residing at Mount Vernon
My appointment expires: October 15, 2004



LPB No. 10



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