



200202270110

Skagit County Auditor

2/27/2002 Page 1 of 4 3:08PM

After recording, return to:

U.S. Bank National Association
Commercial Loan Service Center PL-OR-P7LD
P.O. Box 5308
Portland, Oregon 97228-5308

761-0608734756

A21147 ✓
ISLAND TITLE COMPANY

SUBORDINATION AGREEMENT

Reference # (if applicable):

Additional on page _____

Grantor(s):

1. Nelson, Richard N.
2. Nelson, Merideth L.

Grantee(s)/Assignee/Beneficiary:

1. U.S. Bank National Association, Beneficiary
2. U.S. Bank Trust Company, National Association, Trustee

Legal Description:

The East 18 feet of Lots 17 to 26, inclusive; the West 35 feet of Lots 1 to 9, inclusive; the East ½ of vacated alley adjacent to Lots 1 to 9, inclusive; the West ½ of the vacated alley adjacent to Lots 17 to 26, inclusive; the vacated South 25 feet of Second Street adjacent to the East 18 feet of Lot 26, and adjacent to the West 35 feet of Lot 1, and adjacent to the alley between said lots; all in Block 188, "MAP OF FIDALGO CITY, SKAGIT COUNTY, WASHINGTON", as per plat recorded in Volume 2 of Plats, Pages 113 and 114, records of Skagit County, Washington, EXCEPT any portion thereof lying below the line of mean high tide or the meander line, whichever is furthest out.

ALSO tidelands of the second class as conveyed by the State of Washington lying in front of, adjacent to and abutting upon that portion of the meander line of Government Lot 4, Section 19, Township 34 North, Range 2 East, W.M., between the Southerly projection of the East and West lines of the above described property.

EXCEPT mineral rights reserved by the State of Washington in Deed recorded under Auditor's File No. 215470, records of Skagit County, Washington.

Property Address: 15275 Gibraltar Road, Anacortes, WA 98221

Assessor's Property Tax Parcel No. 4101-188-009-0103 R73290 and 4101-188-026-0003 R73291.

The undersigned subordinator and owner agree as follows:

1. **U.S. Bank National Association**, referred to herein as "Subordinator", is the owner and holder of a Deed of Trust dated **November 14, 2000**, which is recording number **200012110068**, in the records of **Skagit County, Washington**.

2. **U.S. Bank N.A.**, referred to herein as "Lender", is the owner and holder of a Deed of Trust dated February 22, 2002, executed by Richard N. Nelson & Merideth L. Nelson, (which is recorded under recording number 200202270109 in the records of Skagit County, Washington) (which is to be recorded concurrently herewith).

3. **Richard N. Nelson and Merideth L. Nelson**, referred to herein as "Owner", is/are the owner(s) of all the real property described in the document 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 its 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, Subordinator 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.

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.

EACH PARTY TO THIS SUBORDINATION AGREEMENT - DEED OF TRUST ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS AGREEMENT, AND EACH PARTY AGREES TO ITS TERMS.

BORROWER: OBJECTIVE MEDICAL ASSESSMENTS CORPORATION

GRANTOR(S)

X

Richard N. Nelson

X

Merideth L. Nelson

BENEFICIARY/SUBORDINATOR:

U.S. Bank National Association

By

Authorized Signer, Title

LENDER:

U.S. Bank, N.A.

By

Authorized Signer, Title



200202270110
Skagit County Auditor

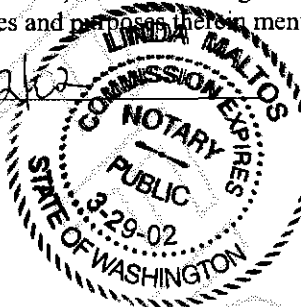
2/27/2002 Page 2 of 4 3:08PM

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Washington)
COUNTY OF King) ss.

On this day before me, the undersigned Notary Public, personally appeared Richard N. Nelson, personally known to me or proved to me on the basis of satisfactory evidence to be the individual described in and who executed the foregoing instrument, and acknowledged that he/she signed the said instrument as his/her free and voluntary act and deed for the uses and purposes therein mentioned.

Dated: 2/22/02 By: Linda Maltos
Notary Public in and for the
State of Washington
Residing at Seattle
My Commission expires 3/29/02

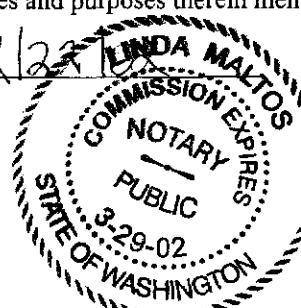


INDIVIDUAL ACKNOWLEDGMENT

STATE OF Washington)
COUNTY OF King) ss.

On this day before me, the undersigned Notary Public, personally appeared Merideth L. Nelson, personally known to me or proved to me on the basis of satisfactory evidence to be the individual described in and who executed the foregoing instrument, and acknowledged that he/she signed the said instrument as his/her free and voluntary act and deed for the uses and purposes therein mentioned.

Dated: 2/22/02 By: Linda Maltos
Notary Public in and for the
State of Washington
Residing at Seattle
My Commission expires 3/29/02

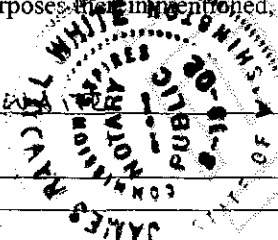


CORPORATE ACKNOWLEDGMENT

STATE OF Washington)
COUNTY OF King) ss.

On this day before me, the undersigned Notary Public, personally appeared W. G. ROBINSON, JR. and personally known to me or proved to me on the basis of satisfactory evidence to be the Vice President of U.S. Bank National Association, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, by authority of its Bylaws or by resolution of its Board of Directors, for the uses and purposes therein mentioned, and on oath stated that he/she is authorized to execute said instrument.

Dated: 2/22/02 By: James Randall
Notary Public in and for the
State of WA
Residing at Seattle
My Commission expires 8/19/02



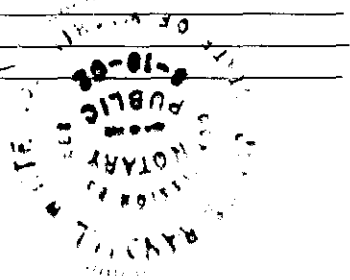
200202270110
Skagit County Auditor

LENDER ACKNOWLEDGMENT

STATE OF Washington)
) ss.
COUNTY OF King)

On this day before me, the undersigned Notary Public, personally appeared W. G. ROBINSON, JR.
and personally known to me or proved to me on the basis of satisfactory evidence to be the
Vice President, authorized agent(s) for the Lender that executed the within and
foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said
Lender, through its board of directors or otherwise, for the uses and purposed therein mentioned, and on oath stated
that he/she is authorized to execute said instrument and that the seal affixed is the corporate seal of said Lender.

Dated: 2/22/02 By: [Signature] James Randall White
Notary Public in and for the
State of WA
Residing at Seattle
My Commission expires 8/19/02



200202270110
Skagit County Auditor
2/27/2002 Page 4 of 4 3:08PM