

WHEN RECORDED RETURN TO

Name Skagit State Bank

Address PO Box 285

City, State, Zip Burlington WA 98233



200212090191
Skagit County Auditor

12/9/2002 Page 1 of 2 11:33AM



FILED FOR RECORD AT REQUEST OF
Assessor's Tax Parcel #3876 000 008 0007
TR 8, Cedar Grove Add

Subordination Agreement

FIRST AMENDED
361843A @

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 State Bank referred to herein as "subordinator", is the owner and holder of a mortgage dated Oct. 21, 2002, which is recorded in volume of Mortgages, page under auditor's file No. 20021023018 records of Skagit County.
2. Bank of America, N.A. referred to herein as "lender" is the owner and holder of a mortgage dated 9/18/2002, executed by Robert C. Peacock & Juanita J. Peacock (which is recorded in volume n/a of Mortgages, page n/a, under auditor's file No. 200211180218, records of SKAGIT County (which is to be recorded concurrently herewith).
3. Robert C. & Juanita J. Peacock, H&W 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 there under, 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 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 work "mortgage" appears herein it shall be considered as "deed of trust", and gender and number of pronouns considered to conform to undersigned.

Executed this 12th day of November, 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.

Robert C. Peacock Skagit State Bank
 Robert C. Peacock, Owner
Juanita J. Peacock by: Lisa Cassidy Vice Pres
 Juanita J. Peacock, Owner
Celina Kendrick Lisa Cassidy
 Celina Kendrick, Authorized Officer, Bank of America

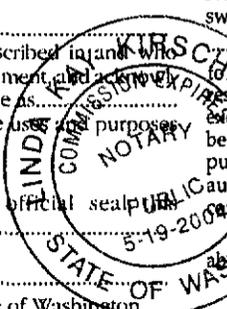
STATE OF WASHINGTON } ss. STATE OF WASHINGTON }
 COUNTY OF } COUNTY OF Skagit }

On this day personally appeared before me On this 12th day of November, 2002, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Lisa Cassidy and

to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that signed the same as Vice President and Secretary, respectively of Skagit State 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 she is authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

GIVEN under my hand and official seal this day of Witness my hand and official seal hereto affixed the day and year first above written.

Notary Public in and for the State of Washington, residing at Notary Public in and for the State of Washington, residing at Skagit County
 My appointment expires: My appointment expires: 05/19/04



SUBORDINATION AGREEMENT

SUBORDINATOR: SKAGIT STATE BANK

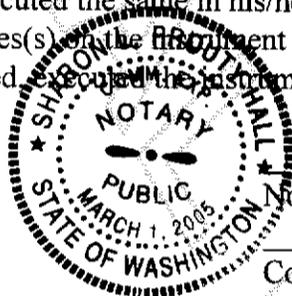
LENDER: BANK OF AMERICA

OWNER: ROBERT C. PEACOCK AND JUANITA J. PEACOCK

NOTARY ACKNOWLEDGMENT

State of Washington }
County of Skagit } SS

On November 25, 2002, before me, a Notary Public in and for said State, personally appeared Robert C. Peacock and Juanita J. Peacock, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/ they executed the same in his/her/their authorized capacity(ies) and that by his/her/their signatures(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



Sharon Prouty-Hall
Notary Public
3-1-05
Commission Expiration Date
SHARON L. PROUTY-HALL

State of CALIFORNIA }
County of SACRAMENTO } SS

On 20th November, 2002, before me, a Notary Public in and for said State, personally appeared Celina Kendrick, Authorized Officer, Bank of America, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/ they executed the same in his/her/their authorized capacity(ies) and that by his/her/their signatures(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



Raynean L. Barker
Notary Public
9-9-2006
Commission Expiration Date



200212090191
Skagit County Auditor