



200212260140

Skagit County Auditor

12/26/2002 Page 1 of 2 3:28PM

Return Address:
First Mutual Bank
PO BOX 408
Redmond, WA 98073

104061-PAE

LAND TITLE COMPANY OF SKAGIT COUNTY
Document Title: **Subordination Agreement**

Reference Number of Documents assigned or released: 200104100110

Grantor(s) 1. Thomas L. Allen 2. Pamela J. Allen

Grantee(s) 1. First Mutual Bank 2. Island Title

Legal Description: Lot 7, Plat of Parkside Div 2, Vol 16, pages 20-22

Additional legal is on page _____ of documents

Assessor's Property Tax Parcel/Account number(s) 326230-1575-04
4644.000-007-0006

Servicer Loan Number 71-501401-08

LAND TITLE COMPANY OF SKAGIT COUNTY

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. First Mutual Savings Bank referred to herein as "subordinator", is the Owner and holder of a Mortgage dated April 10, 2001, which is recorded in volume _____ of Mortgages, page _____ under auditor's file No. 200104100110 records of Skagit County.
2. ✓ Whidbey Island Bank referred to herein as "lender, is the owner and holder of a mortgage dated ✓ 12-18-02 executed by Thomas L. Allen and Pamela J. Allen, husband and wife which is recorded in volume _____ of Mortgages, page _____ under Auditor's File No. ✓ 200212260139, records of Skagit County (which is to be recorded concurrently herewith).
3. Thomas L. Allen and Pamela J. Allen, husband and wife, 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" mortgage, note and agreements relating thereto, consents to and approves same, and recognized 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.

Executed this 23rd day of December, 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 IMPROVEMENTS OF THE LAND. IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THERETO.

FIRST MUTUAL BANK

BY: Cheri L. King

Cheri L. King, Assistant Vice President

State of Washington,

County of King

I hereby certify that I know or have satisfactory evidence that Cheri L. King is the person(s) who appeared before me, and said person (s) acknowledged that (he, she, they) signed this instrument, on oath stated that Cheri L. King authorized to execute the instrument and acknowledged it as the Assistant Vice President of First Mutual Bank to be (his, her, their) free and voluntary act for the uses and purposes mentioned in this instrument.

Dated 12/23/02

Betsy J. Nelson

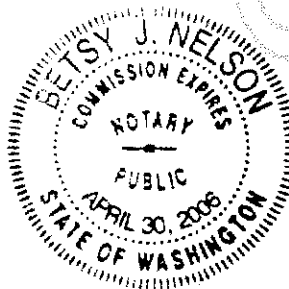
Notary Public in and for the State of
Washington

Residing at Snohomish

My appointment expires 4-30-06

Betsy J. Nelson

Printed Name



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Skagit County Auditor