

AFTER RECORDING MAIL TO:

Gerrit Kuipers
19020 Beaver Marsh Road
Mount Vernon, Wa. 98273



200302040009

Skagit County Auditor

2/4/2003 Page 1 of 2 8:49AM

Filed for Record at Request of :
Land Title Company Of Skagit County
Escrow Number: 104767-PE

LAND TITLE COMPANY OF SKAGIT COUNTY

Subordination Agreement

Reference Number(s): 5024829-202

Grantor(s): John Kuipers, Sr., Trustee of the Gepke Kuipers Testamentary Trust

Grantee(s): Peoples Bank

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.

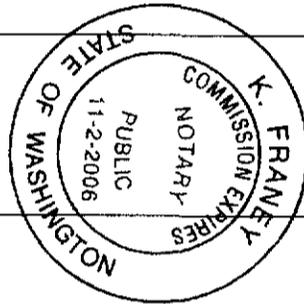
The undersigned subordinator and owner agrees as follows:

1. John Kuipers, Sr., Trustee of the Gepke Kuipers Testamentary Trust referred to herein as "subordinator", is the owner and holder of a mortgage dated February 1, 1993 which is recorded in volume _____ of Mortgages, page _____ under auditor's file No. 9302240106, records of Skagit County. Peoples Bank
2. referred to herein as "lender", is the owner and holder of a mortgage dated January 31, 2003 executed by Gerrit Kuipers and Trudy J. Kuipers, husband and wife (which is recorded in volume _____ of Mortgages, page _____, auditor's file No. 200302040009 records of Skagit County) (which is to be recorded concurrently herewith).
3. Gerrit Kuipers and Trudy J. Kuipers, 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'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 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 31st day of January, 2003

NOTICE: THIS SUBORDINATION 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 THEIR ATTORNEYS WITH RESPECT THERETO.

John Kuipers
John Kuipers, Sr., Trustee of the Gepke
Kuipers Testamentary Trust



State of Washington }
County of Skagit } SS:

I certify that I know or have satisfactory evidence that John Kuipers, Sr., Trustee the person(s) who appeared before me, and said person(s) acknowledged that he signed this instrument and acknowledge it to be his free and voluntary act for the uses and purposes mentioned in this instrument.

Dated: January 31, 2003

Kaydeen Franey
Kaydeen Franey
Notary Public in and for the State of Washington
Residing at: Mount Vernon
My appointment expires: 11-02-06



200302040009
Skagit County Auditor

2/4/2003 Page 2 of 2 8:49AM