



200306060210
Skagit County Auditor

6/6/2003 Page 1 of 2 3:29PM

AFTER RECORDING MAIL TO :

Name Whidbey Island Bank
Address PO Box 1589
City, State, Zip Oak Harbor, WA, 98277

LAND TITLE COMPANY OF SKAGIT COUNTY

106606-PE

Subordination Agreement

Escrow No.
Title Order No.
Reference No's of Related Documents

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. Whidbey Island Bank, referred to herein as "Subordinator," is the owner and holder of a mortgage/deed of trust dated May 21, 2002, which is recorded under Recording No. 200205280199, Records of Skagit County.
2. LoanCity.com, referred to herein as "Lender" is the owner and holder of a mortgage/deed of trust not to exceed the amount of \$96,000.00, dated May 28, 2003, executed by RAMON HAYES and HEIDI GRABKE-HAYES, husband and wife, (which is recorded in Volume of Mortgages, Page under Auditor's File No** Records of Skagit County) (which is to be recorded concurrently herewith).
3. RAMON HAYES and HEIDI GRABKE-HAYES, referred to herein as "Owner," is the owner of all the real property described in the mortgage/deed of trust to be 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/deed of trust and all agreements in connection therewith, the Subordinator does hereby unconditionally subordinate the lien of his mortgage/deed of trust, identified in Paragraph 1 above to the lien of Lender's mortgage/deed of trust, 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/deed of trust, 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/deed of trust or see to the application of Lender's mortgage funds, and any application or use of such funds to purpose other than those provided for in such mortgage/deed of trust, note or agreements shall not defeat the subordination herein made in whole or part.
6. It is understood by the parties hereto that Lender would not make the loan secured by the mortgage/deed of trust 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/deed of trust first above mentioned to the lien or charge of the mortgage/deed of trust 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/deed of trust first above mentioned, which provide for the subordination of the lien or charge thereof to a mortgage/deed(s) of trust to be thereafter executed.

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8. The heirs, administrators, assigns and successors in interest of the Subordinator shall be bound by this agreement. In all instances, gender and number of pronouns are considered to conform to the undersigned.

Executed this June 6, 2003

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.

Elizabeth A. Marks
NAME _____ NAME _____
NAME _____ NAME _____



STATE OF Washington
COUNTY OF Skagit

On this 16th day of May, 2003, before me, the undersigned Notary Public, personally appeared Elizabeth A. Marks Asst. Vice President of Whidbey Island Bank, and personally known to me or proved to me on the basis of satisfactory evidence to be an authorized agent of the corporation that executed the Subordination Agreement and acknowledged the Subordination Agreement to be the free and voluntary act and deed of the 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 or she is authorized to execute the Subordination Agreement and in fact executed the Subordination Agreement on behalf of the corporation.

By [Signature]

Notary Public in and for the State of Washington
Residing at Mount Vernon
My appointment expires 9/25/06

