

AFTER RECORDING MAIL TO:  
HomeStreet Bank  
2000 Two Union Square  
601 Union Street  
Seattle, WA 98101



200306300378

Skagit County Auditor

6/30/2003 Page 1 of 3 3:09PM

File for Record at Request of  
Anna Persha

LAND TITLE COMPANY OF SKAGIT COUNTY

### Subordination Agreement

105972PE

Reference Number(s): 241248  
Grantor(s): Land Title Company Skagit County  
Grantee(s): HomeStreet 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. ~~Land Title Company~~ Skagit County referred to herein as "subordinator", is the owner and holder of a mortgage dated 4/21/2001 which is recorded in volume \_\_\_\_\_ of Mortgages, page \_\_\_\_\_ under auditor's file No. 200104130004, records of Skagit County.
2. HomeStreet Bank referred to herein as "lender", is the owner and holder of a mortgage dated June 23, 2003 executed by Diego Yzaguirre & Marisa Yzaguirre, husband and wife (which is recorded in volume \_\_\_\_\_ of Mortgages, page \_\_\_\_\_ under auditor's file No. 200306300377 records of Skagit County) (which is to be recorded concurrently herewith).
3. Diego Yzaguirre & Marisa Yzaguirre, 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 14 day of April, 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.

SKagit County

By: \_\_\_\_\_  
Its: \_\_\_\_\_

STATE OF \_\_\_\_\_ } SS:  
County of \_\_\_\_\_ }

I certify that I know or have satisfactory evidence that

is/are the individual(s) who appeared before me, and said Individual(s) acknowledged that he/she/they signed this instrument and acknowledged it to be his/her/their free and voluntary act for the uses and purposes mentioned in this instrument.

Given under my hand and seal this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Notary Public in and for the State of \_\_\_\_\_  
Residing at \_\_\_\_\_  
My appointment expires \_\_\_\_\_

STATE OF \_\_\_\_\_ } SS:  
County of \_\_\_\_\_ }

I certify that I know or have satisfactory evidence that

is/are the individual(s) who appeared before me, and said Individual(s) acknowledged that he/she/they signed this instrument, on oath stated that he/she/they is/are authorized to execute the instrument and acknowledge it as the \_\_\_\_\_ of \_\_\_\_\_ to be the free and voluntary act of such party

for the uses and purposes mentioned in this instrument.

Given under my hand and seal this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Notary Public in and for the State of \_\_\_\_\_  
Residing at \_\_\_\_\_  
My appointment expires \_\_\_\_\_



200306300378  
Skagit County Auditor

CORPORATE ACKNOWLEDGEMENT

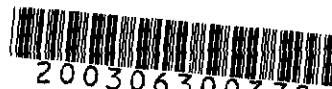
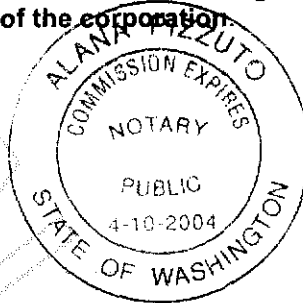
On this 14<sup>th</sup> day of April, 2003, before me, the undersigned Notary Public, personally appeared Clyde Williams

Clyde Williams, Financial Administrator of Water Quality Loans, for Skagit County, a political subdivision of State of Washington

Clyde Williams, Officer(s) and/or Incorporator of Skagit County, and personally known to me or proved to me on the basis of satisfactory evidence to be the authorized agent(s) of the corporation that executed the Subordination Agreement and acknowledged the Subordination Agreement to be the free and voluntary act and deed of 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/they are authorized to execute this Subordination Agreement and in fact executed the Subordination Agreement on behalf of the corporation.

By: Alana Pizzuto  
Alana Pizzuto

Notary Public in and for the  
State of Washington. Residing  
at Mount Vernon  
Commission expires 4-10-04



200306300378  
Skagit County Auditor

6/30/2003 Page

3 of

3 3:09PM