

WHEN RECORDED RETURN TO:

Skagit State Bank
PO Box 285
Burlington, WA 98233



200311240146
Skagit County Auditor

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Title Co: **Land Title Co. of Burlington**
FILED FOR RECORD AT THE REQUEST OF
Skagit State Bank

LAND TITLE COMPANY: SKAGIT COUNTY

109830PE

Subordination Agreement

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LEIN 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 June 15, 1993, which is recorded in volume _____ of Mortgages, page _____, under auditor's file No. 9306150059, records of Skagit County.
2. Countrywide Home Loans referred to herein as "lender" is the owner and holder of a mortgage dated 11/16/2003, executed by * (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. James A. Daut and Sheila R. Daut 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 the 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 funds, 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 to 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 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 previous 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 the undersigned.

Executed this 10th day of Nov., 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.

Lisa M Cassidy
Lisa M. Cassidy, VP
Skagit State Bank

STATE OF WASHINGTON

COUNTY OF _____

On this day personally appeared before me

to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that _____ signed the same as _____ free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this _____ Day of 2003.

Notary Public in and for the State of Washington,
Residing at _____
My appointment expires _____

STATE OF WASHINGTON

COUNTY OF Skagit

On this 10th day of November, 2003,

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 _____ 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.

Witness my hand and official seal hereto affixed the day and year first above written.

Alicia J Hudson
Notary Public in and for the State of Washington,
Residing at Mt. Vernon, Wa
My appointment expires 01/01/06

