



200411230063

Skagit County Auditor

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AFTER RECORDING RETURN TO:

Bank of America, N.A.
Client Credit Services
WA1-501-13-30
800 Fifth Avenue, 13th Floor
Seattle, WA 98104
Attn.: Anthony Brewster

CHICAGO TITLE IC32863 ✓

GRANTOR: BROWN BUILDING COMPANY, L.L.C.
GRANTEE: BANK OF AMERICA, N.A.
ABBREVIATED PTN NW/4 SW/4 NE/4 27-35-04
LEGAL DESCRIPTION: ADDITIONAL LEGAL(S) ON RELATED DEED OF TRUST
ASSESSOR'S TAX PARCEL ID 350427-1-014-0014; 350427-1-014-0400
NUMBER:
REFERENCE NUMBERS OF GRANTOR DEED OF TRUST: 9409220050; 9702210006
RELATED DOCUMENTS: GRANTEE DEED OF TRUST: 200411230062

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN THE SUBORDINATING PARTY'S SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME LATER OR OTHER SECURITY INSTRUMENT.

1. **Brown Building Company, L.L.C.**, a Washington limited liability company ("Subordinator"), is the owner and holder of the following document executed by Rick D. Brown, a single person, and Steven M. Brown and Kaylene E. Brown, husband and wife, doing business as Skagit Retirement Apartments Partnership, which is hereafter referred to as the "Second Deed of Trust:" Deed of Trust dated August 10, 1993, recorded September 22, 1994, under Auditor's File No. 9409220050, records of Skagit County, Washington, assigned to Subordinator by instrument recorded under Auditor's File No. 9702210006, records of Skagit County, Washington.

2. **Bank of America, N.A.** ("Lender") is the owner and holder of the following document executed by **Country Class Assets, L.L.C.**, a Washington limited liability company ("Owner") (hereinafter referred to as the "First Deed of Trust"): Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing dated November 1, 2004, recorded November 23, 2004, under Auditor's File No. 200411230062, records of Skagit County, Washington.

3. Owner is the owner of all the real property described in the First Deed of Trust and the Second Deed of Trust (the "Property").

4. In consideration of benefits to Subordinator from Owner, receipt and sufficiency of which is hereby acknowledged, and to induce Lender to provide credit to Owner secured by the First Deed of Trust and all agreements in connection therewith, Subordinator hereby unconditionally subordinates the lien, security interest and rights granted by the Second Deed of Trust to the lien, security interest and rights granted by the First Deed of Trust, and to all advances or charges made or accruing under the First Deed of Trust, including any extension or renewal thereof, to the same effect as though the First Deed of Trust had been placed on record before the Second Deed of Trust.

5. In the event of any act, omission or default by Owner or Owner's agents, employees, contractors or licensees which would give Lender the right, either immediately or after the lapse of time, to exercise its rights under First Deed of Trust, Lender shall not exercise such right until: (a) Lender has given written notice of such act, omission or default to Subordinator, and (b) Subordinator has been provided the Owner's applicable cure period plus five (5) additional business days.

6. It is understood and agreed that a default under the First Deed of Trust shall constitute a default under the Second Deed of Trust, and Subordinator, upon such default, may, at its option, without demand or notice, declare the whole sum secured by the Second Deed of Trust with interest thereon to be immediately due and payable, or Subordinator may, at its option, cure the default under the First Deed of Trust and add any amounts paid in curing the default to the amount due under the Second Deed of Trust without waiving any of its rights under the Second Deed of Trust or the Note which it secures. However, under no circumstances may Subordinator commence or continue a foreclosure under the Second Deed of Trust until Lender has completed any judicial or nonjudicial foreclosure of the First Deed of Trust. Additionally, following any default under the First Deed of Trust, Subordinator shall have the right to pay all amounts due and owing under the First Deed of Trust in which case Lender shall, at Subordinator's election, either: (a) release Lender's lien under the First Deed of Trust, or (b) assign to Subordinator all of Lender's right, title, and interest in and to the First Deed of Trust and all other documents evidencing the loan secured thereby, without recourse or warranty of any kind.

7. Any options or rights contained in documents secured by the Second Deed of Trust to acquire title to the Property are hereby made subject and subordinate to the rights of Lender under the First Deed of Trust, shall not apply to any judicial or non-judicial foreclosure of the First Deed of Trust or to any acquisition of the Property by Lender in lieu thereof, and any acquisition of title to the Property made by the Subordinator during the term of the First Deed of Trust shall be subordinate and subject to the First Deed of Trust and all of Lender's rights thereunder to the extent the obligations secured by the First Deed of Trust are not paid in full.

8. Subordinator acknowledges that, prior to the execution of this Subordination Agreement, Subordinator has had the opportunity to examine the terms of the First Deed of Trust and instruments and agreements secured thereby or relating thereto which Subordinator consents to and approves. Subordinator acknowledges that Lender has no obligation to Subordinator to advance any funds under the First Deed of Trust or see to the application of any funds advanced. Any application or use of such funds for purposes other than those provided for in the First Deed of Trust or the instruments and agreements secured thereby or relating thereto shall not defeat this subordination in whole or in part.

9. It is understood by the parties hereto that Lender would not extend the credit secured by the First Deed of Trust without this Subordination Agreement.

10. This Subordination Agreement shall be the whole and only agreement between the parties hereto with regard to the subordination of the Second Deed of Trust to the First Deed of Trust, and shall supersede and cancel any prior agreements regarding subordination including, but not limited to, those provisions, if any, contained in the Second Deed of Trust which provides for the



subordination of the lien or charge thereof to a deed of trust or deeds of trust to be thereafter executed.

11. This Subordination Agreement is entered into by Subordinator only and solely for the benefit of the present and future owners and holders of the indebtedness secured by the First Deed of Trust and not for the benefit of, nor in favor of, any other person or party. The Second Deed of Trust is in full force and effect and asserted by Subordinator except as expressly hereby subordinated.

12. It is contemplated that this Subordination Agreement will be filed for record after the First Deed of Trust is filed, and Subordinator specifically authorizes Lender or its agent to insert in this Subordination Agreement where indicated the actual filing dates and recording information of the First Deed of Trust and Second Deed of Trust, and such insertions shall be binding upon Subordinator.

13. The assigns and successors in interest of Subordinator and each subsequent assignee and successor shall be bound by this Subordination Agreement.

14. This Subordination Agreement may be executed in several counterparts, all of which counterparts together shall constitute one and the same instrument.

NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE OWNER TO OBTAIN A LOAN SECURED BY A LIEN WHICH WILL HAVE PRIORITY OVER THE SUBORDINATING PARTY'S LIEN AND ALL OR A PORTION OF THE LOAN MAY BE EXPENDED FOR PURPOSES OTHER THAN IMPROVEMENT OF THE REAL PROPERTY. IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS.

IN WITNESS WHEREOF, the parties hereto have caused this Subordination Agreement to be duly executed as of the date first above written.

Subordinator:

BROWN BUILDING COMPANY, L.L.C.

By: William D. Brown
William D. Brown, Manager

Subordinator's Address for Notices:

909 S. 336th Street, Suite 200
Federal Way, WA 98003

Lender:

BANK OF AMERICA, N.A.

By: Scott Ely
Scott Ely, Vice President

Lender's Address for Notices:

Bank of America, N.A.
Middle Market Banking
800 Fifth Avenue, 36th Floor
Seattle, WA 98104



Owner:

COUNTRY CLASS ASSETS, L.L.C.

By


Rickney D. Brown, Manager

Owner's Address for Notices:

909 S. 336th Street, Suite 200
Federal Way, WA 98003

STATE OF _____)

COUNTY OF _____)

I certify that I know or have satisfactory evidence that William D. Brown is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledge it as the Manager of BROWN BUILDING COMPANY, L.L.C., a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.


Dated: _____

(seal)

(Print Notary Name)
Notary Public in and for the State of _____
residing at _____
My appointment expires _____

DEED OF TRUST
SUBORDINATION -- Sedro Woolley

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Owner:

COUNTRY CLASS ASSETS, L.L.C.

By

Rickney D. Brown, Manager

Owner's Address for Notices:

909 S. 336th Street, Suite 200
Federal Way, WA 98003

STATE OF

Washington

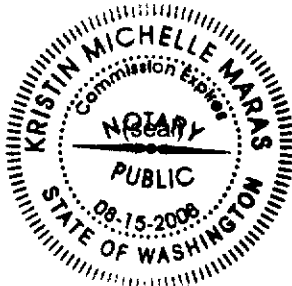
COUNTY OF

King

I certify that I know or have satisfactory evidence that William D. Brown is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledge it as the Manager of BROWN BUILDING COMPANY, L.L.C., a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated:

11-17-2004



Kristin Michelle Maras
(Print Notary Name) Kristin Michelle Maras
Notary Public in and for the State of WA
residing at 22808A Entwhistle Rd Buckley WA 98321
My appointment expires 8-15-2008

DEED OF TRUST
SUBORDINATION - Sedro Woolley

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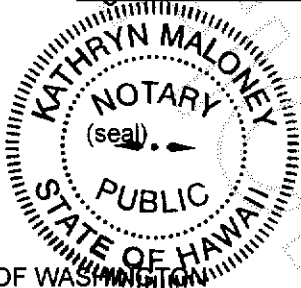
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STATE OF Hawaii)
COUNTY OF Mau)§

I certify that I know or have satisfactory evidence that Rickney D. Brown is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledge it as the Manager of COUNTRY CLASS ASSETS, L.L.C., a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: November 16 2004



Kathryn Maloney
(Print Notary Name) Kathryn Maloney
Notary Public in and for the State of Hawaii
residing at Mau
My appointment expires 9/9/2005

STATE OF WASHINGTON)
COUNTY OF KING)§

I certify that I know or have satisfactory evidence that Scott Ely is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledge it as the Vice President of BANK OF AMERICA, N.A., to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: November 18, 2004



Bruce E. Judson
(Print Notary Name) Bruce E. Judson
Notary Public in and for the State of Washington
residing at Steilacoom
My appointment expires 11/05/06

DEED OF TRUST
SUBORDINATION - Sedro Woolley

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Skagit County Auditor

UNOFFICIAL DRAFT DOCUMENT

