



200508310271

Skagit County Auditor

8/31/2005 Page 1 of 4 3:47PM

Name: First American Title Company

Address: P.O. Box 1667

City and State: Mount Vernon, WA 98273

FIRST AMERICAN TITLE CO.

85995-2

Tax Account Number: P123215, P123217, P123227, P123230, P123233, P123234, P123235, P123336, P123237, P123238, P123239, P123240, P123241, P123242, P123243, P123244, P123245, P123246, P123247, P123248, P123249, P123250, P123251, P123252, P123253
Escrow #: B85995

SUBORDINATION AGREEMENT

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. First American Title Company of Skagit County referred to herein as "subordinator", is the owner and holder of a mortgage dated December 16, 1997, which is recorded in Volume xx of Mortgages, page xx, under Auditor's File No. 9803230104, records of Skagit County.
2. Peoples Bank referred to herein as "lender", is the owner and holder of a mortgage dated _____, 19____, executed by Daniel R. Mitzel and Patricia R. Burklund, husband and wife, (which is recorded in Volume _____ of Mortgages, page _____, under Auditor's File No. 200508310271 records of Skagit County) (which is to be recorded concurrently herewith) 200508310270
3. Daniel R. Mitzel and Patricia R. Burklund, husband and wife, referred to herein as "owner", are the owners of that portion the real property described in the mortgage identified above in Paragraph 2 that is taxed under the above tax parcel numbers.
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 supersede 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 August, 2005

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.

Subordinator:

Gale A. Hickok

First American Title Company of Skagit County

By: Gale A. Hickok, Manager

Owners:

Daniel R. Mitzel

Daniel R. Mitzel

Patricia R. Burklund

Patricia R. Burklund

By Dan Mitzel
as P.O.A.



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Skagit County Auditor

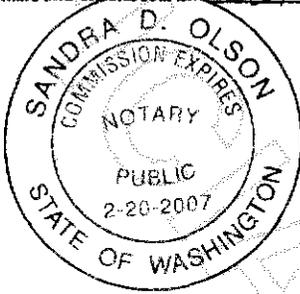
STATE OF WASHINGTON, }
County of Skagit } ss.

ACKNOWLEDGMENT - Individual

On this day personally appeared before me Daniel Rintzel to me known

to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he
signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 31st day of August 2005, 19



Sandra D. Olson
Notary Public in and for the State of Washington,
residing at Burlington WA
My appointment expires 2-20-07

STATE OF WASHINGTON, }
County of Skagit } ss.

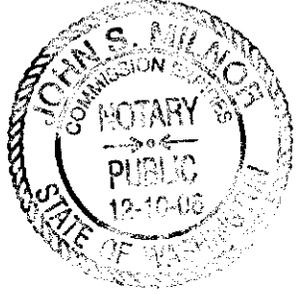
ACKNOWLEDGMENT - Corporate

On this 31st day of August 2005, ~~19~~, before me, the undersigned, a Notary Public in and for the State of
Washington, duly commissioned and sworn, personally appeared Gale A. Hickett

and _____ to me known to be the
General Manager ~~President and~~ Secretary, respectively, of _____

_____ 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 he is
authorized to execute the said instrument and that the seal affixed (if any) is the corporate seal of said corporation.

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



John S. Milnor
Notary Public in and for the State of Washington,
residing at Mount Vernon
My appointment expires 12-10-06

This jurat is page _____ of _____ and is attached to _____



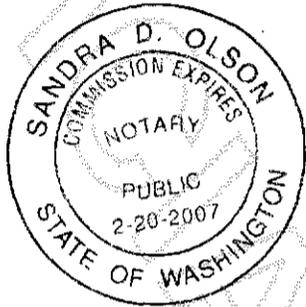
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Skagit County Auditor

STATE OF WASHINGTON, }
County of Skagit } ss.

ACKNOWLEDGMENT - Attorney in Fact

On this 31st day of August 2005, 19____, before me personally appeared Daniel A. Miter to me known to be the individual who executed the foregoing instrument as Attorney in Fact for Patricia Burkland and acknowledged that (he/she) signed the same as (his/her) free and voluntary act and deed as Attorney in Fact for said principal for the uses and purposes therein mentioned, and on oath stated that the Power of Attorney authorizing the execution of this instrument has not been revoked and that said principal is now living and is not insane.

GIVEN under my hand and official seal the day and year last above written.



Sandra Olson
Notary Public in and for the State of Washington,
residing at Burlington WA

My appointment expires 2-20-07

STATE OF WASHINGTON, }
County of _____ } ss.

ACKNOWLEDGMENT - Attorney in Fact

On this _____ day of _____, 19____, before me personally appeared _____ to me known to be the individual who executed the foregoing instrument as Attorney in Fact for _____ and acknowledged that (he/she) signed the same as (his/her) free and voluntary act and deed as Attorney in Fact for said principal for the uses and purposes therein mentioned, and on oath stated that the Power of Attorney authorizing the execution of this instrument has not been revoked and that said principal is now living and is not insane.

GIVEN under my hand and official seal the day and year last above written.

Notary Public in and for the State of Washington,
residing at _____

My appointment expires _____

