

AFTER RECORDING RETURN TO:

Washington Community Reinvestment Association
P.O. Box 2609
Seattle, WA 98111-2609
Loan No. 1-040260



200509220121
Skagit County Auditor

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117221-P
LAND TITLE OF SKAGIT COUNTY

SUBORDINATION BY THE GOVERNMENT

Reference numbers of related documents: 8107290048, 200501280103, 200509220118
on page 1 of document

Grantor(s):

1. UNITED STATES OF AMERICA
- 2.
- 3.

etc. additional names on page _____ of document

Grantee(s):

1. Washington Community Reinvestment Association

etc. additional names on page _____ of document

Legal Description:

1. Lots 97-104, Parker Business Center
2. Additional legal description is on page 1 of document

Assessor's Property Tax Parcel Account Number(s): 4367-000-097-0003, 4367-000-098-0002, 4367-000-099-0001, 4367-000-100-0008, 4367-000-101-0007, 4367-000-102-0006, 4367-000-103-0005, 4367-000-104-0004, 4367-000-117-0801.

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P.O. Box 2609
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USDA
Form RD 460-2
(Rev. 1-02)

SUBORDINATION BY THE GOVERNMENT

The United States of America acting through the United States Department of Agriculture (called the "Government") is the owner and holder of the following-described instrument(s) executed by RIDGEVIEW MOUNT VERNON LIMITED PARTNERSHIP, a Washington limited partnership (called the "Borrower") of Skagit County, State of Washington:

Title of Instrument	Date of Instrument	Date Filed	Office Filed	Filing No.
Real Estate Deed of Trust	7-29-1981	7-29-1981	Skagit County Auditor	8107290048
Real Estate Deed of Trust	1-27-2005	1-28-2005	Skagit County Auditor	200501280103

AND, WASHINGTON COMMUNITY REINVESTMENT ASSOCIATION (called the "Lender"), has agreed to loan the principal sum of \$328,835.00 to the Borrower with interest at the per annum rate not to exceed seven percent (7.00%) for the following purposes only: Recorded 9/22/2005 Auditors #200509220118

For the purpose of financing the Property at 1500, 1530 and 1600 Williams Way, Mount Vernon, WA 98273.

THEREFORE, in consideration the Lender's agreement to make such loan to Borrower and subject to the terms and conditions set forth below, the Government (1) consents to the Borrower obtaining the loan from the Lender for the above described purposes, and (2) agrees to and does subordinate in favor of the Lender and its successors and assigns its liens of security interests created or evidenced by the above-described instrument(s) insofar as such Security Instrument is secured by the following-described property that will secure the Lenders Loan, provided the Lender perfects a lien on that property located in Skagit County, State of Washington:

Lots 97 through 104, inclusive, "PARKER BUSINESS CENTER," as per plat recorded in Volume 11 of Plats, pages 91 through 96, inclusive, records of Skagit County, Washington.



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TOGETHER WITH those portions of the private roads in said Plat (up to the centerline thereof) abutting upon said tracts.

ALSO TOGETHER WITH an easement for ingress and egress over and across the private roads as shown on said plat as conveyed by instrument under Auditor's File No. 8009170066.

Situate in the City of Mount Vernon, County of Skagit, State of Washington.

This subordination is limited to (1) the amount actually loaned by the Lender to the Borrower (principal and accrued interest) for the foregoing purposes, (2) future advances for taxes, insurance, and payments on liens prior to the Lender's lien, and (3) the amount actually advanced for foreclosure costs made by the Lender. Any amount in excess of such amount will not be covered by this subordination unless prior written consent was obtained from the Government for incurring the expenditure in question.

The Lender must incorporate into the Borrower's Promissory Note a statement that the Loan will be in default should any proceeds of the Loan funds obtained as a result of this subordination be used (1) for a purpose that will contribute to excessive erosion of highly erodible land or the conversion of wetlands to produce an agricultural commodity, as explained in Exhibit M of Subpart G of Part 1940 of Title 7, Code of Federal Regulations, or (2) for any purpose not provided for above.

The parties further agree as follows:

The Lender will not declare the Loan to be in default and the Loan will not be accelerated unless at least 10 days prior written notice has been provided to the Government:

The Lender agrees that the Government may, at its option, cure any monetary default by the Borrower by paying the amount of the Borrower's delinquent payments to the Lender.

If the Government obtains title to the real property which secured the Loan, whether by foreclosure or deed in lieu of foreclosure, the Lender consents to the transfer of such real property by the Government subject to the Lender's lien notwithstanding any prohibition in any of the Lender's security instruments to the contrary.

Any notice to be given by either party to the other shall either be delivered in person or deposited in the United States mail, duly certified, with postage prepaid, and addressed to the party for whom intended.

Each of the terms, covenants and conditions of this subordination shall extend to and be binding on the assigns of each party to this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Subordination by the Government on this 31st day of August, 2005,

UNITED STATES OF AMERICA,

BY:

NAME: SANDRA M. BOUGHTON

TITLE: Acting State Director

U.S. Department of Agriculture, Rural Development for the State of Washington

(NOTE TO LENDER: You are advised to obtain a perfected security interest on the above property. When the indebtedness has been satisfied please mark this form "PAID IN FULL" and return it to the USDA Rural Development, at the following address: USDA / Rural Development, 2021 E. College Street, Suite 216, Mount Vernon, WA 98273-2373)



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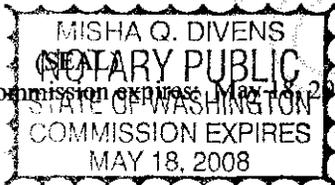
Skagit County Auditor

NOTARY

STATE OF WASHINGTON)
) ss
COUNTY OF THURSTON)

On this 31st day of August, 2005, before me personally appeared SANDRA M. BOUGHTON known to me to be Acting State Director of United States Department of Agriculture (USDA) Rural Development for the State of Washington, and the person described in and who executed the foregoing Subordination By the Government, and acknowledged they executed the same as their free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand affixed my official seal in my office in Olympia, Washington the day and year first written above.



My commission expires May 18, 2008

[Handwritten Signature]
MISHA Q. DIVENS, Notary Public in and for
the State of Washington
Residing at Olympia, WA



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