

When recorded return to:  
Escrow Legal Services  
12 Bellwether Way, Suite 224  
Bellingham, WA 98225  
ESC#21085STEW



200605260166

Skagit County Auditor

5/26/2006 Page

1 of

2 1:28PM

## 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.

FIRST AMERICAN TITLE CO.

88046-2


The undersigned subordinator and owner agrees as follows:

1. Gordon R. Gasho, a married man as his separate estate and Fay E. Stewart, a single woman, each as to an undivided 50% interest, collectively, referred to herein as "subordinator," is the owner and holder of a mortgage dated February 6, 2004, which is recorded in under auditor's file No. 200402250125, records of Skagit County, Washington.
2. The CIT Group/Consumer Finance, Inc., ISAOA appearing of record as MERS, referred to herein as "lender," is the owner and holder of a mortgage dated May 22<sup>nd</sup>, 2006, executed by Daniel P. Stewart and Natalie M. Stewart, husband and wife, which is to be recorded in the records of Skagit County, Washington concurrently herewith. AF# 200605260165
3. Daniel P. Stewart and Natalie M. Stewart, 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 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.


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 HIS/HER/THEIR ATTORNEYS WITH RESPECT THERETO.

**Dated:**

  
Gordon R. Gasho

  
Fay E. Stewart

Donald P. Stewart  
Donald P. Stewart

  
Natalie M. Stewart

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF SKAGIT )

On this 22nd day of May, 2006, personally appeared before me, Gordon R. Gasho and Fay E. Stewart, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

WITNESS Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.

Myrna B. Weissman

Notary Public in and for the State of Washington  
Residing at Bellingham, WA  
My commission expires: 08-20-08

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF SKAGIT )

On this 22nd day of May, 2006, personally appeared before me, Donald P. Stewart and Natalie M. Stewart, to me know to be the individuals described in and who executed the within and foregoing instrument, and acknowledged the they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

WITNESS Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.

Myrna B. Alfisman

Notary Public in and for the State of Washington  
Residing at Bellingham, WA  
My commission expires: 08-20-08

WASHINGTON MAY 08 20-08  
PUBLIC

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Page 2 of 2



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Skagit County Auditor