



200707060064

Skagit County Auditor

7/6/2007 Page 1 of 5 1:48PM

**AFTER RECORDING MAIL TO:**

Name United Commercial Bank  
Address 10900 N.E. 4<sup>th</sup> Street, Suite 200  
City/State BelleVue, Wa. 98004-5841  
ATTN: RUBY LARSON


**Document Title(s):** (or transactions contained therein)

1. Subordination Agreement
- 2.
- 3.
- 4.

**Reference Number(s) of Documents assigned or released:**

200301140159, 200763070107

Additional numbers on page 1 of document



**First American Title Insurance Company**

FIRST AMERICAN TITLE CO.  
90625

(this space for title company use only)

**Grantor(s):** (Last name first, then first name and initials)

1. Equilon Mortgage
- 2.
- 3.
- 4.
5.  Additional names on page \_\_\_\_\_ of document

**Grantee(s):** (Last name first, then first name and initials)

1. United Commercial Bank
- 2.
- 3.
- 4.
5.  Additional names on page \_\_\_\_\_ of document

**Abbreviated Legal Description as follows:** (i.e. lot/block/plat or section/township/range/quarter/quarter)

Section 7, Township 34, Range 3; Ptn. Gov.  
Lot 10

Complete legal description is on page \_\_\_\_\_ of document

**Assessor's Property Tax Parcel / Account Number(s):**

P21181

**NOTE:** The auditor/recorder will rely on the information on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.

[SPACE ABOVE FOR RECORDERS USE ONLY]

SUBORDINATION AGREEMENT

THIS AGREEMENT (the "Agreement") is made and entered into this 4 day of April, 2007 between EQUILON ENTERPRISES LLC ("Equilon"), a Delaware limited liability company, which maintains an office at 12700 Northborough Drive, Houston, Texas 77067, and United Commercial Bank, which maintains an office at 10900 N.E. 4<sup>th</sup> Street, Suite 200, Bellevue, WA 98004-5841 ("Lender").

WHEREAS, Yong Ho Kim. And Jung Hee Kim ("Borrowers"), whose address is 13725 LaConner Whitney Road, Mount Vernon, WA 98273 executed and delivered to Equilon a deed of trust (the "Equilon Mortgage") on the property located at 13725 LaConner Whitney Road, Mount Vernon, County of Skagit, WA 98273, and being more fully described on Exhibit "A" attached hereto (the "Property");

WHEREAS, said Equilon Mortgage is filed of record as Instrument No. 200301140159 in the Official Records of the County of Skagit, State of Washington.

WHEREAS, Borrowers have executed and delivered to Equilon (1) a UCC Financing Statement (the "Equilon 1<sup>st</sup> UCC") on Borrower's personal property, including fixtures, as Instrument No. 200301140160 in the Official Records of the County of Skagit, State of Washington; and (2) a UCC Financing Statement (the "Equilon 2<sup>nd</sup> UCC") on Borrower's personal property, including fixtures, as Instrument No.200309100195 in the Official Records of the County of Skagit, State of Washington;

WHEREAS, Borrowers have requested that Lender make a loan in the amount of \$1,685,000 to Borrowers (the "Loan"), which Lender has agreed to make provided (a) the Loan is secured by a deed of trust on the Property ("Lender's Mortgage") and (b) Equilon agrees to make the Equilon Mortgage and the Equilon 1<sup>st</sup> UCC and Equilon 2<sup>nd</sup> UCC subject to and inferior to the Lender's Mortgage;

(the "Loan") AF# 200703070107

WHEREAS, the Lender represents to Equilon that the Loan is in part to pay off an existing loan in the amount of \$1,671,154 ("Prior Loan"); and

WHEREAS, Equilon has agreed to subordinate the Equilon Mortgage, Equilon 1<sup>st</sup> UCC, and Equilon 2<sup>nd</sup> UCC to Lender's Mortgage granted in connection with the Loan; provided, however, that Equilon will subordinate the Equilon Mortgage, Equilon 1<sup>st</sup> UCC, and Equilon 2<sup>nd</sup> UCC only to the extent of the Loan as described in this Agreement, exclusive of any renewals or extensions of the Loan, and, provided further, that the Prior Loan is paid-off, retired or otherwise extinguished.



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NOW, THEREFORE, for and in consideration of the foregoing premises, the sum of One and no/100 Dollar (\$1.00) in hand paid and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Equilon and Lender hereby agree as follows:

1. Equilon hereby subordinates the Equilon Mortgage, the Equilon 1<sup>st</sup> UCC, and Equilon 2<sup>nd</sup> UCC only to the extent of the Loan as described in this Agreement, exclusive of any renewals or extensions of the Loan, provided however, that the subordination is limited to \$1,685,000 and **provided further**, that the Prior Loan is paid-off, retired or otherwise extinguished.
2. Lender represents that the Loan is to, among other things, pay-off, retire or otherwise extinguish the Prior Loan and Lender agrees that this Agreement is void and unenforceable in the event that the Prior Loan is not paid-off, retired or extinguished.
3. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, NOTHING IN THIS AGREEMENT SHALL GRANT LENDER ANY RIGHTS TO OPERATE THE MOTOR FUEL DISPENSING FACILITIES AND ACCOMPANYING CONVENIENCE STORE LOCATED AT **13725 LACONNER WHITNEY ROAD, MOUNT VERNON, WASHINGTON**, AS A SHELL-BRANDED FACILITY (INCLUDING WITHOUT LIMITATION USE OF TRADEMARKS, BRAND NAMES, SERVICE MARKS, OR COLOR SCHEMES ASSOCIATED WITH SHELL-BRANDED FACILITIES), NOR SHALL LENDER HAVE ANY RIGHTS TO ASSUME ANY SUPPLY AGREEMENTS, DEALER AGREEMENTS, OR LEASE AGREEMENTS BETWEEN EQUILON AND BORROWER.
4. This Agreement shall be construed, interpreted and enforced in accordance with the laws of the State of Washington.
5. This Agreement shall bind and benefit the successors, legal representatives and assigns of Equilon and Lender until the Loan has been paid in full, at which time the Agreement shall terminate.
6. This Agreement may be executed in two or more counterparts. Each counterpart is deemed an original, but all such counterparts taken together constitute one and the same instrument.

IN WITNESS WHEREOF, EQUILON and Lender each have executed this Agreement on the day first above written.

EQUILON ENTERPRISES LLC

By: Roger L. KAGU  
Name: Roger L. Kagu



Title:

Cadet Manager Wholesale Commercial

STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me on the 4th day of April, 2007 by ROGER KAGY of Equilon Enterprises LLC, a Delaware limited liability company, on behalf of said limited liability company.

Donald L. Sheriff  
Notary Public, State of Texas  
Notary's name (printed): DONALD L. SHERIFF

Notary's commission expires

UNITED COMMERCIAL BANK

By:

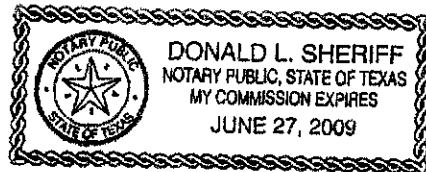
[Signature]

Name:

SIMON SOH

Title:

VICE PRESIDENT & MANAGER



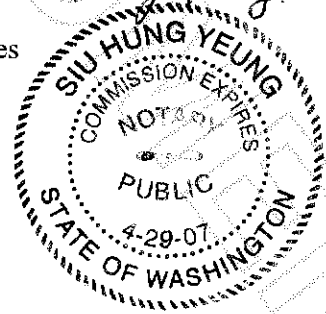
STATE OF WASHINGTON

COUNTY OF ~~SKAGIT~~ KING

This instrument was acknowledged before me on the 16th day of April, 2007 by SIMON SOH an authorized representative of United Commercial Bank.

[Signature]  
Notary Public, State of Washington  
Notary's name (printed): Siu Hung Yeung

Notary's commission expires



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P.2

CC 120631

**EXHIBIT "A"**

**Parcel "A":**

That portion of Government Lot 10, Section 7, Township 34 North, Range 3 East, W.M., lying Southerly of the State Highway right-of-way; EXCEPT County Road rights-of-way, EXCEPT portion condemned by Drainage District No. 19, by Decree dated December 4, 1922, under Skagit County Superior Court Cause No. 8889, AND ALSO EXCEPT the following described tract:

That portion of the West 500 feet (as measured along the South line) of Government Lot 10, Section 7, Township 34 North, Range 3 East, W.M., lying Southerly of that certain tract of land described as Item No. 2 in Judgment and Decree of Appropriation entered August 6, 1971, in Skagit County Superior Court Cause No. 31913, said Cause of Action was to condemn said lands for SR 536, March Point Road to Fredonia.

**Parcel "B":**

That portion of the West 500 feet (as measured along the South line) of Government Lot 10, Section 7, Township 34 North, Range 3 East, W.M., lying Southerly of that certain tract of land described as Item No. 2 in Judgment and Decree of Appropriation entered August 6, 1971 in Skagit County Superior Court Cause No. 31013, said Cause of Action was to condemn said lands for SR 536, March Point Road to Fredonia.

EXCEPT from the above, the County Road, AND EXCEPT that portion condemned by Drainage District No. 19, by Decree dated December 4, 1922 under Skagit County Superior Court Cause No. 8889.



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