



200711050093

Skagit County Auditor

11/5/2007 Page

1 of

2 9:19AM

When recorded return to:

Peoples Bank
PO Box 233
Lynden, WA 98264

LAND TITLE OF SKAGIT COUNTY

127619.5

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. Peoples Bank, a Washington Corporation
referred to herein as "subordinator," is the owner and holder of a mortgage dated November 8, 2006
which is recorded in under auditor's file No. 200611200130 , records of Skagit
County, Washington.
2. Peoples Bank, a Washington Corporation
referred to herein as "lender," is the owner and holder of a mortgage dated October 30, 2007
executed by Greg A. Kreider and Dawnell C. Kreider, who acquired title as Greg Kreider and Dawnell
Kreider, husband and wife which is recorded under auditor's file No. 200711050092 records of
Skagit County, Washington. (which is to be recorded concurrently herewith).
3. Greg A. Kreider and Dawnell C. Kreider, who acquired title as Greg Kreider and Dawnell Kreider, 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: 10/30/07

Peoples Bank

BY: Carrie Cammock
Carrie Cammock, AVP

STATE OF WASHINGTON

ss.

COUNTY OF SKAGIT

I certify that I know or have satisfactory evidence that Carrie Cammock

(is/are) the person(s) who appeared before me, and said person(s) acknowledged that she signed this instrument, on oath stated that she authorized to execute the instrument and acknowledge it as the Assistant Vice President of Peoples Bank, a Washington Corporation to be the free and voluntary act of such party(ies) for the uses and purposes mentioned in this instrument.

Dated: 10/30/07



Katie Brown
Notary name printed or typed: Katie Brown
Notary Public in and for the State of WASHINGTON
Residing at Mount Vernon
My appointment expires: 10/1/2011



200711050093
Skagit County Auditor