



200805300077

Skagit County Auditor

5/30/2008 Page 1 of 2 11:15AM

AFTER RECORDING MAIL TO:

Name Skagit County Treasurer  
Address PO Box 518  
City, State, Zip Mount Vernon, WA 98273

Filed for Record at Request of: CHICAGO TITLE CO. 1C45731

**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 agree as follows:

1. **Skagit County, a political subdivision of the State of Washington** referred to herein as "Subordinator," is the owner and holder of a mortgage dated **September 19, 2007** which is recorded in volume \_\_\_\_\_ of Mortgages, page \_\_\_\_\_ under Auditor's File No. **200709200086**, records of Skagit County.
2. **Horizon Bank, a Washington Corporation** referred to herein as "Lender," is the owner and holder of a mortgage dated **May 29, 2008** executed by **Michael P Bauter, who acquired title as Michael P Bauter, and Lindsay R Myers** (which is recorded in volume \_\_\_\_\_ of Mortgage, page \_\_\_\_\_ under Auditor's File No. **200805300076**, records of Skagit County) (which is recorded concurrently herewith.)
3. **Michael P Bauter, who acquired title as Michael P Bauter, and Lindsay R Myers** 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 assignments 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 29<sup>th</sup> day of May, 2008.

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.

By \_\_\_\_\_

By \_\_\_\_\_

Skagit County, a political subdivision of the State of Washington

By *Clyde Williams*  
Clyde Williams, Financial Administrator  
of Water Quality Loans

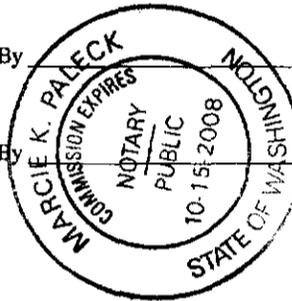
By \_\_\_\_\_

By *Michael P. Bauter*  
Michael P. Bauter

By \_\_\_\_\_

By *Lindsay R. Myers*  
Lindsay R. Myers

By \_\_\_\_\_



STATE OF WASHINGTON  
COUNTY OF Skagit

I certify that I know or have satisfactory evidence that Micheal P Bauter and Lindsay R Myers are the persons who appeared before me, and said persons acknowledged that they signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes mentioned in this instrument.

Dated: May 29 2008

*Marcie K Paleck*  
Notary Public in and for the state of Washington  
Residing at Mount Vernon  
My appointment expires: October 15 2008

MARCIE K. PALECK

STATE OF WASHINGTON  
COUNTY OF WHATCOM

I certify that I know or have satisfactory evidence that Clyde Williams is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Financial Administrator of Water Quality Loans of Skagit County to be the free and voluntary act for the uses and purposes mentioned in this instrument.

Dated: \_\_\_\_\_



*Alana Pizzuto*  
Notary Public in and for the state of Washington  
Residing at Mount Vernon  
My appointment expires: 4-10-2012

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