

When recorded return to:

Skagit State Bank
301 East Fairhaven
Burlington, WA 98233



200809030061
Skagit County Auditor

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File for Record at Request of
Land Title Company Of Skagit County
Escrow Number: 130892-SAE

Grantor: Skagit State Bank
Grantee: Bank of the Pacific

LAND TITLE OF SKAGIT COUNTY

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:

- Skagit State Bank**
referred to herein as "subordinator", is the owner and holder of a mortgage dated March 7, 2008
which is recorded in _____ of Mortgages, page _____
under auditor's file 200803200143, records of Skagit County.
The Bank of The Pacific
- referred to herein as "lender", is the owner and holder of a mortgage dated August 28, 2008
executed Brian S. TILAND AND DANA L. ANDRICH, HUSBAND AND WIFE
(which is recorded in volume _____ of Mortgages,
auditor's file 200809030029 records Skagit County) (which
is to be recorded concurrently herewith).
- Brian S. Tiland and Dana L. Andrich, 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.
- 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.
- "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.
- It is understood by the parties hereto that "lender" would not make the loan secured by the mortgage in
Paragraph 2 without this agreement.
- 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.
- 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 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 THEIR ATTORNEYS WITH RESPECT THERETO.

Dated: August 29, 2008

Kara M. Gonzalez, VP
Skagit State Bank

Brian S. Tiland

Dana L. Andrich

State of Washington }
County of Skagit } SS:

I certify that I know or have satisfactory evidence that Brian Tiland and Dana Andrich the person(s) who appeared before me, and said person(s) acknowledged that he/she/they signed this instrument and acknowledge it to be his/her/their free and voluntary act for the uses and purposes mentioned in this instrument.

Dated: _____ SEE ATTACHED

Notary Public in and for the State of Washington

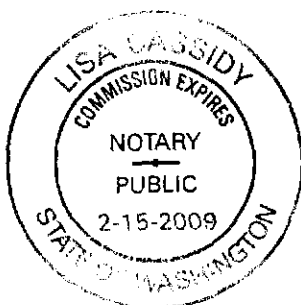
Residing at: Bow

My appointment expires: _____

STATE OF Washington }
County of Skagit } SS:

I certify that I know or have satisfactory evidence that Kara M. Gonzalez signed this instrument, on oath stated that she authorized to execute the instrument and acknowledged it as the Vice President of Skagit State Bank to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

Dated: 8/29/08



Lisa Cassidy
Notary Public in and for the State of Washington

Residing at Sedro Woolley

My appointment expires: 2-15-09



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NOTICE: THIS SUBORDINATION 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 THEIR ATTORNEYS WITH RESPECT THERETO.

Dated: August 29, 2008

Skagit State Bank

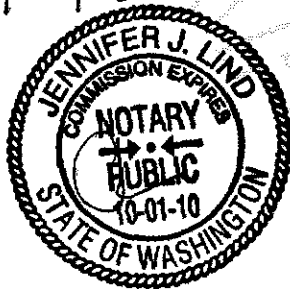
Brian S. Tiland

Dana L. Andrich

State of Washington }
County of Skagit } SS:

I certify that I know or have satisfactory evidence that Brian Tiland and Dana Andrich the person(s) who appeared before me, and said person(s) acknowledged that he/she/they signed this instrument and acknowledge it to be his/hen/their free and voluntary act for the uses and purposes mentioned in this instrument.

Dated: 8/29/08



[Signature]
Notary Public in and for the State of Washington

Residing at: Bow

My appointment expires: 10-01-2010

STATE OF Washington }
County of Skagit } SS:

I certify that I know or have satisfactory evidence that _____ signed this instrument, on oath stated that _____ authorized to execute the instrument and acknowledged it as the _____ of _____ to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

Dated: _____

Notary Public in and for the State of Washington

Residing at _____

My appointment expires: _____



200809030061
Skagit County Auditor