

When recorded return to:
Amy
TMBG, Inc.
10025 19th Ave. SE, Suite 100
Everett, WA 98208



201102150188
Skagit County Auditor

2/15/2011 Page 1 of 3 10:35AM

Filed for record at the request of:



CHICAGO TITLE INSURANCE COMPANY

1616 Cornwell Avenue, Suite 115
Bellingham, WA 98225

Order No.: 245337003

CHICAGO TITLE
620012563

SUBORDINATION AGREEMENT (Existing Loan)

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 instruments.

The undersigned subordinator and owner agrees as follows:

1. Skagit State Bank referred to herein as "subordinator", is the owner and holder of a mortgage dated July 6, 2009 which is recorded under 200907150078, records of Skagit County, Washington.
2. TMBG, Inc. referred to herein as "lender", is the owner and holder of a mortgage dated 2-8-2011 executed by James G. Nichol and Susan M. Nichol, husband and wife which is recorded under 201102150187, records of Skagit County, Washington. (which is to be recorded concurrently herewith). 3. James G. Nichol and Susan M. Nichol 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.

SUBORDINATION AGREEMENT
(continued)

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: January 24, 2011

Skagit State Bank

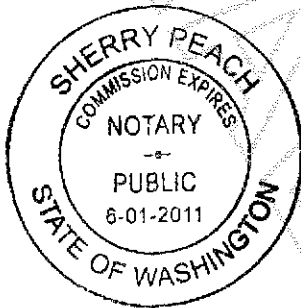
Lori Miller
Signature
By: Lori Miller
Print Name
Its: Assistant Vice President
Print Title

State of Washington

County of Skagit

I certify that I know or have satisfactory evidence that Lori Miller is/are the person(s) who appeared before me, and said person acknowledged that (he/she/they) signed this instrument, on oath stated that (he/she/they) was authorized to execute the instrument and acknowledged it as the AVP of Skagit State Bank to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 1/27/11



Sherry Peach
Name: Sherry Peach
Notary Public in and for the State of Washington
Residing at: Burlington
My appointment expires: 6-1-11



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EXHIBIT "A"
Legal Description

Lot 81, Block 6, HOLIDAY HIDEAWAY DIVISION NO.1, according to the plat thereof, recorded in
Volume 8 of Plats, pages 36 through 42, records of Skagit County, Washington.

Situate in Skagit County, Washington.

Subordination Agreement - Existing Loan (LPB 35)
YVAC00081 doc / Updated: 12/01/10

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