

When recorded return to:

Land Title and Escrow Company
P.O. Box 445
Burlington, WA 98233



Skagit County Auditor \$74.00
6/6/2017 Page 1 of 2 2:45PM

Filed for Record at Request of
Land Title & Escrow of Skagit & Island County
Escrow Number: 01-162693-OE

Land Title and Escrow **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:

- 48 NORTH ON FIDALGO ISLAND, LLC, A WASHINGTON LIMITED LIABILITY CO.**
referred to herein as "subordinator", is the owner and holder of a mortgage dated JUNE 16,
2017 which is recorded in _____ of Mortgages, page _____
under auditor's file 201706060049, records of Skagit County.
DAVID C. MORELAND AND EILEEN K. SMITH, HUSBAND AND WIFE
- referred to herein as "lender", is the owner and holder of a mortgage dated JUNE 2017
executed **48 NORTH ANACORTES, LLC, A WASHINGTON LIMITED LIABILITY CO.**
(which is recorded in volume _____ of Mortgages,
auditor's file 201706060051 records SKAGIT County) (which
is to be recorded concurrently herewith).
- 48 NORTH ANACORTES, LLC, A WASHINGTON LIMITED LIABILITY COMPANY**
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.

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 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: June 8 2017
 48 NORTH ON FIDALGO ISLAND, LLC, a
 Washington limited liability company

By: Nels Strandberg, Manager

STATE OF Washington }
 COUNTY OF Skagit } SS:

I certify that I know or have satisfactory evidence that Nels Strandberg
 signed this instrument, on oath stated that He is authorized to execute the instrument and acknowledged it as
 the Manager of 48 North on Fidalgo Island, LLC, a Washington limited liability
company
 to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument

Dated: June 8 2017



[Signature]
 Notary Public in and for the State of Washington
 Residing at Ms. Jackson
 My appointment expires: 5-15-19