



201811090122

11/09/2018 03:31 PM Pages: 1 of 5 Fees: \$103.00
Skagit County Auditor

Name & Return Address:

First Financial Northwest Bank

PO Box 1130

Renton, WA 98057

Washington State Recorder's Cover Sheet (RCW 65.04) Please print legibly or type information.

Document Title(s) Subordination Agreement	
Grantor(s) First Financial Northwest Bank	GUARDIAN NORTHWEST TITLE CO. 116788
____ Additional Names on Page ____ of Document	
Grantee(s) First Financial Northwest Bank	
____ Additional Names on Page ____ of Document	
Legal Description (Abbreviated: i.e., lot, block & subdivision name or number OR section/township/range and quarter/quarter section)	
Complete Legal Description on Page ____ of Document	
Auditor's Reference Number(s) 2ND DT 201811090120 1ST DT 201811090118	
Assessor's Property Tax Parcel/Account Number(s)	
Non Standard Fee \$50.00 By signing below, you agree to pay the \$50.00 non standard fee. I am requesting an emergency non standard recording for an additional fee as provided in RCW 36.18.010. I understand that the recording processing requirements may cover up or otherwise obscure some part of the text of the original document.	
Signature of Party Requesting Non Standard Recording NOTE: Do not sign above or pay additional \$50.00 fee if document meets margin/formatting requirements. The Auditor/Recorder will rely on the information provided on this cover sheet. Staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.	

After Recording Mail to:

First Financial Northwest Bank
P.O. Box 1130
Renton, WA 98057

Loan #: 203078 and 218124

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. First Financial Northwest Bank referred to herein as "subordinator", is the owner and holder of a mortgage dated October 31, 2018, from the undersigned owners in the amount of \$1,550,000.00 which is to be recorded concurrently with and second to the Lender's \$8,050,000.00 mortgage in the records of Skagit County, State of Washington.
2. First Financial Northwest Bank, referred to herein as "lender," is the owner and holder of a mortgage dated October 31, 2018 executed by Dacodo, LLC, a Washington Limited Liability and Watson Properties, a Limited Partnership, a Washington Limited Partnership, in the amount of \$8,050,00.00 which is to be recorded concurrently with and ahead of the subordinator's \$1,550,00.00 mortgage in the records of Skagit County, State of Washington (which is to be recorded concurrently herewith).
3. Dacodo, LLC, a Washington Limited Liability Company and Watson Properties, a Limited Partnership, a Washington Limited Partnership, are 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.

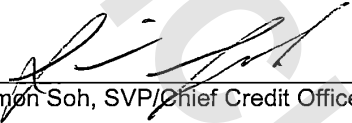
8. The heirs, administrators, assigns and successors in interest of the "subordinator" shall be bound by this agreement. Where the word "mortgage" appears herein it shall be considered as "deed of trust," and gender and number of pronouns considered to conform to undersigned.

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 THEIR ATTORNEYS WITH RESPECT THERETO.

Date: October 31, 2018

SUBORDINATOR

First Financial Northwest Bank

X 
Simon Soh, SVP/Chief Credit Officer

OWNER

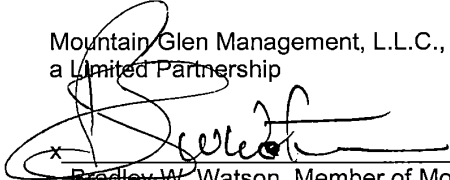
Dacodo, LLC

X 
Daniel R. Mitzel, Member/Manager of Dacodo, LLC

X 
Donald G. DeBode, Manager of Dacodo, LLC

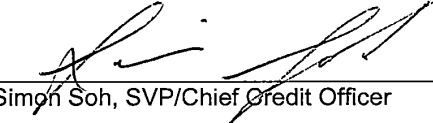
Watson Properties, a Limited Partnership

Mountain Glen Management, L.L.C., General Partner of Watson Properties,
a Limited Partnership

X 
Bradley W. Watson, Member of Mountain Glen Management, L.L.C.

LENDER

First Financial Northwest Bank

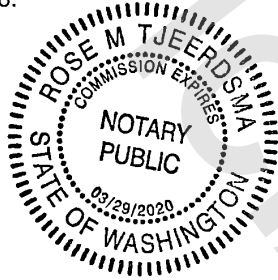
By: 
Simon Soh, SVP/Chief Credit Officer

Notary Seal

STATE OF WASHINGTON, }
 County of Snohomish } ss.

On this day personally appeared before me Daniel R. Mizel, to me known to be the Member/Manager of Dacodo, LLC, a Washington corporation that executed the foregoing instrument, and acknowledged such instrument to be the free and voluntary act and deed of such limited liability company, for the uses and purposes therein mentioned, and on oath stated that they were duly authorized to execute such instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 4 day of November, 2018.

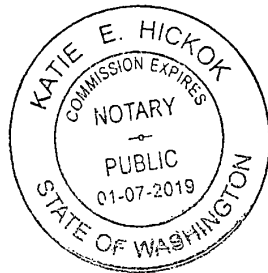


Rose M Tjeerdsma
 Printed Name Rose M Tjeerdsma
 NOTARY PUBLIC in and for the State of WA
 Residing at Burlington
 My Commission Expires 3/29/20

STATE OF WASHINGTON, }
 County of Snohomish } ss.

On this day personally appeared before me Donald G. DeBode, to me known to be the Manager of Dacodo, LLC, a Washington corporation that executed the foregoing instrument, and acknowledged such instrument to be the free and voluntary act and deed of such limited liability company, for the uses and purposes therein mentioned, and on oath stated that they were duly authorized to execute such instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 7th day of November, 2018.

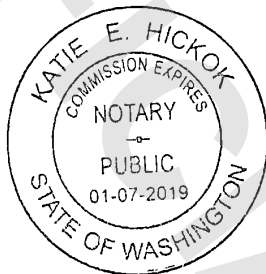


Katie E Hickok
 Printed Name Katie E Hickok
 NOTARY PUBLIC in and for the State of WA
 Residing at Mt Vernon
 My Commission Expires 1-7-19

STATE OF WASHINGTON, }
County of Snohomish } SS.

On this day personally appeared before me Bradley W. Watson, to me known to be the Member of Mountain Glen Management, L.L.C., General Partner of Watson Properties, a Limited Partnership, a Washington Limited Partnership that executed the foregoing instrument, and acknowledged such instrument to be the free and voluntary act and deed of such limited liability company, for the uses and purposes therein mentioned, and on oath stated that they were duly authorized to execute such instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 8th day of November 2018 2018.

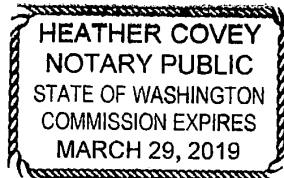


[Signature]
Printed Name Katie E Hickok
NOTARY PUBLIC in and for the State of WA
Residing at Mt Vernon
My Commission Expires 1-7-19

STATE OF WASHINGTON }
COUNTY OF King } SS.

On this day personally appeared before me Simon Soh, to me known to be a SVP/Chief Credit Officer of First Financial Northwest Bank, a corporation organized and existing under the laws of the State of Washington, the bank that executed the foregoing instrument, and acknowledged such instrument to be the free and voluntary act and deed of such bank, for the uses and purposes therein mentioned, and on oath stated that he/she were duly authorized to execute such instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 1ST day of NOVEMBER 2018.



[Signature]
Printed Name HEATHER COVEY
NOTARY PUBLIC in and for the State of WA
Residing at BOTHELL
My Commission Expires 3-29-2019