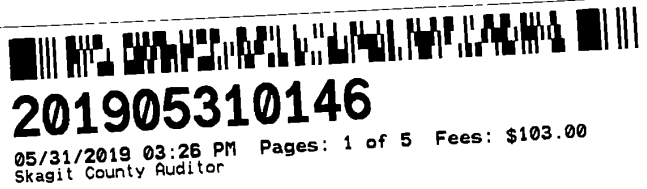


When recorded return to:  
Peoples Bank  
419 Liberty Street  
PO Box 233  
Lynden, WA 98284



**GUARDIAN NORTHWEST TITLE CO.**

GRANTOR: Cheryl L. Abbott Nelson & Timothy L. Nelson, a married couple  
GRANTEE: Peoples Bank  
LEGAL DESCRIPTION (Abbreviated): Ptn. Gov. Lot 4, 12-34-1 E W.M.  
ASSESSOR'S TAX PARCEL ID # 340112-0-026-0005 (P19244)  
REFERENCE RECORDING # 201610240158

19-2045

DT# 201905310145

**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. Skagit County, which is a political subdivision of the State of Washington, referred to herein as "subordinator," is the owner and holder of a Deed of Trust dated October 21<sup>st</sup>, 2016 in the original principal amount of \$25,345.97 which was recorded on October 24<sup>th</sup>, 2016 under auditor's file No. 201610240158, records of Skagit County, Washington.

2. Peoples Bank, referred to herein as "lender," is the owner and holder of a Deed of Trust executed by Cheryl L. Abbott Nelson & Timothy L. Nelson, a married couple in the original principal amount of \$50,000.00 dated May 30, 2019 which is be recorded in Skagit County Washington concurrently herewith.

3. Cheryl L. Abbott Nelson & Timothy L. Nelson, a married couple referred to herein as "owner," is the owner of all the real property described in the Deed of Trust identified above in Paragraph 2, whose legal description is described as follows:

That portion of Government Lot 4 in Section 12, Township 34 North, Range 1 East W.M., described as follows:  
Beginning on the South line of the County Road as it existed on April 19, 1933 at a point 40 rods West of the East line of said Government Lot 4;

Thence North 200 feet; Thence East 200 feet; Thence South 200 feet;

Thence West 200 feet to the POINT OF BEGINNING;

TOGETHER WITH the following described parcel:

Beginning at a point 460 feet West and 790 feet South of the Northeast corner of Government Lot 4, Section 12,

Township 34 North, Range 1 East, W.M., which point is the Southeast corner of the main body of Lot 2 of SKAGIT COUNTY SHORT PLAT NO. 93-060, as recorded in Volume 11 of Short Plats, page 54, under Auditor's File No. 9401180147, records of Skagit County, Washington;

Thence North 86°55'50" West along the South line of the main body of said Lot 2, a distance of 195 feet, more or less, to an existing fence;

Thence North 0°24'26" East along said fence, a distance of 54.22 feet;

Thence South 87°44'46" East, a distance of 194.89 feet to a point on the East line of said main body of Lot 2 which is 57.00 feet from the Southeast corner thereof;

Thence South 0°24'26" West along said East line, a distance of 57.00 feet to the point of beginning of this description.

EXCEPT that portion, if any, within the West 660 feet of said Government Lot 4;

AND EXCEPT County road;

AND ALSO EXCEPT that portion conveyed to Skagit County by Deed filed under Auditor's File No. 507474, records of Skagit County, Washington.

AND ALSO EXCEPT that portion, if any, lying South of the county road.

Situated in Skagit County, Washington.

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 HIS/HER/THEIR ATTORNEYS WITH RESPECT THERETO.

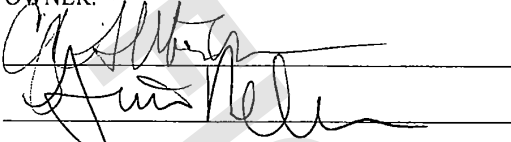
Dated: 05/15/2019

SUBORDINATOR:

A handwritten signature in black ink, appearing to be "Timothy L. Nelson", is written over a horizontal line.

AUTHORIZED SIGNER FOR SKAGIT COUNTY

OWNER:

Two handwritten signatures in black ink are written over two horizontal lines. The first signature appears to be "Cheryl L. Abbott Nelson" and the second appears to be "Timothy L. Nelson".

Cheryl L. Abbott Nelson & Timothy L. Nelson

STATE OF WASHINGTON

SS.

COUNTY OF

I certify that I know or have satisfactory evidence that Clyde Williams, Financial Administrator Water Quality Loans, (is) the person(s) who appeared before me, and said person(s) acknowledged that he signed this instrument and acknowledged it to be free and voluntary act for the uses and purposes mentioned in this instrument..

Dated: 05/15/2019

Jackie E. Brunson

Notary name printed or typed: Jackie E Brunson

Notary Public in and for the State of: Washington

Residing at: Burington

My appointment expires: 10/06/21



STATE OF WASHINGTON

ss.

COUNTY OF Skagit

I certify that I know or have satisfactory evidence that Cheryl L. Abbott Nelson and Timothy L. Nelson (is/are) the person(s) who appeared before me, and said person(s) acknowledged that he/she signed this instrument and acknowledged it to be free and voluntary act for the uses and purposes mentioned in this instrument.

Dated: 05/30/2019



Notary name printed or typed:

Notary Public in and for the State of: Washington

Residing at: Mount Vernon

My appointment expires: 12/7/21