

AFTER RECORDING RETURN TO:

DONALD P. KIRKPATRICK
ATTORNEY AT LAW
1323 Lincoln, #201
Bellingham, WA 98226



199910130048
Kathy Hill, Skagit County Auditor
10/13/1999 Page 1 of 2 10:36:58AM

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 agree as follows:

1. LYNDEN H. RESIDE and SHIRLEY R. RESIDE, Trustees of the Reside Family Trust dated May 19, 1999, referred to herein as "subordinator", is the owner and holder of a deed of trust dated September 1, 1999, which is recorded September 15, 1999 under Auditor's File No. 199909150120, records of Skagit County, Washington.

2. M.L.B. ENTERPRISES INC., referred to herein as "lender" is the owner and holder of a deed of trust dated October 12, 1999 executed by Randy A. Click, a single person, which is recorded concurrently herewith.

3. RANDY A. CLICK, a single person, referred to herein as "owner" is the owner of all the real property described in the deed of trust identified above in paragraph 2. AF# 199910130047

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 deed of trust and all agreements in connection therewith, the "subordinator" does hereby unconditionally subordinate the lien of the deed of trust identified in paragraph 1 above to the lien of "lenders" 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, they had the opportunity to examine the terms of "lenders" deed of trust, note and agreements relating thereto, consent to and approve the same, and recognize that "lender" has no obligation to "subordinator" to advance any funds under its deed of trust or see to the application of "lenders" funds, and any application or use of such funds for purposes other than those provided for in such deed of trust, 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 deed of trust 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 deed of trust first above mentioned to the lien or charge of the deed of trust in favor of "lender" above referred to and shall supercede and cancel any prior agreements as to such, or any, subordination includings but not limited to those provisions if any contained in the deed

