

AFTER RECORDING MAIL TO:

Name HOMESTEAD NW DEV. CO.  
Address P.O. Box 409  
City, State, Zip Lynden, WA 98264-0409



200110260163  
Skagit County Auditor

10/26/2001 Page 1 of 2 3:32:11PM

Filed for Record at Request of

**SUBORDINATION AGREEMENT**

**ACCOMMODATION RECORDING**

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. VANDERGRIEND LUMBER COMPANY, INC. and BOVENKAMP DEVELOPMENT, INC. d/b/a/ WESTSIDE BUILDING SUPPLY, hereinafter referred to as "subordinators", are the owners and holders of a mortgage dated January 30, 2001, which is recorded under auditor's file No. 200102020070, records of Skagit County.
2. WILDER CONSTRUCTION CO., INC., hereinafter referred to as "lender", is the owner and holder of a mortgage dated August 24, 2001, executed by HOMESTEAD NW DEV. CO. (which is recorded in volume \_\_\_\_\_ of Mortgages, page \_\_\_\_\_ under auditor's file No. 200109100159, records of Skagit County) (which is to be recorded concurrently herewith.)
3. HOMESTEAD NW DEV. CO., a Washington Corporation, 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 "subordinators" 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 "subordinators" do hereby unconditionally subordinate the lien of their 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. "Subordinators" acknowledge 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 "subordinators" 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 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 "subordinators" 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.

Executed this 22 day of October, 2001.

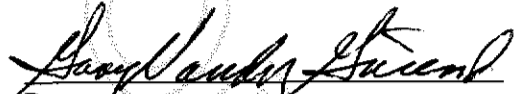
Island Title Company has placed this document for recording as a customer courtesy and accepts no liability for its accuracy or validity

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.

VANDERGRIEND LUMBER CO., INC.

BOVENKAMP DEVELOPMENT, INC.

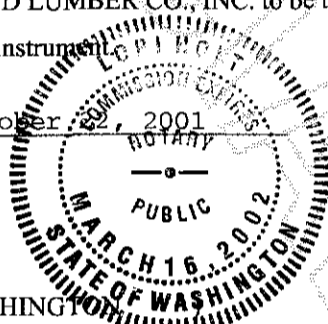
  
By: Gary VanderGriend

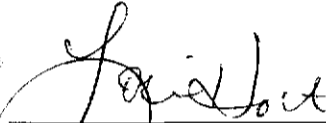
  
By: Fred Bovenkamp

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF WHATCOM )

I certify that I know or have satisfactory evidence that GARY VANDER GRIEND is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the \_\_\_\_\_ of VANDERGRIEND LUMBER CO., INC. to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: October 22, 2001



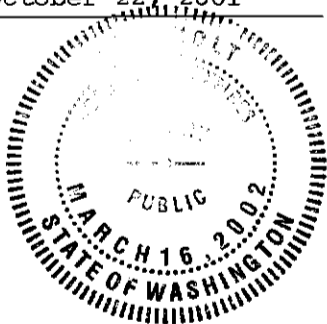


NOTARY PUBLIC in and for the State of Washington, residing at Lynden.  
My commission expires: 3/16/2002

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF WHATCOM )

I certify that I know or have satisfactory evidence that FRED BOVENKAMP is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Secretary/Treasurer of BOVENKAMP DEVELOPMENT, INC. to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: October 22, 2001





NOTARY PUBLIC in and for the State of Washington, residing at Lynden.  
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