

When Recorded Return To:

The Washington State Department of Community,
Trade and Economic Development
Housing Finance Unit
906 Columbia Street Southwest
Post Office Box 48350
Olympia, Washington 98504-8350



200202210061

Skagit County Auditor

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Attention: Donna Johnston, Contract Number 2-89-491-12

FIRST AMERICAN TITLE CO.

67540E-2

Subordination Agreement

Grantor (Subordinator): Washington State Department of Community, Trade and Economic Development
Grantor (Owner): Ramon and Mirtha Huerta
Grantee (Lender): U.S. Bank
Assessor's Tax Parcel ID #: P100365
Reference No.: 9301050086

1. The Department of Community, Trade and Economic Development, referred to herein as "subordinator", is the owner and holder of a mortgage dated January 4, 1993, which is recorded under auditor's file No. 9301050086, records of Skagit County.
2. U.S. Bank, referred to herein as "lender", is the owner and holder of a mortgage dated 2-17-2002, which is recorded under auditor's file No. 200202210060, records of Skagit County (which is to be recorded concurrently herewith).
3. Ramon and Mirtha Huerta, 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 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 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 first mortgage above mentioned 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.

