After Recording Mail to:

200202270098 Skagit County Auditor

2/27/2002 Page 1 of 3

1:31PM

Name: **Peoples Bank** Address: 1801 Riverside Dr. Mount Vernon, WA 98273 City, State, Zip:

Filed for Recording at Request of: Peoples Bank

FIRST AMERICAN TITLE CO. 69169

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 OF LATER SECURITY INSTRUMENT.

the undersigned subordinator and owner agrees as follows:

- 1. Venture Properties Referred to herein as "subordinator", is the owner and holder of a Deed of Trust dated January 7, 2002, which is recorded under auditors file No. 200201160154, records of Skagit County.
- Peoples Bank referred to herein as "lender", is the owner and holder of a mortgage dated February 11, 2002 executed by 1825 Associates, L.L.C. (which is recorded concurrently herewith.)
- 3. 1825 Associates, L.L.C. referred to herein as "owner", is the owner of all 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 occurring thereunder, including any extension or renewal thereof.
- 5. "Subordinator" 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 "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 mortgagee 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.

Executed this 11th day of February, 2002.

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.

Venture Properties

General Partner

By: Steven H. Johnson Ity: General Partner By: Part Staddright Washington On this day personally appeared before me John N. Hocking, to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this Asta day of Authory 2003 (Signature of Nolary) Notary Public in and for the State of Washington Tresiding at Authory American State of Washington STATE OF Washington COUNTY OF Alagt STATE OF Washington COUNTY OF Alagt STATE OF Washington COUNTY OF Alagt STATE OF Washington Country of Alagt STATE OF Washington Country of Alagt STATE OF Washington STATE OF Washington Country of Alagt STATE OF Washington Country of Alagt STATE OF Washington Country of Alagt STATE OF Washington STATE OF Washington Country of Alagt STATE OF Washingt	By: Paul Schinson Its General Partner By: Paul Schinson Its General Partner By: Paul Schinson Its General Partner STATE OF	By Richard J. Abbott Its: General Partner	
STATE OF	By: Pales 3 dinson By: Pales 3 dinson By: Pales 3 dinson By: Pales 3 dinson STATE OF		
STATE OF	By: Pales 3 dinson By: Pales 3 dinson By: Pales 3 dinson By: Pales 3 dinson STATE OF	- the transfer	
STATE OF	By: Pales 3 dinson By: Pales 3 dinson By: Pales 3 dinson By: Pales 3 dinson STATE OF	By: Steven H. Johnson	
By: Parts some its General Partrer STATE OF	STATE OF		
By: Parts some its General Partrer STATE OF	STATE OF		
STATE OF	STATE OF	2 mn	
STATE OF	STATE OF		
On this day personally appeared before me John N. Hocking to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this L3th day of Authority. Notary Public in and for the State of WASHINGTON STATE OF WASHINGTON COUNTY OF Augst On this day personally appeared before me Richard J. Abbott to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this L3th day of Juhnary 2001 GIVEN under my hand and official seal this L3th day of Juhnary 2001 Ontary Public in and for the State of WASHINGTON	On this day personally appeared before me John N. Hocking to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this Btth day of Burnary 2001 (Signature of Notary) Notary Public in and for the State of WASHINGTON Tesiding at Sur Linux Li STATE OF WASHINGTON COUNTY OF Alagt On this day personally appeared before me Richard J. Abbott to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this 13-th day of Juruary 2001 Cignature of Notary) Notary Public in and for the State of WASHINGTON	nsy General Partner	
On this day personally appeared before me John N. Hocking to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this LSth day of Authority 2003 (Signature of Notary) Notary Public in and for the State of WASHINGTON STATE OF WASHINGTON COUNTY OF Augst On this day personally appeared before me Richard J. Abbott to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this LSth day of Subruary 2001 GIVEN under my hand and official seal this LSth day of Subruary 2001 (Signature of Notary) Notary Public in and for the State of WASHINGTON	On this day personally appeared before me John N. Hocking to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this 13th day of 12001 (Signature of Notary) Notary Public in and for the State of 12001 (Notary appeared before me Richard J. Abbott to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this 13th day of 32001 GIVEN under my hand and official seal this 13th day of 32001 GIVEN under my hand and official seal this 13th day of 32001 GIVEN under my hand and official seal this 13th day of 32001		
On this day personally appeared before me John N. Hocking to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this LSth day of Authority 2003 (Signature of Notary) Notary Public in and for the State of WASHINGTON STATE OF WASHINGTON COUNTY OF Augst On this day personally appeared before me Richard J. Abbott to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this LSth day of Subruary 2001 GIVEN under my hand and official seal this LSth day of Subruary 2001 (Signature of Notary) Notary Public in and for the State of WASHINGTON	On this day personally appeared before me John N. Hocking to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this 13th day of 12001 (Signature of Notary) Notary Public in and for the State of 12001 (Notary appeared before me Richard J. Abbott to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this 13th day of 32001 GIVEN under my hand and official seal this 13th day of 32001 GIVEN under my hand and official seal this 13th day of 32001 GIVEN under my hand and official seal this 13th day of 32001		
On this day personally appeared before me John N. Hocking to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this Asth day of Authority 2003 (Signature of Notary) Notary Public in and for the State of WASHINGTON STATE OF WASHINGTON COUNTY OF Augst On this day personally appeared before me Richard J. Abbott to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this 13-th day of Authority 2001 GIVEN under my hand and official seal this 13-th day of Authority 2001 (Signature of Notary) Notary Public in and for the State of WASHINGTON	On this day personally appeared before me John N. Hocking to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this 13th day of 12002 (Signature of Notary) Notary Public in and for the State of 12001 (Notary act and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this 13th day of 12001 GIVEN under my hand and official seal this 13th day of 12001 GIVEN under my hand and official seal this 13th day of 12001 GIVEN under my hand and official seal this 13th day of 12001 GIVEN under my hand and official seal this 13th day of 12001	/\	
described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this	described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this	STATE OF WASHINGTON, COUNTY OF WELLEY T	
STATE OF	he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this 3th day of Authory 2003 (Signature of Notary) Notary Public in and for the State of washington On this day personally appeared before me Richard J. Abbott to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this 13th day of Authory 2003 (Signature of Notary) Notary Public in and for the State of washington	On this day personally appeared before me <u>John N. Hocking</u> to me known to be the in	ndividual(s)
GIVEN under my hand and official seal this	GIVEN under my hand and official seal this	he signed the same as his free and voluntary act and deed, for the uses and	·
(Signature of Notary) Notary Public in and for the State of	(Signature of Notary) Notary Public in and for the State of	purposes therein mentioned.	
(Signature of Notary) Notary Public in and for the State of	(Signature of Notary) Notary Public in and for the State of	GIVEN under my hand and official seal this 1.3+h, day of 4.143 (10.3)	2001
Notary Public in and for the State of	Notary Public in and for the State of	37 / 3 / 3 / 3 / 3 / 3 / 3 / 3 / 3 / 3 /	
Notary Public in and for the State of	Notary Public in and for the State of		6005 6
Notary Public in and for the State of	Notary Public in and for the State of	(Signature of Notary)	
STATE OF	STATE OF		
STATE OF	STATE OF		1000
On this day personally appeared before me Richard J. Abbott to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this 13-4k day of Authory, 2001 Cignature of Notary) Notary Public in and for the State of WASHINGTON	On this day personally appeared before me Richard J. Abbott to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this 13-th day of Autury, 2001. (Signature of Notary) Notary Public in and for the State of WASHINGTON	residing at Almahamah	
On this day personally appeared before me Richard J. Abbott to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this 13-4k day of Authory, 2001 Cignature of Notary) Notary Public in and for the State of WASHINGTON	On this day personally appeared before me Richard J. Abbott to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this 13th day of Lutury, 2001. (Signature of Notary) Notary Public in and for the State of WASHINGTON		
On this day personally appeared before me Richard J. Abbott to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this 13-th day of Authory, 2001 Cignature of Notary) Notary Public in and for the State of WASHINGTON	On this day personally appeared before me Richard J. Abbott to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this 13-th day of Autury, 2001. (Signature of Notary) Notary Public in and for the State of WASHINGTON		
On this day personally appeared before me Richard J. Abbott to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this 13-4k day of Authory, 2001 Cignature of Notary) Notary Public in and for the State of WASHINGTON	On this day personally appeared before me Richard J. Abbott to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this 13-th day of Autury, 2001. (Signature of Notary) Notary Public in and for the State of WASHINGTON		
described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this 13-th day of Juliuary, 2001 (Signature of Notary) Notary Public in and for the State of WASHINGTON	described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this 1344 day of Juhnary , 2001 (Signature of Notary) Notary Public in and for the State of WASHINGTON	STATE OF WASHINGTON , COUNTY OF Staget	
he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this 13-th day of Authory, 2001 (Signature of Notary) Notary Public in and for the State of WASHINGTON	he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN under my hand and official seal this 13th day of 3th d	On this day personally appeared before me Richard J. Abbott to me known to be the	e individual(s)
GIVEN under my hand and official seal this 13th day of Juliuary, 2001 Signature of Notary) Notary Public in and for the State of WASHINGTON	GIVEN under my hand and official seal this 13th day of Juliuary, 2001 Signature of Notary) Notary Public in and for the State of WASHINGTON	described in and who executed the within and foregoing instrument, and acknowledged	



STATE OF	WASHINGTON	, COUNTY OF	Stoget	
On this day per described in an	rsonally appeared before me ad who executed the within a e same as <u>his</u> free and	Steven H. Johnson nd foregoing instrume	to me known to be the ir ant, and acknowledged th	
	ny hand and official seal this		February	_, 2002
	herry A. Poore of Notary) n and for the State of			
	no homish	WASHINGTON		WASH
STATE OF	WASHINGTON	, COUNTY OF	Skazit	_
described in an he signed th purposes there		nd foregoing instrume voluntary act and dea	ent, and acknowledged the ed, for the uses and	ividual(s) nat
GIVEN under n	ny hand and official seal this	<u>/3tk</u> day of	February	_, 200 1 .
(Signatur	herry a. Poore of Notary)	<u>e</u> -	i de la companya de l	* SE
	n and for the State of	WASHINGTON		The state of the s

