

After Recording Mail to:



200202270098
Skagit County Auditor

2/27/2002 Page 1 of 3 1:31PM

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

Filed for Recording at Request of: **Peoples Bank**

FIRST AMERICAN TITLE CO.

68159

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.
2. **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.) **AF# 200202270096**
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


By: John N. Hocking
Its: **General Partner**

Richard J. Abbott
By: **Richard J. Abbott**
Its: **General Partner**

Steven H. Johnson
By: **Steven H. Johnson**
Its: **General Partner**

Paul D. Johnson
By: **Paul D. Johnson**
Its: **General Partner**

STATE OF WASHINGTON, COUNTY OF Skagit

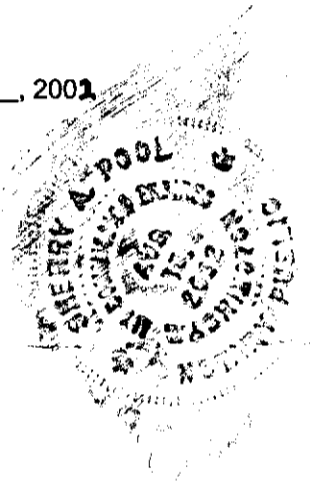
On this day personally appeared before me **John N. Hocking** to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 13th day of February, 2002

Sherry A. Pool
(Signature of Notary)

Notary Public in and for the State of WASHINGTON

residing at Snohomish



STATE OF WASHINGTON, COUNTY OF Skagit

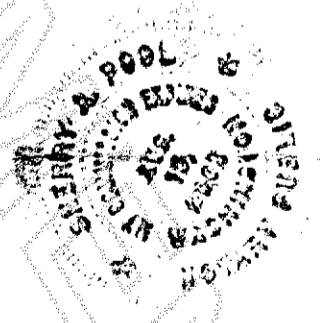
On this day personally appeared before me **Richard J. Abbott** to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 13th day of February, 2002

Sherry A. Pool
(Signature of Notary)

Notary Public in and for the State of WASHINGTON

residing at Snohomish



STATE OF WASHINGTON, COUNTY OF Skagit

On this day personally appeared before me **Steven H. Johnson** 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 February, 2002.

Sherry A. Pool
(Signature of Notary)

Notary Public in and for the State of WASHINGTON
residing at Anahomish



STATE OF WASHINGTON, COUNTY OF Skagit

On this day personally appeared before me **Paul D. Johnson** 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 February, 2002.

Sherry A. Pool
(Signature of Notary)

Notary Public in and for the State of WASHINGTON
residing at Anahomish



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