

WHEN RECORDED RETURN TO:

Name: Island Title Company  
Address: P.O. Box 670  
City, State, Zip Burlington, WA 98233



200301310262  
Skagit County Auditor

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# Island Title Company

## ISLAND TITLE CO. 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 agrees as follows:

Robert

1. ~~RICHARD~~ L. STEVENSON AND KATHERINE STEVENSON, husband and wife, , referred to herein as "subordinator", is the owner and holder of a mortgage dated 23<sup>rd</sup> day of January, 2003 which is recorded in volume of Mortgages, page , under Auditor's File No. 200301310260 records of Skagit County, Washington.

Robert

2. ~~RICHARD~~ L. STEVENSON AND KATHERINE STEVENSON, husband and wife referred to herein as "lender" is the owner and holder of the mortgage dated 23<sup>rd</sup> day of January, 2003 , executed by CHASE AND COLE MANAGEMENT, LLC a Washington limited liability company(which isrecorded in volume of Mortgages, page , under Auditor's File No. 200301310259 , records of Skagit County, Washington) (which is to be recorded concurrently herewith).

3. **CHASE AND COLE MANAGEMENT, LLC., a Washington limited liability company** 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 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 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, 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 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 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 23<sup>rd</sup> day of JANUARY, 2003.

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.

Robert L. Stevenson  
ROBERT L. STEVENSON

CHASE AND COLE MANAGEMENT LLC/

Ryan J. Costanti  
RYAN J. COSTANTI

Katherine Stevenson  
KATHERINE STEVENSON

Amy Jean Costanti  
AMY JEAN COSTANTI

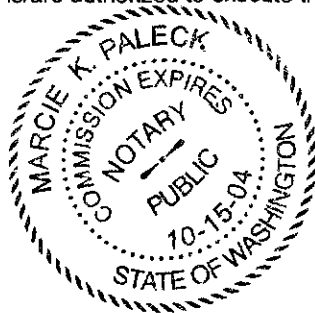
STATE OF WASHINGTON  
COUNTY OF SKAGIT

I certify that I know or have satisfactory evidence that Ryan J. Costanti and Amy Jean Costanti to me known to be the Members of CHASE AND COLE MANAGEMENT, LLC the entity that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of the said entity, for the uses and purposes therein mentioned, and on oath state that they is/are authorized to execute the said instrument on behalf of said entity.

Dated: January 23 2003

Marcie K. Paleck

Marcie K. Paleck  
Notary Public in and for the State of Washington  
Residing at Mount Vernon  
My appointment expires: October 15, 2004



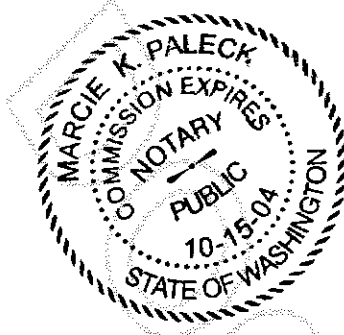
STATE OF WASHINGTON  
COUNTY OF Skagit

I certify that I know or have satisfactory evidence that ROBERT L. STEVENSON and KATHERINE STEVENSON the person(s) who appeared before me, and said person(s) acknowledged that they signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes therein mentioned in this instrument.

Dated: January 23 2003

Marcie K. Paleck

Marcie K. Paleck  
Notary Public in and for the State of Washington  
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