

AFTER RECORDING RETURN TO:

Northwest Property Associates, Inc.
227 Bellevue Way NE, #585
Bellevue, WA 98004-5721



200609180199
Skagit County Auditor

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SUBORDINATION AGREEMENT

FIRST AMERICAN TITLE CO.

89330

Date: **September 14, 2006**

Legal Desc.: **Lot 12, Except the East 20 thereof and all of Lots 13 and 14, Block 3
"CROFOOT'S FIRST ADDITION TO THE TOWN OF CONCRETE",
as per plat recorded in Volume 3 of Plats, Page 88, records of Skagit
County, Washington.**

Commonly known as: **7757 South Dillard Avenue, Concrete, WA 98237**

Assessor's Tax Parcel No. **4058-003-014-0001 (P70764)**

**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.**

1. **Equity Trust Company Custodian FBO Mark Jovan IRA**, as his separate estate, referred to herein as "subordinator", is the owner and holder of a Deed of Trust dated September 14, 2006 (which is to be recorded concurrently herewith).
2. **Laura L. Kreiger**, referred to as "lender", is the owner and holder of a Deed of Trust dated March 03, 2006 executed by Northwest Property Associates, Inc. which is recorded under auditor's file number 200603130019 in the records of Skagit County.
3. **Northwest Property Associates, Inc., a Nevada Corporation**, referred to herein as "owner", is the owner of all of the real property described in the Deed of Trust identified above in Paragraph 2.
4. In consideration of benefits to "subordinator" from "owner", receipt and sufficiency of which is hereby acknowledged, the "subordinator" does hereby unconditionally subordinate the lien of its Deed of Trust, identified in Paragraph 1 above, to the lien of "lender's" Deed of Trust, identified in Paragraph 2 above, and all advances or changes made or accruing thereunder, including any extension or renewal thereof. * 200609180198
5. "Subordinator" acknowledges that, prior to the execution hereof, he has had the opportunity to examine the terms of "lender's" Deed of Trust, Note and agreements relation thereto, consents to and approves same and recognizes that "lender" has no obligation to "subordinator" to advance any funds under its Deed of Trust or see to the application of "lender's" Deed of Trust funds, and any application or use of such funds for purposes other than those provided for in such Deed of Trust, Note or agreements shall not defeat the subordination herein made in whole or in part.
6. "Subordinator" acknowledges that, as seen by "subordinator" upon examination, the Due Date of the "lender's" Deed of Trust, identified in Paragraph 2 above, Note and agreements relation thereto may occur in advance of the Due Date set forth in "subordinator's" Deed of Trust, Note and other related agreement(s) and recognizes that a resultant risk may exist.

Initials

Initials

7. This agreement shall be the whole and only agreement between the parties with regard to the subordination of the lien of charges of the Deed of Trust first above mentioned to the lien or charge of the Deed of Trust in favor of the "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 Deed of Trust first above mentioned, which provide for the subordination of the lien or charge thereof to a Deed of Trust to be thereafter executed.
8. The heirs, administrators, assigns and successors in interest of the "subordinator" shall be bound by this agreement. In all instances, gender and number of pronouns are considered to conform to the undersigned.

NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE CORPORATION OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN, A PORTION OF WHICH MAY OR MAY NOT BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENTS OF THE LAND. IT IS RECOMMENDED THAT PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE PARTIES CONSULT WITH HIS/HER/THEIR ATTORNEYS WITH RESPECT THERETO.

SUBORDINATOR:

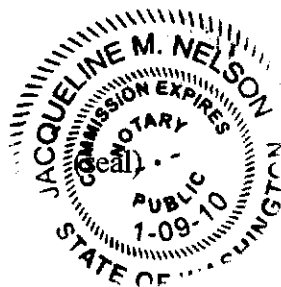
DATED this 14th day of September, 2006

by Mark Jovan
Mark Jovan

STATE OF WASHINGTON)
COUNTY OF King) ss.

I certify that I know or have satisfactory evidence that Mark Jovan, Owner of and signing on behalf of Equity Trust Company Custodian Mark Jovan IRA, the person(s) who appeared before me, and said person(s) acknowledged that (he/she/they) signed this instrument and acknowledged it to be (his/her/their) free and voluntary act for the uses and purposes mentioned in this instrument.

Given under my hand and official seal this 15th day of September, 2006.



Jacqueline M. Nelson
NOTARY PUBLIC
in and for the State Of Washington
Residing at Mill Creek
My Commission Expires 1-9-2010 (initials)

Initials MJ

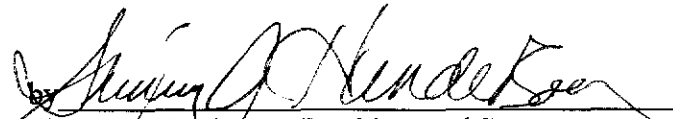


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Skagit County Auditor

Initials JMN

OWNER:

DATED this 14th day of September, 2006

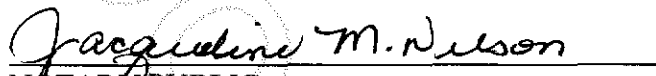

Shirley J. Henderson, President and Secretary
Northwest Property Associates, Inc.

STATE OF WASHINGTON)
) ss.
COUNTY OF King)

I certify that I know or have satisfactory evidence that Shirley J. Henderson, President and Secretary of and signing on behalf of Northwest Property Associates, Inc., a Nevada Corporation, the person(s) who appeared before me, and said person(s) acknowledged that (he/she/they) signed this instrument and acknowledged it to be (his/her/their) free and voluntary act for the uses and purposes mentioned in this instrument.

Given under my hand and official seal this 15th day of September, 2006.




NOTARY PUBLIC
in and for the State Of Washington
Residing at Mill Creek
My Commission Expires 1-9-2010

Initials 



Initials 