

WHEN RECORDED RETURN TO:

Horizon Bank  
2211 Rimland Drive, Suite 230  
Bellingham, WA 98226  
Attn: VM Ref #: G-1109 & G-1195



200805200110

Skagit County Auditor

5/20/2008 Page 1 of 4 3:20PM

**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:**

**GUARDIAN NORTHWEST TITLE CO.**  
93759

The undersigned subordinator and owner agree as follows:

1. **Gerald Hamburg and Marge A. Hamburg, husband and wife and Eugene R. Marble and Joan Marie Marble, husband and wife and Olaf A. Gildness and Gayle Gildness, husband and wife** referred to herein as "**subordinator**", is the owner and holder of a Deed of Trust dated February 15, 2002 under auditor's file No. 200202210009 records of Skagit County, Washington.
2. **HORIZON BANK** referred to herein as "**lender**" is the owner and holder of the original Deed of Trust dated February 21, 2002 and further Modifications of same Deed of Trust dated June 8, 2005 and January 17, 2008, executed by **Hansell/Mitzel, LLC; A Washington Limited Liability Company**, under auditor's file No. 20020210008, 200506130122 and 200801280182, records of Skagit County, Washington.
3. **Hansell/Mitzel, LLC; A Washington Limited Liability Company** referred to herein as "**owner**", is the owner of all 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, 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 Deed if Trust 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 which 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 15<sup>th</sup> day of May, 2008

This Agreement may be executed simultaneously in a number of identical, and by each party on separate counterparts, each of which shall be deemed an original and all of which, when taken together, constitute one and the same document. If so executed, the signature of any party to any counterpart shall be deemed a signature to and may be appended to any other counterpart and shall collectively constitute one agreement.

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.

Eugene F. Marble \_\_\_\_\_  
Gerald Humburg \_\_\_\_\_  
\_\_\_\_\_

State of Washington )  
County of Skagit ) ss

I certify that I know or have satisfactory evidence that Eugene Marble and Gerald Humburg is/are the person(s) who appeared before me and said person(s) acknowledged that (he/she/they) they signed this instrument and acknowledged it to be (his/her/ their) their free and voluntary act for the use and purposes mentioned in this instrument.

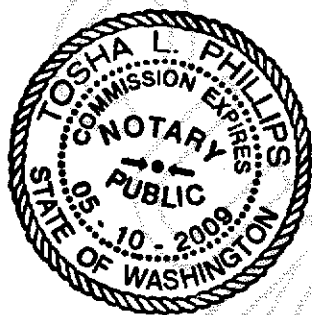
Dated: 5-15-08

By Tosha L Phillips

Notary Public in and for the State of Washington.

Residing at Movat Vernon

My Commission Expires: 5-10-09



Executed this 15<sup>th</sup> day of May, 2008

This Agreement may be executed simultaneously in a number of identical, and by each party on separate counterparts, each of which shall be deemed an original and all of which, when taken together, constitute one and the same document. If so executed, the signature of any party to any counterpart shall be deemed a signature to and may be appended to any other counterpart and shall collectively constitute one agreement.

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Jean Marie Marble  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

State of Washington )  
County of Skagit ) ss

I certify that I know or have satisfactory evidence that Jean Marble and \_\_\_\_\_ is/are 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 use and purposes mentioned in this instrument.

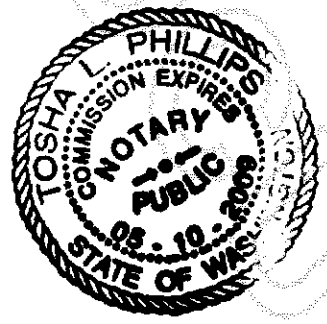
Dated: 5-15-08

By Tosha L. Phillip  
\_\_\_\_\_

Notary Public in and for the State of Washington.

Residing at Mount Vernon

My Commission Expires: 5-10-09



200805200110  
Skagit County Auditor

Executed this 19th day of May, 2008

This Agreement may be executed simultaneously in a number of identical, and by each party on separate counterparts, each of which shall be deemed an original and all of which, when taken together, constitute one and the same document. If so executed, the signature of any party to any counterpart shall be deemed a signature to and may be appended to any other counterpart and shall collectively constitute one agreement.

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Marge A Hamburg  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

State of Washington )  
County of Skagit ) ss

I certify that I know or have satisfactory evidence that Marge A Hamburg and \_\_\_\_\_ is/are the person(s) who appeared before me and said person(s) acknowledged that (he/she/they) she signed this instrument and acknowledged it to be (his/her/ their) her free and voluntary act for the use and purposes mentioned in this instrument.

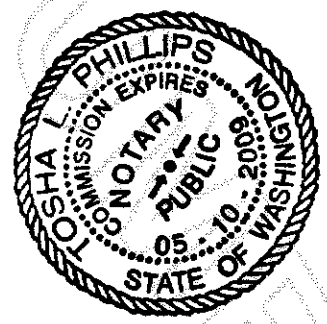
Dated: 5-19-08

By [Signature]

Notary Public in and for the State of Washington.

Residing at Mount Vernon

My Commission Expires: 5-10-09



Subordination

