WHEN RECORDED RETURN TO:

Horizon Bank
2211 Rimland Drive, Suite 230
Bellingham, WA 98226
Attn: MG Ref #:

200805220072
Skagit County Auditor
5/22/2008 Page 1 of 2 11:30AM

LAND TITLE OF SKAGIT COUNTY
129588-SA

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:

1. Horizon Bank referred to herein as "subordinator", is the owner and holder of a mortgage dated July 8, 1999 which is recorded in volume n/a of Mortgages, page n/a, under auditor's file No. 9907130003 records of Skagit County.

2. Horizon Bank referred to herein as "lender" is the owner and holder of the mortgage dated MAY 20,2008, executed by* _____ (which is recorded in volume ___ of Mortgages, page ___, under auditor's file no. 200805220071, records of County) (which is to be recorded concurrently herewith).
*Daniel J Iverson & Ranatta E Iverson, Husband & Wife.

3. Daniel J. Iverson and Ranatta E. Iverson 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 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 _21st_____ day of __May____, 2008

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.

Horizon Bank

Carol Van Iterson

Carol Van Iterson, Vice President

State of Washington)
) ss
County of Skagit)

On this 21st day of May , 2008, before me, the undersigned Notary Public, personally appeared Carol Van Iterson and personally known to be or proved to me on the basis of satisfactory evidence to the Vice President, authorized agent for the Lender that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the said Lender, duly authorized by the Lender through its board of directors or otherwise, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this said instrument and that the seal affixed is the corporate seal of said Lender.

By Eileen Hebert

EILEEN R HEBERT
COMMISSION EXPIRES
NOTARY
PUBLIC
JANUARY 22, 2010
STATE OF WASHINGTON

Residing at Anacortes

Notary Public in and for the State of Washington.

My Commission Expires: Jan 22, 2010

UNOFFICIAL DOCUMENT