



201504140094

When recorded return to:
Matthew Lehman
Heritage Bank
1800 South Burlington Boulevard, P.O. Box 302
Burlington, WA 98233

Skagit County Auditor \$74.00
4/14/2015 Page 1 of 3 12:11PM

Filed for record at the request of:



CHICAGO TITLE
COMPANY OF WASHINGTON

425 Commercial
Mount Vernon, WA 98273
Escrow No.: 620023802

CHICAGO TITLE
620023802

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 instruments.

The undersigned subordinator and owner agrees as follows:

1. Vanoy H. Smith, MD referred to herein as "subordinator", is the owner and holder of a mortgage dated August 23, 2011 which is recorded under 201108230081, records of Skagit County, Washington.
2. Heritage Bank referred to herein as "lender" is the owner and holder of a mortgage dated April 13, 2015 executed by Cultus Mountain Medical Investments LLC which is recorded under 201504140092 records of Skagit County, Washington. (which is to be recorded concurrently herewith).
3. Cultus Mountain Medical Investments LLC 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.

SUBORDINATION AGREEMENT

(continued)

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 his/her/their attorneys with respect thereto.

Dated: April 8, 2015

Vanoy Smith
Signature
By: VANOY SMITH
Print Name

State of Washington

County of Skagit

I certify that I know or have satisfactory evidence that Vanoy Smith is/are the person(s) who appeared before me, and said person acknowledged that (he/she/they) signed this instrument, on oath stated that (he/she/they) is authorized to execute the instrument and acknowledged it for the uses and purposes mentioned in the instrument.

Dated: 4-8-2015

Sheryl L. Carman
Name: Sheryl L. Carman
Notary Public in and for the State of Washington
Residing at: Mount Vernon, WA
My appointment expires: 10-10-15



EXHIBIT "A"
Legal Description

For APN/Parcel ID(s): P129809 / 4923-000-001-0000

Unit 1, THE PAVILION CONDOMINIUM, according to the declaration thereof, recorded April 4, 2007, under Auditor's File No. 200704040079, records of Skagit County, Washington, and the Survey Map and Plans recorded April 4, 2007, under Auditor's File No. 200704040078, records of Skagit County, Washington; and being a portion of the West half of the Southeast quarter of the Northeast quarter of Section 27, Township 35 North, Range 4 East, W.M.

Situated in Skagit County, Washington