

POOR ORIGINAL

WHEN RECORDED RETURN TO:

COMMUNITY 1ST CREDIT UNION
929 EASTSIDE ST SE
OLYMPIA, WA 98501

This space provided for Recorder's Use

SUBORDINATION AGREEMENT

Grantor(s): Creditor: Community 1st Credit Union
Borrower: TRUDY LYNNE HOWE
Grantee(s): New Lender: BANNER BANK, ISAOA

Abbreviated Legal Description: 0.9500 AC) LOT 1 OF SKAGIT COUNTY SHORT PLAT PL08-0415 RECORDED UNDER AF#200903040074 BEING A PORTION OF LOT 1 OF WM SHAUGER ACREAGE, CLEAR LAKE, WASHINGTON LOCATED IN THE NE1/4 OF NW1/4 OF SECTION 12 TOWNSHIP 34 NORTH RANGE 4 EAST W.M. Q:NW 5:12 T:34 R:04

Assessor's Property Tax Parcel or Account No.: P128344

THIS SUBORDINATION AGREEMENT (the "Agreement") dated as of August 26 2020, is entered into among COMMUNITY 1ST CREDIT UNION (the "Creditor"), whose address is PO Box 870 DuPont, WA 98327, TRUDY LYNNE HOWE ("Borrower"), whose address is 13031 BUCHANAN LANE, MOUNT VERNON, WA 98273, BANNER BANK, ISAOA, (the "New Lender"), whose address is P O BOX 907, WALLA WALLA, WA 99362.

RECITALS:

A. Creditor has extended credit in the amount of \$26,903.00 (our original loan amount) to Borrower (the "Creditor Loan") which is or will be secured by a security agreement executed by Borrower for the benefit of Creditor (together with any amendments, supplements, extensions, renewals or replacements, the "Creditor Deed of Trust") covering the equipment on fixtures situated on the real property described above (the "Real Property"). The Creditor UCC fixture filings was recorded under recording/instrument number 201704200041, on APRIL 20, 2017, in the records of SKAGIT County, State of WASHINGTON.

B. New Lender has made or may make a loan in the amount NOT TO EXCEED \$296,535.00 (new loan amount) to Borrower ("New Lender Loan"), which will be secured by a deed of trust, recorded under Auditor's File Number 202009090012 of Skagit county executed by Borrower for the benefit of New Lender which is being recorded concurrently with this Agreement (together with any amendments, supplements, extensions, renewals or replacements, the "New Lender Deed of Trust") covering the Real Property and the personal property described therein (the Real Property and such personal property and all products and proceeds thereof, is collectively, the "Property").

Fidelity National Title of Oregon 45142021299.07

C. New Lender has required that its security interest in the Property be superior to the security interest of Creditor in the Property.

In consideration of the matters contained in the foregoing Recitals, which are hereby incorporated herein, and for other valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows:

AGREEMENT:

1. Subordination.

a. Creditor hereby subordinates any and all of its right, title, claim, lien and interest in the Property and all proceeds thereof, under the Creditor Deed of Trust, to all right, title, claim, lien and interest of New Lender in the Property under the New Lender Deed of Trust.

b. Creditor's agreement to subordinate shall apply to the principal balance on the New Loan as set forth above, plus all interest, late charges, collection costs and expenses, attorney's fees and amounts paid to third parties to protect or enforce New Lender's security interest, but shall not include increases in the principal balance other than increases required for preservation, maintenance, or improvement of the Property, or performance of Borrower's obligations under New Lender's Deed of Trust.

c. Except as otherwise set forth herein, the priority of security interests in the Property shall be governed by applicable law.

2. Actions by New Lender. Creditor agrees that New Lender may foreclose its security interest in the Property and may otherwise act in any manner permitted by the New Lender Deed of Trust or by law without affecting any priority of New Lender hereunder. New Lender agrees that it shall provide Creditor, in such time and manner as is required by applicable law, all notices required to be provided to the beneficiary of a trust deed or mortgagee of a mortgage that is recorded after the deed of trust or mortgage being foreclosed. New Lender agrees that it will not, without prior written consent of Creditor, increase the interest rate or the payments required on the New Lender Loan (except for increases in escrow impound amounts for taxes and insurance, or increases pursuant to variable rate terms in the New Lender Loan documents) or otherwise modify the New Lender Loan in any material respect.

3. No Obligation. This Agreement shall not be construed as giving rise to any obligation on the part of Creditor to assume or pay any indebtedness of any Person to New Lender, nor shall this Agreement be construed as giving rise to any obligation on the part of Creditor or New Lender to loan any amounts or extend any financial accommodations to Borrower or any other Person.

4. Entire Agreement. This Agreement constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless made in writing and signed by all parties hereto.

5. Successors. This Agreement shall extend to and bind the respective heirs, personal representatives, successors and assigns of the parties to this Agreement, and the covenants of Borrower and Creditor respecting subordination of the Creditor Deed of Trust shall extend to, include, and be enforceable by any transferee or endorsee of the Creditor Deed of Trust or the Creditor Loan.

6. Recitals. The Recitals are hereby incorporated herein.

CREDITOR: COMMUNITY 1ST CREDIT UNION

By: Michele Snider
Print: MICHELE SNIDER
Title: REGIONAL MANAGER

BORROWER:

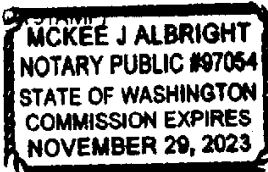
TRUDY LYNN HOWE

CORPORATE ACKNOWLEDGMENT

STATE OF WASHINGTON)
) ss.
COUNTY OF PIERCE)

I certify that I know or have satisfactory evidence that MICHELE SNIDER is the person who appeared before me, and said person acknowledged that SHE signed this instrument, on oath state that SHE was authorized to execute the instrument and acknowledged it as the REGIONAL MANAGER of COMMUNITY 1ST CREDIT UNION to the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

(SEAL OR STAMP)



AUGUST 26, 2020
Dated: Michele J. Albright
Signature: NOTARY
Title: NOV. 29, 2023
My appointment Expires

INDIVIDUAL ACKNOWLEDGMENT

STATE OF _____)
) ss.
COUNTY OF _____)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and who executed the within and foregoing instrument, and acknowledged that he/she/they signed the same as his/her/their free and voluntary act and deed, for the uses and purposes therein mentioned.

(SEAL OR STAMP)

Dated

Signature

Title

My Appointment Expires

CREDITOR: COMMUNITY 1ST CREDIT UNIONBy: Michele Snider

Print: MICHELE SNIDER

Title: REGIONAL MANAGER

BORROWER:

Trudy Lynne Howe
 TRUDY LYNNE HOWE

CORPORATE ACKNOWLEDGMENTSTATE OF WASHINGTON

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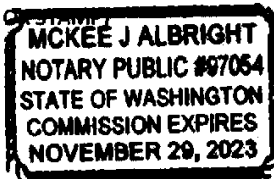
) ss.

COUNTY OF PIERCE

)

I certify that I know or have satisfactory evidence that MICHELE SNIDER is the person who appeared before me, and said person acknowledged that SHE signed this instrument, on oath state that SHE was authorized to execute the instrument and acknowledged it as the REGIONAL MANAGER of COMMUNITY 1ST CREDIT UNION to the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

(SEAL OR STAMP)

Dated AUGUST 26, 2020Signature Michele J. AlbrightTitle NOTARYMy appointment Expires NOV. 29, 2023**INDIVIDUAL ACKNOWLEDGMENT**STATE OF WA

)

) ss.

COUNTY OF Snohomish

)

I certify that I know or have satisfactory evidence that Trudy Lynne Howe is the person who appeared before me, and who executed the within and foregoing instrument, and acknowledged that he/she/they signed the same as his/her/their free and voluntary act and deed, for the uses and purposes therein mentioned.

(SEAL OR STAMP)

Dated 9/03/2020Signature Linda DietrickTitle Notary PublicMy Appointment Expires 11/03/2021