

120829

SUBORDINATION AND ESTOPPEL AGREEMENT

(Prior Lienholder)

BOOK 146 PAGE 469

THIS SUBORDINATION AND ESTOPPEL AGREEMENT ("Agreement"), is made and entered into this 31 day of Aug, 1994, by and between Skamania General Store, Inc., a Washington corporation ("Borrower"), Cascadia Revolving Fund, a Washington non-profit corporation ("Cascadia"), and James R. Dunbar and Nancy Dunbar, husband and wife, and Lorraine S. Youngs, a single woman ("Prior Lienholder").

RECITALS:

A. The Borrower has applied to Cascadia for a loan in the original principal amount of Thirty Six Thousand Dollars (\$36,000) ("Loan"). The Loan shall be secured by (check all that

FILED FOR RECORD:

SKAMANIA CO. WASH

BY Cascadia Revolving Fund X

OCT 14 3 15 PM '94

G. Lawry
AUDITOR

GARY M. OLSON

A Deed of Trust on the real property commonly known as Skamania General Store, and more fully described in the attached Exhibit A.

The collateral described in the Security Agreement between the Borrower and Cascadia dated August 31, 1994, and attached to this Agreement as Exhibit B.

B. As a condition to making the Loan, Cascadia has required that the Prior Lienholder subordinate its existing lien against the Property to the security for the Loan, and give Cascadia the other rights and assurances set forth in this Agreement.

C. The Prior Lienholder intends to induce Cascadia to make the Loan by granting the subordinations, rights and assurances contained in this Agreement, and knows that Cascadia will rely upon this Agreement.

AGREEMENT

1. Confirmation of Prior Lien and Debt. The Prior Lienholder acknowledges and confirms that:

a. The Prior Lienholder is the sole, current holder of the Real Estate Contract granted on October 15, 1992, by Alvis Wayne White and Cheryl Jean White in favor of James R. Dunbar and Nancy Dunbar, husband and wife, and Lorraine S. Youngs, a single woman ("Prior Lien"), and of the note it secures, which has a total principal amount not exceeding Two Hundred Forty Seven Thousand Dollars (\$247,000.00);

b. The Prior Lien was recorded or filed with the Skamania County Auditor in Book 131, Page 468, Auditor's File number 114714 on October 19, 1992, and the recorded or filed document is a true and complete copy of the Prior Lien;

C2:WORD\DUNBAR.DOC

1

2-6-34-800

92-008850

Registered	<input checked="" type="checkbox"/>
Indexed, Dir	<input checked="" type="checkbox"/>
Indirect	<input checked="" type="checkbox"/>
Filed	<input checked="" type="checkbox"/>
Noted	<input checked="" type="checkbox"/>

- c. The Prior Lien and the note it secures have not been modified;
- d. Any future advances made by the Prior Lienholder and secured by the Prior Lien shall not have priority over the Loan Security; and
- e. The Prior Lienholder's interest in the Prior Lien and the note it secures is not subject to any community property interest or the interests of any other person.

2. Consent to Loan. The Prior Lienholder consents to the Loan and confirms that the Borrower's acquisition of title to the Property, the making of the Loan, or the recordation of any security to collateralize the Loan and any amendments to or replacements of that security (collectively the "Loan Security") will not violate the terms of the Prior Lien, the note it secures, or any related documents.

3. Subordination. The Prior Lienholder subordinates the Prior Lien, and all modifications and extensions to and substitutions of the Prior Lien, to the Loan Security, including any deed of trust, assignment of leases and rents, or security agreement encumbering the Property which the Borrower has granted to secure the Loan, and to any principal, additions to principal, interest, delinquent interest, late charges, expenses, additional advances and any other sums provided for in the Loan documents. The Prior Lienholder also subordinates the Prior Lien to the security for any loan whose proceeds are used to reduce or satisfy the Loan.

4. Modifications of Prior Lien. The Prior Lienholder agrees that the Prior Lien, the note it secures, or any related documents shall not be modified in any manner that affects the Loan Security, without Cascadia's prior written consent.

5. No Prior Lien Defaults. The Prior Lienholder acknowledges and warrants to Cascadia that no defaults exist under the Prior Lien, the note it secures, or any related document, as of the date of this Agreement.

6. Cascadia's Right to Cure. If there is a default under the Prior Lien, the note it secures, or any related document, the Prior Lienholder shall not exercise any of its rights or remedies until (a) it has given Cascadia written notice specifying the alleged default and the acts required to cure the default, and (b) Cascadia has had at least 20 days from the date Cascadia receives the notice in which to cure the default. Cascadia shall have the right, but not the obligation, to cure any such default. Cascadia may add any sums which it expends to cure a default to the principal amount of the Loan. The Borrower shall reimburse Cascadia for all such advances upon Cascadia's demand. All such advances shall bear interest at the "Default Rate," as defined in the Loan note, from the date of such advance to the date of collection, and shall be secured by the Loan Security with a first lien priority.

7. Use of Loan Proceeds. The Prior Lienholder agrees that the effectiveness of this subordination shall not be affected by (a) the purpose for the which the Loan proceeds are used, (b) any modification of the Loan documents or any related documents, (c) Cascadia's choice not to supervise or impose conditions upon the Borrower's use of the Loan proceeds or to

require that such use relate to or improve the Property, (d) the misapplication of the Loan proceeds, (e) Cascadia's election to enforce or not enforce any particular remedy, or (f) Cascadia's election to execute or enforce its remedies in any particular order or at any particular time. This paragraph shall not be interpreted as affecting or modifying any agreement between the Borrower and Cascadia relating to the use of the Loan proceeds.

8. Notices. The Prior Lienholder and the Borrower shall provide copies of any notices which they give or receive in connection with the Prior Lien, or required under this Agreement to Cascadia at 157 Yesler, Suite 414, Seattle, WA 98104, and to the Prior Lienholder and the Borrower at the addresses shown below, or as the parties subsequently designate in writing. All notices shall be personally delivered or forwarded by first class registered or certified mail, return receipt requested, with postage prepaid. All notices are deemed received when the notice is hand-delivered to the other party, or three days after mailing.

9. Agreement Controlling. The terms and warranties in this Agreement supersede any inconsistent provisions in any other agreements among any of the parties, except as otherwise provided in this Agreement. This Agreement shall not be affected by any course of conduct by Cascadia or the Borrower. The Prior Lienholder expressly waives any right to allege or establish any inversion of priority by equitable subordination or by any other theory.

10. Further Assurances. The Prior Lienholder and the Borrower shall execute any other documents, or make such further confirmations and subordinations, as Cascadia shall reasonably request, from time to time, to give effect to this Agreement.

11. Attorney Fees and Costs. The prevailing party in any action or appeal brought to enforce the priorities established this Agreement or any other provision of this Agreement, shall be reimbursed for its costs and attorneys' fees by the party against whom judgment is rendered. Cascadia shall be entitled to its costs and attorney fees incurred in connection with any bankruptcy proceedings by the Prior Lienholder or the Borrower.

12. Entire Agreement. This Agreement contains the parties' entire agreement with respect to the Prior Lien and the note it secures. This agreement shall not be interpreted as an assumption by Cascadia of any of the obligations contained in or secured by the Prior Lien.

13. Successors. This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, successors and assigns, including any assignee of or participant in the Loan, and any lender of a loan whose proceeds are used to reduce or discharge the Loan.

14. Survival. All representations, warranties and agreements contained in this Agreement shall survive until all amounts due under the Loan documents are paid in full.

15. Validity. If a court of competent jurisdiction determines that any portion of this Agreement is invalid or unenforceable, that determination shall not affect the validity or enforceability of the remaining provisions of this Agreement.

16. Applicable Law, Jurisdiction, Venue. This Agreement shall be governed by, construed, and enforced under the laws of the state of Washington. The Prior Lienholder and the Borrower submit to the jurisdiction and venue of any court located in King County, Washington.

17. No Oral Agreements. No oral agreement to waive or modify any term of this Agreement will be effective. Any such waiver or modification must be in writing signed by Cascadia.

BORROWER: Skamania General Store, Inc.

x Cheryl Jean White 455-72-8488
By: Cheryl Jean White Soc. Sec. #
Its: President

Borrower's Address:
MP 33L Hwy. 14
Skamania, WA 98648

PRIOR LIENHOLDER: James R. Dunbar and Nancy Dunbar, husband and wife; and
Lorraine S. Youngs, a single woman

x James R. Dunbar 538-46-4624
By: James R. Dunbar Soc. Sec. #

x Nancy Dunbar 541-64-7626
By: Nancy Dunbar Soc. Sec. #

x Lorraine S. Youngs 514-40-2453
By: Lorraine S. Youngs Soc. Sec. #

Prior Lienholder's address:

James and Nancy Dunbar

Prior Lienholder's address:

Lorraine S. Youngs

x 401 E. McLoughlin
Vancouver, WA 98663

x 3308 Grant St.
Vancouver, WA 98660

CASCADIA:

BOOK 146 PAGE 473

Cascadia Revolving Fund

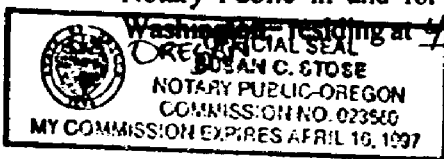
By: Patricia Grossman
Its: Executive Director

OREGON
STATE OF WASHINGTON) ss.
COUNTY OF KING) ss.
MULTNOMAH

On this day personally appeared before me James R. Dunbar and Nancy Dunbar and _____ to me known to be the individuals described in and who executed the within and foregoing instrument as and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 1 day of Sept, 1994.

Brian C. Stose
Notary Public in and for the State of



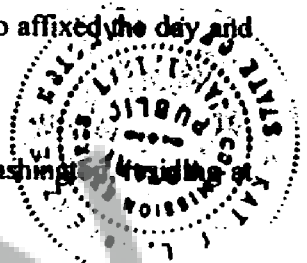
STATE OF WASHINGTON
Skamania
COUNTY OF KING

On this 19th day of Sept., 1994, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Cheryl S. White to me known to be the President of Skamania General Store, Inc. the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated she is authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

Witness my hand and official seal hereto affixed the day and year first above written.

Patricia M. Henry
Notary Public in and for the State of Washington, residing at

Sturgeon
my com exp 11/1/97



STATE OF WASHINGTON) ss.
COUNTY OF KING) ss.

On this ___ day of ___, 1994, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____ to me known to be the Executive Director of Cascadia Revolving Fund the Washington non-profit corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said non-profit corporation, for the uses and purposes therein mentioned, and on oath stated she is authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

Witness my hand and official seal hereto affixed the day and year first above written.

Notary Public in and for the State of Washington, residing at _____.

CASCADIA:

Cascadia Revolving Fund

BOOK 146 PAGE 474

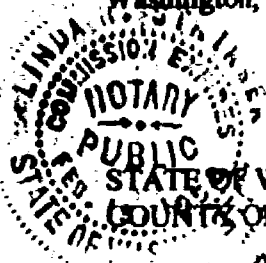
By: Patricia Grossman
Its: Executive Director

STATE OF WASHINGTON) ss.
COUNTY OF KING) ss.
Clark

On this day personally
appeared before me Patricia Grossman
S. Yeung and _____ and
_____ to me known to
be the individuals described in and who
executed the within and foregoing
instrument as and acknowledged that
they signed the same as their free and
voluntary act and deed, for the uses and
purposes therein mentioned.

GIVEN under my hand and official seal
this 13th day of Sept., 1994.

Linda R. Stringer
Notary Public in and for the State of
Washington, residing at Vancouver.



STATE OF WASHINGTON) ss.
COUNTY OF KING) ss.

On this 26th day of September, 1994, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Patricia Grossman to me known to be the Executive Director of Cascadia Revolving Fund the Washington non-profit corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said non-profit corporation, for the uses and purposes therein mentioned, and on oath stated she is authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

Witness my hand and official seal hereto affixed the day and year first above written.

Terri B. Shapiro
Notary Public in and for the State of Washington, residing at Seattle

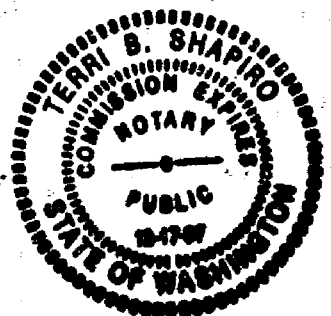


EXHIBIT A

Legal Description

Parcel I

All that portion of the Northwest quarter of the Southeast quarter of Section 34, Township 2 North, Range 6 East of the Willamette Meridian, lying Northerly of the right of way of Primary State Highway No. 8; EXCEPT the West 20 feet thereof.

Parcel II

The West 20 feet of the Northwest quarter of the Southeast quarter of Section 34, Township 2 North, Range 6 East of the Willamette Meridian, in the County of Skamania and State of Washington.

Except that portion conveyed to the Sylvan Grange by instrument recorded September 5, 1916 in Book Q, Page 5, Skamania County Deed Records.