

140757

BOOK 208 PAGE 398

RETURN ADDRESS:

Cascadia Revolving Fund
119 1st Ave S, Suite 100
Seattle, WA. 98104

FILED FOR RECORD
SKAMIA CO. WASH
BY *Cascadia Revolving Fund*
APR 6 3 44 PM '01
Garry
AUDITOR
GARY M. OLSON

Please Print or Type Information.

Document Title(s) or transactions contained therein:

1. Subordination and Estoppel Agreement
2. _____
3. _____
4. _____

GRANTOR(S) (Last name, first, then first name and initials)

1. Brian J. Adams
2. _____
3. _____
4. _____

☐ Additional Names on Page _____ of Document.

GRANTEE(S) (Last name, first, then first name and initials)

1. Cascadia Revolving Fund
2. _____
3. _____
4. _____

☐ Additional Names on Page _____ of Document.

LEGAL DESCRIPTION (Abbreviated: i.e., Lot, Block, Plat or Section Township, Range, Quarter/Quarter)

Lots 2, 3, 4, Block 3 of Baseline Addition

☐ Complete Legal on Page _____ of Document.

REFERENCE NUMBER(S) Of Document assigned or released:

AF 132334

☐ Additional Numbers on Page _____ of Document.

ASSESSOR'S PROPERTY TAX PARCEL/ACCOUNT NUMBER

☐ Property Tax parcel ID is not yet assigned.

03-07-36-3-4-1600-00

☐ Additional Parcel Numbers on Page _____ of Document.

The Auditor/Recorder will rely on the information provided on the form. The Staff will not read the document to verify the accuracy or completeness of the indexing information.

SUBORDINATION AND ESTOPPEL AGREEMENT
(Present Lienholder)

THIS SUBORDINATION AND ESTOPPEL AGREEMENT ("Agreement"), is made and entered into by and between Sawtooth Technologies L.L.C., a Washington limited liability company ("Borrower"), Cascadia Revolving Fund, a Washington non-profit corporation ("Cascadia"), and Paul G. Adams ("Present Lienholder").

RECITALS:

A. The Borrower has applied to Cascadia for a loan in the original principal amount of \$126,912.15 ("Loan"). The Loan shall be secured by:

- X A Deed of Trust on the real property commonly known as 217 School Street, Stevenson, WA 98648, and more fully described in the attached Exhibit A.
- X The collateral described in the Security Agreement between the Borrower and Cascadia dated February 26, 2001.

B. As a condition to making the Loan, Cascadia has required that the Present 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 Present Lienholder acknowledges that Cascadia has agreed to make the Loan in reliance upon the Present Lienholder granting the subordinations, rights and assurances contained in this Agreement, and the Present Lienholder knows that Cascadia will rely upon this Agreement.

AGREEMENT

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

a. The Present Lienholder is the sole, current holder of the Deed of Trust originally granted by Brian J. Adams to Dan Volkmer as Beneficiary on June 27, 1997, and filed in the records of Skamania County in Book 166, Page 609, under Auditor's File Number 123514, to secure a payment of \$27,500.00; and subsequently assigned to the Present Lienholder by instrument dated July 28, 1998, and recorded in Book 179, Page 772, under Auditor's File Number 132334, Skamania County Mortgage Records ("Present Lien");

b. The Present Lien and the note it secures have not been modified;

c. Any future advances made by the Present Lienholder and secured by the Present Lien shall not have priority over the Loan Security; and

d. The Present Lienholder's interest in the Present 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 Present 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 Present Lien, the note it secures, or any related documents.

3. Subordination. The Present Lienholder subordinates the Present Lien, and all modifications and extensions to and substitutions of the Present 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 Present Lienholder also subordinates the Present Lien to the security for any loan whose proceeds are used to reduce or satisfy the Loan.

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

5. No Present Lien Defaults. The Present Lienholder acknowledges and warrants to Cascadia that no defaults exist under the Present 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 Present Lien, the note it secures, or any related document, the Present 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 Borrower and Cascadia agree that the Loan proceeds may not be used for any purpose which is not related to the business operation currently located on the described property. The Present Lienholder agrees that the effectiveness of this subordination shall not be affected by (a) any modification of the Loan documents or any related documents, (b) Cascadia's choice not to supervise or impose conditions upon the Borrower's use of the Loan proceeds other than as stipulated above, (c) the misapplication of the Loan proceeds, (d) Cascadia's election to enforce or not enforce any particular remedy, or (e) Cascadia's election to execute or enforce its remedies in any particular order or at any particular time.

8. Notices. The Present Lienholder and the Borrower shall provide copies of any notices which they give or receive in connection with the Present Lien, or required under this Agreement to Cascadia at 119 1st Ave South, Suite 100, Seattle, WA 98104, and to the Present 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 Present 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 Present 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 Present Lienholder or the Borrower.

12. Entire Agreement. This Agreement contains the parties' entire agreement with respect to the Present 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 Present 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 Present 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: Sawtooth Technologies L.L.C., a Washington limited liability company

Borrower's Address: P.O. Box 857
217 School Street
Stevenson, WA 98648

By: Brian Adams
Brian Adams
Its: Managing Member

Dated: 03/12/01

Present Lienholder: Paul G. Adams

Present Lienholder's Address: P.O. Box 999
Basalt, CO 81621

By: Paul G. Adams
Paul G. Adams

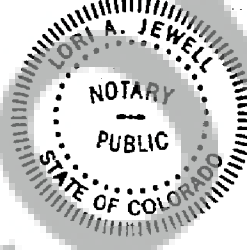
Dated: 03/15/01

STATE OF COLORADO
COUNTY OF EAGLE

I certify that I know or have satisfactory evidence that Paul G. Adams is the person who appeared before me, and said person acknowledged that he/she signed this instrument and acknowledged it to be his/her free and voluntary act and deed for the uses and purposes mentioned in the instrument.

Dated this 15th day of March, 2001.

By: Lori A. Jewell
Print Name: Lori A. Jewell
Notary Public in and for the State of Colorado
My appointment expires 03/29/04



Cascadia Revolving Fund

By: Shaw Canak
Its: Executive Director

BOOK 208 PAGE 403

Exhibit A

**To the Subordination and Estoppel Agreement
Present Lienholder**

Legal Description

Lots 2, 3 and 4, Block 3, Roselawn Extension Addition to the Town of Stevenson, according to the recorded plat thereof, recorded in Book A of Plats, Page 65, in the County of Skamania, State of Washington.