



**Washington  
Mutual**

WHEN RECORDED MAIL TO:  
Washington Mutual Bank  
1336 Cornwall Avenue  
Bellingham, WA 98225  
ATTN:



200107300232  
Skagit County Auditor  
7/30/2001 Page 1 of 6 4:00:36PM

Loan # 01-0103-002509988-8

THE TITLE COMPANY OF SKAGIT COUNTY  
P97486-E

SPACE ABOVE FOR RECORDER'S USE ONLY

**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**

THIS AGREEMENT, made this 18 day of July, 2001 by

J. Wade Cunningham and Bette L. Cunningham, husband and wife, owner of the land hereinafter described and hereinafter referred to as "Owner", and Washington Mutual, present owner and holder of the Security Instrument and Note first hereinafter described and hereinafter referred to as "Beneficiary";

**WITNESSETH**

THAT WHEREAS, J. Wade Cunningham and Bette L. Cunningham, husband and wife, as Trustor, did execute a Security Instrument, dated March 8, 1996 to Stewart Guaranty Title Co., as Trustee, covering:

See Exhibit "A" attached hereto and made a part hereof by this reference.

to secure a Note in the sum of \$35,000, dated March 8, 1996, in favor of Washington Mutual Bank which Security Instrument was recorded on March 13, 1996, in Book - -, Page - -, Instrument No. 9603130003, of Official Records, in the Office of the County Recorder of Skagit County, State of Washington, and

WHEREAS, Owner has executed, or is about to execute, a Security Instrument and Note in the sum of \$80,000, dated JULY 20, 2001, in favor of Washington Mutual Bank, hereinafter referred to as "Lender", payable with interest and upon the terms and conditions described therein, which Security Instrument is to be recorded concurrently herewith; and Auditor's File No 200107300231

WHEREAS, it is a condition precedent to obtaining said loan that said Security Instrument last above mentioned shall unconditionally be and remain at all times a lien or charge upon the land hereinbefore described, prior and superior to the lien or charge of the Security Instrument first above mentioned; and

WHEREAS, Lender is willing to make said loan provided the Security Instrument securing the same is a lien or charge upon the above described property prior and superior to the lien or charge of the Security Instrument first above mentioned and provided that Beneficiary will specifically and unconditionally subordinate the lien or charge of the Security Instrument first above mentioned to the lien or charge of the Security Instrument in favor of Lender; and

WHEREAS, it is to the mutual benefit of the parties hereto that Lender make such loan to Owner; and Beneficiary is willing that the Security Instrument securing the same shall, when recorded, constitute a lien or charge upon said land which is unconditionally prior and superior to the lien or charge of the Security Instrument first above mentioned.

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce Lender to make the loan above referred to, it is hereby declared, understood and agreed as follows:

- (1) That said Security Instrument securing said Note in favor of Lender, and any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the property therein described, prior and superior to the lien or charge of the Security Instrument first above mentioned.
- (2) That Lender would not make its loan above described without this Subordination Agreement.
- (3) That this agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the Security Instrument first above mentioned to the lien or charge of the Security Instrument in favor of Lender above referred to and shall supersede and cancel, but only insofar as would affect the priority between the Deeds of Trust hereinbefore specifically described, any prior agreement as to such subordination including, but not limited to, those provisions, if any, contained in the Security Instrument first above mentioned, which provide for the subordination of the lien or charge thereof to another Deed or Deeds of Trust or to another mortgage or mortgages.



Beneficiary declares, agrees and acknowledges that

- A. He consents to and approves (i) all provisions of the Note and Security Instrument in favor of Lender above referred to, and (ii) all agreements, including but not limited to any loan or escrow agreements, between Owner and Lender for the disbursement of the proceeds of Lender's loan;
- B. Lender in making disbursements pursuant to any such agreement is under no obligation or duty to, nor has Lender represented that it will, see to the application of such proceeds by the person or persons to whom Lender disburses such proceeds and any application or use of such proceeds for purposes other than those provided for in such agreement or agreements shall not defeat the subordination herein made in whole or in part;
- C. He intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of the Security Instrument first above mentioned in favor of the lien or charge upon said land of the Security Instrument in favor of Lender above referred to and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination, specific loans and advances are being and will be made and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination; and
- D. An endorsement has been placed upon the Note secured by the Security Instrument first above mentioned that said Security Instrument has by this instrument been subordinated to the lien or charge of the Security Instrument in favor of Lender above referred to.

**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.**



200107300232  
 , Skagit County Auditor

**BENEFICIARY**

Washington Mutual Bank

By: *Ann Noble*

Name: Ann Noble

Title: LOC Manager

**OWNER**

By: *J. Wade Cunningham*

J. Wade Cunningham

By: *Bette L. Cunningham*

Bette L. Cunningham

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THERETO.

(SUBORDINATION FORM "A")

THE STATE OF Washington §

COUNTY OF Skagit §

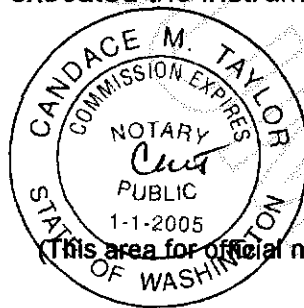
On July 24, 2001 before me, Candace M Taylor  
(Notary Name and Title)

Personally appeared  
J. Wade Cunningham & Bette L. Cunningham

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

**WITNESS** my hand and official seal.

Signature *Candace M Taylor*



(This area for official notarial seal)



THE STATE OF Washington §

COUNTY OF Whatcom §

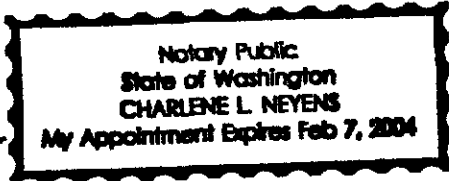
On July 20, 2001 before me Charlene L Neyens  
(Notary Name and Title)

Personally appeared Ann Noble, LOC Manager, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature

*Charlene L Neyens*



(This area for official notarial seal)



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, Skagit County Auditor

LOAN NUMBER: 01-0103-002509988-8

EXHIBIT "A"

Lot 27, "Big Lake Water Front Tracts, Skagit County, Washington", as per plat recorded in Volume 4 of Plats, page 12, records of Skagit County, Washington



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, Skagit County Auditor

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