

5



200112130112  
Skagit County Auditor

12/13/2001 Page 1 of 5 11:37AM

RECORDING REQUESTED BY  
E\*TRADE MORTGAGE

AND WHEN RECORDED MAIL TO:  
CITIFINANCIAL  
740 BURLINGTON BLVD.  
BURLINTION, WA 98233

Space Above This Line for Recorder's Use Only

ISLAND TITLE CO.  
B18583 ✓

A.P.N.: 4083-000-015-0005

Order No.: B418583

Escrow No.:346808

### SUBORDINATION AGREEMENT

Grantee: E\*Trade Mortgage

**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.**

Ref # 200011070111 , 200112130111

THIS AGREEMENT, made this 10th day of SEPTEMBER, 2001, by **ROSALIO G. HERNANDEZ AND BRENDA S. HERNANDEZ, HUSBAND AND WIFE**, owner of the land hereinafter referred to as "Owner", and

**CITIFINANCIAL** present owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "Beneficiary";

#### WITNESSETH

THAT WHEREAS, **ROSALIO G. HERNANDEZ AND BRENDA S. HERNANDEZ, HUSBAND AND WIFE**, did execute a deed of trust, dated November 4, 2000, to **LAND TITLE COMPANY**, as trustee, covering:

SUBORDINATION AGREEMENT CONTINUED ON THE NEXT PAGE

CONTINUATION OF SUBORDINATION AGREEMENT

LOT 15, FAIRVIEW ADD. REPLAT

To secure a note in the sum of \$6,932.60, dated November 4, 2000, in favor of CITIFINANCIAL, INC., which deed of trust was recorded November 7, 2000, AS AUDITOR'S NO 200011070111, Official Records of said county; and

WHEREAS, Owner has executed, or is about to execute a deed of trust and note in the sum of NOT TO EXCEED \$132,904.00, dated November 9, 2001, in favor of E\*TRADE MORTGAGE, hereinafter referred to as "Lender", payable with interest and upon the terms and conditions described therein, which deed of trust is to be recorded concurrently herewith, and \*under Auditor's File No. 200112130111

WHEREAS, it is a condition precedent to obtaining said loan that said deed of trust 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 deed of trust first above mentioned; and

WHEREAS, Lender is willing to make said loan provided the deed of trust securing the same is a lien or charge upon the above described property prior and superior to the lien or charge off the deed of trust first above mentioned and provided that Beneficiary will specifically and unconditionally subordinate the lien or charge of the deed of trust first above mentioned to the lien or charge of the deed of trust 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 deed of trust 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 deed of trust above mentioned.

SUBORDINATION AGREEMENT CONTINUED ON THE NEXT PAGE



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CONTINUATION OF SUBORDINATION AGREEMENT

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 deed of trust securing said note in favor of Lender, and any renewals or extensions thereof, shall 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 deed of trust 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 between the parties hereto with regard to the subordination of the lien or charge of the deed of trust first above mentioned to the lien or charge of the deed of trust in favor of lender above referred to an shall supersede and cancel any prior agreements as to such, subordination including, but not limited to, those provisions, if any, contained in the deed of trust first above mentioned, which provide for the subordination of the lien or charge thereof to a deed or deeds of trust or to a mortgage or mortgages to be thereafter executed.

Beneficiary declares, agrees and acknowledges that

- (a) He consents to and approves (i) all provisions of the note and deed of trust 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 an 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 waives, relinquishes and subordinates the lien or charge of the deed of trust first above mentioned in favor of the lien or charge upon said land of the deed of trust 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 deed of trust first above mentioned that said deed of trust has by this instrument been subordinated to the lien or charge of the deed of trust 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.**

*Jose W. [Signature]*  
CITIFINANCIAL, INC.

*Rosalio G. Hernandez*  
ROSALIO G. HERNANDEZ  
*Brenda S. Hernandez*  
BRENDA S. HERNANDEZ

(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.*

(CLTA SUBORDINATION)



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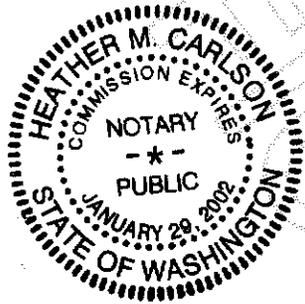
STATE OF Washington

COUNTY OF Skagit

On 9-27-01 before me, Heather M. Carlson, Notary  
Date Name and Title of Officer (e.g. "Jane Doe, Notary Public")

personally appeared Jesse Webb, Citi Financial Br. Mgr.  
Name(s) of Signer(s)

     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.

Heather M. Carlson  
Signature of Notary Public

**OPTIONAL**

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

**Description of Attached Document**

Title or Type of Documents: \_\_\_\_\_

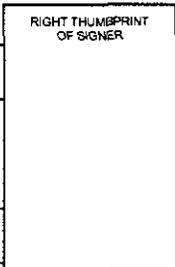
Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

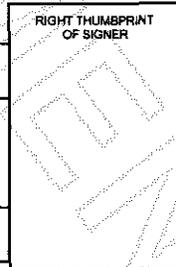
- Individual
- Corporate Officer
- Title(s): \_\_\_\_\_
- Partner -  Limited  General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer
- Title(s): \_\_\_\_\_
- Partner -  Limited  General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_



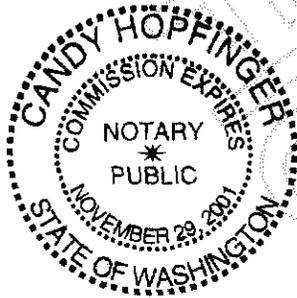
STATE OF WASHINGTON

COUNTY OF WHATCOM

On NOVEMBER 9, 2001 before me, CANDY HOPFINGER  
Date Name and Title of Officer (e.g. "Jane Doe, Notary Public")

personally appeared ROSALIO G. HERNANDEZ and BRENDA S. HERNANDEZ  
Name(s) of Signer(s)

\_\_\_\_\_ 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.

Candy Hopfinger  
Signature of Notary Public

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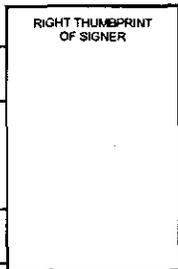
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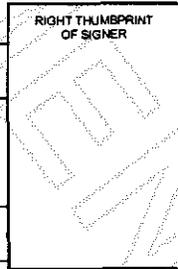
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- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

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Signer Is Representing: \_\_\_\_\_



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