

**When Recorded Return To:**

The Washington State Department of Community,  
Trade and Economic Development  
Housing Finance Unit  
906 Columbia Street Southwest  
Post Office Box 48350  
Olympia, Washington 98504-8350



200209270122

Skagit County Auditor

9/27/2002 Page 1 of 2 12:05PM

LAND TITLE COMPANY OF SKAGIT COUNTY

Attention: Donna Johnston, Contract Number 2-89-491-12

T-102123

## Subordination Agreement

Grantor (Subordinator): Washington State Department of Community, Trade and Economic Development  
Grantor (Owner): Clifford M. Dixon and Darleen D. Albert  
Grantee (Lender): Option One  
Assessor's Tax Parcel ID #: 4560-000-009-0008  
Reference No.: 9305110009

1. The Department of Community, Trade and Economic Development, referred to herein as "subordinator", is the owner and holder of a mortgage dated May 7, 1993, which is recorded in Book 1190 of Mortgages, Page 0074, under auditor's file No. 9305110009, records of Skagit County.
2. Option One, referred to herein as "lender", is the owner and holder of a mortgage dated Sept 23, 2002, which is recorded in volume \_\_\_\_\_ of Mortgages, page \_\_\_\_\_, under auditor's file No. 20020927 0121, records of Skagit County (which is to be recorded concurrently herewith).
3. Clifford M. Dixon and Darleen D. Albert, referred to herein as "owner", is the owner of all the real property described in the mortgage identified above in Paragraph 2.
4. In consideration of benefits to "subordinator" from "owner", receipt and sufficiency of which is hereby acknowledged, and to induce "lender" to advance funds under its mortgage and all agreements in connection therewith, the "subordinator" does hereby subordinate the lien of his mortgage identified in Paragraph 1 above to the lien of "lender's" mortgage, identified in Paragraph 2 above, and all advances or charges made or accruing thereunder, including any extension or renewal thereof.
5. "Subordinator" acknowledges that, prior to the execution hereof, he has had the opportunity to examine the terms of "lender's" mortgage, note and agreements relating thereto and recognizes that "lender" has no obligation to "subordinator" to advance any funds under its mortgage or see to the application of "lender's" mortgage funds, and any application or use of such funds for purposes other than those provided for in such mortgage, note or agreements shall not defeat the subordination herein made in whole or in part.
6. It is understood by the parties hereto that "lender" would not make the loan secured by the mortgage in Paragraph 2 without this agreement.
7. 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 first mortgage above mentioned in favor of "lender" above referred to and shall supersede and cancel any prior agreements as to such, or any, subordination including, but not limited to, those provisions, if any, contained in the mortgage first above mentioned, which provide for the subordination of the lien or charge thereof to a mortgage or mortgages to be thereafter executed.

8.

The heirs, administrators, assigns and successors in interest of the "subordinator" shall be bound by this agreement. Where the word "mortgage" appears herein it shall be considered as "deed of trust", and gender and number of pronouns considered to conform to undersigned.

Executed this 10<sup>th</sup> day of September, 2002.

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

DEPARTMENT OF COMMUNITY, TRADE AND ECONOMIC DEVELOPMENT  
OFFICE OF COMMUNITY DEVELOPMENT

Donna Johnston

Portfolio Manager  
Housing Finance Unit  
Housing Division

Donna Johnston  
PRINT NAME

STATE OF WASHINGTON     )  
                                          ) ss.  
COUNTY OF THURSTON     )

On this 10<sup>th</sup> day of September, 2002, before me the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Donna Johnston, to me known to be the Portfolio Manager of the Housing Finance Unit of the Department of Community, Trade and Economic Development, Office of Community Development that executed the foregoing instrument on behalf of the State of Washington, and acknowledged the said instrument to be the free and voluntary act and deed of said department and the State of Washington, for the uses and purposes therein mentioned, and on oath stated that she is authorized to execute the said instrument.

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



Margaret A. Karr  
NOTARY PUBLIC in and for the State of Washington

residing in the county of Thurston

My appointment expires: 9/24/03



200209270122  
Skagit County Auditor