

RETURN ADDRESS:

Name **CHICAGO TITLE CO.**  
And  
Address



200305020136  
Skagit County Auditor

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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.

**CHICAGO TITLE CO.**

C26438

**SUBORDINATION AGREEMENT**

Reference # (if applicable): \_\_\_\_\_

Additional on page \_\_\_\_\_

Grantor(s):

Robin L McDuffy and Elin K. McDuffy

Grantee(s):

Wells Fargo Home Mortgage, Inc.

Legal Description: Lot 25, CEDAR RIDGE ESTATES DIV. 1

Additional on page 65

Assessor's Tax Parcel ID#: P105724

THIS AGREEMENT, dated as of APRIL 23, 2003, is made between Robin L. McDuffy and Elin K. McDuffy, the owner(s) of the land described below (hereinafter referred to as "Owner") and School Employees Credit Union of Washington, present owner and holder of the deed of trust and promissory note first hereinafter described (hereinafter referred to as "Beneficiary").

\*DT # 200208290072

DT# 200305020135

WITNESSETH

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**THAT WHEREAS**, Owner is the owner of the following described real property located in Skagit County, State of Washington (hereinafter referred to as the "Property"):

See Exhibit A, which is attached to this Subordination Agreement and made a part of this Subordination Agreement as if fully set forth herein.

The Property or its address is commonly known as 21414 Bluejay Place, Mt. Vernon, Washington 98274. If there is a conflict between the legal description and the Property address, the legal description shall control:

**WHEREAS**, Owner has executed a deed of trust dated August 21, 2002 to Trustee Services, Inc. as trustee covering the Property to secure a debt instrument in the sum of \$ 10,000.00 dated August 21, 2002 in favor of School Employees Credit Union of Washington and recorded as Auditor's No. 200208290072, in Official Records of Skagit County, State of Washington (hereinafter referred to as the "First Deed of Trust");

**WHEREAS**, Owner is about to execute a deed of trust (hereinafter referred to as the "Second Deed of Trust") and promissory note in the sum of \$ 285,000.00 to Wells Fargo Home Mortgage, Inc. (hereinafter referred to as "Lender") and payable with interest and upon the terms and conditions described therein, which Second Deed of Trust is to be recorded concurrently with this Subordination Agreement; under Auditor's file no. 200305020135.

**WHEREAS**, for Owner to obtain the new loan from Lender, it is a condition precedent that the Second Deed of Trust shall unconditionally be and remain at all times a lien or charge upon the Property prior and superior to the lien or charge of the First Deed of Trust;

**WHEREAS**, Lender is willing to make the loan providing the Second Deed of Trust is a lien or charge upon the Property prior and superior to the lien or charge of the First Deed of Trust and provided that Beneficiary will specifically and unconditionally subordinate the lien or charge of the First Deed of Trust to the lien or charge of the Second Deed of Trust in favor of Lender; and

**WHEREAS**, it is to the mutual benefit of the parties hereto that Lender make the new loan to Owner and Beneficiary is willing that the Second Deed of Trust securing the new loan, when recorded, constitute a lien or charge upon the Property which is unconditionally prior and superior to the lien or charge of the First Deed of Trust;

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

- (1) **SUBORDINATION.** The Second Deed of Trust securing the new loan 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, prior and superior to the lien or charge of the First Deed of Trust.
- (2) **LOAN REQUIREMENT.** Lender will not make its new loan to Owner unless and until this Subordination Agreement has been executed by Owner and Beneficiary.
- (3) **ENTIRE AGREEMENT.** This Subordination Agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the First Deed of Trust to the lien or charge of the Second Deed of Trust in favor of Lender 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 First Deed of Trust, which provide for the subordination of the lien or charge thereof to another deed or deeds of trust or to another mortgage or mortgages.
- (4) **BENEFICIARY'S REPRESENTATIONS AND WARRANTIES.** Beneficiary declares, agrees and acknowledges that:
  - (a) **Consent and Approval.** Beneficiary hereby consents to and approves (i) all provisions of the promissory note and deed of trust in favor of Lender referred to above, 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 to Borrower.



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- (b) **Disbursements.** 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) **Waiver and Reliance.** Beneficiary intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of the First Deed of Trust in favor of the lien or charge upon the Property of the Second Deed of Trust in favor of Lender 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.
- (d) **Endorsement.** An endorsement has been placed upon the promissory note secured by the First Deed of Trust that said deed of trust has by this instrument been subordinated to the lien or charge of the Second Deed of Trust.

**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.**

**EACH PARTY TO THIS SUBORDINATION ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS SUBORDINATION, AND EACH PARTY AGREES TO ITS TERMS.**

**BENEFICIARY:**

School Employees Credit Union of Washington

By: X *Sharon Rogers Bennett*

Name and Title: *Financial Svcs. Asst. Supervisor*

**OWNER(S):**

X *Robin L. McDuffy*  
Robin L. McDuffy

X *Elin K. McDuffy*  
Elin K. McDuffy



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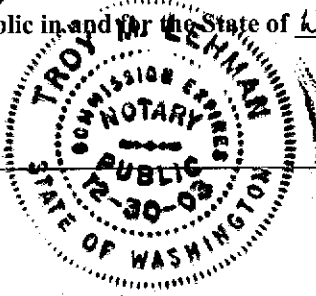
CERTIFICATE OF ACKNOWLEDGMENT

STATE OF Washington )  
 ) SS  
COUNTY OF King )

On this day before me, the undersigned Notary Public, personally appeared Sheila Rogers - Garrett, personally known to me or proved to me on the basis of satisfactory evidence to be the individual described in and who executed the Subordination Agreement, and acknowledged that he or she signed the Subordination as his or her free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 23<sup>rd</sup> day of April, 2003.

By [Signature] Residing at Mountlake Terrace, WA  
Notary Public in and for the State of WA My commission expires 12/30/03

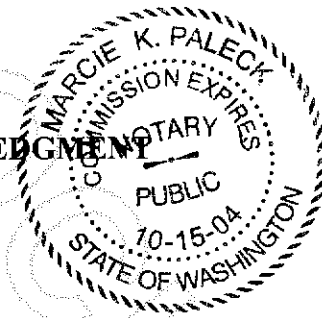


CERTIFICATE OF ACKNOWLEDGMENT

STATE OF WASHINGTON )  
 ) SS  
COUNTY OF SKAGIT )

On this day before me, the undersigned Notary Public, personally appeared ELIN K. Mc DUFFY AND ROBIN L. Mc DUFFY, personally known to me or proved to me on the basis of satisfactory evidence to be the individual described in and who executed the Subordination Agreement, and acknowledged that he or she signed the Subordination as his or her free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 28<sup>th</sup> day of April, 2003.  
By Marcie K Paleck Residing at Merent Vernon  
Notary Public in and for the State of WASHINGTON My commission expires October 15 2004



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EXHIBIT "A"

PARCEL A:

Lot 25, PLAT OF CEDAR RIDGE ESTATES DIV. NO. 1, according to the plat thereof recorded in Volume 15 of Plats, pages 147 through 152, records of Skagit County, Washington.

PARCEL B:

An easement for access and utilities 40 feet in width over, under and across that certain 40-foot wide access and utility easement running across Lots 23 and 24, Plat of Cedar Ridge Estates Div. No. 1, according to the plat thereof recorded in Volume 15 of Plats, pages 147 through 152, records of Skagit County, Washington, as said easement is delineated on the face of said plat.

ALL situated in Skagit County, Washington.

- END OF EXHIBIT "A" -



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