

2



200307220139  
Skagit County Auditor

7/22/2003 Page 1 of 2 3:45PM

When recorded mail to:

KeyBank National Association  
P.O. Box 16430  
Boise, ID 83715

**CHICAGO TITLE CO.** Subordination Agreement (Deed of Trust) *C 27549*

Beneficiary	Lender	Owners
KeyBank National Association P.O. Box 16430 Boise, ID 83715	HOMESTREET BANK 601 Union Street, Suite 2000 Seattle, WA 98101	Carl F. Loeb and Cheryl L. Loeb, husband and wife 20849 Cascade Ridge Dr Mount Vernon, WA 98274-7719
Account Number: 96473101781772		

**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 INSTRUMENTS.**

This Subordination Agreement is made and entered into as of June 30, 2003, by and between KeyBank National Association, hereinafter "Beneficiary", in favor of HOMESTREET BANK its successors and/or assigns, hereinafter referred to as "Lender".

**RECITALS**

- A. Carl F. Loeb and Cheryl L. Loeb, husband and wife did execute a Deed of Trust, dated November 22, 2003, to First American Title Insurance Company, as trustee covering the following described parcel of real property, situated in Skagit County, State of Washington: SEE ATTACHED EXHIBIT "A" to secure a note in the sum of \$155,000.00, dated November 22, 2003 in favor of KeyBank National Association, which deed of trust was recorded December 2, 2002, as Auditor's No. 200212020069, Official Records of said county. Said deed of trust is hereinafter referred to as the "Deed of Trust".
- B. Carl F. Loeb and Cheryl L. Loeb, husband and wife, hereinafter "Owners", are currently vested with fee title to the above described property.
- C. Owners have executed, or are about to execute a deed of trust and note and other related documents, hereinafter collectively referred to as the "Loan Documents", in the sum of \$300,650.00 dated July 14, 2003, in favor of Lender, payable with interest and upon the terms and conditions described therein, which deed of trust is to be recorded concurrently herewith, under Auditors File No. 20030722 0138.
- D. It is a condition precedent to obtaining said loan that the Loan Documents shall unconditionally be and remain at all times a lien or charge upon the land hereinabove described, prior and superior to the lien charge of the Deed of Trust.
- E. Lender is willing to make said loan provided the Loan Documents securing the same constitute a lien or charge upon the above described property prior and superior to the lien or charge of the Deed of Trust and provided that Beneficiaries will be specifically and unconditionally subordinate the lien or charge upon said land which is unconditionally prior and superior to the lien or charge of the Deed of Trust.
- F. It is to the mutual benefit of the parties hereto that Lender make such loan to Owners; 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.

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and for 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 Beneficiary hereby subordinates beneficiary's Deed of Trust and the lien or charge on the property in thereunder to Lender's Loan Documents in the amount of \$300,650.00 in principal, plus accrued interest thereon and costs of collection thereof and any other costs or charges permitted under Lender's Loan Documents, with the same free and effect as if the Lender's Loan Documents has been executed, delivered and recorded prior to the execution, delivery and recordation of Beneficiary's Deed of trust. The dollar limit set forth above shall not prevent Lender from disbursing principal amounts in excess of that limit, but any amounts under Lender's Loan Documents in excess of such dollar limit are not subordinated hereunder.
- (2) That Lender would not make the loan above described without this Subordination Agreement.
- (3) That this Agreement shall be the only agreement with regard to the subordination of the lien or charge of the Deed of Trust to the lien or charge of the Loan Documents and shall supersede and cancel, but only insofar as would affect the priority between the deeds of trust hereinbefore specifically described, any prior agreements as to such subordinations, including, but not limited to, these provisions, if any, contained in the Deed of Trust, which provide for the subordination of the lien or charge therefore to another deed or deeds of trust or to another mortgage or mortgages.

