



200404120197

Skagit County Auditor

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**RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:**

Cendant Mortgage Corporation
4001 Leadenhall Road
MailStop SV24
Mount Laurel, NJ 08054
Attn: Subordination Department
Loan No.: 0025836156

LAND TITLE OF SKAGIT COUNTY

111261-SAE

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 7th day of April 7 2004 by **Stan C. Stewart**, an unmarried person as his separate estate, hereinafter referred to as "Owner", and **Charles Schawb Bank, N.A.**, present owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "Beneficiary";

WITNESSETH:

THAT WHEREAS, Owners did execute the deed of trust, dated October 3, 2003, to Charles Schawb Bank, N.A., covering that certain property in **Skagit County**, state of Washington, fully described in said deed of trust to secure a note in the sum of **\$61,475.00** in which deed of trust was recorded on October 17, 2003 as **Auditor's No. 200310170092**, 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 **\$247,000.00** in favor of **Quality First Mortgage Corporation**, its successors and/or assigns as their respective interest may appear, 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 Recorded 4/12/04
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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 of 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 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 deed of trust securing said note in favor of Lender 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 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 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 deed of trust first above mentioned, which provide for the subordination of the lien or charge thereof to a deed or deed of trust or to a mortgage or mortgages to be thereafter executed.

Beneficiary declares, agrees and acknowledges that

(a) 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; and

(b) It intentionally and unconditionally 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 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 subordination.

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.

**Merrill Lynch Credit Corporation, by
Cendant Mortgage Corporation, Authorized Agent**

BY:

Name: Sergio Gargurevich
Title: Vice President

Stan C. Stewart

STATE OF NEW JERSEY
COUNTY OF BURLINGTON

On April 7, 2004 before me, _____, Sergio Gargurevich personally appeared, Vice President of Cendant Mortgage Corporation, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the entity upon behalf of which the person acted executed the instrument.

WITNESS my hand and official seal.

Notary Public, State of New Jersey

(SEAL)

STATE OF WASHINGTON
COUNTY OF _____

On _____, 2004, before me, _____, Stan C. Stewart personally appeared, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

WITNESS my hand and official seal.

Name: _____
Notary Public, State of Washington

(SEAL)

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

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