



200612190092
Skagit County Auditor

12/19/2006 Page 1 of 6 1:28PM

Recording requested by and
when recorded return to:

CONSUMER LOAN RECORDS CENTER
1170 SILVER RD
HOUSTON, TX 77055
ATTN: MAILSTOP: CLRVLTTX



SUBORDINATION AGREEMENT

Loan Number: 616003794

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 12 day of December, 2006, by Paul W Baker and Kimberly A Baker, owner of the land hereinafter described and hereinafter referred to as "Owner", and Washington Mutual Bank, present owner and holder of the Security Instrument and Note first hereinafter described and hereinafter referred to as "Beneficiary";

FIRST AMERICAN TITLE CO.

B90058E-2

WITNESSETH

THAT WHEREAS, Paul W Baker and Kimberly A Baker, as Grantor, did execute a Security Instrument, dated October 29, 2004 to Group 9, Inc., as Trustee, covering:
See Exhibit "A" attached hereto and made a part hereof by this reference.

to secure a Note in the sum of \$50,000.00, dated October 29, 2004, in favor of Washington Mutual Bank which Security Instrument was recorded on November 10, 2004, in Book _____, Page _____, Instrument No. 200411100037 of Official Records, in the Office of the County Recorder of Skagit County, State of Washington, and *200411100037 200612190091

WHEREAS, Owner has executed, or is about to execute, a Security Instrument and Note in the sum of \$292,600.00, dated December 12, 2006, in favor of Washington Mutual Bank, hereinafter referred to as "Lender", payable with interest and upon the terms and conditions described therein, which Security Instrument is to be recorded concurrently herewith; and

WHEREAS, it is a condition precedent to obtaining said loan that said Security Instrument 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 Security Instrument first above mentioned; and

WHEREAS, Lender is willing to make said loan provided the Security Instrument securing the same is a lien or charge upon the above described property prior and superior to the lien or charge of the Security Instrument first above mentioned and provided that Beneficiary will specifically and unconditionally subordinate the lien or charge of the Security Instrument first above mentioned to the lien or charge of the Security Instrument 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 Security Instrument 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 Security Instrument 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 Security Instrument securing said Note 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 therein described, prior and superior to the lien or charge of the Security Instrument 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 with regard to the subordination of the lien or charge of the Security Instrument first above mentioned to the lien or charge of the Security Instrument in favor of Lender above referred to 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 Security Instrument first above mentioned, which provide for the subordination of the lien or charge thereof to another Deed or Deeds of Trust or to another mortgage or mortgages.

Beneficiary declares, agrees and acknowledges that

- A. He consents to and approves (i) all provisions of the Note and Security Instrument 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 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. He intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of the Security instrument first above mentioned in favor of the lien or charge upon said land of the Security Instrument 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 the Security Instrument first above mentioned that said Security Instrument has by this instrument been subordinated to the lien or charge of the Security Instrument 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.



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Skagit County Auditor

BENEFICIARY

Washington Mutual Bank

By: Elaine Morgan
Name: Elaine Morgan

Title: Corporate Officer

OWNER

By: Paul W Baker
Paul W Baker

By: Kimberly A Baker
Kimberly A Baker

(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.

(SUBORDINATION FORM "A")

STATE OF WASHINGTON)
) SS
COUNTY OF KING)

On ~~December~~ this 12th day, 2006 personally Elaine Morgan and Paul W Baker appeared before me to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledge that they signed the same as their free and voluntary act and deed for the uses and purposes therein mentioned.

WITNESS my hand and official seal this 12th day of December, 2006
W M B

Notary Public in and for the State of Washington
residing at: TRUMA

My commission expires: 12/18/09

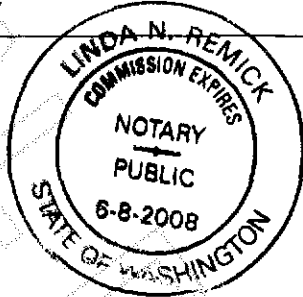
HELEN M. BERNARD
STATE OF WASHINGTON
NOTARY — PUBLIC
MY COMMISSION EXPIRES 12-18-09


200612190092
Skagit County Auditor

STATE OF WASHINGTON)
) ss
 COUNTY OF Skagit)
 On December 13, 2006 personally appeared before me
Paul W. Baker and Kim A. Baker, to me known to be the individuals
 described in and who executed the within and foregoing instrument, and acknowledge
 that they signed the same as their free and voluntary act and deed for the uses and
 purposes therein mentioned.

WITNESS my hand and official seal this 13th day of December, 2006.

Linda N. Remick
 Notary Public in and for the State of Washington
 residing at: Hawwood
 My commission expires: 6-8-08



STATE OF WASHINGTON)
) ss
 COUNTY OF _____)
 On _____ this _____ day personally appeared before me
 _____ and _____, to me known to be the individuals
 described in and who executed the within and foregoing instrument, and acknowledge
 that they signed the same as their free and voluntary act and deed for the uses and
 purposes therein mentioned.

WITNESS my hand and official seal this _____ day of _____.

 Notary Public in and for the State of Washington
 residing at: _____
 My commission expires: _____



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EXHIBIT "A"

That portion of the Northeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 33, Township 36 North, Range 4 East, W.M., and the North $\frac{1}{2}$ of the Southeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 33, Township 36 North, Range 4 East, W.M., described as follows:

Beginning at the Northeast corner of said Section 33, said corner lying South $0^{\circ}08'06''$ East 2,643.29 feet from the quarter corner common to Sections 27 and 28 and North $85^{\circ}33'55''$ East 2,543.34 feet from the quarter corner common to Sections 28 and 33; thence South $1^{\circ}31'53''$ West 331.51 feet to the Northeasterly terminus of the easement centerline recorded under Auditor's File No. 773111, records of Skagit County, Washington; thence Southwesterly along said easement centerline, the following courses and distances: South $51^{\circ}11'53''$ West 222.74 feet to the beginning of a curve to the right; thence Southwesterly, along said curve to the right, having a radius of 1,250.00 feet, through an arc of $6^{\circ}25'50''$, a distance of 140.29 feet; thence South $57^{\circ}37'43''$ West 160.43 feet to the beginning of a curve to the right; thence Southwesterly, along said curve to the right, having a radius of 228.71 feet, through an arc of $29^{\circ}24'00''$, a distance of 117.36 feet; thence South $87^{\circ}01'43''$ West 28.92 feet to the beginning of a curve to the right; thence Westerly, along said curve to the right, having a radius of 379.53 feet, through an arc of $17^{\circ}58'02''$, a distance of 119.02 feet; thence North $75^{\circ}00'15''$ West 125.69 feet to the beginning of a curve to the left; thence Westerly, along said curve to the left, having a radius of 82.94 feet, through an arc of $71^{\circ}45'51''$, a distance of 103.89 feet; thence South $33^{\circ}13'54''$ West 47.63 feet to the beginning of a curve to the left; thence Southerly, along said curve to the left, having a radius of 64.40 feet, through an arc of $90^{\circ}31'55''$, a distance of 101.76 feet; thence South $57^{\circ}18'01''$ East 64.52 feet to the beginning of a curve to the right; thence Southeasterly along said curve to the right, having a radius of 707.17 feet, through an arc of $8^{\circ}05'19''$ a distance of 99.83 feet; thence South $49^{\circ}12'42''$ East 162.85 feet to the beginning of a curve to the right; thence Southerly, along said curve to the right, having a radius of 96.08 feet, through an arc of $86^{\circ}15'18''$, a distance of 144.65 feet to the true point of beginning; thence South $37^{\circ}02'36''$ West 381.46 feet to the beginning of a curve to the left; thence Southwesterly, along said curve to the left, having a radius of 614.32 feet, through an arc of $11^{\circ}09'24''$, a distance of 119.62 feet; thence South $25^{\circ}53'12''$ West 59.61 feet; thence South $84^{\circ}09'27''$ East 570.00 feet; thence leaving said easement centerline, North $9^{\circ}40'00''$ East 564.15 feet; thence South $83^{\circ}40'00''$ West 345.71 feet to the true point of beginning.

TOGETHER WITH a non-exclusive easement for ingress, egress and utilities over those certain 30 and 60 foot strips described in instruments recorded August 25, 1972 and July 11, 1973, under Auditor's File Nos. 773111 and 787805, respectively.



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