



200810220074  
Skagit County Auditor

10/22/2008 Page 1 of 6 11:52AM

WHEN RECORDED MAIL TO:  
Washington Mutual Bank  
Attn: Lien Release Department –  
Subordination Team  
Mailstop JAXG1035  
7757 Bayberry Rd.  
Jacksonville, FL 32256

GUARDIAN NORTHWEST TITLE CO.

95612-2

Loan Number: 779155654

SPACE ABOVE FOR RECORDER'S USE ONLY

### 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 15<sup>th</sup> day of October, 2008 by

Todd G. Nelson and Julie A. Myers

owner of the land hereinafter described and hereinafter referred to as "Owner," and

Washington Mutual Bank, FA

present owner and holder of the Deed of Trust and Note first hereinafter described and hereinafter referred to as "Beneficiary";

#### WITNESSETH

THAT WHEREAS, Todd G. Nelson and Julie A. Myers, as Trustor, did execute a Deed of Trust, dated October 11, 2007, to First American Title Ins. Co., as Trustee, covering:

See Attached Legal Description

to secure a Note in the sum of \$200,000.00, dated October 11, 2007, in favor of Washington Mutual Bank, FA which Deed of Trust was recorded on October 22, 2007, in Book n/a, Page n/a, as Instrument No. 200710220148, of Official Records, in the Office of the County Recorder of Skagit County, State of Washington; Modification to decrease Line of Credit \$178,000.00 to be recorded concurrently herewith and

WHEREAS, Owner has executed, or is about to execute, a Deed of Trust and Note in the sum of \$417,000.00, dated 200810220073, in favor of Wells Fargo Bank, NA, 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

Loan Number: 779155654

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 upon the above described property prior and superior to the 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 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, 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 Deed of Trust 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 Deed of Trust 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;



200810220074

Skagit County Auditor

Loan Number: 779155654

- (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; and
- (c) He intentionally and unconditionally waives, relinquishes and 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 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.

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.



Loan Number: 779155654

**BENEFICIARY**  
Washington Mutual Bank, FA

**OWNER:**

By: *K Burton*  
Name: Kathleen E. Burton  
Title: Vice President

By: *Todd G. Nelson*  
Todd G. Nelson

By: *Julie A. Myers*  
Julie A. Myers

(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 Florida )  
County of Duval ) ss.

I certify that I know or have satisfactory evidence that Kathleen E. Burton is the person who appeared before me, and said person acknowledged that (he / she) signed this instrument, on oath stated that (he / she) was authorized to execute the instrument and acknowledge it as the Vice President of Washington Mutual Bank, FA to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: October 15, 2007

*Kathryn E. Baird*  
Notary Signature

(NOTARY SEAL)



Notary Public  
My Appointment expires: 12/28/08



200810220074  
Skagit County Auditor

Loan Number: 779155654

STATE OF WASHINGTON ) §

COUNTY OF Skagit ) §

On October 20, 2008 before me, Susan L. Fredlund  
(Notary Name and Title)

personally appeared Todd G. Nelson, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Susan L. Fredlund



STATE OF WASHINGTON ) §

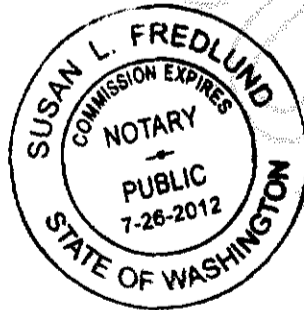
COUNTY OF Skagit ) §

On October 20, 2008 before me, Susan L. Fredlund  
(Notary Name)

personally appeared Julie A. Myers, personally known to me 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.

Signature Susan L. Fredlund



200810220074  
Skagit County Auditor

**Legal description**

The land referred to in this report/policy is situated in the State of Washington, County of Skagit, and is described as follows:

Lot A-4 of Revised Short Plat No. 37-82 as approved September 22, 1988, and recorded September 30, 1988, in Volume 8 of Short Plats, page 71, under Auditor's File No. 8809300016, records of Skagit County, Washington; being a portion of the Southwest ¼ of Section 35, Township 35 North, Range 3 East, W.M..

TOGETHER WITH a non-exclusive easement over Sunrise Lane for road and utilities as shown on the face of Revised Short Plat No. 37-82; as approved September 22, 1988, and recorded September 30, 1988, in Volume 8 of Short Plats, page 71, under Auditor's File No. 8809300016, records of Skagit County, Washington; being a portion of the Southwest ¼ of Section 35, Township 35 North, Range 3 East, W.M..



200810220074

Skagit County Auditor

10/22/2008 Page

6 of

6:11:52AM