



201008250030  
Skagit County Auditor

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RECORDING REQUESTED BY:

Morgan Stanley Credit Corporation

4708 Mercantile Drive  
Fort Worth, TX 76137

Prepared by: Tonicie Jones

GUARDIAN NORTHWEST TITLE CO.

99911-2

DT # 201008250029  
Loan Number: 6000081006

CS-CCCS-11

SUBORDINATION AGREEMENT

This Agreement, made August 6, 2010 by The Giboney Family Trust Dated 14 August, John T. Giboney and Betty Ann Giboney owner(s) of the land hereinafter described ("Owner"), and, Morgan Stanley Credit Corporation ("MSCC") present owner and holder of the Note and beneficiary of the DEED OF TRUST first hereinafter described (MSCC)

WITNESSETH

WHEREAS, In order to secure a loan in the principal amount of \$400,000.00 plus interest thereon, Owner did execute a DEED OF TRUST in favor of MSCC, dated December 28, 2006, which DEED OF TRUST was recorded on January 11, 2007, as Document Number 200701110082, in the County of Skagit, State of Washington, covering the premises at 2319 Hickory Drive, Anacortes, WA 98221 particularly described in Exhibit "A" attached hereto and made a part thereof by reference.

WHEREAS, Wells Fargo Bank, N.A. ("Lender"), is about to make a loan through a promissory note to Owner, secured by a Mortgage/Deed on and covering the above-described premises; and

WHEREAS, Lender is willing to make such loan, provided that the DEED OF TRUST held by MSCC is subordinated to the lien of the DEED OF TRUST about to be made in favor of Lender as set forth above.

NOW THEREFORE, in consideration of the premises and other valuable consideration, the receipt of which is hereby acknowledged, IT IS HEREBY DECLARED, UNDERSTOOD AND AGREED as follows:

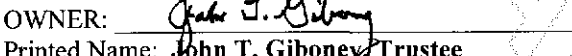
1. MSCC and Owner hereby covenant, consent and agree that the above mentioned DEED OF TRUST held by MSCC is and shall continue to be subject and subordinate in lien to the lien of the DEED OF TRUST about to be made in favor of Lender is and shall continue to be a lien prior to and superior to the lien of the DEED OF TRUST in favor of MSCC.
2. MSCC and Owner declare and acknowledge that they intentionally subordinate the DEED OF TRUST in favor of MSCC to the DEED OF TRUST in favor of Lender, and understand in reliance upon and in consideration of this subordination, Lender will make its loan to Owner and Lender would not make said loan but for this subordination.

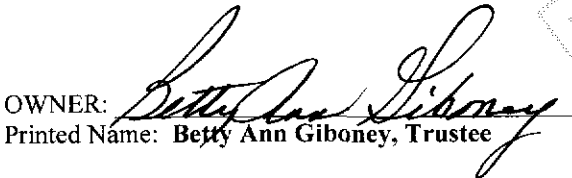
3. Such subordination shall be for the principal sum of said note of Lender and accrued interest thereon, and other costs and fees as set forth in Lender's **DEED OF TRUST** and said Note, but shall not apply to future advances whether pursuant to a Future Advance clause or otherwise, provided, however, that the maximum amount subordinated by this Agreement shall be the sum of **\$110,950.00**.
4. This Subordination Agreement contains the whole agreement between the parties hereto as to the priority of the **DEED OF TRUST** MSCC and the **DEED OF TRUST** about to be made in favor of Lender, and there are not other agreements, written or oral, outside and separate from this Agreement, and all prior negotiations, if any, are merged with this Agreement.

In WITNESS WHEREOF, MSCC and Owner have executed this instrument on the day and year first above written.

**Morgan Stanley Credit Corporation**

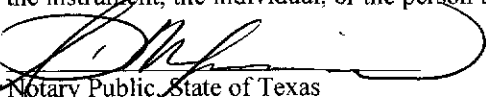
By:   
Printed Name: **Harriett Thompson**  
Its: **Manager**

OWNER:   
Printed Name: **John T. Giboney, Trustee**

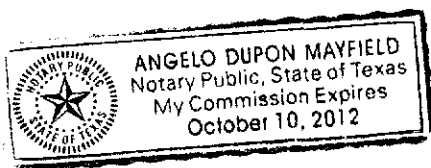
OWNER:   
Printed Name: **Betty Ann Giboney, Trustee**

STATE OF TEXAS ) SS:  
COUNTY OF TARRANT )

On this **6<sup>th</sup>** day of **August**, 2010 before me the undersigned personally appeared **Harriett Thompson** known to me to be the **Manager** or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

  
Notary Public, State of Texas

My Commission Expires: 10.10.12 (This area for official notary seal)



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STATE OF WASHINGTON  
COUNTY OF Skagit

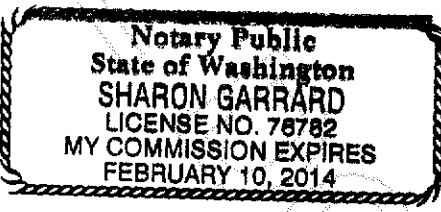
On this 27th day of August, 2010 before me the undersigned personally appeared **John T. Giboney, Trustee and Betty Ann Giboney, Trustee** personally known to me, or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

WITNESS my hand and official seal.

*Sharon Garrard*

Notary Public

My Commission Expires: 2-10-14 (This area of official notary seal)



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EXHIBIT A

Legal Description

**THE FOLLOWING DESCRIBED REAL ESTATE, SITUATED IN THE COUNTY OF SKAGIT STATE OF WASHINGTON, TOGETHER WITH ALL AFTER ACQUIRED TITLE OF GRANTOR(S) THEREIN. LOT 45, PLAT OF PARKSIDE, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 14 OF PLATS, PAGES 170 THROUGH 174, RECORDS OF SKAGIT COUNTY, WASHINGTON. SUBJECT TO ALL EASEMENTS, RESERVATIONS, COVENANTS, CONDITIONS, AGREEMENTS OF RECORD, IF ANY.**



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