



201010050019

Skagit County Auditor

10/5/2010 Page

1 of

2 9:30AM

When recorded return to:

Washington Federal  
Anacortes Office  
P.O. Box 97  
Anacortes, WA 98221

137526.000

LAND TITLE OF SKAGIT COUNTY

### 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.

The undersigned subordinator and owner agrees as follows:

1. Washington Federal, formerly Horizon Bank  
referred to herein as "subordinator," is the owner and holder of a mortgage dated May 1, 2003  
which is recorded in under auditor's file No. 200305020121, records of Skagit County, Washington.
2. Washington Federal  
referred to herein as "lender," is the owner and holder of a mortgage dated 9-28-10  
executed by Washington Federal  
which is recorded under auditor's file No. 201010050019 records of  
Skagit County, Washington. (which is to be recorded concurrently herewith).
3. Reynaldo Rubalcava and Karen B. Rubalcava  
referred to herein as "owner," is the owner of all the real property described in the mortgage identified  
above in Paragraph 2.
4. In consideration of benefits to "subordinator" from "owner," receipt and sufficiency of which is hereby  
acknowledged, and to induce "lender" to advance funds under its mortgage and all agreements in connection  
therewith, the "subordinator" does hereby unconditionally subordinate the lien of his mortgage identified in  
Paragraph 1 above to the lien of "lender's" mortgage, identified in Paragraph 2 above, and all advances or  
charges made or accruing thereunder, including any extension or renewal thereof.

5. "Subordinator" acknowledges that, prior to the execution hereof, he has had the opportunity to examine the terms of "lender's" mortgage, note and agreements relating thereto, consents to and approves same, and recognizes that "lender" has no obligation to "subordinator" to advance any funds under its mortgage or see to the application of "lender's" mortgage funds, and any application or use of such funds for purposes other than those provided for in such mortgage, note or agreements shall not defeat the subordination herein made in whole or in part.
6. It is understood by the parties hereto that "lender" would not make the loan secured by the mortgage in Paragraph 2 without this agreement.
7. 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 mortgage first above mentioned to the lien or charge of the mortgage 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 mortgage first above mentioned, which provide for the subordination of the lien or charge thereof to a mortgage or mortgages to be thereafter executed.
8. The heirs, administrators, assigns and successors in interest of the "subordinator" shall be bound by this agreement. Where the word "mortgage" appears herein it shall be considered as "deed of trust," and gender and number of pronouns considered to conform to undersigned.

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

Dated:

October 4, 2010 Washington Federal  
by: J. Davidson, V.P.

STATE OF Washington

ss.

COUNTY OF Whatcom

I Doug Davidson stated on oath to the Notary Public that I am authorized to sign the document presented and I am a Vice President of Washington Federal, formerly Horizon Bank.

Dated:



10-4-2010

Jennifer L. Moore  
Notary name printed or typed: Jennifer L. Moore  
Notary Public in and for the State of Washington  
Residing at Bellingham  
My appointment expires: 5-19-2013

LPB 35-05(i)  
Page 2 of 2



201010050019  
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