

WHEN RECORDED RETURN TO:

Boeing Employees' Credit Union (BECU)
P.O. Box 97050
Seattle, WA 98124-9750
Attention: Servicing Solutions



201110310148
Skagit County Auditor

10/31/2011 Page 1 of 2 12:21PM

LAND TITLE OF SKAGIT COUNTY
140379-0E

SUBORDINATION AGREEMENT

LOAN # EA 1001751311

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. BECU referred to herein as "subordinator", is the owner and holder of a mortgage dated August 25, 2005 which is recorded in volume of Mortgages, page, under auditor's file No. 200509190234 records of Skagit County. (BECU loan not to exceed \$60,000.00)
Peoples Bank, appearing of record as Mortgage Electronic Registration Systems, Inc. ("MERS"), solely as Nominee for Lender
2. ~~PHI Mortgage Corporation~~ referred to herein as "lender", is the owner and holder of the mortgage ~~dated~~ ^{*dated} ~~and~~ ^{**} executed by ~~**~~ (which is recorded in volume of Mortgages, page, under ~~auditor's file no.~~ ^{**}, records of Skagit County) (which is to be recorded concurrently herewith). (~~PHI Mortgage Corporation~~ loan not to exceed \$244,300.00) ^{*dated October 20, 2011} Peoples Bank/MERS
~~PHI Mortgage Corporation~~ ^{***A.F. #201110310147} ~~PHI Mortgage Corporation~~ ^{**Jack R. Sleasman and Diana L. Sleasman}
3. Jack R. Sleasman and Diana L. Sleasman 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.

Executed this 14th day of October 2011

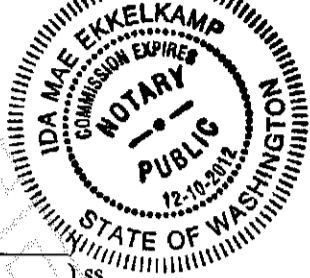
NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND. IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THERETO.

BECU

Debra Gipe - Manager of Member Care

STATE OF WA)
County of Skagit) ss.

I certify that I know or have satisfactory evidence that Jack R. Steasman is the person who appeared before me, and said person acknowledged that (he/she) signed this instrument and acknowledged it to be (his/her) free and voluntary act for the uses and purposes mentioned in the instrument.

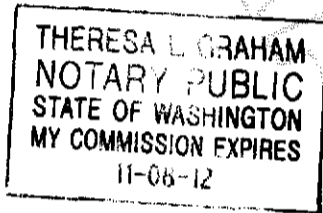


Dated: 10/26/11

Ida Mae Ekkelkamp
Notary Public for ~~Mount Vernon~~
My Commission Expires: 12/10/2012

STATE OF WA)
County of King) ss.

I certify that I know or have satisfactory evidence that Debra Gipe 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 acknowledged it as the Manager of Member Care of Boeing Employees Credit Union to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



T. Graham
Notary Public for WA
My Commission Expires: 11-08-12



201110310148
Skagit County Auditor