

WELLS
FARGO

Recording Requested By:
Wells Fargo Bank, N.A.
SBA Lending
Attn: Bonie F. Ndifor
1620 E. Roseville Pkwy, Ste. 100
Roseville, CA 95661

When Recorded Mail To:
Wells Fargo Bank, N. A.
BBS Loan Operations
P. O. Box 659713
San Antonio, TX 78265-9827



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Skagit County Auditor

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WFB SBA LN#0262164576-26

GUARDIAN NORTHWEST TITLE CO.

DT# 200909230056 SPACE ABOVE THIS LINE FOR RECORDER'S USE

102449

DT# 201201120059

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 January 10th, 2011, among David D. Cox and Patricia B. Cox, husband and wife whose address is 407 2nd Street, Anacortes, WA 98221 hereinafter referred to as "Grantor", and to Wells Fargo Bank, National Association, present owner and holder of the deed of trust and Note first hereinafter described and referred to as "Beneficiary"; and Wells Fargo Financial National Bank referred to as "Trustee"

WITNESSETH:

THAT, WHEREAS, Grantor did execute a Deed of Trust dated September 8, 2009 to Wells Fargo Bank, National Association herein known as "Beneficiary" covering:

Lot 4 through 7, Block 285, "Map of the city of Anacortes, Skagit County, Washington", according to the plat thereof recorded in Volume 2 of Plats, Pages 4 through 7, records of Skagit County, Washington.

The Real Property or its address is commonly known as; 407 2nd Street, Anacortes, WA 98221

The Real Property tax identification number is; 3772-285-007-0000 (P56464).

To secure a Guaranty in the sum of Ninety Thousand Three Hundred Dollars and 00/100 Dollars (\$90,300.00) dated September 8, 2010, in favor of Wells Fargo Bank, National Association, which Deed of Trust was recorded on 09/23/2009 in the Official Records of Skagit County, State of Washington.

WHEREAS, Grantor is about to execute, a deed of trust and note in the sum of Three Hundred and Thirty-Six Thousand Dollars and 00/100 Dollars (\$336,000.00) dated on or about 01/13/2012, in favor of Flagstar Bank 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

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, 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 deed of trust first above-mentioned;
- (2) That Lender would not make its loan above-described without the subordination agreement; and
- (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 agreements 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;
- (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 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-mentioned 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 deed of trust first above-mentioned that said deed of trust has by this instrument been subordinated to the lien or charge of the deed of trust 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.

BENEFICIARY:

GRANTOR:

X David D. Cox
David D. Cox

Wells Fargo Bank, National Association

X Bonaventure F. Ndifor
Loan Servicing Officer

X Patricia B. Cox
Patricia B. Cox

(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. (CLTA SUBORDINATION FORM "A")(RECORDED DEED OF TRUST TO DEED OF TRUST RECORD)



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CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

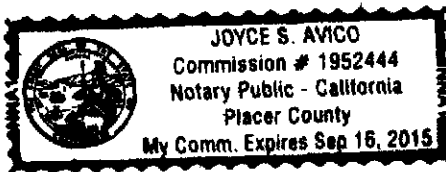
State of California

County of Placer

On January 12, 2012, before me, Joyce S. Avico, Notary Public, personally appeared Bonaventure F. Ndifor, who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



(Seal)

Signature

A handwritten signature in cursive script, appearing to read "Joyce S. Avico", written over a horizontal line.



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