

Return Address:

**UNION BANK NA  
CONSUMER DOCUMENT FOLLOW UP DEPT.  
8248 MERCURY COURT SUITE B(M-520)  
SAN DIEGO CA 92111-1201**



**201202150014  
Skagit County Auditor**

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**LAND TITLE OF SKAGIT COUNTY**

**140803-0Ae**

Document Title(s) (for transactions contained therein):

1. **SUBORDINATION AGREEMENT**
- 2.
- 3.
- 4.

Reference Number(s) of Documents assigned or released:  
(on page of documents(s))

**201012100134  
201202150013**

Grantor(s)

1. **KELLY FARRAR**
2. **UNION BANK OF CALIFORNIA**
- 3.
- 4.

Additional Names on page \_\_\_\_\_ of document.

Grantee(s)

1. **KELLY FARRAR**
2. **PEOPLES BANK**
- 3.
- 4.

Additional Names on page \_\_\_\_\_ of document.

Legal Description (abbreviated i.e. lot, block, plat or section, township, range)

**PTN TRS 10 & 11, TROWBRIDGE ADD TO SEDRO WOOLLEY**

Additional legal is on page \_\_\_\_\_ of document.

Assessor's Property Tax Parcel/Account Number

**P77341**

The Auditor/Recorder will rely on information provided on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.

Order No. 14803-OAE  
Escrow No. 6002085  
Loan No. 1915571184

When Recorded Mail To:  
UNION BANK, N.A.  
CONSUMER DOCUMENT FOLLOW UP DEPT.  
8248 MERCURY COURT, SUITE B (M-520)  
SAN DIEGO, CA 92111-1201

Space Above This Line For Recorder's Use  
**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 23rd day of January 2012, by Kelly Farrar, as his separate property Owner of the land herein after described and hereinafter referred to as "OWNER" and Union Bank, N.A., formerly Union Bank of California, N. A. present owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "BENEFICIARY":

**WITNESSETH**

THAT WHEREAS, Kelly Farrar, as his separate property, did execute a deed of trust dated December 9, 2010, to UnionBanCal Mortgage Corporation as trustee, covering:

**SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF BY REFERENCE.**

to secure a note in the sum of \$137,000.00, dated December 9, 2010, in favor of Union Bank of California, N.A., which deed of trust was recorded December 10, 2010, as Instrument No. 201012100134, in Book N/A, Page N/A, of Official Records of said county; and

WHEREAS, Owner has executed, or is about to execute, a deed of trust and note in the sum of \$143,500.00 dated Feb. 9 2012, in favor of Peoples Bank, a WA Corporation 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 **\*Recorded February 15, 2012 Under Auditor File No. 201202150013**

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

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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 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;
- (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 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; 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.

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Tl-fm Subordin Agmt:

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**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.**

Union Bank, N.A. formerly Union Bank of California, N. A.

Kelly Farrar

By:

Toni Scandlyn, Asst. Vice President

Beneficiary

owner

(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.**

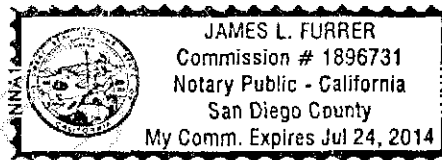
State of California }  
County of San Diego }

On January 23, 2012, before me, James L. Furrer, a Notary Public, personally appeared Toni Scandlyn, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

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

WITNESS my hand and official seal,

*[Signature]*  
James L. Furrer  
Notary Expires: July 24, 2014, #1896731



State of ~~California~~ Washington }  
County of Skagit }

On 2/10/2012, before me, Jennifer J. Lind,  
personally appeared Kelly Farrar, 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 PURJURY under the laws of the State of ~~California~~ Washington that the foregoing paragraph is true and correct.**

WITNESS my hand and official seal,

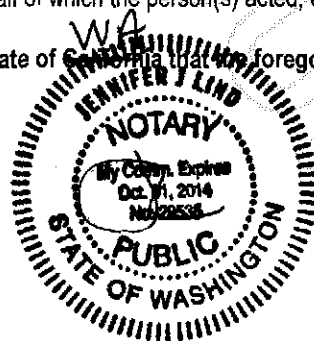
Signature

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UB0028A (10/04)



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DESCRIPTION:

The North 100 feet of the South 200 feet of Tracts 10 and 11, "TROWBRIDGE ADDITION TO THE TOWN OF SEDRO-WOOLLEY", as per plat recorded in Volume 3 of Plats, page 33, records of Skagit County, Washington, EXCEPT the West 162 feet thereof, AND EXCEPT that portion of said premises conveyed to the State of Washington for highway purposes by Deed dated September 19, 1957, recorded October 16, 1957, under Auditor's File No. 557281.

Situate in the City of Sedro-Woolley, County of Skagit, State of Washington.



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