



201206130052  
Skagit County Auditor

6/13/2012 Page 1 of 4 1:26PM

This Space Provided for Recorder's Use

WHEN RECORDED MAIL TO:

325.0000132617.L09

EPIC Real Estate Solutions, Inc.  
2000 Cliff Mine Road  
Suite 500  
Pittsburgh, PA 15275

LAND TITLE OF SKAGIT COUNTY

142428-0

17-364504

**SUBORDINATION AGREEMENT**

Superior Lienholder: Navy Federal Credit Union

Subordinate Lienholder: School Employees Credit Union of Washington

Legal Description:  
Lot 80, PARTINGTON PLACE DIVISION 3, according to the plat thereof,  
recorded in Volume 15 of Plats, pages 56 and 57, records of Skagit  
County, Washington.  
Situated in Skagit County, Washington.

commonly known as 1025 S 28TH ST MOUNT VERNON, WA 98274 Skagit County

Assessor's Property Tax Parcel or Account No.: P102233

**THIS SUBORDINATION AGREEMENT** ("Agreement") is entered into this 21th day of May, 2012, by and between Navy Federal Credit Union (hereinafter referred to as "Superior Lienholder"), whose address is 5550 Heritage Oaks Drive Pensacola, Florida 32526 and School Employees Credit Union of Washington (hereinafter referred to as "Subordinate Lienholder"), whose address is PO Box 576, Seattle, Washington 98111-0576.

**RECITALS**

A. Subordinate Lienholder has made a loan to Jennifer and Michael Whitney (the "Borrower"), the repayment of which is secured by a Deed of Trust (the "Subordinate Lienholder Deed of Trust") encumbering property commonly known as 1025 S 28TH ST, MOUNT VERNON, Washington 98274 (the "Property"). This Subordinate Lienholder Deed of Trust is recorded 01/11/2011, as instrument 201101110121, Skagit County, Washington, and secures a loan in the principal sum of Fourteen Thousand Three Hundred and 00/100 Dollars (\$ 14,300.00).

B. Borrower has applied to Superior Lienholder for a loan in an amount not to exceed One Hundred Ninety-One Thousand One Hundred Ninety-Four and 00/100 Dollars (\$ 191,194.00) (the "Superior Lienholder Loan"), to be secured by a first Deed of Trust lien against the Property (the "Superior Lienholder Deed of Trust"). Recorded under Auditor File No 201206130051

C. Superior Lienholder is unwilling to make the Superior Lienholder Loan to Borrower unless Subordinate Lienholder subordinates its Subordinate Lienholder Deed of Trust to the Superior Lienholder Deed of Trust.

### **AGREEMENT**

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is agreed as follows:

1. Subordinate Lienholder agrees that the Subordinate Lienholder Deed of Trust is subordinate to the Superior Lienholder Deed of Trust.
2. Superior Lienholder agrees not to modify, extend, or amend the terms and conditions of the Superior Lienholder Loan in any material respects, or to make any additional advances thereunder, without first obtaining Subordinate Lienholder's written consent except Superior Lienholder may make modifications to the terms and conditions of the Loan or loan documents as required, in writing, by a state or federal agency regulating Superior Lienholder and upon notice of such modification to Subordinate Lienholder. Without limiting the foregoing, Superior Lienholder agrees that it will not increase the principal amount of the Superior Lienholder Loan above the amounts currently owing thereunder or loan additional funds to the Borrower to be secured by the Property; provided nothing in this paragraph shall prevent Superior Lienholder from making advances pursuant to the terms of the Superior Lienholder Deed of Trust and the other documents and instruments evidencing or securing the Superior Lienholder Loan for the purpose of protecting its security for the Superior Lienholder Loan, enforcing its rights under the Superior Lienholder Loan documents, or preserving the lien of the Superior Lienholder Deed of Trust and the other security documents.
3. Superior Lienholder or its Agent agrees to provide Subordinate Lienholder with notice, in writing, of any default by the Borrower under the Superior Lienholder Loan for which Superior Lienholder intends to initiate default proceedings. Superior Lienholder agrees to provide Subordinate Lienholder with an opportunity to cure any default or alleged default of the Borrower under the Superior Lienholder Loan. Subordinate Lienholder will have fifteen (15) days after written notice to cure monetary defaults on the Superior Lienholder Loan, and thirty (30) days after written notice to cure any other defaults; provided, however, with respect to non-monetary defaults which require more than thirty (30) days to cure, the cure period will be extended for an additional period reasonably necessary to cure the default, so long as Subordinate Lienholder commences the cure within the initial thirty (30) day period, and thereafter diligently pursues the cure to completion.
4. Unless otherwise provided by applicable law, any notice required to be given under this Agreement shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Agreement. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address.
5. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. This Agreement shall in all respects be governed, construed, applied and enforced in accordance with the laws of the State of Washington. In the event one or more provisions of this Agreement shall be invalid, illegal, or unenforceable, the validity or enforceability of the remaining provisions shall not in any way be affected.
6. This Agreement may be executed in multiple counterparts, all of which shall be deemed originals and with the same effect as if all parties hereto had signed the same document.
7. In the event an action is commenced to enforce or interpret this Agreement, the prevailing party shall be entitled to an award of its reasonable attorneys' fees and costs incurred in arbitration, at trial, or in any appeal therefrom.



Navy Federal Credit Union

By: Graciela G. Colony  
Title: Asst. Treasurer

STATE OF Florida )  
 ) ss.  
County of Escambia )

I certify that I know or have satisfactory evidence that Graciela G. Colony 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 Asst. Treasurer of Navy Federal Credit Union to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 5-29-12

Aja H. Blanchard  
Notary Public for State of Florida  
My Commission Expires: 1-25-13

School Employees Credit Union of Washington

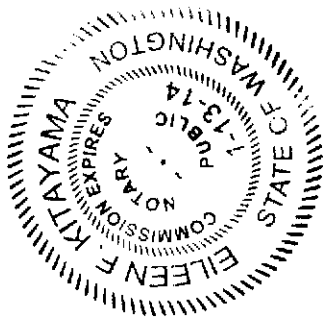
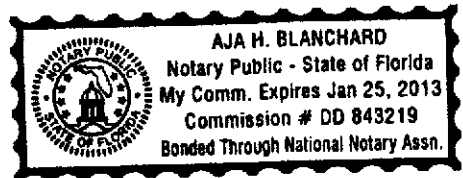
By: Melanie Kent  
Title: Support Supervisor

STATE OF WA )  
 ) ss.  
County of King )

I certify that I know or have satisfactory evidence that Melanie Kent 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 Support Supervisor of School Employees Credit Union of Washington to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 5/30/12

Scott L. King  
Notary Public for SECUWA  
My Commission Expires: 1-13-14



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**Schedule "A-1"**

142428-O

**DESCRIPTION:**

Lot 80, "PLAT OF PARTINGTON PLACE, DIVISION 3," as per plat recorded in Volume 15 of Plats, pages 56 and 57, records of Skagit County, Washington.

Situate in the City of Mount Vernon, County of Skagit, State of Washington.



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