



201207300241

Skagit County Auditor

7/30/2012 Page

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Prepared by Paulette Noyes  
**RECORDING REQUESTED BY**  
**AND WHEN RECORDED MAIL TO:**  
Home Equity Service Center  
1 Mortgage Way, PO Box 5449  
Mount Laurel, NJ 08054  
Attn: Mailstop DC  
Loan No.: 7110496937

GUARDIAN NORTHWEST TITLE CO.

A103870-2

#### 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 20<sup>th</sup> day of July 2011, by Charles Schwab Bank, whose address is One Mortgage Way, Mt. Laurel, NJ 08054 the present Owners and holder of the Deed of Trust and Note first hereinafter described and hereinafter referred to as "Beneficiary";

#### WITNESSETH:

THAT WHEREAS, David J. Kiersky, Trustees of the David J. Kiersky Living Trust, dated February 9, 2001, for the benefit of David J. Kiersky, the "Owners" did execute the Deed of Trust, dated February 12, 2009, to Charles Schwab Bank, as trustee, covering that certain property in Skagit County, state of Washington, fully described in said Deed of Trust to secure a Note in the sum of \$250,000.00 in which Deed of Trust was recorded on February 20, 2009, as Doc No.: 200902200059, official Records of said county; and whereas

WHEREAS, Owners has executed, or is about to execute, a Deed of Trust and Note in the sum of \$406,000.00 in favor of Banner Bank, it's successors and/or assigns as their respective interest may appear, 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

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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 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 Owners; 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 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.

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(3) That 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 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 any prior agreements as to such, or any, 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 a deed or deed of trust or to a mortgage or mortgages to be thereafter executed.

Beneficiary declares, agrees and acknowledges that


(a) 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; and

(b) It intentionally and unconditionally 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 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 subordination.

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.

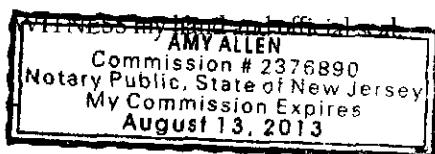
Charles Schwab Bank, by  
PHH Mortgage Corporation, Authorized Agent

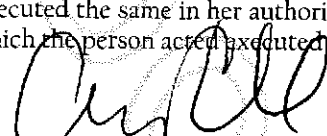
  
Name: Kimberly DiLeo  
Title: Assistant Vice President

  
David J. Kiersky, Trustees of the David J. Kiersky  
Living Trust, dated February 9, 2001, for the  
benefit of David J. Kiersky

STATE OF NEW JERSEY  
COUNTY OF BURLINGTON

On July 20, 2012 before me, Amy Allen, a notary public, personally appeared Kimberly DiLeo, Assistant Vice President of PHH Mortgage Corporation, personally known to me 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 entity upon behalf of which the person acted executed the instrument.



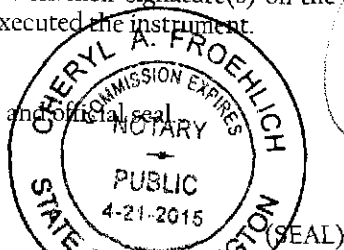
  
Notary Public, State of New Jersey

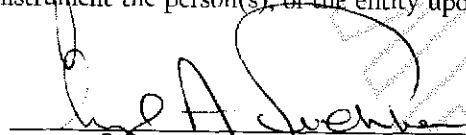
(SEAL)

STATE OF WASHINGTON  
COUNTY OF Skagit

On 7-24, 2012, before me, Cheryl A. Froehlich, personally appeared David J. Kiersky, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(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), of the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal



  
Name: Cheryl A. Froehlich  
Notary Public, State of Washington

(SEAL)

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

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