



201208010065

Skagit County Auditor

8/1/2012 Page

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4 12:55PM

Return Address:  
**NORTH COAST CREDIT UNION  
1100 DUPONT ST  
BELLINGHAM WA 98225**

**LAND TITLE OF SKAGIT COUNTY**

**141383-OE**

Document Title(s) (for transactions contained therein): 1. <b>SUBORDINATION AGREEMENT</b> 2. 3. 4.
Reference Number(s) of Documents assigned or released: (on page of documents(s)) <b>200909030048</b> <b>201208010064</b>
Grantor(s) 1. <b>SCOTT DEGRAW</b> 2. <b>LINDA DEGRAW</b> 3. <b>NORTH COAST CREDIT UNION</b> 4.
Additional Names on page _____ of document.
Grantee(s) 1. <b>BANK OF THE PACIFIC</b> 2. 3. 4.
Additional Names on page _____ of document.
Legal Description (abbreviated i.e. lot, block, plat or section, township, range)  <b>PTN SE<math>\frac{1}{4}</math> OF SE<math>\frac{1}{4}</math>, 19-35-5 E W.M.</b>
Additional legal is on page _____ of document.
Assessor's Property Tax Parcel/Account Number <b>P39804 &amp; P40003</b>
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.

**WHEN RECORDED RETURN TO:**

North Coast Credit Union  
1100 Dupont St  
Bellingham, WA 98225

**SUBORDINATION AGREEMENT**

This Subordination Agreement is dated for reference July 23, 2012 and is between

NORTH COAST CREDIT UNION whose  
Principal address is 1100 DUPONT ST, BELLINGHAM, WA 98225  
(called "Junior Lender") and

New Senior Lender's  
Name: "MERS" AS NOMINEE FOR BANK OF THE PACIFIC  
Address: 226 36<sup>TH</sup> ST. BELLINGHAM, WA  
(called "New Senior Lender")

**RECITALS**

A. Junior Lender is the vested holder and owner of the following described promissory note (the "Note") secured by a mortgage or deed of trust (the "Security Instrument"): Date of Note and Security Instrument: August 25, 2009

Borrower(s) Name(s) ("Borrowers"): SCOTT C. DEGRAW and LINDA L. DEGRAW, HUSBAND AND WIFE  
Property Address: 9949 Fruitland Rd Sedro-Woolley WA 98284

Legal Description of real property secured by Security Instrument ("Property"):

Parcel "A":  
That portion of the Southeast 1/4 of the Southeast 1/4 of Section 19, Township 35 North, Range 5 East W.M., described as follows:

Beginning at a point 20 feet East of the Southwest corner of said subdivision, on the South line thereof; thence North 313.50 feet; thence East 165 feet; thence South 313.50 feet to the South line of said subdivision, thence West 165 feet to the point of beginning.

Parcel "B":  
That portion of the West 504.5 feet of the Southeast 1/4 of the Southeast 1/4 of Section 19, Township 35 North, Range 5 East W.M., described as follows:

Beginning at the Southwest corner of said subdivision; thence South 89°55'30" East along the South line of said subdivision a distance of 185.00 feet to the Southeast corner of that certain tract of land deeded to C. Leroy Holm, et ux. by Deed recorded November 21, 1957, under Auditor's File No. 558695, records of Skagit County, Washington, being the true point of beginning; thence North 1°38'31" West along the West line of said Holm tract a distance of 313.50 feet; thence North 89°55'30" West along the North line of said Holm tract a distance of 165.00 feet to the East boundary of the Fruitdale Road being 20 feet East of the West line of said subdivision; thence North 1 degree 38'31": West parallel to and 20 feet East of the West line of said subdivision a distance of 730.14 feet; thence South 88°34'30" East a distance of 485.19 feet, more or less, to the East line of said West 504.5 feet of said subdivision; thence South 1°38'31": East a distance of 1,032.20 feet, more or less, to the South line of said subdivision; thence North 89°55'30": West a distance of 319.72 feet, more or less to the true point of beginning.

Except that portion, if any lying within the North 284 Feet of the West 180 feet of said subdivision.

Recording Date: September 3, 2009      County: Skagit      Amount: \$48,000  
Recording Number: 200909030048

B. Borrowers, as current owners of the Property, wish to replace their current first priority mortgage loan on the Property with a new first priority mortgage loan secured by the Property from a New Senior Lender in the original principal sum of \$320,000 Date: **July 25, 2012** (the "New Senior Security Instrument"). Auditor's File # **201208010065**



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In consideration of the benefits to Junior Lender from the new financing on the Property provided by New Senior Lender, Junior Lender agrees and declares as follows:

**1. Subordination to New Senior Security Instrument.**

Junior Lender agrees that upon recordation of the New Senior Security Instrument, Junior Lender's lien/security interest in the Property shall be unconditionally and forever inferior, junior and subordinate in all respects to the lien/security interest of Senior Mortgagee's New Senior Security Instrument and all obligations it secures. Junior Mortgagee irrevocably consents to and approves all provisions of the New Senior Security Instrument and the terms of the obligations it secures.

**2. No Subordination to Other Matters.**

Junior Lender is subordinating its lien/security interest to the New Security Instrument only, and not to other or future liens or security interests in the Property. Junior Lender has no obligation to consent to future requests for subordination of its lien/security interest

**3. No Waiver of Notice.**

By subordination its lien/security instrument, Junior Lender is not waiving any rights it may have under the laws of the State where the Property is located, or Federal law, to notice of defaults or other notices or rights conferred by law to junior lien holders and mortgagees.

**4. Successors and Assigns.**

This Agreement shall be binding upon and be for the benefit of any successor or assignee of the New Security Instrument or any successor of either of the parties.

**5. Governing Law.**

This Agreement shall be governed by the law of the State where the Property is located.

**6. Reliance.**

This Agreement can be relied upon by all persons having an interest in the Property or the New Senior Security Instrument.

**7. Entire Agreement; Amendments.**

This Agreement represents the entire and complete agreement between Junior Lender and Senior Lender. Any waiver or modification of this Agreement must be in writing, executed by New Senior Lender (or its successors or assigns) and Junior Lender (or its successors or assigns) and, if this Agreement was recorded in the real estate records of the government entity in which the Property is located, recorded in such real estate records, to be enforceable.

**8. Acceptance**

New Senior Lender shall be deemed to have accepted and agreed to the terms of this Agreement by recordation of this Agreement at or about the time New Senior Security Instrument is recorded. This Agreement shall be void if not recorded within 90 days of the reference date first written above.



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JUNIOR LENDER: NORTH COAST CREDIT UNION

BY: Marilyn Brink

NAME: Marilyn Brink

TITLE: Senior Vice President

STATE OF Washington

COUNTY OF Whatcom

On July 24, 2012

Before Me, Christian N Jangard

Personally Appeared Marilyn Brink

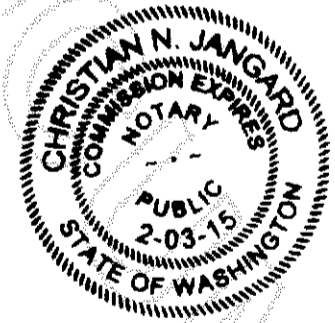
Who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Christian N Jangard

Signature of Notary Public

My Commission Expires: 2-3-2015



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