



201212120025
Skagit County Auditor

12/12/2012 Page 1 of 2 9:54AM

LAND TITLE OF SKAGIT COUNTY

144270

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After Recording Mail to:
Navy Federal Credit Union
Mortgage & Equity Member Service
Attn: Subordination Team
820 Follin Lane SE
Vienna, VA 22180

Filed for Recording at Request of: **Navy Federal Credit Union**

P113257

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 OF LATER SECURITY INSTRUMENT.


the undersigned subordinator and owner agree as follows:

1. **Navy Federal Credit Union** referred to herein as "subordinator", is the owner and holder of a **Deed of Trust** dated **June 30, 2007** which was recorded on **July 27, 2007** under auditors file No **200707270078** records of **Skagit County, Washington**.
2. **MERS as nominee for Peoples Bank** referred to herein as "lender", is the owner and holder of a Deed of Trust dated **December 6, 2012**, executed by **Thomas F. Lambert and Lynn B. Lambert, Husband and Wife**, which is recorded under auditor's file No **20121206024** records of **Skagit County, Washington** (which is to be recorded concurrently herewith).
3. **Thomas F. Lambert and Lynn B. Lambert, husband and wife** referred to herein as "owner", is the owner of all real property described in the mortgage identified above in paragraph 2.
4. In consideration of benefits to "subordinator" from "owner", receipt and sufficiency of which is hereby acknowledged, and to induce "lender" to advance funds under its mortgage and all agreements in connection therewith, the "subordinator" does hereby unconditionally subordinate the lien of his mortgage identified in Paragraph 1 above to the lien of "lender's" mortgage, identified in Paragraph 2 above, and all advances or charges made or occurring thereunder, including any extension or renewal thereof. The approval does not include renewals or extensions that would increase the loan amount being approved on this document.
5. "Subordinator" acknowledge that, prior to the execution hereof, he has had the opportunity to examine the terms of "lender's" mortgage, note and agreements relating thereto, consents to and approves same, and recognizes that "lender" has no obligation to "subordinator" to advance any funds under its mortgage or see to the application of "lender's" mortgage funds, and any application or use of such funds for purposes other than those provided for in such mortgage, note or agreements shall not defeat the subordination herein made in whole or in part.
6. It is understood by the parties hereto that "lender" would not make the loan secured by the mortgage in Paragraph 2 in the amount of **\$254,350.00** without this agreement.
7. 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 mortgagee first above mentioned to the lien or charge of the mortgage in favor of "lender" above referred to and shall supercede and cancel any prior agreements as to such, or any, subordination including, but not limited to, those provisions, if any, contained in the mortgage first above mentioned, which provide for the subordination of the lien or charge thereof to a mortgage or mortgages to be thereafter executed.
8. The heirs, administrators, assigns and successors in interest of the "subordinator" shall be bound by this agreement. Where the word "mortgage" appears herein it shall be considered ad "deed of trust", and gender and number of pronouns considered to conform to undersigned.

Executed this 7th of Nov, 2012

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

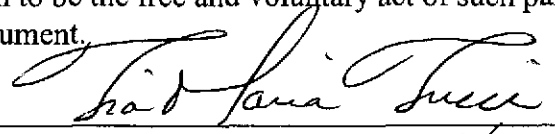
Navy Federal Credit Union

X 
Sign S.E. Krueger Date 7 November 2012

STATE OF Virginia, COUNTY OF Fauquier

I certify that I know or have satisfactory evidence that S.E. Krueger signed this instrument, on oath stated that he is authorized to execute this instrument and acknowledged it as the Vice-Pres. of Navy Federal Credit Union to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

Dated: 7 November 2012



Notary Public in and for the State of Virginia
Residing at: 820 Fuller Lane, Vienna VA 22180
My commission expires: 31 Jan 2013

TIA MARIA TUCCI
Notary Public
Commonwealth of Virginia
274045
My Commission Expires Jan 31, 2013



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Skagit County Auditor