



201303110153  
Skagit County Auditor

3/11/2013 Page 1 of 2 3:49PM

LAND TITLE OF SKAGIT COUNTY

145100-06

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After Recording Mail to:  
Peoples Bank  
PO Box 233  
Lynden WA 98264

Filed for Recording at Request of: Peoples Bank.

7114406

### 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.

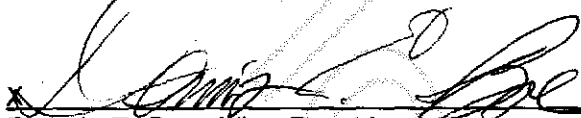
the undersigned subordinator and owner agree as follows:

1. **Peoples Bank, A Washington Corporation** referred to herein as "subordinator", is the owner and holder of a Deed of Trust dated November 8, 2006 which was recorded on November 20, 2006 under auditors file No 200611200130 which was modified with a Modification of Deed of Trust dated January 11, 2008 which was recorded on January 11, 2008 under auditors file No 20080111085 which was modified with a Modification of Deed of Trust dated June 10, 2010 which was recorded on June 18, 2010 under auditors file No 201006180132 records of Skagit County.
2. **MERS as nominee for Peoples Bank** referred to herein as "lender", is the owner and holder of a Deed of Trust dated February 28, 2013, executed by Greg A. Krieder and Dawnell C. Kreider, husband and wife, which is recorded under auditor's file No 201303110152 records of Skagit County (which is to be recorded concurrently herewith).
3. **Greg A. Krieder and Dawnell C. Kreider, 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.
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 \$379,000.00 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 19th day of February, 2013

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.

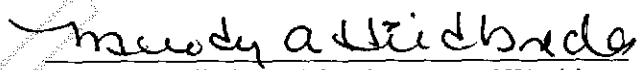
Peoples Bank

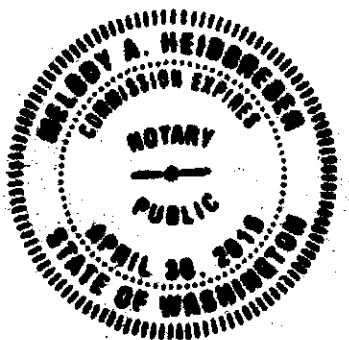
  
Dennis E. Boe, Vice President

STATE OF WASHINGTON, COUNTY OF Skagit

I certify that I know or have satisfactory evidence that Dennis E. Boe signed this instrument, on oath stated that he is authorized to execute this instrument and acknowledged it as the Vice President of Peoples Bank to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

Dated: February 19, 2013

  
Notary Public in and for the State of Washington  
Residing at: Ut Verum, Wa.  
My commission expires: 4-30-15



201303110153  
Skagit County Auditor