



201612150061

Skagit County Auditor

\$129.00

12/15/2016 Page

1 of

7 12:29PM

Document Title: SUBORDINATION AGREEMENT

Reference Number: 201503030054 / 201612150059

Grantor(s): ☐ additional grantor names on page ____

1. INSPIRUS CREDIT UNION
2. CHRISTINE D WARD + DAVID C WARD

Grantee(s): ☐ additional grantee names on page ____

1. BANK OF CALIFORNIA N.A.
- 2.

Abbreviated legal description: ☐ full legal on page(s) ____

LOT 4, SKAGIT COUNTY SP NO. 98-0005

Assessor Parcel / Tax ID Number: ☐ additional tax parcel number(s) on page ____

I, RAFAEL ESTRADA, am hereby requesting an emergency non-standard recording for an additional fee provided in RCW 36.18.010. I understand that the recording processing requirements may cover up or otherwise obscure some part of the text of the original document. Recording fee is \$73.00 for the first page, \$1.00 per page thereafter per document. In addition to the standard fee, an emergency recording fee of \$50.00 is assessed. This statement is to become part of the recorded document.

Signed _____

Dated _____

12.15.16

WHEN RECORDED RETURN TO:

Inspirus Credit Union
P.O. Box 576
Seattle, WA 98111-0576

This space provided for Recorder's Use

R# 1377863

SUBORDINATION AGREEMENT

Grantor(s): Inspirus Credit Union (Creditor)
Christine D Ward & David C Ward (Borrower)

Grantee(s): Banc of California, N.A. (New Lender)

Legal Description: *LOT 4, SKAGIT COUNTY SP NO. 98-0005*

For complete legal description, see attached **Exhibit A**.

Assessor's Property Tax Parcel or Account No.: P120647

THIS SUBORDINATION AGREEMENT (the "Agreement") dated as of October 5 2016, is entered into among INSPIRUS CREDIT UNION (the "Creditor"), whose address is P.O. Box 576, Seattle, WA 98111, Christine D Ward & David C Ward (the "Borrower"), whose address is 24520 Finlan Pl Mount Vernon, Wa 98274, and Banc of California (the "New Lender"), whose address is 18500 Von Karman Ave, Ste 1100, Irvine, CA 92612

RECITALS:

A. Creditor has extended credit in the amount of \$158,000.00 to Borrower (the "Creditor Loan") which is or will be secured by a deed of trust executed by Borrower for the benefit of Creditor (together with any amendments, supplements, extensions, renewals or replacements, the "Creditor Deed of Trust") covering the real property described above (the "Real Property") and the personal property described therein. The Creditor Deed of Trust was recorded under recording/instrument number 201503030054, on March 3 2015, in the records of Skagit County, Washington.

B. New Lender has made or may make a loan in the amount of \$409,000.00 to Borrower ("New Lender Loan"), which will be secured by a deed of trust executed by Borrower for the benefit of New Lender which is being recorded concurrently with this Agreement (together with any amendments, supplements, extensions, renewals or replacements, the "New Lender Deed of Trust") covering the Real Property and the personal property described therein (the Real Property and such personal property and all products and proceeds thereof, collectively, the "Property").

C. New Lender has required that its security interest in the Property be superior to the security interest of Creditor in the Property.

In consideration of the matters contained in the foregoing Recitals, which are hereby incorporated herein, and for other valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows:

AGREEMENT:

1. Subordination.

a. Creditor hereby subordinates any and all of its right, title, claim, lien and interest in the Property and all proceeds thereof, under the Creditor Deed of Trust, to all right, title, claim, lien and interest of New Lender in the Property under the New Lender Deed of Trust.

b. Creditor's agreement to subordinate shall apply to the principal balance on the New Loan as set forth above, plus all interest, late charges, collection costs and expenses, attorney's fees and amounts paid to third parties to protect or enforce New Lender's security interest, but shall not include increases in the principal balance other than increases required for preservation, maintenance, or improvement of the Property, or performance of Borrower's obligations under New Lender's Deed of Trust.

c. Except as otherwise set forth herein, the priority of security interests in the Property shall be governed by applicable law.

2. Actions by New Lender. Creditor agrees that New Lender may foreclose its security interest in the Property and may otherwise act in any manner permitted by the New Lender Deed of Trust or by law without affecting any priority of New Lender hereunder. New Lender agrees that it shall provide Creditor, in such time and manner as is required by applicable law, all notices required to be provided to the beneficiary of a trust deed or mortgagee of a mortgage that is recorded after the deed of trust or mortgage being foreclosed. New Lender agrees that it will not, without prior written consent of Creditor, increase the interest rate or the payments required on the New Lender Loan (except for increases in escrow impound amounts for taxes and insurance, or increases pursuant to variable rate terms in the New Lender Loan documents) or otherwise modify the New Lender Loan in any material respect.

3. No Obligation. This Agreement shall not be construed as giving rise to any obligation on the part of Creditor to assume or pay any indebtedness of any Person to New Lender, nor shall this Agreement be construed as giving rise to any obligation on the part of Creditor or New Lender to loan any amounts or extend any financial accommodations to Borrower or any other Person.

4. Entire Agreement. This Agreement constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless made in writing and signed by all parties hereto.

5. **Successors.** This Agreement shall extend to and bind the respective heirs, personal representatives, successors and assigns of the parties to this Agreement, and the covenants of Borrower and Creditor respecting subordination of the Creditor Deed of Trust shall extend to, include, and be enforceable by any transferee or endorsee of the Creditor Deed of Trust or the Creditor Loan.

6. **Recitals.** The Recitals are hereby incorporated herein.

CREDITOR:

INSPIRUS CREDIT UNION

By: Gerry Weston
Title: Member Solutions Mgr.

NEW LENDER

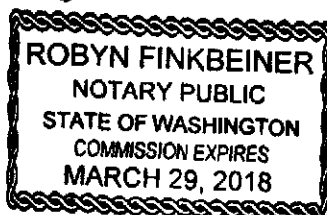
Banc of California

By: [Signature]
Title: Lending Supervisor

CORPORATE ACKNOWLEDGMENT

STATE OF WASHINGTON)
County of King) ss.

This record was acknowledged before me on October 5, 2014, by Gerry Weston as Representative of Inspirus Credit Union.



[Signature]
Signature of Notarial Officer
Stamp (if required):
Title of Office: Notary Public
My Commission Expires: 3/29/2018

CORPORATE ACKNOWLEDGMENT

STATE OF WASHINGTON)
) ss.
County of _____)

This record was acknowledged before me on _____, _____, by
_____ as _____ of
Banc of California

Signature of Notarial Officer
Stamp (if required):
Title of Office: Notary Public
My Commission Expires: _____

ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }

County of Orange }

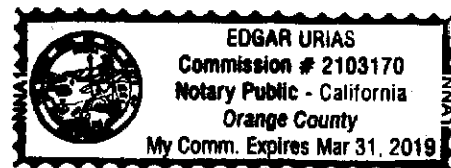
On 10/21/2016 before me, Edgar Urias, Notary Public,
(Here insert name and title of the officer)

personally appeared Sabrina De Leon,
who proved to me 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public Signature



(Notary Public Seal)

ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages _____ Document Date _____

CAPACITY CLAIMED BY THE SIGNER

- ☐ Individual(s)
☐ Corporate Officer

(Title)

- ☐ Partner(s)
☐ Attorney-in-Fact
☐ Trustee(s)
☐ Other _____

INSTRUCTIONS FOR COMPLETING THIS FORM

This form complies with current California statutes regarding notary wording and, if needed, should be completed and attached to the document. Acknowledgements from other states may be completed for documents being sent to that state so long as the wording does not require the California notary to violate California notary law.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he~~/she/~~they~~, ~~is~~/~~are~~) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - ❖ Indicate title or type of attached document, number of pages and date.
 - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document with a staple.

Exhibit A

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON, AND IS DESCRIBED AS FOLLOWS:

LOT 4 OF SKAGIT COUNTY SHORT PLAT NO. 98-0005, APPROVED JULY 23, 2003 AND RECORDED JULY 25, 2003 UNDER AUDITOR'S FILE NO. 200307250237, RECORDS OF SKAGIT COUNTY, WASHINGTON AND BEING A PORTION OF GOVERNMENT LOT 6 IN SECTION 6 TOWNSHIP 35 NORTH, RANGE 5 EAST OF THE WILLAMETTE MERIDIAN.

SITUATED IN SKAGIT COUNTY, WASHINGTON.

Parcel ID: P120647

Commonly known as 24520 FINLAN PLACE, Mount Vernon, WA 98274
However, by showing this address no additional coverage is provided

ABBREVIATED LEGAL: LOT 4 OF SKAGIT COUNTY SHORT PLAT NO. 98-0005.