



201909250128

09/25/2019 03:32 PM Pages: 1 of 9 Fees: \$111.50
Skagit County Auditor

RETURN NAME & ADDRESS

Guardian NW Title & Escrow
1301 B Riverside Dr, PO Box 1667
Mount Vernon WA 98273

Please print neatly or type information
Document Title(s)

Subordination Agreement

Reference Number(s) of related documents:

201908220109 UCC Financing Statement

DT# 201909250127

Additional Reference #'s on page ____

Grantor(s) (Last, First, and Middle Initial)

1st Security Bank of Washington

Additional Grantors on page ____

Grantee(s) (Last, First, and Middle Initial)

LendUS, LLC

Additional Grantees on page ____

Legal Description (abbreviated form: i.e. lot, block, plat or section, township, range, quarter/quarter)

Section 17, Township 34 North, Range 4 East -SW SE

Complete legal on page 9

Assessor's Property Tax Parcel/Account Number

P25740 / 34047-0-134

0006
Additional parcel #'s on page ____

The Auditor/Recorder will rely on the information provided on this form. The responsibility for the accuracy of the indexing information is that of the document preparer.

*I am requesting an emergency nonstandard recording for an additional fee as 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.

Signature of Requesting Party

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.

The undersigned Owner and Fixture Lender agree as follows:

1. **Mortgage Loan.**

1.1 The Party identified on the cover page to this Subordination Agreement as "**Mortgage Lender**" is the owner and holder of a mortgage or deed of trust of even date herewith (the "**Mortgage**") executed by the party or parties identified on the cover page to this Subordination Agreement as "**Owner**".

1.2 The Mortgage encumbers the property legally described on the cover page and on **Exhibit A** to this Subordination Agreement (the "**Property**"). The Property is located in the County in the State of Washington designated on Exhibit A (the "**County**"). The Mortgage was recorded in the real property records of the County under the recording number identified on the cover page to this Subordination Agreement.

1.3 The Mortgage secures repayment of a loan from Mortgage Lender (the "**Mortgage Loan**") in the present maximum principal amount of Three Hundred Twelve Thousand Five Hundred and 00/100 **DOLLARS (\$ 312,500.00**). The Mortgage and the promissory note and other documents relating to the Mortgage Loan are sometimes hereinafter referred to collectively as the "**Mortgage Loan Documents**".

2. **Fixture Loan.** 1ST SECURITY BANK OF WASHINGTON ("**Fixture Lender**") has made a loan to Owner which is secured by the collateral ("**Fixture Collateral**") described in a UCC Fixture Filing (the "**Fixture Filing**") which is recorded or filed in the real property records of the County under the recording or filing number identified on the cover page to this Subordination Agreement. The Fixture Filing and the promissory note, security agreement and other documents relating to the Fixture Loan are sometimes hereinafter referred to collectively as the "**Fixture Loan Documents**".

3. **Property and Fixture Collateral Ownership.** Owner is the sole owner of the Property and the Fixture Collateral.

4. **Subordination of Fixture Filing.** Fixture Lender agrees, for the benefit of Mortgage Lender, that: (i) its security interest in the Fixture Collateral is subject and

subordinate to the lien of the Mortgage and all advances or charges made or accruing thereunder, including any and all extensions, modifications (other than those prohibited by Section 5 below) and renewals thereof, additional advances thereunder to preserve and protect the collateral or to cure defaults under the Mortgage Loan Documents (whether or not Mortgage Lender is obligated or committed to make such advances) and capitalization of interest, costs and fees in connection with any of the foregoing; and (ii) Fixture Lender claims no interest in any portion of the Property other than the Fixture Collateral.

5. Prohibited Modifications of Mortgage Loan. Owner agrees that without the consent of Fixture Lender, which may be granted or withheld in the sole discretion of Fixture Lender, Owner will not seek, or agree to, any modification of the Mortgage Loan Documents so as to: (i) shorten the maturity date of the Mortgage Loan; (ii) cross-default the Mortgage Loan with any other indebtedness of Owner; (iii) increase the interest rate on the Mortgage Loan (other than increases which are contemplated by the Mortgage Loan Documents as they exist today) or (iv) increase the principal amount of the Mortgage Loan. Any modification of the Mortgage Loan in violation of this Section 5 will render the subordination made in this Agreement null and void.

6. Acknowledgments of Fixture Lender. Fixture Lender acknowledges that, prior to the execution thereof, it has had the opportunity to examine the terms of the Mortgage and the Mortgage Loan Documents and consents to the same. Fixture Lender further acknowledges that Mortgage Lender has no obligation to Fixture Lender to advance any funds under the Mortgage or to see to the application of Mortgage Lender's loan funds, and any application or use of such funds for purposes other than those provided for in the Mortgage or any of the other Mortgage Loan Documents shall not defeat the subordination herein made in whole or in part. It is understood by the parties hereto that Mortgage Lender would not make the Mortgage Loan without this Agreement.

7. Actions by Mortgage Lender; Fixture Lender's Waivers. Mortgage Lender, without the consent of or notice to Fixture Lender, may release any or all parties liable for any obligation secured by the Mortgage Loan Documents, and release any or all security for the obligations secured by the Mortgage, all without affecting the subordination of the Fixture Filing. Fixture Lender waives any right to require marshaling of assets or to require Mortgage Lender to proceed against or exhaust any specific security for the obligations secured by the Mortgage, and waives any defense arising out of the loss or impairment of any right of subrogation to the lien of the Mortgage. With the exception of modifications prohibited by Section 5 above, Mortgage Lender and Owner may freely enter into extensions, modifications and renewals of the

Mortgage Loan Documents without notice to or consent of the Fixture Lender and no such modification, extension or renewal shall defeat the subordination made in this Agreement in whole or in part.

8. **Entire Agreement; Mortgage Lender Acceptance.** This Agreement shall be the whole and only agreement between the parties hereto with regard to the subordination granted herein and shall supersede and cancel any prior agreements as to such subordination. Fixture Lender has agreed to the subordination herein contained on the conditions set forth in this Agreement. By making the Mortgage Loan, Mortgage Lender shall be deemed to have accepted the conditions to Fixture Lender's subordination which are set forth herein.

9. **Successors and Assigns.** The heirs, administrators, assigns and successors in interest of Owner, Fixture Lender and Mortgage Lender shall be bound by this Agreement.

10. **Notices.** All notices, demands or other communications to be given or sent pursuant to this agreement shall be given in the manner set forth in the Fixture Loan Documents.

11. **Governing Law; Attorneys Fees.** This Agreement shall be governed by and construed in accordance with the laws of the State where the Property is located. The prevailing party shall be entitled to its reasonable attorney's fees and all other costs and expenses in any action to enforce or interpret this Agreement.

[Signatures Appear on Following Page]

Subordination Agreement Signature Page

DATED as of the 12 day of September, 2019.

**FIXTURE
LENDER:**

**1st SECURITY BANK OF
WASHINGTON**

By: *Sue Coldwell*
Name: Sue Coldwell
Title: SVP Consumer Lending

OWNER:

Joan Gordon (type or print name)

(type or print name)

Subordination Agreement Signature Page

DATED as of the 12 day of September, 2019.

**FIXTURE
LENDER:**

**1st SECURITY BANK OF
WASHINGTON**

By: *Sue Coldwell*
Name: Sue Coldwell
Title: SVP Consumer Lending

OWNER:

Joan Gordon
Joan Gordon (type or print name)

(type or print name)

STATE OF Washington |
COUNTY OF Snohomish | ss.

I certify that I know or have satisfactory evidence that Sue Coldwell is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the Admin Assistant of 1ST SECURITY BANK OF WASHINGTON to be the free and voluntary act of such entity for the uses and purposes mentioned in the instrument.

DATED this 12 day of September, 2019.



(Signature of Notary)



R. Dayton Hughes
(Legibly Print or Stamp Name of Notary)

Notary public in and for the State of Washington, residing at Bothell, WA

My appointment expires 2/28/2022

STATE OF Washington
COUNTY OF Skagit ss.

I certify that I know or have satisfactory evidence that Joan Gordon is the person who appeared before me, and said person acknowledged that said individual signed this instrument and acknowledged to be his or her free and voluntary act and deed for the uses and purposes mentioned in the instrument.

DATED this 20th day of Sept., 2019.

NOTARY PUBLIC
STATE OF WASHINGTON
TRACEY M. BROWN
License Number 179729
My Commission Expires 07-23-2023

Tracey M Brown
(Signature of Notary)

Tracey M Brown
(Legibly Print or Stamp Name of Notary)

Notary public in and for the State of WA, residing at Camano Isl.

My appointment expires 07/23/23

Exhibit "A"
Property Description

That portion of the Southwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 17, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at a point 302.7 feet East and 292 feet North of the Southwest corner of said subdivision;
thence North parallel to North and Southcenter line of said Section 17, 131 feet;
thence West 136.32 feet (parallel to the South Section line of said Section 17);
thence South 131 feet;
thence East 136.32 feet to point of beginning.

Situate in the County of Skagit, State of Washington.