

**WHEN RECORDED RETURN TO:**

Department of Commerce  
**Housing Trust Fund**  
1011 Plum St. SE  
P.O. Box 42525  
Olympia, Washington 98504-2525

**Attention: Contracts/Fiscal Group**

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**DEED OF TRUST SUBORDINATION AGREEMENT****Reference Number(s) of Related Documents:**

Grantor (Subordinator): Washington State Department of Commerce  
Grantor (Owner): Salem Village One, LLC  
Grantee (Lender): Mission Investment Fund  
Legal Description (abbreviated): Lot(s): 2 AND PTN 3 SHORT PLAT NO. MV-8-94  
Assessor's Tax Parcel ID#: P24136/ 340408-0-013-0003  
Commerce Contract Number: *99-493-496*

1. Washington State Department of Commerce, referred to herein as "Subordinator", is the owner and holder of a mortgage dated June 3, 1999 and filed on June 4, 1999 under auditor's file number 9906040086 records of Skagit County, Washington.
2. Mission Investment Fund of the Evangelical Lutheran Church in America, including its successor agency, referred to herein as "Lender", is the owner and holder of a mortgage dated September 27, 2018, executed by Salem Village One LLC, as Grantor, which is recorded under auditor's file number 201811060041, records of Skagit County, Washington (which is to be recorded concurrently herewith).
3. Salem Village One LLC, a Washington corporation, referred to herein as "Owner", is the owner of all the 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 subordinate the lien of its 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 accruing thereunder, including any extension or renewal thereof. **However, pursuant to the Revised Codes of Washington 43.185 et. seq., the Department of Commerce does not subordinate its covenants running with the**

land restricting the residential use of the property to very low income households for the term of the commitment.

5. "Subordinator" acknowledges that, prior to the execution hereof, it has had the opportunity to examine the terms of "Lender's" mortgage, note and agreements relating thereto 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 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 first mortgage above mentioned in favor of "Lender" above referred to and shall supersede 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 as "Deed of Trust", and gender and number of pronouns considered to conform to undersigned.

Executed this 28<sup>th</sup> day of October, 20 19.

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.

*[SIGNATURE PAGES AND NOTARY BLOCKS ARE LOCATED ON PAGES 3-5]*

IN WITNESS WHEREOF, the parties hereto have caused this Deed of Trust Subordination Agreement to be executed as of the day and year written above and warrant by signing below that they have the authority to enter into this Assumption Agreement.

"Subordinator":

DEPARTMENT OF COMMERCE.

a department of the state of Washington

By:

Printed Name:

Title:

Assistant Director, Community Services and Housing Division

Date:

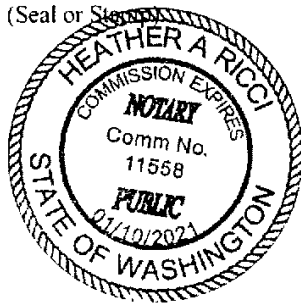
10/28/19

STATE OF WASHINGTON )

COUNTY OF Thurston ) ss.

On this 28<sup>th</sup> day of October, 2019, before me, the undersigned, a Notary Public in and for the state of Washington, duly commissioned and sworn Diane Klontz is the person who appeared before me, and said person acknowledged that she signed the instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as the Assistant Director of the Department of Commerce, a department of the state of Washington, and acknowledged said instrument to be the free and voluntary act and deed of such department, for the uses and purposes mentioned in the instrument.

(Seal or Stamp)



(Signature of Notary)

Heather A. Ricci  
(Legibly Print or Stamp Name of Notary)

NOTARY PUBLIC in and for the state of Washington

My Commission Expires:

1/10/21

IN WITNESS WHEREOF, the parties hereto have caused this Deed of Trust Subordination Agreement to be executed as of the day and year written above and warrant by signing below that they have the authority to enter into this Assumption Agreement.

"Owner":

**SALEM VILLAGE ONE LLC**  
a Washington Corporation

By: *Gene Van Selus*

Printed Name: GENE VAN SELUS

Title: EXECUTIVE DIRECTOR

STATE OF WASHINGTON )

COUNTY OF Skaet ) ss.

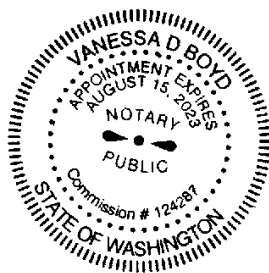
On this 15th day of November, 2019, before me, the undersigned, a Notary Public in and for the state of Washington, duly commissioned and sworn, Gene Van Selus is the person who appeared before me, and said person acknowledged that ~~he~~ she signed the instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the Executive Director of Salem Village One LLC, a Washington corporation and acknowledged said instrument to be the free and voluntary act and deed of such corporation, for the uses and purposes mentioned in the instrument.

(Seal or Stamp)

*Vanessa D Boyd*  
(Signature of Notary)  
Vanessa D Boyd  
(Legibly Print or Stamp Name of Notary)

NOTARY PUBLIC in and for the state of Washington

My Commission Expires: August 15, 2023



IN WITNESS WHEREOF, the parties hereto have caused this Deed of Trust Subordination Agreement to be executed as of the day and year written above and warrant by signing below that they have the authority to enter into this Assumption Agreement.

"Lender":

**MISSION INVESTMENT FUND OF THE EVANGELICAL  
LUTHERAN CHURCH IN AMERICA,**  
a Minnesota nonprofit corporation

By:

*Amelia Dawkins*

Printed Name: Amelia Dawkins

Title: Vice President of Lending

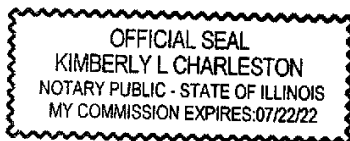
STATE OF ILLINOIS )

) ss.

COUNTY OF COOK )

On this 19<sup>th</sup> day of NOVEMBER, 2019, before me, the undersigned, a Notary Public in and for the state of ILLINOIS, duly commissioned and sworn, AMELIA DAWKINS is the person who appeared before me, and said person acknowledged that she signed the instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as the VICE PRESIDENT OF LENDING of **Mission Investment Fund of the Evangelical Lutheran Church in America**, a Minnesota nonprofit corporation, and acknowledged said instrument to be the free and voluntary act and deed of such corporation, for the uses and purposes mentioned in the instrument.

(Seal or Stamp)



*Kimberly L. Charleston*  
(Signature of Notary)  
Kimberly L. CHARLESTON  
(Legibly Print or Stamp Name of Notary)

NOTARY PUBLIC in and for the state of Washington

My Commission Expires: 7-22-22