

WHEN RECORDED RETURN TO:  
Inspirus Credit Union, a Division of Gesa Credit Union  
P.O. Box 576  
Seattle, WA 98111-0576

This space provided for Recorder's Use

LAND TITLE AND ESCROW  
01-177867-OE

**SUBORDINATION AGREEMENT**

<b>Grantor(s):</b> Inspirus Credit Union, a Division of Gesa Credit Union	(Creditor)
Jennifer Fix	(Borrower)
<b>Grantee(s):</b> First Federal	(New Lender)

**Legal Description:** For complete legal description, see attached **Exhibit A**.

**Assessor's Property Tax Parcel or Account No.:** P22114

THIS SUBORDINATION AGREEMENT (the "Agreement") dated as of , is entered into among INSPIRUS CREDIT UNION, A DIVISION OF GESA CREDIT UNION (the "Creditor"), whose address is P.O. Box 576, Seattle, WA 98111, Jennifer Fix (the "Borrower"), whose address is 14486 Laconner Whitney Rd, Mount Vernon, WA 98273, and First Federal (the "New Lender"), whose address is 105 W 8th St, Port Angeles, WA 98362

RECITALS:

A. Creditor has extended credit in the amount of \$25,000.00 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 201910040059, on 10/4/2019, in the records of Skagit County, Washington.

B. New Lender has made or may make a loan in the amount of \$218,000.00 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, is collectively, the "Property"). Recorded under Auditor's File No. 202006100069

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.

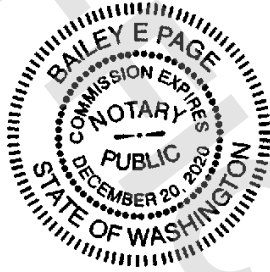
**3. No Obligation.** This Agreement shall not be construed as giving rise to any obligation on the part of Creditor to assume or pay any indebtedness of any Person to New Lender, nor shall this Agreement be construed as giving rise to any obligation on the part of Creditor or New Lender to loan any 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 or amendment to this Agreement shall be effective unless made in writing and signed by all parties hereto.



STATE OF WASHINGTON )  
County of Clallam ) ss.

This record was acknowledged before me on May 22, 20, by  
David Henry as SVP  
of First Federal



Bailey E Page  
Signature of Notarial Officer  
Stamp (if required):  
Title of Office: Notary Public  
My Commission Expires: 12/20/2020

## Exhibit A

THE SOUTH 137.75 FEET OF THE EAST 150 FEET OF THAT PORTION OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 18, TOWNSHIP 34 NORTH, RANGE 3 EAST OF THE WILLAMETTE MERIDIAN, LYING WEST OF THE ROAD RUNNING ALONG THE EAST LINE OF SAID SUBDIVISION ( A PORTION OF SAID ROAD BEING CONVEYED TO SKAGIT COUNTY BY DEED RECORDED DECEMBER 29, 1959, UNDER AUDITORS FILE NO. 529297, RECORDS OF SKAGIT COUNTY, WASHINGTON); EXCEPT THE SOUTH 7.75 FEET THEREOF. SITUATED IN SKAGIT COUNTY, WASHINGTON 1. EASEMENT, INCLUDING THE TERMS AND CONDITIONS THEREOF, GRANTED BY INSTRUMENT; RECORDED: NOVEMBER 4, 1988 AUDITORS NO. 8811040042, RECORDS OF SKAGIT COUNTY, WASHINGTON IN FAVOR OF: PUGET SOUND POWER AND LIGHT COMPANY FOR; UNDERGROUND ELECTRIC SYSTEM, TOGETHER WITH NECESSARY APPURTENANCES AFFECTS; SAID PREMISES 2. SKAGIT COUNTY RIGHT-TO-MANAGE NATURAL RESOURCE LANDS DISCLOSURE INCLUDING THE TERMS, COVENANTS AND PROVISIONS THEREOF RECORDING DATE: JUNE 26, 2015 RECORDING NO.: 201506260075 ABBREVIATED LEGAL: TAX 3: DR 19: DK 12: THE SOUTH 137.75 FEET OF THE EAST 150 FEET OF THAT PORTION OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 18, TOWNSHIP 34 NORTH, RANGE 3 EAST, W.M., LYING WEST OF THE ROAD RUNNING ALONG THE EAST LINE OF SAID SUBDIVISION (A PORTION OF SAID ROAD BEING CONVEYED TO SKAGIT COUNTY BY DEED RECORDED DECEMBER 29, 1959, UNDER AUDITOR'S FILE NO. 529297, RECORDS OF SKAGIT COUNTY, WASHINGTON), EXCEPT THE SOUTH 7.75 FEET THEREOF. PARCEL ID: P22114