

RETURN ADDRESS:

SaviBank
Burlington Main Office
1020 South Burlington
Boulevard
Burlington, WA 98233



NOTICE: THIS SUBORDINATION OF DEED OF TRUST 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.

SUBORDINATION OF DEED OF TRUST

Reference # (if applicable): 204175-LI

Additional on page ____

Grantor(s):

- 1. Wharton, Scott J.
- 2. Wharton, Diana L.
- 3. SaviBank

Grantee(s)

- 1. SaviBank

Legal Description: Ptn Lots 9- 11, Timberline Div. 1 (aka Lot 3 Mt Vernon SP LU-07-064)

Additional on page 2

Assessor's Tax Parcel ID#: 4478-000-011-0002/P83252

THIS SUBORDINATION OF DEED OF TRUST dated 01/14/2022, is made and executed among SaviBank ("Beneficiary"); Scott J. Wharton and Diana L. Wharton ("Borrower"); and SaviBank ("Lender").

Deed of Trust recorded under AFN 202002060055 is subordinate to Deed of Trust dated 1/14/2022 recorded under AFN 20220120073 filed concurrently herewith.



**SUBORDINATION OF DEED OF TRUST
(Continued)**

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SUBORDINATED INDEBTEDNESS. Beneficiary has extended the following described financial accommodations, secured by the Real Property (the "Subordinated Indebtedness"):

Lot 3, SP LU-07-064 AF #200910300080; Being A Ptn Lot 11, Timberline Div. I.

SUBORDINATED DEED OF TRUST. The Subordinated Indebtedness is or will be secured by the Real Property and evidenced by a deed of trust dated February 5, 2020 from Scott J. Wharton and Diana L. Wharton ("Trustor") to Land Title and Escrow Company ("Trustee") in favor of SaviBank ("Beneficiary") (the "Subordinated Deed of Trust") and recorded in Skagit County, State of Washington as follows:

Auditor's File No. 202002060055.

REAL PROPERTY DESCRIPTION. The Subordinated Deed of Trust covers the following described real property (the "Real Property") located in Skagit County, State of Washington:

Lot 3, City of Mount Vernon Short Plat No. LU-07-064, approved October 2, 2009, recorded October 30, 2009, under Auditor's File No. 200910300080; and being a portion of Lots 9, 10 and 11, "TIMBERLINE DIVISION I", as per plat recorded in Volume 14 of Plats, page 15, records of Skagit County, Washington. Situate in the City of Mount Vernon, County of Skagit, State of Washington.

The Real Property or its address is commonly known as 4030 Moody Place, Mount Vernon, WA 98274. The Real Property tax identification number is 4478-000-011-0002/P83252.

SUPERIOR INDEBTEDNESS. Lender has extended or has agreed to extend the following described financial accommodations to Borrower, secured by the Real Property (the "Superior Indebtedness"):

Ptn Lots 9- 11, Timberline Div. 1 (aka Lot 3 Mt Vernon SP LU-07-064).

LENDER'S LIEN. The Superior Indebtedness is or will be secured by the Real Property and evidenced by a mortgage, deed of trust, or other lien instrument, dated 11/4/2022, from Borrower to Lender (the "Lender's Lien"). As a condition to the granting of the requested financial accommodations, Lender has required that the Lender's Lien be and remain superior to the Subordinated Deed of Trust.

REQUESTED FINANCIAL ACCOMMODATIONS. Trustor, who may or may not be the same person or entity as Borrower, and Beneficiary each want Lender to provide financial accommodations to Borrower in the form of the Superior Indebtedness. Trustor and Beneficiary each represent and acknowledge to Lender that Beneficiary will benefit as a result of these financial accommodations from Lender to Borrower, and Beneficiary acknowledges receipt of valuable consideration for entering into this Subordination.

NOW THEREFORE THE PARTIES TO THIS SUBORDINATION HEREBY AGREE AS FOLLOWS:

SUBORDINATION. The Subordinated Deed of Trust and the Subordinated Indebtedness secured by the Subordinated Deed of Trust is and shall be subordinated in all respects to Lender's Lien and the Superior Indebtedness, and it is agreed that Lender's Lien shall be and remain, at all times, prior and superior to the lien of the Subordinated Deed of Trust. Beneficiary also subordinates to Lender's Lien all other Security Interests in the Real Property held by Beneficiary, whether now existing or hereafter acquired. The words "Security Interest" mean and include without limitation any type of collateral security, whether in the form of a lien, charge, mortgage, deed of trust, assignment, pledge, chattel mortgage, chattel trust, factor's lien, equipment trust, conditional sale, trust receipt, lien or title retention contract, lease or consignment intended as a security device, or any other security or lien interest whatsoever, whether created by law, contract, or otherwise.

BENEFICIARY'S REPRESENTATIONS AND WARRANTIES. Beneficiary represents and warrants to Lender that: (A) no representations or agreements of any kind have been made to Beneficiary which would limit or qualify in any way the terms of this Subordination; (B) this Subordination is executed at Borrower's request and not at the request of Lender; (C) Lender has made no representation to Beneficiary as to the creditworthiness of Borrower; and (D) Beneficiary has established adequate means of obtaining from Borrower on a continuing basis information regarding Borrower's financial condition. Beneficiary agrees to keep adequately informed from such means of any facts, events, or circumstances which might in any way affect Beneficiary's risks under this Subordination, and Beneficiary further agrees that Lender shall have no obligation to disclose to Beneficiary information or material acquired by Lender in the course of its relationship with Beneficiary.

BENEFICIARY WAIVERS. Beneficiary waives any right to require Lender: (A) to make, extend, renew, or modify any loan to Borrower or to grant any other financial accommodations to Borrower whatsoever; (B) to make any presentment, protest, demand, or notice of any kind, including notice of any nonpayment of any Superior Indebtedness secured by Lender's Lien, or notice of any action or nonaction on the part of Borrower, Lender, any surety, endorser, or other guarantor in connection with the Superior Indebtedness, or in connection with the creation of new or additional indebtedness; (C) to resort for payment or to proceed directly or at once against any person, including Borrower; (D) to proceed directly against or exhaust any collateral held by Lender from Borrower, any other guarantor, or any other person; (E) to give notice of the terms, time, and place of any public or private sale of personal property security held by Lender from Borrower or to comply with any other applicable provisions of the Uniform Commercial Code; (F) to pursue any other remedy within Lender's power; or (G) to commit any act or omission of any kind, at any time, with respect to any matter whatsoever.

LENDER'S RIGHTS. Lender may take or omit any and all actions with respect to Lender's Lien without affecting whatsoever any of Lender's rights under this Subordination. In particular, without limitation, Lender may, without notice of any kind to Beneficiary, (A) make one or more additional secured or unsecured loans to Borrower; (B) repeatedly alter, compromise, renew, extend, accelerate, or otherwise change the time for payment or other terms of the Superior Indebtedness or any part of it, including increases and decreases of the rate of interest on the Superior Indebtedness; extensions may be repealed and may be for longer than the original loan term; (C) take and hold collateral for the payment of the Superior Indebtedness, and exchange, enforce, waive, and release any such collateral, with or without the substitution of new collateral; (D) release, substitute, agree not to sue, or deal with any one or more of Borrower's sureties, endorsers, or guarantors on any terms or manner Lender chooses; (E) determine how, when and what application of payments and credits, shall be made on the Superior Indebtedness; (F) apply such security and direct the order or manner of sale of the security, as Lender in its discretion may determine; and (G) transfer this Subordination to another party.

DEFAULT BY BORROWER. If Borrower becomes insolvent or bankrupt, this Subordination shall remain in full force and



**SUBORDINATION OF DEED OF TRUST
(Continued)**

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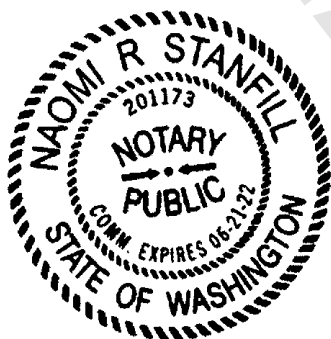
LENDER:

SAVIBANK
X [Signature]
Authorized Officer

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Skagit)

This record was acknowledged before me on January 14, 2022 by Scott J. Wharton.



Naomi R. Stanfill
(Signature of notary public)

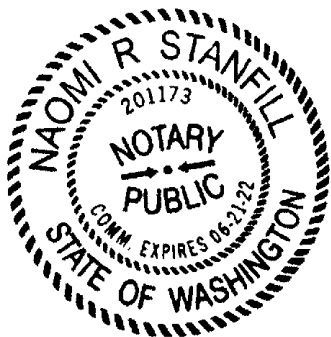
Notary
(Title of office)

My commission expires:
06-21-22
(date)

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Skagit)

This record was acknowledged before me on January 14, 2022 by Diana L. Wharton.



Naomi R. Stanfill
(Signature of notary public)

Notary
(Title of office)

My commission expires:
06-21-22
(date)



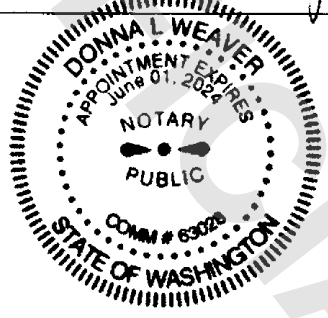
**SUBORDINATION OF DEED OF TRUST
(Continued)**

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CORPORATE ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Snohomish)

This record was acknowledged before me on January 11 2022 by Todd Anderson



Donna L. Weaver
(Signature of notary public)

Notary Public
(Title of office)

My commission expires:
June 1 2024
(date)

CORPORATE ACKNOWLEDGMENT

STATE OF _____)
) SS
COUNTY OF _____)

This record was acknowledged before me on _____ by _____

(Signature of notary public)

(Title of office)

My commission expires:

(date)



**SUBORDINATION OF DEED OF TRUST
(Continued)**

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LENDER ACKNOWLEDGMENT

STATE OF Washington

)
) SS

COUNTY OF Snohomish

)

This record was acknowledged before me on January 11 2022 by Todd Anderson
as _____ of SaviBank.



Donna L. Weaver
(Signature of notary public)

Notary Public
(Title of office)

My commission expires: June 1 2024
(date)