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Skagit County Auditor

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When recorded mail to:

KeyBank National Association
P.O. Box 16430
Boise, ID 83715

LAND TITLE COMPANY OF SKAGIT COUNTY

106964-7E

Subordination Agreement (Deed of Trust)

Beneficiary	Lender	Owners
KeyBank National Association P.O. Box 16430 Boise, ID 83715	RESIDENTIAL CAPITAL COMMERCE 13200 NE 20th St, Suite 1 Bellevue, WA 98005	James F. Ritchie and Cynthia J. Ritchie, husband and wife 14320 Channel Dr Laconner, WA 98257
Account Number: 96473100691323		

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 INSTRUMENTS.

This Subordination Agreement is made and entered into as of June 10, 2003, by and between KeyBank National Association, hereinafter "Beneficiary", in favor of RESIDENTIAL CAPITAL COMMERCE it's successors and/or assigns, hereinafter referred to as "Lender".

RECITALS

- A. James F. Ritchie and Cynthia J. Ritchie, husband and wife did execute a Deed of Trust, dated May 29, 1998, to First American Title Company of Skagit County, as trustee covering the following described parcel of real property, situated in Skagit County, State of Washington: SEE ATTACHED EXHIBIT "A" to secure a note in the sum of \$100,000.00, dated May 29, 1998 in favor of KeyBank National Association, which deed of trust was recorded June 1, 1998, as Auditor's No.9806010134, Official Records of said county. Said deed of trust is hereinafter referred to as the "Deed of Trust".
- B. James F. Ritchie and Cynthia J. Ritchie, husband and wife, hereinafter "Owners", are currently vested with fee title to the above described property.
- C. Owners have executed, or are about to execute a deed of trust and note and other related documents, hereinafter collectively referred to as the "Loan Documents", in the sum of \$180,000.00 dated June 18, 2003, in favor of Lender, payable with interest and upon the terms and conditions described therein, which deed of trust is to be recorded concurrently herewith.
- D. It is a condition precedent to obtaining said loan that the Loan Documents shall unconditionally be and remain at all times a lien or charge upon the land hereinabove described, prior and superior to the lien charge of the Deed of Trust.
- E. Lender is willing to make said loan provided the Loan Documents securing the same constitute a lien or charge upon the above described property prior and superior to the lien or charge of the Deed of Trust and provided that Beneficiaries will be specifically and unconditionally subordinate the lien or charge upon said land which is unconditionally prior and superior to the lien or charge of the Deed of Trust.
- F. It is to the mutual benefit of the parties hereto that Lender make such loan to Owners; and Beneficiary is willing that the deed of trust securing the same shall, when recorded, constitute a lien or charge upon said land which is unconditionally prior and superior to the lien or charge of the Deed of Trust.

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NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and for other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce Lender to make the loan above referred to, it is hereby declared, understood and agreed as follows:

- (1) That Beneficiary hereby subordinates beneficiary's Deed of Trust and the lien or charge on the property in thereunder to Lender's Loan Documents in the amount of \$180,000.00 in principal, plus accrued interest thereon and costs of collection thereof and any other costs or charges permitted under Lender's Loan Documents, with the same free and effect as if the Lender's Loan Documents has been executed, delivered and recorded prior to the execution, delivery and recordation of Beneficiary's Deed of trust. The dollar limit set forth above shall not prevent Lender from disbursing principal amounts in excess of that limit, but any amounts under Lender's Loan Documents in excess of such dollar limit are not subordinated hereunder.
- (2) That Lender would not make the loan above described without this Subordination Agreement.
- (3) That this Agreement shall be the only agreement with regard to the subordination of the lien or charge of the Deed of Trust to the lien or charge of the Loan Documents and shall supersede and cancel, but only insofar as would affect the priority between the deeds of trust hereinbefore specifically described, any prior agreements as to such subordinations, including, but not limited to, these provisions, if any, contained in the Deed of Trust, which provide for the subordination of the lien or charge therefore to another deed or deeds of trust or to another mortgage or mortgages.

Beneficiary declarer, agrees and acknowledges that:

- a. It consents to and approves all agreements, including but not limited to any loan or escrow agreements, between Owner and Lender for the disbursements of the proceeds of Lender's loan.
- b. Lender, in making disbursements pursuant to any such agreement, is under no obligation or duty to, nor has Lender represented that it will, see to the application of such proceeds by the person or persons to whom Lender disburses such proceeds and any application or use of such proceeds for purposes other than those provided for in such agreement or agreements shall not defeat the subordination herein made in whole or part.
- c. It intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of the Deed of Trust in favor of the lien or charge upon said land of the Loan Documents and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination, specific loans and advances are being and will be made and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination; and
- d. An endorsement has been placed upon the note accrued by the Deed of Trust that said Deed of Trust has by this instrument been subordinated to the lien or charge of the Loan Documents.

NOTICE: THIS SUBORDINATION CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN A PORTION OF WHICH MAY BE EXPANDED FOR OTHER PURPOSES THAN HOME IMPROVEMENT OF THE LAND.

Signed and acknowledged in the presence of: **KeyBank National Association**

Pamela S. Welsh
Pamela S. Welsh, Witness

Debra M. Whitehair
Debra M. Whitehair, Officer

Felechia Watson
Felechia Watson, Witness

Kristy Young
Kristy Young, Officer

STATE OF Ohio)
)
COUNTY OF Stark)

Before me, a Notary Public in and for the said County and State, personally appeared Debra M. Whitehair, Officer and Kristy Young, Officer of **KeyBank National Association**, the corporation which executed the foregoing instrument who acknowledged that they did sign the foregoing instrument for and on behalf of said corporation, being thereunto duly authorized, and that the same is the free act and deed individually and as such officers and free act of deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at Canton, Ohio, this the 10 day of June, 2003

Pamela S. Welsh
Notary Public
PAMELA S. WELSH
Notary Public, State of Ohio
My commission expires: 4-6-05

THIS INSTRUMENT PREPARED BY: KeyBank National Association

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