

**WHEN RECORDED RETURN TO:**

Peoples Bank  
P. O. Box 233  
Lynden, WA 98264



200902190006  
Skagit County Auditor

2/19/2009 Page 1 of 2 9:02AM

Recording requested by:  
LAND TITLE OF SKAGIT COUNTY  
Land Title & Escrow  
Order No. 132074-SA

**DOCUMENT TITLE(S):**  
Subordination Agreement

**REFERENCE NUMBER(S) OF DOCUMENTS ASSIGNED OR RELEASED:**  
200606120004  
200902190005

**GRANTOR:**  
Peoples Bank

**GRANTEES:**  
ANDREW C. SCHWENK and STEPHANIE C. SCHWENK, husband and wife and JUDITH S. SCHWENK, as her separate property, in indeterminate interests

**ABBREVIATED LEGAL DESCRIPTION:**  
Lots 14-17, Blk. 3, Hagadorn's & Stewarts First Add. to the City of Ana.

**TAX PARCEL NUMBER(S):**  
3792-003-017-0001, P57271

After Recording Mail to:  
Peoples Bank  
PO Box 233  
Lynden WA 98264

Filed for Recording at Request of: **Peoples Bank.**

**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 OF LATER SECURITY INSTRUMENT.

the undersigned subordinator and owner agrees as follows:

1. **Peoples Bank, A Washington Corporation** referred to herein as "subordinator", is the owner and holder of a **Deed of Trust** dated **July 22, 2005** which was recorded on **October 20, 2005** in volume \_\_\_\_\_ of mortgages, page \_\_\_\_\_ under auditors file No **20051020058 with a recording on November 17, 2005 under auditors file No. 200511170169** records of **Skagit County**.

\*\*June 12, 2006 under Auditor's File #200606120004, a re-recording of document  
2. **Peoples Bank** referred to herein as "lender", is the owner and holder of a Deed of Trust dated **2/12/09** executed by **Andrew C Schwenk and Stephanie C Schwenk and Judith S Schwenk** which is recorded under auditor's file No. **200902190005** records of **Skagit County** (which is to recorded concurrently herewith).

3 **Andrew C. Schwenk and Stephanie C Schwenk husband and wife and Judith S Schwenk, as her separate estate** referred to herein as "owner", is the owner of all 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 unconditionally subordinate the lien of his 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 occurring thereunder, including any extension or renewal thereof.

5. "Subordinator" acknowledge that, prior to the execution hereof, he has had the opportunity to examine the terms of "lender's" mortgage, note and agreements relating thereto, consents to and approves same, 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 mortgagee first above mentioned to the lien or charge of the mortgage in favor of "lender" above referred to and shall supercede 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 ad "deed of trust", and gender and number of pronouns considered to conform to undersigned.

Executed this 13 day of February, 2009

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 THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THEREABOUT.

Peoples Bank

x Alice Takehara  
Alice Takehara, Vice President



STATE OF WASHINGTON, COUNTY OF Skagit

I certify that I know or have satisfactory evidence that **Alice Takehara** signed this instrument, on oath stated that she is authorized to execute this instrument and acknowledged it as the Vice President of Peoples Bank to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

Dated: 2/13, 2009

Sara A Robinson  
Notary Public in and for the State of Washington  
Residing at: Bellingham WA  
My commission expires: March 16, 2010

