When recorded return to:

Escrow Northwest, Inc. 4301 S. Pine St., S#140 Tacoma, WA 98409



6/2/2009 Page

1 of

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File for Record at Request of Escrow Northwest, Inc. Escrow Number: 32155-MPH

CHICAGO TITLE CO.

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 OR LATER SECURITY INSTRUMENT.

| | The undersigned subordinator and owner agrees as follows: | | | |
|----|---|--|--------------------|--|
| 1. | Skagit County, which is a political subdivision of the State of Washington | | | |
| | referred to herein as "subordinator", is the owner and holder of a mortgage dated | | May 21, 2009 | |
| | | ortgages, page | | |
| | under auditor's file 200905210062 records of Ska | | County. | |
| 2. | Washington State Employees Credit Union | | · | |
| | referred to herein as "lender", is the owner and holder of a mortgage da | ited May 2 | 2, 2009 | |
| | executed May 23, 2009 | | | |
| | (which is recorded in volume of Mortgages, | | , | |
| | auditor's file 20070602 (Goods Skagit | <u> </u> | County) (which | |
| | is to be recorded concurrently herewith) | | | |
| | | | | |
| 3. | Joan H. Palmer, a single person | | | |
| | 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 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 accruing thereunder, including any extens | ion or renewal | mereof. | |
| _ | 100 de 2 diversor de 100 d | ere en | | |
| Э. | "Subordinator" acknowledges 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. | | | |
| | the terms of tender's inortgage, note and agreements relating theret | io, consents to | and approves same. | |

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.

subordination herein made in whole or in part.

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

- 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 mortgage first above mentioned to the lien or charge of the mortgage 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.

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 EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND. IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE PARTIES CONSULT THEIR ATTORNEYS WITH RESPECT THERETO.

| Dated: 06/02/09 | The state of the s |
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| | |
| STATE OF Washington } | |
| COUNTY OF Skagit | SS: |
| | |
| I certify that I know or have satisfactory evidence that | at Clyde Williams |
| | orized to execute the instrument and acknowledged it as |
| the Financial Adm. WQ Loans | of Skagit County |
| to be the free and voluntary act of manning for the to | uses and purposes mentioned in this instrument. |
| THE OF POSICE STANA PIZZE | |
| Dated: 06/02/09 | 4.0 |
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| | Myappointment expires: 4-10-2012 |
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