



201208270059  
Skagit County Auditor

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LAND TITLE OF SKAGIT COUNTY

143069-0E

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**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 agree as follows:

1. **Peoples Bank, A Washington Corporation** referred to herein as "subordinator", is the owner and holder of a **Deed of Trust** dated **October 2, 2008** which was recorded on **October 8, 2008** under auditors file No. **200810080002** records of **Skagit County, Washington**.
2. **Peoples Bank, A Washington Corporation** referred to herein as "lender", is the owner and holder of a Deed of Trust dated **AUGUST 15, 2012**, executed by **Steven J. Swigert and Susan W. Swigert, husband and wife** which is recorded under auditor's file No. **201208270058** records of **Skagit County, Washington** (which is to be recorded concurrently herewith).
3. **Steven J. Swigert and Susan W. Swigert, husband and wife** 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 in the amount of **\$380,000.00**, 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 24th day of July, 2012

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, PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THERETO.

Peoples Bank

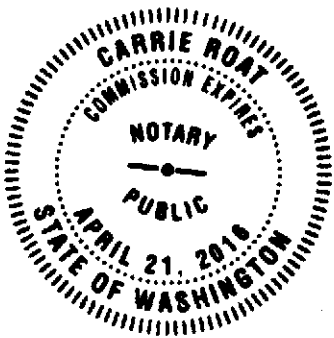
X Brandon Wolfe  
Brandon Wolfe, Assistant Vice President

STATE OF WASHINGTON, COUNTY OF Whatcom

I certify that I know or have satisfactory evidence that **Brandon Wolfe** signed this instrument, on oath stated that he is authorized to execute this instrument and acknowledged it as the **Assistant 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: July 24, 2012

Carrie Roat  
Notary Public in and for the State of Washington  
Residing at: Ferndale, WA  
My commission expires: 4/21/16



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**Schedule "A-1"**

143069-OE

**DESCRIPTION:**

Lot 1A and the West 10 feet of Lot 1B, "REPLAT OF LOT 1 OF SUNNY SLOPE," as per plat recorded in Volume 11 of Plats, page 41, records of Skagit County, Washington.

TOGETHER WITH that portion of Government Lot 5 of Section 27, Township 34 North, Range 2 East, W.M., described as follows:

Beginning at a point on the East line of Government Lot 5 which lies North 4°15'20" East a distance of 141.00 feet from the Southeast corner of said Government Lot 5;  
thence North 85°44'40" West, a distance of 25.00 feet;  
thence North 4°15'20" East, a distance of 75.00 feet;  
thence South 85°44'40" East, a distance of 25.00 feet to the East line of said Government Lot 5;  
thence South 4°15'20" East, a distance of 75.00 feet to the point of beginning of this description,

EXCEPT that portion of the Southeast ¼ of the Southeast ¼ of Section 27, Township 34 North, Range 2 East, W.M., described as follows:

Beginning at the Southwest corner of Lot 1A, "REPLAT OF LOT 1 OF SUNNY SLOPE," as per plat recorded in Volume 11 of Plats, page 41, records of Skagit County, Washington;  
thence North 4°15'20" East along the West line of said Lot 1A, a distance of 37.30 feet;  
thence South 43°41'16" East, a distance of 52.68 feet to the North line of Dan Street;  
thence North 88°41'16" West along the North line of Dan Street, a distance of 39.17 feet to the point of beginning of this description.

ALSO TOGETHER WITH the North 200 feet of the South 464 feet of the West 210 feet of the Southeast ¼ of the Southeast ¼, Section 27, Township 34 North, Range 2 East, W.M.,

EXCEPT the East 105 feet thereof;

ALSO EXCEPT that portion of the North 200 feet of the South 464 feet of the West 210 feet of the Southeast ¼ of the Southeast ¼, Section 27, Township 34 North, Range 2 East, W.M.,

EXCEPT the East 105 feet thereof described as follows:

Beginning at the Southeast corner of that Parcel B on Exhibit B conveyed to John Hohmann by instrument recorded on April 10, 2002 recorded under Auditor's File No. 200204100026, records of Skagit County;  
thence North for a distance of 20 feet along the West line of the East 105 feet of the North 200 feet of the South 464 feet of the West 210 feet of the Southeast ¼ of the Southeast ¼ to the Southwest corner of that Parcel B on Exhibit A conveyed to John Hohmann by instrument recorded on April 10, 2002, recorded under Auditor's File No. 200204100026, records of Skagit County;  
thence South 39°00'51" West for a distance of 25.71 feet to the Northwest corner of that Parcel A conveyed to John P. Lindbeck and Kimberlee W. Lindbeck by instrument recorded on July 2, 2003 under Auditor's File No. 200307020123, records of Skagit County;  
thence East along the North line of said Lindbeck parcel to an angle in the boundary of said parcel and the True Point of Beginning.

Situate in the County of Skagit, State of Washington.



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