

POOR ORIGINAL

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01/31/2022 03:23 PM Pages: 1 of 6 Fees: \$208.50
Skagit County Auditor, WA

WHEN RECORDED RETURN TO:

Coastal Community Bank
10520 19th Avenue SE
Everett, WA 98208

DOCUMENT TITLE(S)

203452-LT

Subordination Agreement - Deed of Trust

REFERENCE NUMBER(S) OF DOCUMENTS ASSIGNED OR RELEASED:

202201280412, 202201280413

GRANTOR(S):

Skagit Farmhouse LLC
Terry E. Brazas and Wendy A. Brazas

GRANTEE(S):

Coastal Community Bank

ABBREVIATED LEGAL DESCRIPTION:

Ptn Gov. Lot 11 & Ptn NE ¼ SW ¼, 7-34-3 E W.M.

TAX PARCEL NUMBER(S): 340307-0-020-0204 / P21184; 340307-0-020-0105 / P21183;
340207-0-020-0006 / P32282 and 340307-3-0002-0002 / P21199

LPB 01-05

AFTER RECORDING RETURN TO:
Coastal Community Bank
10520 19th Ave SE
Everett, WA 98208

(Space Above This Line For Recording Data)

SUBORDINATION AGREEMENT - DEED OF TRUST

NOTICE: THIS SUBORDINATION AGREEMENT WILL CAUSE SUBORDINATOR'S SECURITY INTEREST IN THE PROPERTY TO BECOME SUBJECT TO AND OF A LOWER LIEN PRIORITY THAN ANOTHER OR LATER SECURITY INSTRUMENT.

THIS SUBORDINATION AGREEMENT ("Agreement") is made this 24th day of January, 2022, between Coastal Community Bank whose address is 5415 Evergreen Way, Everett, Washington 98203 ("Lender") and Terry E Brazas and Wendy A Brazas of 4501 Woodside Drive, Anacortes, Washington 98221, ("Subordinator"). Subordinator and Lender, in consideration of their mutual benefit and the benefit of Skagit Farnhouse LLC ("Grantor"), do agree, represent, promise and covenant as follows:

SUBORDINATED INDEBTEDNESS. Subordinator has extended to Grantor the following described financial accommodations ("Subordinated Indebtedness"):

- Promissory note dated January 12, 2022 in the amount of \$732,000.00

SUBORDINATED DEED OF TRUST; PROPERTY DESCRIPTION. Subordinator is owner and holder of a Deed of Trust securing the Subordinated Indebtedness made by Skagit Farnhouse LLC, a Washington Limited Liability Company, whose address is 13724 LaConner Whitney Rd, Mount Vernon, Washington 98273 as Grantor to Subordinator, which is dated January 24, 2022, and under recording number 202201280412, records of County of Skagit, State of Washington ("Subordinated Deed of Trust"). **3**

FINANCIAL ACCOMMODATIONS; SUPERIOR INDEBTEDNESS; SUPERIOR DEED OF TRUST. Grantor requests and Lender agrees to provide, as evidenced by Lender's signatures below, the following described financial accommodations (the "Superior Indebtedness"):

- Loan number 1905568600 with a principal amount of \$1,368,000.00

The Superior Indebtedness is to be secured by a deed of trust given by Grantor to Lender and covering the Property (the "Superior Deed of Trust").

SUBORDINATION. Subordinator hereby agrees that the Subordinated Deed of Trust and the Subordinated Indebtedness secured thereby is and shall continue to be subordinate to the lien of the Superior Deed of Trust and the Superior Indebtedness secured thereby. Subordinator also subordinates to Lender's Superior Deed of Trust and Superior Indebtedness all other security interests in the Property held by Subordinator, including, by way of example but not by way of limitation, any lien, charge, mortgage, deed of trust, assignment, pledge, or other similar security interest, whether now existing or hereafter acquired.

RENEWALS; EXTENSIONS. Subordinator's subordination and agreements hereunder shall extend to any extensions or renewals of the Superior Indebtedness described above.

REPRESENTATIONS AND WARRANTIES. Subordinator represents and warrants to Lender that: (a) this Agreement is being executed at the request of Grantor, and not at the request of Lender; (b) no representations or

agreements of any kind have been made to Subordinator which would limit, qualify, or otherwise impair in any way the terms of this Agreement; and (c) Lender has made no representation to Subordinator as to the creditworthiness of Grantor.

LENDER'S RIGHTS. Lender's action or inaction with respect to Lender's Superior Deed of Trust and Superior Indebtedness does not affect in any way Lender's rights under this Agreement.

NOTICE OF DEFAULT. Lender agrees to notify Subordinator in writing in the event Grantor defaults under the terms of Lender's Superior Deed of Trust to the extent that Lender commences an action to foreclose the Superior Deed of Trust.

WAIVER. Subordinator forever waives any and all provisions, which may exist under Subordinator's Subordinated Deed of Trust and related documents which would otherwise prohibit Lender's extension of credit.

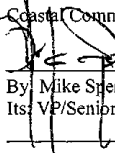
SUCCESSORS. This Agreement shall be binding upon and inure to the benefit of the representatives, successors, and assigns of Subordinator and Lender.

ORAL AGREEMENTS DISCLAIMER. Oral agreements or oral commitments to loan money, extend credit, or to forbear from enforcing repayment of a debt are not enforceable under Washington law.

GOVERNING LAW. This Agreement shall be governed by federal law and the law of jurisdiction in which the Property is located.

By signing this Subordination Agreement, Lender acknowledges reading, understanding and agreeing to all of its provisions.

Coastal Community Bank

By:  _____ Date: 1/25/22
Its: VP/Senior Relationship Manager

BUSINESS ACKNOWLEDGMENT

STATE OF WASHINGTON)
)
COUNTY OF Snohomish)

On this the 25th, Jan 2022, before me, Dylan Stang, a Notary Public, personally appeared Mike Spencer, VP/Senior Relationship Manager on behalf of Coastal Community Bank, a(n) Community Bank, to me personally known or who having proved to me on the basis of satisfactory evidence to be the person whose name is subscribed within this instrument and who acknowledged that he/she holds the position set forth and that he/she being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the Lender by himself/herself as VP/Senior Relationship Manager of Coastal Community Bank, and that the foregoing instrument is the voluntary act and deed of the Lender.

In witness whereof, I hereunto set my hand and, if applicable, official seal.

My commission expires: 9-29-23
, in and for the state
of Washington, residing at
Coastal Community Bank

Dylan Stang

(Official Seal)



By signing this Subordination Agreement, Subordinator acknowledges reading, understanding and agreeing to all of its provisions.

see next page
Terry E Brazas Date

see next page
Wendy A Brazas Date

BUSINESS ACKNOWLEDGMENT

STATE OF WASHINGTON)
)
COUNTY OF Snohomish)

On this the 25th, Jan 2022, before me, Dylan Stang, a Notary Public, personally appeared Mike Spencer, VP/Senior Relationship Manager on behalf of Coastal Community Bank, a(n) Community Bank, to me personally known or who having proved to me on the basis of satisfactory evidence to be the person whose name is subscribed within this instrument and who acknowledged that he/she holds the position set forth and that he/she being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the Lender by himself/herself as VP/Senior Relationship Manager of Coastal Community Bank, and that the foregoing instrument is the voluntary act and deed of the Lender.

In witness whereof, I hereunto set my hand and, if applicable, official seal.

My commission expires: 9-29-23
, in and for the state
of Washington, residing at

Dylan Stang

Coastal Community Bank

(Official Seal)



By signing this Subordination Agreement, Subordinator acknowledges reading, understanding and agreeing to all of its provisions.

Terry E Brazas 1/27/22
Terry E Brazas Date

Wendy A Brazas 1/27/2022
Wendy A Brazas Date

INDIVIDUAL ACKNOWLEDGMENT

STATE OF WASHINGTON)
COUNTY OF Skagit)

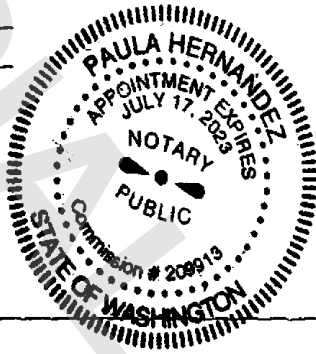
On this day personally appeared before me Terry E Brazas and Wendy A Brazas to me known to be the individuals described in and who executed the foregoing instrument, and acknowledged that they signed the same as their free voluntary act and deed for the uses and purposes therein mentioned. Given under my hand and official seal this

My commission expires:

July 17, 2023
Paula

in and for the state of Washington, residing at
Banner Bank

(Official Seal)



THIS INSTRUMENT PREPARED BY:
Coastal Community Bank