

SUBORDINATE DEED OF TRUST

Recording Requested By & Returned To:
Mortgage Connect LP
600 Clubhouse Drive
Moon Township, PA 15108

Prepared By:
Mortgage Connect LP
600 Clubhouse Drive
Moon Township, PA 15108
Order #3245724

GRANTOR(S): Jose L. Flores Jr. and Debi Ann Flores, a married couple
511 N Oak St., Burlington, WA 98233

GRANTEE: Secretary of Housing and Urban Development
451 Seventh St., SW Washington, DC 20410

APN: P38173

DOCUMENT DATE: 05/09/2025

LEGAL ABR: SW 1/4 of the NW 1/4 of Section 32, Township 35 North,
Range 4 East

FULL LEGAL ON PAGE 8-9

TRUSTEE: Old Republic Title, Ltd.

Recording Requested By:
Freedom Mortgage Corporation
951 Yamato Road
Boca Raton, FL 33431

After Recording Return To:
Freedom Mortgage Corporation C/O:
Mortgage Connect, LP
Attn: Loan Mod Processing Team
600 Clubhouse Drive
Moon Township, PA 15108
APN/Tax ID: P38173
Recording Number: 3245724

This document was prepared by: Freedom Mortgage Corporation, Michele Rice

Ptn SW NW, 32-35-4 & Ptn Tract 20, Burlington Acreage
Lender : Secretary Of Housing and Urban Development

Space Above This Line For Recording Data

FHA Case No. 566-3259652-703

SUBORDINATE DEED OF TRUST

THIS SUBORDINATE DEED OF TRUST ("Security Instrument") is given on May 9, 2025.

The Mortgagor is **JOSE L. FLORES JR. AND DEBI ANN FLORES, A MARRIED COUPLE**

Whose address is 511 N OAK ST BURLINGTON, WA 98233 ("Borrower").

Trustee: Old Republic Title, Ltd.

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This Security Instrument is given to the the Secretary of Housing and Urban Development, its successors and assigns whose address is 451 Seventh Street, SW, Washington, DC 20410 ("Lender"). Borrower owes Lender the principal sum of twenty-seven thousand nine hundred thirty-five and 31/100 Dollars (U.S. 27,935.31). This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for the full debt, if not paid earlier, due and payable on November 1, 2050.

This SECURITY INSTRUMENT secures to Lender: (a) the repayment of the debt evidenced by the Note, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, advanced under Paragraph 2 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, warrant, grant and convey to the Lender, with the power of sale the following described property located in Skagit County, State of WASHINGTON which has the address of 511 N OAK ST BURLINGTON, WA 98233, ("Property Address") more particularly described as follows: *See Exhibit A for Legal Description*

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances or record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

Borrower and Lender covenant agree as follows:

UNIFORM COVENANTS.

- 1. PAYMENT OF PRINCIPAL.** Borrower shall pay when due the principal of the debt evidenced by the Note.
- 2. BORROWER NOT RELEASED; FORBEARANCE BY LENDER NOT A WAIVER.** Extension of the time of payment of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successor in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

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3. **SUCCESSORS AND ASSIGNS BOUND; JOINT AND SEVERAL LIABILITY; CO-SIGNERS.** The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the term of this Security Instrument or the Note without that Borrower's consent.

4. **NOTICES.** Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to: Department of Housing and Urban Development, Attention: Single Family Notes Branch, 451 Seventh Street, SW, Washington, DC 10410 or any address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

5. **GOVERNING LAW; SEVERABILITY.** This Security Instrument shall be governed by Federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

6. **BORROWER'S COPY.** Borrower shall be given one conformed copy of the Note and of this Security Instrument.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

7. **ACCELERATION; REMEDIES.** Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument unless applicable law provides otherwise. The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property at public auction at a date not less than 120 days in the future. The notice further shall inform Borrower of the right to reinstate after acceleration, the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale, and any other matters required to be included in the notice by applicable law. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Lender to the extent permitted by applicable law shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 7, including without limitation reasonable attorneys' fees and costs of title evidence.

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If Lender invokes the power of sale, Lender shall give written notice to Trustee of the occurrence of an event of default and of Lender's election to cause the Property to be sold. Trustee and Lender shall take such action regarding notice of sale and shall mail such notices to Borrower and to other persons applicable law may require. After the time required by applicable law and after publication of the notice of sale, Trustee without demand on Borrower shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of the Property for a period or periods permitted by applicable law by public announcement at the time and place fixed in the notice of sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including without limitation reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it or to the clerk of the superior court of the county in which the sale took place.

8. **RECONVEYANCE.** Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty and to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs and the Trustee's fee for preparing the reconveyance.

9. **SUBSTITUTE TRUSTEE.** In accordance with applicable law, Lender may from time to time appoint a successor Trustee to any Trustee appointed hereunder who has ceased to act. Without conveyance of the Property, the successor Trustee shall succeed to all the title, power, and duties conferred upon the Trustee herein and by applicable law.

10. **USE OF PROPERTY.** The Property is not used principally for agriculture purposes.

11. **ATTORNEYS' FEES.** Lender shall be entitled to recover reasonable attorneys' fees and costs in any action or proceeding to construe or enforce any term of this Security Instrument. The term "attorneys' fees," as used in this Security Instrument, shall include without limitation attorneys' fees incurred by Lender in any bankruptcy proceeding or on appeal.

CORRECTION AGREEMENT. The undersigned Borrower(s), for and in consideration of the approval, closing and funding of this agreement, hereby grants Freedom Mortgage Corporation, as lender, limited power of attorney to correct and/or initial all typographical or clerical errors discovered in the Agreement required to be signed. In the event this limited power of attorney is exercised, the undersigned will be notified and receive a copy of the document executed or initialed on their behalf. This provision may not be used to modify the interest rate, modify the term, modify the outstanding principal balance or modify the undersigned's monthly principal and interest payments as modified by this Agreement. Any of these specified changes must be executed directly by the undersigned. This limited power of attorney shall remain in effect for the life of the loan beginning with the effective date of the

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undersigned borrower's agreement, or the date any and all documents that the lender requires to be recorded have been successfully recorded at the appropriate office, whichever is later. Borrower agrees to make and execute such other documents or papers as necessary or required to effectuate the terms and conditions of this Agreement which, if approved and accepted by Lender, shall bind and inure to their heirs, executors, administrators, and assigns of the Borrower. Borrower(s) agree(s) to assume all costs including, by way of illustration and not limitation, actual expenses, legal fees and marketing losses for failing to comply with correction requests in the above noted time period, unless prohibited by applicable law.

RETURN EXECUTED AGREEMENT. Borrower must deliver to Freedom Mortgage Corporation a properly signed agreement and all enclosed documents without alteration by 06/02/2025. If Borrower does not return a properly signed agreement and all enclosed documents by this date and make the first monthly payment pursuant to the terms of this agreement, Freedom Mortgage Corporation may deny or cancel this agreement. If the Borrower returns a properly signed agreement by said date, payments pursuant to the agreement are due as outlined in this agreement. Freedom Mortgage Corporation may deny or cancel this agreement if Borrower fails to make the first payment due pursuant to this agreement.

All Borrowers are required to sign and date this Agreement in blue or black ink only as the Borrowers' name appears below. If signed using any other color or method, the document may not be accepted and another copy of the Agreement may be sent to the Borrower to be signed.

By signing below, all Borrowers certify they have read this Agreement in its entirety, that all Borrowers know and understand the meaning and intent of this Agreement and that all Borrowers enter into this Agreement knowingly and voluntarily. By signing below, all Borrowers agree to all terms and conditions described on every page of this Agreement.

If the Lender's interest in this Security Instrument is held by the Secretary and the Secretary requires immediate payment in full under Paragraph 4 of the Subordinate Note, the Secretary may invoke the nonjudicial power of sale provided in the Single Family Mortgage Foreclosure Act of 1994 ("Act") (12 U.S.C. § 3751 et seq.) by requesting a foreclosure commissioner designated under the Act to commence foreclosure and to sell the Property as provided in the Act. Nothing in the preceding sentence shall deprive the Secretary of any rights otherwise available to a Lender under this paragraph or applicable law.

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**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.**

By SIGNING BELOW, Borrower accepts and agrees to the terms contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

**Sign here to execute
Subordinate Security
Instrument**

Jose L. Flores Jr.
(Must be signed exactly as printed)

05 / 19 / 2025

Signature Date (MM/DD/YYYY)

**Sign here to execute
Subordinate Security
Instrument**

Debi Ann Flores
(Must be signed exactly as printed)

05 / 19 / 25

Signature Date (MM/DD/YYYY)

[Space below this line for Acknowledgement]

STATE OF Washington COUNTY OF Skagit

On the 19th day of May in the year 2025 before me, the undersigned, Notary Public (or [] if an Online Notary Public), in and for said State, personally appeared by physical presence (or [] if by online notarization/use of audio/video communication technology) Jose L. Flores Jr. and Debi Ann Flores, personally known to me or proved to me on the basis of satisfactory evidence of identification to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they voluntarily executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument, the person or entity upon behalf of which the person or entity acted, executed the instrument for its stated purpose.

Personally Known _____ OR Type of Identification Produced: WA DL

WITNESS my hand and official seal.

Alina Aleksandrovna Borodina
(Signature)

Notary Public: Alina Aleksandrovna Borodina

(Printed Name)

My commission expires: 05/08/2028

(Please ensure seal does not overlap any language or print)

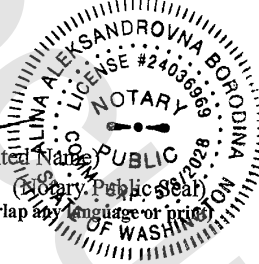


EXHIBIT A

Situated in the County of Skagit, State of Washington:

PARCEL "A":

That portion of the Southwest 1/4 of the Northwest 1/4 of Section 32, Township 35 North, Range 4 East, W.M., described as follows:

Beginning at the Southeast corner of said subdivision;
Thence North 20 rods;
Thence West to the right of way of Seattle & Montana Railway;
Thence Southeasterly along said right of way to one half section line;
Thence East to the point of beginning.

Situate in the County of Skagit, State of Washington.

PARCEL "B":

That portion of Tract 20, "PLAT OF THE BURLINGTON ACREAGE PROPERTY," as per plat recorded in Volume 1 of Plats, page 49, records of Skagit County, Washington, described as follows:

Beginning at the Southwest corner of said Tract 20;
Thence North along the West line of said tract a distance of 328.38 feet;
Thence West 30 feet;
Thence South parallel to the West line of said tract a distance of 328.38 feet;
Thence East to the point of beginning,

EXCEPT that portion, if any, lying North of the South line of said South line extended of a tract of land conveyed to Tom Coulouzis by Deed recorded February 15, 1945, under Auditor's File No. 378119.

Situate in the County of Skagit, State of Washington.

PARCEL "C":

That portion of Tract 20, "PLAT OF THE BURLINGTON ACREAGE PROPERTY," as per plat recorded in Volume 1 of Plats, page 49, records of Skagit County, Washington, and of the vacated street lying Southerly of and adjacent to said Tract 20, and of the Southeast 1/4 of the Northwest 14 of Section 32, Township 35 North, Range 4 East, W.M., more particularly described as follows:

Beginning at the intersection of the West line of Oak Street as shown on the Plat of "WALLACE ADDITION TO BURLINGTON," as per plat recorded in Volume 6 of Plats, page 4, records of Skagit County, Washington, and the South line of said Southeast 1/4 of the Northwest 14, said

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point being 60 feet, more or less, South of the South line of said Tract 20, "PLAT OF THE BURLINGTON ACREAGE PROPERTY";

Thence North 0°02'00" East along the West line of said Oak Street for a distance of 15.58 feet to the Southeast corner of a tract of land conveyed to Loren Whited by deed recorded August 20, 1973, under Auditor's File No. 789659;

Thence South 89°34'30" West along the South line of said Whited Tract, 137.24 feet to the Southwest corner thereof;

Thence North 0°41'30" East, 312.74 feet to the Northwest corner of a tract of land conveyed to Tony L. Garcia by Deed recorded July 1, 1971, under Auditor's File No. 754845;

Thence South 89°26'30" West, 30 feet, more or less, to the West line of said Tract 20 of "PLAT OF THE BURLINGTON ACREAGE PROPERTY";

Thence South along said West line to the Southwest corner thereof;

Thence West along the South line of said Tract 20 extended, to the West line of the Southeast 1/4 of the Northwest 1/4 of said Section 32;

Thence South along said West line to the Southwest corner of said subdivision;

Thence East along said South line to the point of beginning.

Situate in the City of Burlington, County of Skagit, State of Washington.

Being the same property as conveyed from Sally M. Beckmann, an unmarried woman to Jose L. Flores, Jr. and Debi Ann Flores, a married couple as set forth in Deed Instrument #202010220088 dated 10/08/2020, recorded 10/22/2020, SKAGIT County, WASHINGTON.

