

RESOLUTION NO. M-2483

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OLYMPIA, WASHINGTON, AUTHORIZING THE CITY MANAGER TO EXECUTE DOCUMENTS NECESSARY TO SUBORDINATE A CITY OF OLYMPIA COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) LOAN TO SAFEPLACE, A WASHINGTON NONPROFIT CORPORATION, UPON 521 LEGION WAY SE, OLYMPIA, WA 98501 (DPL-382)**

**WHEREAS**, SafePlace, a Washington nonprofit corporation (“SafePlace”), engages in efforts to stop sexual and domestic violence and advocate for personal and societal change through crisis intervention and education; and

**WHEREAS**, the City of Olympia (“City”) currently has a Community Development Block Grant (CDBG) loan in the amount of Eighty Thousand Five Hundred Sixteen Dollars and Twenty Cents (\$80,516.20) CDBG Loan No. 916, DPL-382 (the “Loan”) upon property owned by SafePlace at 521 Legion Way SE Olympia, WA, Thurston County Assessor Tax Parcel No. 7860-56-00300; and

**WHEREAS**, the Loan on the Property is secured by a Deed of Trust owned and held by the City, executed by SafePlace, dated June 30, 2015, and recorded on June 30, 2015, under Thurston County Auditor’s File No. 4452637, encumbering the Property; and

**WHEREAS**, SafePlace is working with Timberland Bank to secure an additional line of credit to make further improvements to the Property; and

**WHEREAS**, SafePlace is requesting that the City subordinate to the new Timberland Bank Deed of Trust, remaining in second lien position as a lender behind Timberland Bank; and

**WHEREAS**, the document attached hereto as Exhibit A relates to interests in real estate, said document has gone through legal review, and has been approved in substantially final form; and

**WHEREAS**, the Olympia City Council considers it to be in the best interests of the City of Olympia and its residents to provide for its most vulnerable populations, including survivors of domestic violence, by agreeing to SafePlace’s request to subordinate the City’s CDBG loan to Timberland Bank;


**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL DOES HEREBY RESOLVE** as follows:

1. The Olympia City Council hereby approves the form of Subordination Agreement between the City of Olympia, SafePlace, and Timberland Bank attached hereto as Exhibit A in substantially final form.
2. The City Manager is authorized and directed to execute on behalf of the City of Olympia the attached form of Subordination Agreement in substantially the final form as presented in this Resolution, subject to the City Manager’s authority and discretion to execute any other documents necessary to execute said Agreement, and to make any amendments or minor modifications as may be required and are consistent with the intent of the attached Subordination Agreement, or to correct any scrivener’s errors.

**PASSED BY THE OLYMPIA CITY COUNCIL** this 21st day of November 2023.

  
MAYOR

ATTEST:

  
CITY CLERK

APPROVED AS TO FORM:

Mark Barber  
CITY ATTORNEY

EXHIBIT A

WHEN RECORDED RETURN TO:

Name TIMBERLAND BANK

Address 624 SIMPSON AVENUE

City, State, Zip HOQUIAM, WA, 98550

XXXXX.2330

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.

Reference # (if applicable): xxxxx2330

Grantor(s): Safeplace

Grantee(s): City of Olympia

Legal Description (abbreviated): LOT 3 AND 4 UNNUMBERED BLOCK SWAN'S ADD TO OLYMPIA

Full legal on page: 2

Assessor's Tax Parcel ID#: 7860-56-00300

\_\_\_\_\_, 2023

The undersigned subordinator and owner agrees as follows:

- 1. City of Olympia, a Municipal Corporation referred to herein as "subordinator", is the owner and holder of a mortgage dated June 30, 2015 which is recorded in volume N/A of Mortgages, page N/A, under auditor's file No 4452637, records of Thurston County.
2. TIMBERLAND BANK referred to herein as "lender", is the owner and holder of a mortgage dated \_\_\_\_\_, executed by Safeplace, a Washington Non-Profit Corporation (which is recorded in volume N/A of Mortgages, page N/A, under auditor's file No. \_\_\_\_\_, records of \_\_\_\_\_ County) (which is to be recorded concurrently herewith).
3. Safeplace, a Washington Non-Profit Corporation 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 there under, including any extension or renewal thereof.
5. "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, 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 sole 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.

