



200112200128

Skagit County Auditor

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RETURN TO:  
CLS FINANCIAL SERVICES, INC.  
4720 200TH ST SW, #200  
LYNNWOOD, WA 98036

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**SUBORDINATION AGREEMENT FIRST AMERICAN TITLE CO.**

**GRANTORS:** CLS Financial Services, Inc., a Washington corporation

66833

**GRANTEES:** Morris Enterprises Family Limited Partnership

**LEGAL DESCRIPTION:** Replat of 1st Addn to Big Lake Waterfront Tracts, Lot 11; Replat of 1st Addn to Big Lake Waterfront Tracts, Ptn. Lot 121; Replat of 1st Addn to Big Lake Waterfront Tracts, Ptn. Lots 9 and 10

Additional Legal(s) see Exhibit A, B, C & D

**TAX PARCEL NO.:** 4222-000-011-0001; 3863-000-121-0103; 4222-000-009-0005; 4222-000-010-0002

**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.**

EN (INITIAL)

The undersigned subordinator and owner agrees as follows:

1. CLS Financial Services, Inc., referred to herein as "subordinator", is the owner and holder of a Deed of Trust dated 12/06/94, which is recorded under Auditor's File No. 9412080026, records of Skagit County.
2. Morris Enterprises Family Limited Partnership, referred to herein as "lender", is the owner and holder of a mortgage dated 08/21/01, executed by CLS Financial Services, Inc., a Washington corporation, Puget Sound Real Estate Group, Inc, a Washington corporation, Puget Sound Investment Group, Inc., a Washington corporation, Gerald C. Vanhook, A Married Person as Their Separate Property (which is recorded under Auditor's File No. 200112030207 of Skagit County).
3. CLS Financial Services, Inc., referred to herein as "owner" (by Statutory Warranty Deeds dated 12/11/01 recorded under Auditor's File Nos. 200112170180, 200112170181, & 200112170182), 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 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 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 provision, if any, contained in the mortgage first above mentioned, which provide for the subordination 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.

Executed this 18th day of December, 2001

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.

CLS Financial Services, Inc.

BY: Elizabeth Nordby  
Elizabeth Nordby, Authorized Representative

STATE OF Washington       )  
COUNTY OF Snohomish    )

I certify that I know or have satisfactory evidence that Elizabeth Nordby is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged is as the Authorized Representative of CLS Financial Services, Inc., to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 12/18/01

Kristy Beachy  
Written: Kristy Beachy, NOTARY PUBLIC in and for the  
State of Washington, residing at Everett.  
My Commission expires: 10-09-05.



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Exhibit A'

Lot 11, "REPLAT OF FIRST ADDITION, BIG LAKE WATERFRONT TRACTS, LOTS 122 to 127", ACCORDING TO THE PLAT THEREOF RECORDED IN Volume 11 of Plats, page 3, records of Skagit County, Washington;

EXCEPT a strip of land 60 feet wide the centerline of which is an existing road on or near the Southeast corner of said Lot 7, and extending from the County Road to the North line of the Northeast 1/4 of the Southwest 1/4 of Section 7, Township 33 North, Range 5 East, W.M.



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## Exhibit B

That portion of Lot 121, "FIRST ADDITION BIG LAKE WATERFRONT TRACTS", according to the plat thereof recorded in Volume 4 of Plats, page 15, records of Skagit County, Washington, lying West of the County Road as conveyed by a deed recorded April 20, 1956 under Auditor's File No. 534812, records of Skagit County, Washington.



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## Exhibit C

That portion of Lots 9 and 10, "REPLAT OF FIRST ADDITION, BIG LAKE WATERFRONT TRACTS Lots 122 to 127", according to the plat thereof recorded in Volume 11 of Plats, page 3, records of Skagit County, Washington, described as follows:

Beginning at the Northwest corner of Lot 10; thence Easterly along the North line of said Lot 10, a distance of 155 feet which is the true point of beginning; thence South 39 degrees 00'00" East, a distance of 212 feet; thence Easterly and parallel with the South line of said Lot 9, a distance of 225 feet, more or less, to the Easterly boundary of said Lot 9; thence Northwesterly along the Easterly boundaries of Lots 9 and 10 to the North boundary of Lot 10; thence Westerly along the North boundary of Lot 10 to the true point of beginning.



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## Exhibit D

That portion of Lots 9 and 10, "REPLAT OF FIRST ADDITION, BIG LAKE WATERFRONT TRACTS, LOTS 122 TO 127", according to the plat thereof in Volume 11 of Plats, page 3, records of Skagit County, Washington, described as follows:

Beginning at the Northwest corner of Lot 10 which is the true point of beginning; thence Easterly along the North line of said Lot 10, a distance of 155 feet; thence South 39 degrees 00'00" East, a distance of 212 feet; thence Easterly and parallel with the South line of said Lot 9, a distance of 225 feet, more or less, to the Easterly boundary of said Lot 9; thence Southeasterly along the Easterly boundary of said Lot 9 to the South boundary of Lot 9; thence Westerly along the South boundary of Lot 9 to the West boundary of Lot 9; thence Northerly along the West boundary of Lots 9 and 10 to the true point of beginning.



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