

AFTER RECORDING MAIL TO:
Wells Fargo Escrow Company
1509-A Riverside Drive
Mt. Vernon, WA 98273-2443



200205300212
Skagit County Auditor

5/30/2002 Page 1 of 2 3:24PM

Filed for Record at Request of:
Wells Fargo Escrow Company
Escrow Number: 04-00578-02

P-100659

Subordination Agreement

LAND TITLE COMPANY OF SKAGIT COUNTY

Reference Number(s):

Grantor(s):

Grantee(s):

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.

The undersigned subordinator and owner agrees as follows:

1. Skagit County, which is a subdivision of the State of Washington referred to herein as "subordinator", is the owner and holder of a mortgage dated 10/30/97 which is recorded in volume _____ of Mortgages, page _____ under auditor's file No. 9710310003, records of Skagit County Wells Fargo Home Mortgage
2. referred to herein as "lender", is the owner and holder of a mortgage dated May 24, 2002 executed by Craig A. Lemley and Carol T. Lemley, husband and wife (which is recorded in volume _____ of Mortgages, page _____, auditor's file No. 200205300211 records of Skagit County) (which is to be recorded concurrently herewith).
3. Carol Elizabeth Thomas, formerly known as Carol T. Lemley, as her separate estate 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 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 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 as "deed of trust", and gender and number of pronouns considered to conform to undersigned.

Executed this 22 day of 2002, May

NOTICE: THIS SUBORDINATION 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 THEIR ATTORNEYS WITH RESPECT THERETO.

[Signature] _____ Carol Thomas _____

State of Washington }
County of Skagit } SS:

I certify that I know or have satisfactory evidence that

is/are the person(s) who appeared before me, and said person(s) acknowledged that
he / she / they signed this instrument and acknowledge it to be his / her / their
free and voluntary act for the uses and purposes mentioned in this instrument.

Dated: _____

Notary Public in and f or the State of Washington
Residing at _____
My appointment expires: _____

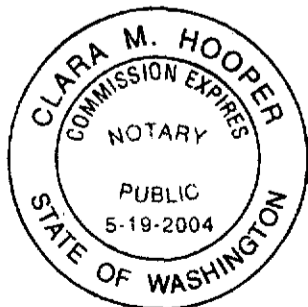
STATE OF Washington }
County of Skagit } SS:

I certify that I know or have satisfactory evidence that Clyde Williams

is/are the person(s) who appeared before me and said person(s) acknowledged that he/she/they
signed this instrument on oath and stated that he/she/they is/are authorized
to execute the instrument and acknowledge it as the FINANCIAL Adm. Water Quality Loans
of Skagit County
as the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

Dated: 5-22-02 _____ Clara M. Hooper _____

Notary Public in and for the State of Washington
Residing at Skagit County
My appointment expires: 5-19-04



200205300212
Skagit County Auditor