



200308280259
Skagit County Auditor

8/28/2003 Page 1 of 2 4:11PM

SUBORDINATION BY THE GOVERNMENT

CHICAGO TITLE CO.

The United States of America acting through the Administrator of the USDA-Rural Housing Service and its successor(s) (called the "Government") is the owner and holder of the following described instrument(s) executed by COUNTRY WIDE AMERICA'S WHOLESALE LENDER of Skagit County, State of Washington. Michael F. and Beverly H. Sarchet

Title of Instrument	Date	Date Filed	Office Filed	Document File or	Page
DEED OF TRUST	of Instrument	8/28/03		Book No.	No.
	AUGUST 27, 2003			200308280258	

AND COUNTRY WIDE AMERICA'S WHOLESALE LENDER. (Called the "Lender") has agreed to loan \$51,450.00 to Michael f. and Beverly H. Sarchet a married couple (called the "Borrower"s) for the following purposes:

LEVERAGE/PARTICIPATION

THEREFORE, in consideration of the Lender's agreement to make such loan to Borrower, the Government (1) consents to the Borrower obtaining the loan from the Lender for such purposes, and (2) agree to and does subordinate in favor of the Lender and its successors and assigns its liens or security interests created or evidenced by the above-described instrument(s) insofar as they cover the following described property and provided the Lender perfects a lien on that property:

PARCEL NUMBER(S) 4735-000-053-000

This subordination is limited to the amount actually loaned by the Lender to the Borrower (principal and accrued interest) for the forgoing purposes and also the amount actually advanced for foreclosure costs and other advanced made or to be made by the Lender, for a total limitation not to exceed \$51,450.00 Any amount which is in excess of this figure will not be covered by this subordination unless prior written consent was obtained from the Government for incurring the expenditure in questions. The Lender must incorporate into the borrower's note a statement that the loan will be in default should any proceeds of the loan funds obtained as a result of this subordination be used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetland to produce an agricultural commodity, as explained in Exhibit M of Subpart G of Part 1940 of Title 7 of the Code of Federal Regulations.

IN WITNESS WHEREOF, the United States of America has caused this subordination to be signed on the 26th day of August, 2003, pursuant to the delegated authority published in 7 CFR Part 1900, Subpart A.

WITNESS: _____

UNITED STATES OF AMERICA
BY: Susan L. Davenport
SUSAN L. DAVENPORT
TITLE: Comm. Development Manager
Rural Development
U.S. Department of Agriculture

*(NOTE TO LENDER: You are advised to obtain a perfected security interest on the above property. When the indebtedness has been satisfied please mark this form "PAID IN FULL" and return it to the USDA-Rural Housing Service at the following address:

USDA-Rural Development, 2021 E. COLLEGE WAY #216; MOUNT VERNON, WA 98273.
FmHA 460-2 (Rev. 9/88)

STATE OF WASHINGTON

ss:

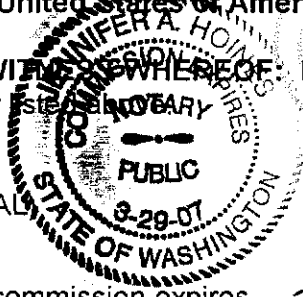
ACKNOWLEDGEMENT

COUNTY OF SKAGIT


On this 20th day of August, 2003 before me, the subscriber, a NOTARY PUBLIC, in and for the above county and State, appeared SUSAN L. DAVENPORT known to me to be COMMUNITY DEVELOPMENT MANAGER, Rural Development, United States Department of Agriculture, and the person who executed the foregoing instrument, and he/she acknowledged to me that he/she executed the same as the free act and deed of the United States of America, for the uses and purposes mentioned in it.

IN WITNESS WHEREOF: I have set my hand and seal at MOUNT VERNON, WA the day and year first above written.

(SEAL)



My commission expires 3/29/07
(To be filled in if certifying officer is a notary public)



Jennifer A. Hoines
(Signature)
NOTARY PUBLIC

(Title)



200308280259

Skagit County Auditor