

When recorded return to:

Michael A. Winslow
411 Main Street
Mount Vernon, Washington 98273



200511300095

Skagit County Auditor

11/30/2005 Page

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5 1:41PM

SUBORDINATION AGREEMENT

Grantors: Geoffrey M. DeVries and Suzanne L. DeVries, husband and wife.

Grantees: Washington Federal Savings Bank

FIRST AMERICAN TITLE CO.
BB6112E-3

Legal Description:

Section 2, Township 34 North, Range 4 East, W.M. Ptn. SE 1/4

Full legal description attached as Exhibit A.

Assessor's Property Tax

Parcel or Account No.: P118194, P116953, P23436

Reference Nos of Documents

Assigned or Released: 200411190071 # AF 20051130 0093

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 INTEREST

The undersigned subordinators and owners agree as follows:

1. Geoffrey M. DeVries and Suzanne L. DeVries, husband and wife, referred to herein as "Subordinators", are the owners and holders of a mortgage dated November 19, 2004, under Auditor's File No. 200411190071, records of Skagit County.

Subordination Agreement

-1-

N:\CLIENTS\DeVries\Beverick Purchase\Subordination Agreement (G&S).wpd

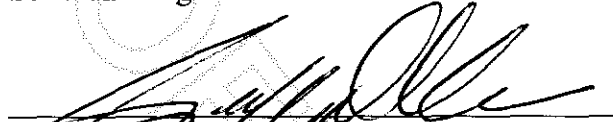
2. Washington Federal Savings Bank, Lender, is the owner and holder of a mortgage dated _____, executed by _____ (borrower), and George P. DeVries and Nancy S. DeVries, husband and wife, under Auditor's File No. AF# 2005 11 30 0093, records of Skagit County.
3. Geoffrey M. DeVries and Suzanne L. DeVries, husband and wife, (borrowers) referred to herein as "Owners", are the Owners of all the real property described in the mortgage identified above in Paragraph 2.
4. In consideration of benefits to "Subordinators" from "Owners", 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 "Subordinators" 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. "Subordinators" acknowledge that, prior to the execution hereof, they have had the opportunity to examine the terms of "lender's" mortgage, note and agreements relating thereto, consents to and approves same, and recognize that "lender" has no obligation to "subordinators" 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 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 "subordinators" 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.

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

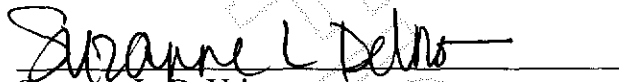


IMPROVEMENT OF THE LAND. IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THERETO.

Subordinating Lenders:



Geoffrey M. DeVries

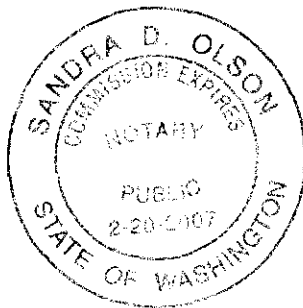


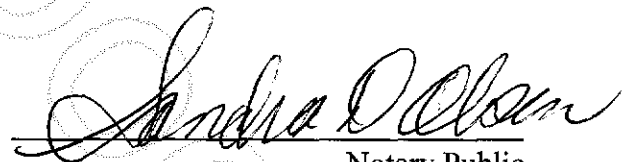
Suzanne L. DeVries

State of Washington)
)ss
County of Skagit)

I certify that I know or have satisfactory evidence that Geoffrey M. DeVries and Suzanne L. DeVries, husband and wife, are the persons who appeared before me, and said persons acknowledged that they signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes in the instrument.

Dated: 11-30-05, 2005.




_____, Notary Public
My appointment expires 2-20-07



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Legal description

The land referred to in this report/policy is situated in the State of Washington, County of Skagit, and is described as follows:

Parcel "A":

That portion of the Southeast ¼ of Section 2, Township 34 North, Range 4 East, W.M., being more particularly described as follows:

Beginning at the South ¼ corner of said Section 2; thence North 89 degrees 40'19" East along the South line of the Southeast ¼ of said Section 2, a distance of 366.73 feet; thence North 0 degrees 18'17" East a distance of 30 feet to the true point of beginning; thence continue North 0 degrees 18'17" East a distance of 829.86 feet to the Southerly line of that County road commonly known as the Mud Lake Road; and to a point on a curve to the right having a radius point bearing South 40 degrees 27'29" East a distance of 1,307.60 feet; thence along said Southerly margin and along the arc of said curve to the right in a Northeasterly direction through a central angle of 17 degrees 46'30" for an arc length of 405.65 feet to a point of tangency; thence North 67 degrees 19'01" East a distance of 686.15 feet; thence North 64 degrees 54'53" East a distance of 232.79 feet; thence North 60 degrees 48'23" East a distance of 134.96 feet; thence North 64 degrees 42'04" East a distance of 324.97 feet; thence South 87 degrees 30'42" East for 33.68 feet to an intersection of the Southerly margin line of said Mud Lake Road and the East line of the West ½ of the Northeast ¼ of the Southeast ¼ of said Section 2; thence South 0 degrees 32'34" West along the East line of the West ½ of the Northeast ¼ of the Southeast ¼ of said Section 2, a distance of 169.47 feet; thence South 51 degrees 49'11" West, a distance of 1,711.90 feet; thence South 89 degrees 40'19" West, a distance of 230.00 feet; thence South 1 degree 14'54" West, a distance of 379.01 feet to a point which bears North 89 degrees 40'19" East from the true point of beginning; thence South 89 degrees 40'19" West, a distance of 52.14 feet to the true point of beginning.

EXCEPT the following described tract:

That portion of Lot 3, Skagit County Short Plat No. 51-81, approved December 16, 1981 and recorded December 17, 1981 in Volume 5 of Short Plats, page 147, records of Skagit County, Washington, being a portion of the East ½ of Section 2, Township 34 North, Range 4 East, W.M., and being more particularly described as follows:

Beginning at the Southeast corner of said Section 2, (Southeast section corner); thence North 89 degrees 32'55" West 660.01 feet along the South line of said subdivision to the Southwest corner of the East 10.00 chains, (660.00 feet), of said subdivision; thence North 0 degrees 43'49" East 1,449.96 feet along the West line of said East 10.00 chains (also being the East line of said Lot 3, Skagit County Short Plat No. 51-81), and also being the West line of the "PLAT OF PARK ADDITION TO CLEAR LAKE, WASH.," as per plat recorded in Volume 4 of Plats, page 39, records of Skagit County, Washington, to the true point of beginning; thence South 52 degrees 35'57" West, 524.15 feet; thence North 32 degrees 19'27" West 282.34 feet, more or less, to the Southerly margin of the as-constructed County road commonly known as the Mud Lake Road; thence Northeasterly along said Southerly margin 632.4 feet, more or less, to said West line of the East 10.00 chains, at a point bearing North 00 degrees 43'49" East from the true point of beginning; thence South 00 degrees 43'49" West along said West line 179.94 feet, more or less, to the true point of beginning.



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EXHIBIT A

Parcel "B":

That portion of the Southeast $\frac{1}{4}$ of Section 2, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at the South $\frac{1}{4}$ corner of said Section 2; thence North 89 degrees 40'19" East a distance of 648.87 feet; thence North 01 degree 14'54" East a distance of 30.01 feet to the Southeast corner of Lot 2, Short Plat No. 51-81, approved December 16, 1981, recorded December 17, 1981 in Book 5 of Short Plats, page 147, under Auditor's File No. 8112170001, and the true point of beginning; thence continue North 01 degree 14'54" East a distance of 379.01 feet to the Northeast corner of said Lot 2; thence North 51 degrees 49'11" East a distance of 1,711.90 feet; thence South 0 degrees 32'34" West a distance of 1,230.50 feet; thence South 89 degrees 40'19" West a distance of 209.00 feet; thence South 0 degrees 32'34" West a distance of 199.00 feet to the North line of Buchanan Road; thence South 89 degrees 40'19" West a distance of 1,131.41 feet to the true point of beginning.

EXCEPT that portion, if any, lying Northwesterly of the Southeasterly line of Parcel "C" as described in Mortgage recorded October 28, 1981, under Auditor's File No. 8110280027,

AND EXCEPT the following described tract:

Beginning at the Southeast corner of the Southeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of said Section 2, (Southeast section corner); thence North 89 degrees 32'55" West 660.01 feet along the South line of said subdivision to the Southwest corner of the East 10.00 chains, (660.00 feet), of said subdivision; thence North 04 43'49" East 353.83 feet along the West line of said East 10.00 chains, (also being the East line of said Lot 3, Skagit County Short Plat No. 51-81), and also being the West line of the "PLAT OF PARK ADDITION TO CLEAR LAKE, WASH.," as per plat recorded in Volume 4 of Plats, page 39, records of Skagit County, Washington to the Northwest corner of the South 123.00 feet of Lot 1, Block 7 of said "PLAT OF PARK ADDITION TO CLEAR LAKE, WASH.," and being the true point of beginning; thence continue North 0 degrees 43'49" East 277.05 feet along said West line of "PLAT OF PARK ADDITION TO CLEAR LAKE, WASH.," to the Northwest corner of the South 180.00 feet of Lot 2, Block 5, "PLAT OF PARK ADDITION TO CLEAR LAKE, WASH.,"; thence North 89 degrees 32'55" West 157.50 feet on a Westerly projection of the North line of said South 180.00 feet of Lot 2; thence South 0 degrees 43'49" West 277.05 feet parallel with the West line of said "PLAT OF PARK ADDITION TO CLEAR LAKE, WASH.," to a point bearing North 89 degrees 32'55" West from the true point of beginning; thence South 89 degrees 32'55" East 157.50 feet to the true point of beginning.



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