

After Recording Mail to:

First American Title Co.  
3202 Commercial Ave.  
Anacortes, WA 98221

A89622



200610310112  
Skagit County Auditor

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tempSpace above line for recording purposes.

P83312

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LOT 12, Plat of Cheung Mavar's  
Skyline NO. 21

FIRST AMERICAN TITLE CO.

A89622E-2

### 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

This Agreement is made this 10<sup>th</sup> day of October 2006, by and between **Wells Fargo Bank, N.A.** a national bank (herein called "Lien Holder"), and **Wells Fargo Bank, N.A.**, a national bank (herein called the "Lender").

### RECITALS

Lien Holder is the beneficiary/mortgagee under a deed of trust/mortgage, dated **July 14, 2006** executed by **Stephen P. Sonnenberg and Janis C. Sonnenberg, husband and wife** (the "Debtor") which was recorded in the county of **Skagit**, State of **Washington**, as **200607200163** on **July 20, 2006** (the "Subordinated Instrument") covering real property located in **Anacortes** in the above-named county of **Skagit** State of **Washington**, as more particularly described in the Subordinated Instrument (the "Property").

200610310111

PLEASE SEE ATTACHED EXHIBIT "A" (Legal Description)

Lender will make a loan to the Debtor secured by a deed of trust/mortgage on the Property which will be recorded (the "Lender Instrument"). The Lender Instrument will secure a promissory note/line of credit agreement in the amount of \$1,000,000.

Lien Holder has agreed to execute and deliver this Subordination Agreement.

ACCORDINGLY, in consideration of the property and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lien Holder hereby agrees with Lender as follows:

1. Regardless of any priority otherwise available to Lien Holder, the lien of the Subordinated Instrument is, shall be and shall remain fully subordinate for all purposes to the lien of the Lender Instrument, to the full extent of the sum secured by the Lender Instrument, including not only principal and interest on the principal indebtedness secured thereby but all other sums secured by the Lender Instrument, excluding non-obligatory future advances.
2. Lien Holder warrants to Lender that Lien Holder presently owns the Subordinated Instrument and indebtedness secured thereby, free and clear of all liens, security interests and encumbrances.
3. This Agreement is made under the laws of the State of Washington. It cannot be waived or changed, except by a writing signed by the parties to be bound thereby. This Agreement is made between Lender and Lien Holder. It shall be binding upon Lien Holder and the successors and assigns of Lien Holder, and shall inure to the benefit of, and shall be enforceable by, Lender and its successors and assigns. Neither the Debtor nor any other person (except Lender, its successors and assigns), shall be entitled to rely on, have the benefit of or enforce this Agreement.

IN WITNESS WHEREOF, this Subordination Agreement is executed on the day and year first above stated.

WELLS FARGO BANK, N.A.

**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

By: Lisa Johnson  
Title: Vice President, Loan Documentation



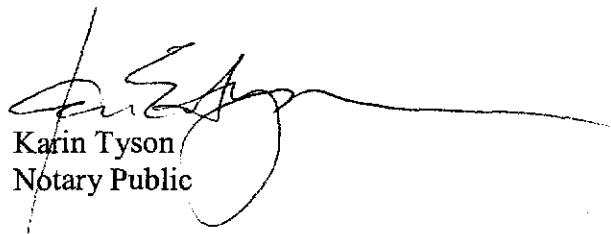
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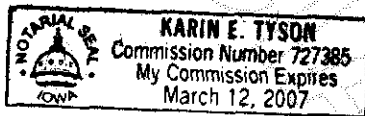
STATE OF Iowa)  
 ) SS.  
COUNTY OF Dallas)

The foregoing instrument was acknowledged before me this 10th day of October,  
2006, by Lisa Johnson, vice president, loan documentation of Wells Fargo Bank, N.A.  
(bank officer name)

WITNESS my hand and official seal.

My commission expires: 3/12/2007

  
Karin Tyson  
Notary Public



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**SCHEDULE A**  
**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:

Lot 12, "CHEUNG-MAVAR'S SKYLINE NO. 21", according to the plat thereof recorded in Volume 14 of Plats, pages 26 and 27, records of Skagit County, Washington.

TOGETHER WITH all that portion of Government Lot 2, Section 27, Township 35 North, Range 1 East, W.M., described as follows:

Commencing at the most Southerly corner of Lot 16, "SKYLINE NO. 20", according to the plat recorded in Volume 10 of Plats, page 5, records of Skagit County, Washington: thence South  $82^{\circ}35'53''$  East for 35.283 feet to the most Easterly corner of Lot 12 of "CHEUNG-MAVAR'S SKYLINE NO. 21", according to the plat thereof recorded in Volume 14 of Plats, page 26, and the true point of beginning; thence continuing South  $82^{\circ}35'53''$  East 31.25 feet; thence South  $37^{\circ}34'45''$  West 196.386 feet to the Northerly line of Tract No. 2, Plate No. 3, of tide and shore lands of Section 27, Township 35 North, Range 1 East, W.M.; thence North  $54^{\circ}28'57''$  West along said Northerly line. 27.015 feet, to the most Southerly corner of said Lot 12; thence North  $37^{\circ}34'45''$  East along the Easterly line of said Lot 12, for 180.706 feet to the true point of beginning.



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