



200702220128

Skagit County Auditor

After Recording Return To:

Hanmi Law Offices, PS
11050 5th Avenue, NE, #202
Seattle, Washington 98125

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ACCOMMODATION RECORDING

CHICAGO TITLE CO. 1041379

SUBORDINATION AGREEMENT

Chicago Title Company has placed
this document for recording as a
customer courtesy and accepts no
liability for its accuracy or validity

The undersigned subordinator and owner agrees as follows:

1. McEvoy Oil Company, Inc., a Washington corporation, referred to herein as "Subordinator," is the owner and holder of a deed of trust dated July 15, 2003, which is recorded on July 22, 2003, under Recording No. 200307220054, records of Skagit County, Washington, affecting the following-described real property:

Legal Description attached hereto as Exhibit "A"

2. Hanmi Bank, referred to herein as "lender," is the owner and holder of the deed of trust dated January 30, 2007, executed by Y & SK, Inc., a Washington corporation, securing a promissory note from Y & SK, Inc. to Lender in the amount of \$2,360,000.00, which was recorded on February 1, 2007 under the Auditor's recording number 200702010111.
3. Y & SK, Inc., referred to herein as "owner," is the owner of the real property described in the deed of trust identified above in Paragraph 1.
4. In consideration of benefits to "subordinator" from "owner," receipt and sufficiency of which is hereby acknowledged, and to induce "lender" to advance funds in the above-stated amount under its deed of trust and all agreements in connection therewith, the "subordinator" does hereby unconditionally subordinate the lien of its deed of trust identified in Paragraph 1 above to the lien of "lender's" deed of trust, identified in Paragraph 2 above, and all advances or charges made or accruing thereunder.
5. "Subordinator" acknowledges that, prior to the execution hereof, it has had the opportunity to examine the terms of "lender's" deed of trust, 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 deed of trust or see to the application of "lender's" deed of trust funds, and any application or use of such funds for purposes other than those provided for in such deed of trust, 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 deed of trust 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 deed of trust first above mentioned to the lien or charge of the deed of trust in favor of "lender" above referred to and shall supersede and cancel any prior agreements as to such subordination as between the parties hereto, including, but not limited to, those provisions, if any, contained in the deed of trust first above mentioned, which provide for the subordination of the lien or charge thereof to a deed of trust or deed of trusts to be thereafter executed.

8. The assigns and successors in interest of the "subordinator" shall be bound by this agreement.

Dated this 2nd day of February, 2007.

McEvoy Oil Company, Inc.:

Tim McEvoy
By: Tim McEvoy
Its: President

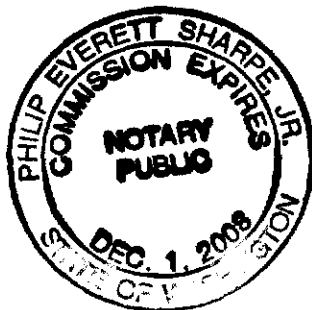
STATE OF WASHINGTON)

) ss.

COUNTY OF KING)

On this day personally appeared before me Tim McEvoy to me known to be the President of McEvoy Oil Company, Inc., the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

WITNESS my hand and official seal hereto affixed this 2 day of February, 2007.



Philip E. Sharpe Jr.
Print Name: Philip E. Sharpe Jr.
Notary Public in and for the State of Washington,
residing at Bainbridge, Washington
My appointment expires: 1 month from Feb 8



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Exhibit A
Legal Description

That portion Of Government Lots 3 and 4, Section 7, Township 36 North, Range 4 East of W.M., Skagit County, Wa., described as follows:

Commencing at the Southwest corner of said Government Lot 4; thence South 89°01'34" East 1451.78 feet to the Southeast corner of said Government Lot 4, being the Southeast corner of Skagit County S.P. No. 11-85, as filed under A. F. No. 8603110018; thence North 00°18'56" West along the East line of said Government Lot and said Short Plat a distance of 1201.82 feet to the Southerly line of Alger-Lake Samish Road; thence North 70°55'30" West along said Southerly line a distance of 261.41 feet to the centerline of Patrick Lane as shown upon said Short Plat; thence South 03°20'47" East along said centerline a distance of 22.10 feet; thence South 25°41'33" West along said centerline, a distance of 215.99 feet; thence South 03°03'26" West along said centerline a distance of 123.31 feet; thence North 89°01'34" West 290.00 feet; thence North 17°57'08" East 104.49 feet; thence North 43°30'13" East 130.86 feet; thence North 06°09'34" West 3.66 feet to the POINT OF BEGINNING; thence continuing North 06°09'34" West 162.24 feet; thence North 39°24'04" East 95.90 feet to the said Southerly line of Alger-Lake Samish Road; thence North 70°55'30" West along said Southerly line a distance of 26.01 feet; thence South 19°04'30" West along said Southerly line a distance of 15.00 feet; thence North 70°55'30" West along said Southerly line a distance of 299.97 feet to the Easterly line of Interstate Hwy. No. 5; thence South 19°04'31" West along said Easterly line a distance of 95.97 feet; thence South 12°27'14" West along said Easterly line a distance of 236.65 feet; thence departing therefrom South 89°01'34" East 351.98 feet to the POINT OF BEGINNING.

Containing 2.05 Acres.

TOGETHER WITH AND SUBJECT TO an easement for ingress, egress and utilities, described as follows:

Beginning at the intersection of the Southerly line of Alger-Lake 60 feet Easterly of said Easterly line; thence North 12°27'14" East parallel to said Easterly line a distance of 221.00 feet; thence North 19°04'31" East parallel to said Easterly line a distance of 32.50 feet; thence North 66°21'56" East 88.46 feet to said Southerly line of Alger-Lake Samish Road; thence North 70°55'30" West along said Southerly line a distance of 125.00 feet to the POINT OF BEGINNING.

ALSO an easement for ingress, egress, and utilities over that portion of the above described Patrick Lane lying North of the Easterly projection of the South line of the 20-foot wide portion of the above-described easement.

Tax parcel number: P48989

mcevoy oil/alger shell operations/memo of agreement



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