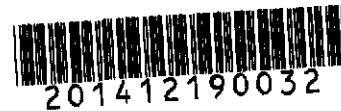


After Recording Return To:

Skagit County Treasurer

PO Box 518

Mount Vernon, WA 98273



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12/19/2014 Page

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\$73.00

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Subordination Agreement

Date: December 9, 2014

GUARDIAN NORTHWEST TITLE CO.

Property (the legal description of the Property under the Junior Mortgage): A108487-2

SIMILK BEACH, LOT 6, 7 AND WEST 24 FEET OF LOT 8, BLOCK 7, TOGETHER WITH SOUTH 1/2 OF JIGGER STREET BEING A PORTION OF A STRIP OF LAND 30 FEET IN WIDTH LOCATED ALONG THE NORTH LINE OF BLOCK 7 AS SHOWN IN THE PLAT OF SIMILK BEACH, TO ADJACENT PROPERTY PER ORDER OF VACATION #17683 RECORDED UNDER AF#199912100127.

Property Address: 13216 Satterlee Road Anacortes, WA 98221

Subordinating Lender:

Skagit County Treasurer

Date: December 5, 2014

Borrower: Daniel and Anne Berard

Trustee (if applicable): N/A

Skagit County Auditor's Recording No. 200706120150

Senior Lender:

Bay Equity, LLC

Date: December 5, 2014

Borrower: Daniel and Anne Berard

Note secured by Original Mortgage: Bay Equity, LLC

Original principal amount: \$249,500

Skagit County Auditor's Recording No. 201412190031

Subordinating Lender is the owner and holder of the Junior Mortgage and obligations secured by the Junior Mortgage; the Junior Mortgage is a lien on the title to the Property or an interest in that title.

For value received and to induce the Senior Lender to modify the Original Mortgage, Subordinating Lender unconditionally subordinates its lien on, and all other rights and interests in, the title to the Property resulting from the Junior Mortgage to the lien on, and all other rights and interests in, the title to the Property resulting from the Modified Mortgage. Subordinating Lender agrees that its lien on, and all other rights and interests in, the title to the Property resulting from the Junior Mortgage will remain subordinate to the lien on, and all other rights and interests in, the title to the Property resulting from the Modified Mortgage regardless of any renewal, extension or further modification of the Modified Mortgage.

This Subordination Agreement shall be binding upon the successors and assigns of the Subordinating Lender.

When the context requires, singular nouns and pronouns include the plural.

Mortgage means mortgage, deed of trust, trust deed or other security instrument.

Skagit County, a political subdivision of Washington State

By: Clyde Williams, Financial Administrator, Water Quality Loans

[Space Below This Line For Acknowledgment]



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