



201008230223
Skagit County Auditor

8/23/2010 Page 1 of 4 12:31PM

This Instrument Prepared by:
Wells Fargo
P.O. Box 4149 MAC P6051-019
Portland, OR 97208-4149
1-800-945-3056

LAND TITLE OF SKAGIT COUNTY

136803-0A

[Space Above This Line for Recording Data]

Reference: 389265941926518

Account: XXX-XXX-XXX7088-1998

**SUBORDINATION AGREEMENT
SHORT FORM OPEN-END DEED OF TRUST**

Effective Date: 7/21/2010

Owner(s): JOHN L SHAFER
CHRISTINA A SHAFER

Current Lien Amount: \$120,300.00.

Senior Lender: Wells Fargo Bank, N.A.

Subordinating Lender: Wells Fargo Bank, N.A.

If Wells Fargo Bank, N.A. is subordinating to Wells Fargo Bank, N.A., this document is notice that the lien securing the loan or line of credit serviced by the Wells Fargo Bank Home Equity Group is subordinated to the first lien loan being originated or modified by the Wells Fargo Home Mortgage Group.

Trustee: WELLS FARGO FINANCIAL NATIONAL BANK

Property Address: 2807 W 3RD PLACE, ANACORTES, WA 98221-0000

P127431

Lot 12, Highlands on Fidalgo Island

Reference #'s:

200911200112

201008230222

THIS AGREEMENT (the "Agreement"), effective as of the Effective Date above, is made by and among the Subordinating Lender, Owners and the Senior Lender named above.

JOHN L. SHAFER AND CHRISTINA A. SHAFER, HUSBAND AND WIFE (individually and collectively the "Owner") own the real property located at the above Property Address (the "Property").

The Subordinating Lender has an interest in the Property by virtue of a Short Form Open-End Deed of Trust given by the Owner, covering that real property, more particularly described as follows:

See Exhibit A

which document is dated the 17th day of November, 2009, which was filed in Document ID# 200911200112 at page N/a (or as No. N/a) of the Official Records in the Office of the Auditor of the County of Skagit, State of Washington (the "Existing Security Instrument"). The Existing Security Instrument secures repayment of a debt evidenced by a note or a line of credit agreement extended to JOHN L SHAFER and CHRISTINA A SHAFER (individually and collectively "Borrower") by the Subordinating Lender.

The Senior Lender has agreed to make a new loan or amend an existing loan in the original principal amount NOT to exceed \$417,000.00 (the "New Loan or Amended Loan"), provided that the New Loan or Amended Loan is secured by a first lien mortgage on the Property (the "New Security Instrument") in favor of the Senior Lender. If the New Loan or Amended Loan exceeds this amount, the Subordination Agreement is VOID.

*recorded under Auditor's File No. 201008230 **222** .
The Subordinating Lender is willing to subordinate the lien of the Existing Security Instrument to the lien of the New Security Instrument under the terms set forth in this Agreement.

NOW, THEREFORE, for and in consideration of the above recitals, the covenants herein contained, and for good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

A. Agreement to Subordinate

Subordinating Lender and Trustee, if applicable, hereby subordinates the lien of the Existing Security Instrument, and all of its modifications, extensions and renewals, to the lien of the New Security Instrument. This Agreement is effective as to any sum whose repayment is presently secured or which may in the future be secured by the Existing Security Instrument.

B. Appointment of Substitute Trustee If Applicable

The Existing Security Instrument names N/A, as Trustee and the Subordinating Lender as Beneficiary. The Existing Security Instrument provides that the Subordinating Lender may designate and appoint a substitute Trustee in place of any other trustee by an instrument recorded among the appropriate land records.

The Subordinating Lender hereby removes N/A as Trustee and designates and appoints N/A as substitute Trustee with the same powers and duties as were originally vested in the Original Trustee under the Existing Security Instrument.

C. General Terms and Conditions

Binding Effect – This Agreement shall be binding upon and inure to the benefit of the respective heirs, legal representatives, successors and assigns of the parties hereto and all of those holding title under any of them.

Nonwaiver – This Agreement may not be changed or terminated orally. No indulgence, waiver, election or non-election by New Lender or the trustee(s) under the New Security Instrument or related documents shall affect this Agreement.

SUBORDINATION ONLY_WA V1.0
000000000064356

Page 2 of 4



201008230223
Skagit County Auditor

8/23/2010 Page 2 of 4 12:31PM

Severability – The invalidity or unenforceability of any portion of this Agreement shall not affect the remaining provisions and portions of this Agreement.

D. Signatures and Acknowledgements

The Subordinating Lender, through its authorized officer, and the Trustee if applicable, individually or through its authorized officer, have each set their hand and seal as of the Effective Date above unless otherwise indicated.

SUBORDINATING LENDER:

Wells Fargo Bank, N.A.

By [Signature] 7/21/2010
(Signature) Date

Barbara Edwards
(Printed Name)

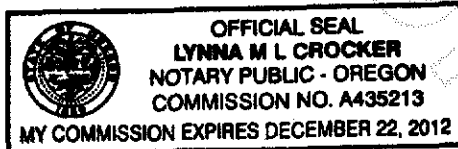
Work Director
(Title)

FOR NOTARIZATION OF LENDER PERSONNEL

STATE OF Oregon)
)ss.
COUNTY OF Washington)

The foregoing Subordination Agreement was acknowledged before me, a notary public or other official qualified to administer oaths this 21 day of July 2010, by Barbara Edwards, as Work Director of the Subordinating Lender named above, on behalf of said Subordinating Lender pursuant to authority granted by its Board of Directors. S/he is personally known to me or has produced satisfactory proof of his/her identity.

[Signature] (Notary Public)



Schedule "A-1"

136803-OA

DESCRIPTION:

Lot 12, "THE HIGHLANDS ON FIDALGO ISLAND," as per plat recorded March 17, 2008 under Auditor's File No. 200803170001, records of Skagit County, Washington.

Situate in the City of Anacortes, County of Skagit, State of Washington.



201008230223
Skagit County Auditor