

AFTER RECORDING MAIL TO:

Name: American Marine Bank

Address: 26563 Lindvog Road NE

City, State, Zip: Kingston, WA 98346



200706140135
Skagit County Auditor

6/14/2007 Page 1 of 2 3:56PM

Filed for Record at Request of: American Marine Bank

LAND TITLE OF SKAGIT COUNTY

125807-PC

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.

The undersigned subordinator and owner agree as follows:

1. American Marine Bank referred to herein as "subordinator," is the owner and holder of a mortgage dated December 15, 2004 in the amount of \$805,582.13 which is recorded in volume xx of Mortgages, page xx under auditor's file No. 200501060105 records of Skagit County. Note: Said instrument contains, among other provisions, the following: The lien of this Deed of Trust shall not exceed at any one time \$100,000.00.
2. Linear Financial referred to herein as "lender" is the owner and holder of a mortgage dated June 1, 2007 executed by Steve W. Doty and Shirley Doty (which is recorded in volume _____ of Mortgages, page _____ under auditor's file No. 200706140134, records of Skagit County) (which is to be recorded concurrently herewith).
3. Steve W. Doty and Shirley Doty referred to herein as "owner," is the owner of all the real property described in the mortgage identified above in Paragraph 2.
4. In consideration of benefits to "subordinator" from "owner," 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 "subordinator" does hereby unconditionally subordinate the lien of his mortgage identified in Paragraph 1 above to the line of "lender's" mortgage, identified in Paragraph 2 above, and all advances or charges made or accruing there under, including any extension or renewal thereof.
5. "Subordinator" acknowledges that, prior to the execution hereof, he has had the opportunity to examine the terms of "lender's" mortgage, 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 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 "subordinator" 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.

Executed this 7th day of June 2007

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 HIS/HER/THEIR ATTORNEYS WITH RESPECT THERETO.

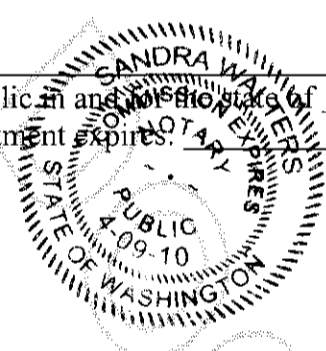
BY Deanna L. Brown BY _____
Deanna L. Brown VP/ LSC Manager
BY _____ BY _____
BY _____ BY _____
BY _____ BY _____

STATE OF Washington)
)-ss
COUNTY OF Kitsap)

I certify that I know or have satisfactory evidence that _____
(is/are) the person(s) who appeared before me, and said person(s) acknowledged that
(he/she/they) signed this instrument and acknowledged it to be (his/her/their) free and voluntary
act for the uses and purposes mentioned in this instrument.

Dated: June 7, 2007

Notary Public in and for the state of _____
My appointment expires: _____



STATE OF Washington)
)-ss
COUNTY OF Kitsap)

I certify that I know or have satisfactory evidence that DEANNALBROWN
~~(is/are)~~ the person(s) who appeared before me, and said person(s) acknowledged that
~~(he/she/they)~~ signed this instrument, on oath states that ~~(he/she/they)~~ (is/are) authorized to
execute the instrument and acknowledged it as the Vice President of American Marine Bank
to be the free and voluntary act of such party(ies) for the uses and purposes mentioned in this
instrument.

Dated: June 7, 2007

Sandra Walters
Notary Public in and for the state of WA
My appointment expires: 4-09-10

