



200308110296
Skagit County Auditor

8/11/2003 Page 1 of 1 3:24PM

WHEN RECORDED MAIL TO
U.S. Bank National Association
Retail Service Center
4325 17th Ave. SW
Fargo, ND 58108-2687

LAND TITLE COMPANY OF SKAGIT COUNTY

107758-PA

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE

Deed Of Trust Subordination Agreement

Account No. 3000112546

Drafted By: tmo

This Agreement is made this 23rd day of July, 2003, by and between U.S. Bank National Association ND ("Bank") and Horizon Bank ("Refinancer").

Bank is the beneficiary under a deed of trust (the "Junior Deed of Trust") dated December 16, 2002, granted by Ralph M Laumbattus, Jr. and Deborah L Laumbattus, husband and wife ("Borrower"), and recorded in the office of the County Recorder, Skagit County, Washington, on January 17, 2003, as Document No. 200301170104, encumbering the real property described therein (collectively, the "Property"). Refinancer is the beneficiary under a deed of trust (the "Senior Deed of Trust") dated August 7, 2003, 20 , granted by the Borrower, and recorded in the same office on August 11, 2003, as 200308110295, encumbering the property. To induce Refinancer to make a loan to the Borrower secured by the Senior Deed of Trust, Bank has agreed to execute and deliver this Subordination Agreement.

ACCORDINGLY, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Bank hereby agrees with Refinancer that the lien of the Junior Deed of Trust on the Property is and shall be and shall remain fully subordinate for all purposes to the lien of the Senior Deed of Trust on the Property, to the full extent of all sums from time to time secured by the Senior Deed of Trust; provided, however, that the total indebtedness secured by the Senior Deed of Trust does not exceed \$80,000.00, exclusive of interest thereon, amounts advanced to protect the lien and priority of the Senior Deed of Trust, and costs of collection, and provided further, that this agreement shall not be effective until each other mortgage or other lien recorded against the property (other than the Senior Mortgage) and each judgment that is a lien against the Property shall be subordinated of record of the lien of the Senior Mortgage.

Legal Description:

LOTS 11 THROUGH 18, BLOCK 2, HAGADORN'S & STEWART'S FIRST ADDITION TO THE CITY OF ANACORTES, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 1 OF PLATS, PAGE 37, RECORDS OF SKAGIT COUNTY, WASHINGTON; SITUATE IN SKAGIT COUNTY, WASHINGTON.

APN: 3792-002-018-0002

Property Address 3409 K Ave, Anacortes, WA 98221

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

Bank Name: U.S. Bank National Association ND

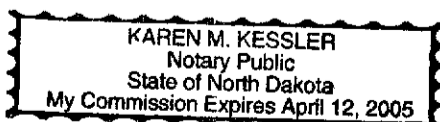
No Corporate Seal

Sherri J. Bernard
By: Sherri J. Bernard
Title: Operations Officer

STATE OF North Dakota

COUNTY OF Cass

The foregoing instrument was acknowledged before me this 23rd day of July, 2003, by (name) Sherri J. Bernard, the (title) Operations Officer of (bank name) U.S. Bank National Association ND, a national banking association, on behalf of the association.



Karen M. Kessler
Notary Public