



200606300125

Skagit County Auditor

6/30/2006 Page

1 of

3 11:55AM

AFTER RECORDING RETURN TO:

D. B. Johnson Construction, Inc.
1801 Grove St., Unit B
Marysville, WA 98270

CHICAGO TITLE CO.

1C39007

Document Title:

SUBORDINATION OF RECOVERY CONTRACT

AFN 200509270245

Grantors:

Local Infrastructure Recovery, LLC
D. B. Johnson Construction, Inc.

Grantees:

Lender as described within the document

Legal Description:

Lot 19 of the Plat of Sauk Mountain View Estates South, A planned Residential Development _ Phase 3, according to the Plat thereof, as recorded May 26, 2005, under Auditor's File No. 200505260107, records of Skagit County, Washington

Situate in Skagit County, Washington

Assessor's Property Tax Parcel/Account Number:

P122933

UNCONDITIONAL SUBORDINATION OF RECOVERY CONTRACT

The undersigned facilitator and subordinator agrees as follows:

1. The Facilitator through the Originator has caused to be recorded a Mitigation/Infrastructure Cost Recovery Agreement referred to herein as "Mitigation Agreement." The Facilitator is defined within the recorded Mitigation Agreement which was recorded on September 27, 2005 under Auditor's File Number 200509270245 records of Snohomish County. The Facilitator is the "Subordinator" within this document.
2. Fremon Investment & Loan, referred to herein as "Lender" is the Beneficiary under that Deed of Trust dated June 23, 2006 and recorded on June 30, 2006 under ~~Snohomish~~ ^{Skagit} County Auditor's File Number 200606300124. "Lender" also includes any assignee and/or the owner of the beneficial interest under that Deed of Trust or Mortgage. Lender may be a purchase money lender or an equity lender.
3. The term "Property" in this subordination refers to the following described real estate ONLY:
Lot 19 of the Plat of Sauk Mountain View Estates South, A planned Residential Development _ Phase 3, according to the Plat thereof, as recorded May 26, 2005, under Auditor's File No. 200505260107, records of Skagit County, Washington
4. Rosemary Weesner and Jayme Cramer, as tenants in common, are the Owners of all the real property described in the mortgage identified above in Paragraph 2.
5. In consideration of benefits to Subordinator from the Owner named in the Mitigation Agreement, 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 the Mitigation/Infrastructure Recovery Contract identified in Paragraph 1 to the lien of Lender's Mortgage identified in Paragraph 2 above and all advances or charges made or accruing thereunder, including any extension or renewal thereof.
6. 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.
7. It is understood by the parties hereto that Lender would not make the loan secured by the mortgage in Paragraph 2 without this subordination.
8. This subordination shall not cancel any terms of prior agreements hereto except that it shall supersede any contradictory terms of any prior agreements as to the subordination of the lien or charge of the Mitigation Agreement first above mentioned to the lien or charge of the mortgage in favor of Lender above referred to, including but not limited to, those provisions, if any, contained in the Mitigation/Infrastructure Cost Recovery Agreement which provide for the Subordination of the lien or charge thereof to a mortgage or mortgages to be thereafter executed.
9. The heirs, administrators, assigns and successors in interest of the Subordinator and Facilitator as defined in the Mitigation/Infrastructure Cost Recovery Agreement shall be bound by this subordination.

UNCONDITIONAL SUBORDINATION OF RECOVERY CONTRACT



200606300125

Skagit County Auditor

6/30/2006 Page

2 of

3 11:55AM

Executed this 29th day of June, 2006.

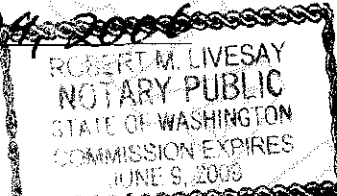
Subordinator: LOCAL INFRASTRUCTURE RECOVERY LLC

[Signature]
Erin Johnson, Member

6/29/06
Date

STATE OF WASHINGTON)
COUNTY OF SNOHOMISH)

I certify that I know or have satisfactory evidence that Erin Johnson is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Member of Local Infrastructure Recovery LLC to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: June 29, 2006


[Signature]
Name: Robert M. Livesay
Notary Public in and for the State of
Washington residing at Mayeville
My appointment expires: 6-9-09

D. B. Johnson Construction, Inc. hereby acknowledges this subordination and that our right to collect amounts due under the Mitigation Agreement is limited to the rights of Local Infrastructure Recovery LLC that are assigned to D. B. Johnson Construction, Inc. by Local Infrastructure Recovery LLC.

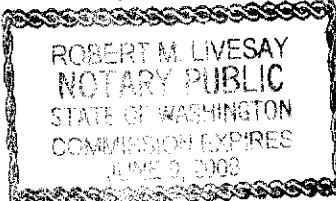
D. B. JOHNSON CONSTRUCTION, INC.

[Signature]
Erin Johnson, Secretary Treasurer

6/29/06
Date

STATE OF WASHINGTON)
COUNTY OF SNOHOMISH)

I certify that I know or have satisfactory evidence that Erin Johnson is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the President of D. B. Johnson Construction, Inc. to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: June 29, 2006


[Signature]
Name: Robert M. Livesay
Notary Public in and for the State of Washington
residing at Mayeville
My appointment expires: 6-9-09

UNCONDITIONAL SUBORDINATION OF RECOVERY CONTRACT



200606300125
Skagit County Auditor