

01 OCT 31 PM 1:30

#552804 / K57665

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

State of Oregon, County of Klamath
Recorded 10/31/01 at 1:30 p.m.
In Vol. M01 Page 55763
Linda Smith,
County Clerk Fee\$ 21.00

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE

Deed Of Trust Subordination Agreement

Account No. 66400111389650001

This Agreement is made this 15th day of October, 2001, by and between U.S. Bank National Association as successor in interest to United States National Bank of Oregon ("Bank") and James B. Nutter and Company ("Refinancer").

Bank is the beneficiary under a deed of trust (the "Junior Deed of Trust") dated August 9, 1996, granted by Scott D. Mahaffey and Kathryn Mahaffey ("Borrower"), and recorded in the office of the County Recorder, Klamath County, Oregon, on August 26, 1996, as Book M96, Page 26280 and Modification to Deed of Trust and Line Agreement dated August 28, 2000 and Recorded July 16, 2001 as Book M01, Page 34445, encumbering the real property described therein (collectively, the "Property"). Refinancer is the beneficiary under a deed of trust (the "Senior Deed of Trust") dated OCT. 23, 2001, granted by the Borrower, and recorded in the same office on OCT 31, 2001, as Vol M01 Pg 55754, 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 \$74,284.00, exclusive of interest thereon, amounts advanced to protect the lien and priority of the Senior Deed of Trust, and costs of collection, and provide 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:

LOT 41, LAMRON HOMES, IN THE COUNTY OF KLAMATH, STATE OF OREGON. THIS PROPERTY LIES IN THE COUNTY OF KLAMATH, STATE OF OREGON.

Property Address 5145 Sturdivant Avenue, Klamath Falls OR 97603

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

Bank Name: U.S. Bank National Association as successor in interest to
United States National Bank of Oregon

By: Amy M. Kotula
Title: Operations Officer

STATE OF North Dakota
COUNTY OF Cass

The foregoing instrument was acknowledged before me this 15th day of October, 2001, by (name) Amy M. Kotula, the (title) Operations Officer of (bank name) U.S. Bank National Association as successor in interest to United States National Bank of Oregon, a national banking association, on behalf of the association.

KAREN M. KESSLER
Notary Public
State of North Dakota
My Commission Expires April 12, 2005

Karen M. Kessler
Notary Public

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