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

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE

Deed Of Trust Subordination Agreement

Account No. 510035806

Drafted By: ej

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

Bank is the beneficiary under a deed of trust (the " Junior Deed of Trust") dated January 30, 2002, granted by Kenneth R. Powell and Jennifer K. Powell ("Borrower"), and recorded in the office of the County Recorder, Klamath County, Oregon, on March 8, 2002, as Document No. 1375760, encumbering the real property described therein (collectively, the "Property"). Refinancer is the beneficiary under a deed of trust (the "Senior Deed of Trust") dated _May 5, 2003_, 20____, granted by the Borrower, and recorded in the same office on _concurrently herewith_, 20_03_, as _____, 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 $146,500.00, 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:
See Attachment
Property Address 6646 Homedale RD, Klamath Falls, OR 97603

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

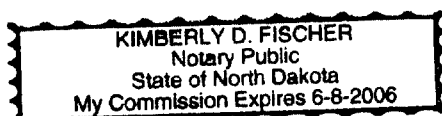Bank Name: U.S. Bank National Association ND

No Corporate Seal

Sherri 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 April, 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.

Kimberly Fischer

Notary Public

26.00

The following described property situated in Klamath County, Oregon, contained in Property Line Adjustment No. 46-96:

All of the SW1/4 NE1/4 of Section 23, Township 39 South, Range 9 East, Willamette Meridian, Klamath County, Oregon, excepting therefrom that portion containing 3.56 acres, more or less deeded to the Great Northern Railway Company described and recorded in Volume 95 on page 475, Deed Records of Klamath County, Oregon.

SAVING AND EXCEPTING THEREFROM the following described parcels:

Beginning at a point a distance of 370 feet South of the NE corner of the SW1/4 NE1/4 of Section 23, Township 39 South, Range 9 East, Willamette Meridian, Klamath County, Oregon along the East boundary of said SW1/4 NE1/4, thence South 848.71 feet more or less to the intersection of the Northern right of way of the Great Northern Railway, thence North 47 degrees 16' West along said right of way a distance of 1,266.82 feet more or less, thence East parallel to the North line of the SW1/4 NE1/4 a distance of 940.49 feet more or less to the point of beginning.

Beginning at the point of intersection of the East boundary of the NW1/4 SE1/4 of Section 23, Township 39 South, Range 9 East, Willamette Meridian, Klamath County, Oregon and the Southerly right of way boundary of the Great Northern Railway Co., thence South along said East boundary a distance of 66 feet, thence West parallel with the South boundary of said NW1/4 SE1/4 a distance of 1,320' more or less to the West boundary thereof; thence North along said West boundary 1,283.9 feet more or less to an iron pipe at the intersection of the Southern right of way of the Great Northern Railway Co. and the West boundary of said SW1/4 NE1/4, thence South 47 degrees 16' East along same a distance of 1,794.89 more or less to the point of beginning.