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Vol M04 Page 49955

State of Oregon, County of Klamath
Recorded 07/30/04 11:15a m
Vol M04 Pg 49955-57
Linda Smith, County Clerk
Fee \$ 3/00 # of Pgs 3

After Recording Mail to:
U.S. BANK N.A.
Commercial Loan Services PD-OR-P7LD
P.O. Box 5308
Portland, OR 97228-5308

02-0013598378

Aspen 59644

SUBORDINATION AGREEMENT

The undersigned subordinator and owner agree as follows:

1. **Ernest F. Travis and Vaughn G. Travis**, referred to herein as "Subordinator", is the owner and holder of a mortgage dated August 19, 2002, which is recorded in Book M-02, page 47003, and was re-recorded in Book M-02, page 47252 on August 21, 2002 deed records of Klamath County, Oregon ("Subordinated Mortgage").
2. **U.S. Bank N.A.**, referred to herein as "Bank", is the owner and holder of a mortgage dated July 29, 2004, executed by **First Church of God**, which is to be recorded concurrently herewith ("Senior Mortgage").
3. **First Church of God**, referred to herein as "Owner", is/are the owner(s) of all the real property described in the document 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 Bank to advance funds under its mortgage and all agreements in connection therewith, Subordinator hereby unconditionally subordinates the Subordinated Mortgage to the Senior Mortgage and all advances or charges made or accruing thereunder, including any extension or renewal thereof.
5. Subordinator acknowledges that, prior to the execution hereof, Subordinator has had the opportunity to examine the terms of Bank's mortgage, note and agreements relating thereto, consents to and approves same, and recognizes that Bank has no obligation to Subordinator to advance any funds under its mortgage or see to the application of Bank's mortgage funds, and

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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 Bank 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 Subordinated Mortgage to the lien or charge of the Senior Mortgage 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 Subordinated Mortgage, 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 is considered to conform to the undersigned.

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 THEIR ATTORNEYS WITH RESPECT THERETO.

Executed this 29th day of July, 2004.

Subordinator:

X: Ernest F. Travis
Ernest F. Travis

X: Vaughn G. Travis
Vaughn G. Travis

Owner:

First Church of God
An Oregon Corporation

By: Derrick DeGroot
Derrick DeGroot, Deacon

By: Helen Burton
Helen Burton, Deaconess

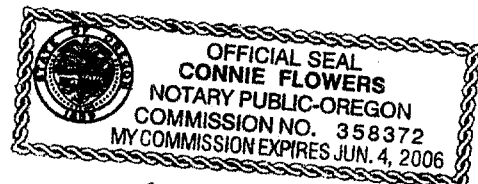


STATE OF Oregon)
COUNTY OF Klamath) ss.

This instrument was acknowledged before me on this 29 day of July, 2004,
by Connie Flowers.

Connie Flowers
Notary Public for Notary Public-Oregon
My commission expires: 6-4-2006

STATE OF Oregon)
COUNTY OF Klamath) ss.



This instrument was acknowledged before me on this 29 day of July, 2004,
by Connie Flowers.

Connie Flowers
Notary Public for Oregon
My commission expires: 6-4-2006

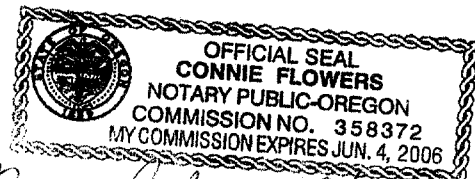
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