

PK: Drafted by Jeffrey Kohout  
Wells Fargo Home Mortgage, Inc.  
2701 Wells Fargo Way  
Minneapolis, Minnesota 55467

Vol M04 Page 71543

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State of Oregon, County of Klamath  
Recorded 10/21/04 10:24a m  
Vol M04 Pg 71543-46  
Linda Smith, County Clerk  
Fee \$ 36.00 # of Pgs 4

Space above line for recording purposes.

45145100234930001

2361213

### SUBORDINATION AGREEMENT

NOTICE: This subordination agreement results in your security interest in the property becoming subject to and of lower priority than the lien of some other or later security instrument

This Agreement is made this 31st day of May 2004, by and between **Wells Fargo Bank West, N.A. fka Norwest Bank of Colorado, N.A.** a national bank with its headquarters located at **1740 Broadway, Denver Colorado** (herein called "Lien Holder"), and **Wells Fargo Bank, N.A.**, with its main office located in the State of **Iowa** (herein called the "Lender").

### RECITALS

Lien Holder is the beneficiary/mortgagee under a deed of trust/mortgage, dated **January 20th, 1996** executed by **Roger W. Schooler and Cheryl Ann Schooler, husband and wife** (the "Debtor") which was recorded in the county of **KLAMATH**, State of **OR**, as **Book M98, Page 4686** on **February 19th, 1998** (the "Subordinated Instrument") covering real property located in **KLAMATH FALLS** in the above-named county of **KLAMATH**, State of **OR**, as more particularly described in the Subordinated Instrument (the "Property").

**PLEASE SEE ATTACHED EXHIBIT "A" (Legal Description)**

Lender will make a loan to the Debtor secured by a deed of trust/mortgage on the Property which will be recorded (the "Lender Instrument"). The Lender Instrument will secure a promissory note/line of credit agreement not to exceed the amount of \$68,968.00. *Dated 9/14/2004 to be recorded concurrently*

Lien Holder has agreed to execute and deliver this Subordination Agreement.

Recording Requested by  
First American Title Insurance Co.

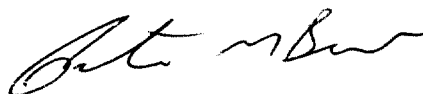
ACCORDINGLY, in consideration of the property and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lien Holder hereby agrees with Lender as follows:

1. Regardless of any priority otherwise available to Lien Holder, the lien of the Subordinated Instrument is, shall be and shall remain fully subordinate for all purposes to the lien of the Lender Instrument, to the full extent of the sum secured by the Lender Instrument, including not only principal and interest on the principal indebtedness secured thereby but all other sums secured by the Lender Instrument, excluding non-obligatory future advances.
2. Lien Holder warrants to Lender that Lien Holder presently owns the Subordinated Instrument and indebtedness secured thereby, free and clear of all liens, security interests and encumbrances.
3. This Agreement is made under the laws of the State of OR. It cannot be waived or changed, except by a writing signed by the parties to be bound thereby. This Agreement is made between Lender and Lien Holder. It shall be binding upon Lien Holder and the successors and assigns of Lien Holder, and shall inure to the benefit of, and shall be enforceable by, Lender and its successors and assigns. Neither the Debtor nor any other person (except Lender, its successors and assigns), shall be entitled to rely on, have the benefit of or enforce this Agreement.

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

WELLS FARGO BANK WEST, N.A.

**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**



By: Peter M. Buol  
Title: Assistant Vice President

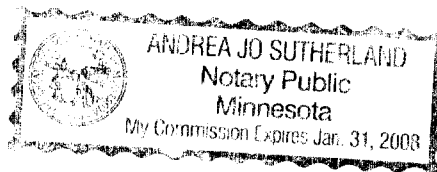
STATE OF Minnesota       )  
   ) SS.  
 COUNTY OF Hennepin       )

The foregoing instrument was acknowledged before me this 31st day of May, 2004, by Peter M. Buol Assistant Vice President of Wells Fargo Bank West, N.A.

WITNESS my hand and official seal.

My commission expires: January 31, 2008

*Andrea Jo Sutherland*  
 Andrea Jo Sutherland  
 Notary Public



**71546**

ALTA Commitment  
SUPER EAGLE

ORDER NO: 2361213  
FILE NO: 2361213  
LENDER REF: 0137700084

**LEGAL DESCRIPTION**

The land referred to in this policy is situated in the **STATE OF OREGON, COUNTY OF KLAMATH, CITY OF KLAMATH FALLS**, and described as follows:

**LOT 14 IN BLOCK 4, AND LOTS 1, 2, AND 3 IN BLOCK 5 OF KLAMATH RIVER SPORTSMAN'S ESTATES, IN THE COUNTY OF KLAMATH, STATE OF OREGON.**