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State of Oregon, County of Klamath
Recorded 03/01/2005 10:45a m
Vol M05 Pg 13420-23
Linda Smith, County Clerk
Fee \$ 36.00 # of Pgs 4

Aspen 60733
Account # 784810704

REAL PROPERTY SUBORDINATION AGREEMENT

DATED: February 7, 2005

GRANTEE		GRANTOR	
Robert Wilson Desiree Leo-Wilson		Columbia River Bank	
ADDRESS		ADDRESS	
130125 Muley Drive Crescent, OR 97733		1701 NE Third Street Bend, OR 97701	
TELEPHONE NO.	IDENTIFICATION NO.	TELEPHONE NO.	IDENTIFICATION NO.
CREDITOR: Columbia River Bank		LENDER: US Bank NA	

For valuable consideration, the receipt and sufficiency of which is acknowledged, Creditor and Lender indicated above resolve the priority of their debts and securities interests and agree as follows:

1. CREDITOR'S SECURITY INTEREST. Creditor owns and holds a Note and related Mortgage, which Mortgage was recorded in Book M-04 at Page 47444 Filing Date July 20, 2004 Document No. 78481 in the office of the Recorder of Klamath County County, Oregon encumbering the following described property, all present and future improvements and fixtures located herein (the "Property"):

Lot 10, Block 1, Tract No. 1227, TALL PINES ESTATES, according to the official plat thereof on file in the office of the Clerk of Klamath County, Oregon.

Address of Real Property:
130125 Muley Drive
Crescent, OR 97733

Permanent Index Number(s):

36x

2. LENDER'S SECURITY INTEREST AND CONDITION PRECEDENT. Borrower has requested a ~~\$143,000~~ ^{\$111,000} loan from Lender to be secured by a Mortgage on the Property from Grantor in favor of Lender; Lender is only willing to make the loan on condition that Creditor's security interest described in paragraph 1 be subordinated to the Mortgage to be executed in favor of Lender.

New Deed of Trust recorded on 3-1-05 book # MD5 page
13424 document # _____

Lender's security interest will also secure, without limitation, such additional sums as Lender may advance under the provisions as to future advances, additional sums for the purpose of curing any of curing any of Borrower's defaults, interest on principal, and attorney's fees and costs incurred by Lender in any proceedings arising out of or in connection with Lender's security interest, including proceedings to enforce or foreclose it.

3. SUBORDINATION OF CREDITOR'S SECURITY INTEREST. Creditor agrees that its security interest and all of Creditor's rights thereunder shall at all times be inferior and subordinate to the Lender's security and Lender's rights in the Property.

4. PRIORITY OF SECURITY INTERESTS. The priority of the security interests belonging to Creditor and Lender in the Property will be governed by this Agreement and not by the time or order in which the security interests were created or perfected.

5. WAIVER OF LIMITATIONS. Creditor waives any obligation of Lender to provide Creditor with notice of additional advances or loans, notice of default, notice of acceleration of debt, notice of demand for payment or notice of repossession and the right of Creditor to require Lender to marshall any collateral. In addition, Lender may take or refrain from taking any action (including, but not limited to, making additional advances or loans) with respect to Borrower, any guarantor, or any collateral without notice to or the consent of Creditor and without affecting any of Lender's rights under this Agreement.

6. DOCUMENTATION AND NON-INTERFERENCE. Creditor will not prevent, hinder or delay Lender from enforcing its security interest. Creditor will execute and deliver to Lender such additional documents or other instruments as the Lender may deem necessary to carry out this Agreement.

7. TERMINATION. This agreement will remain in full force and effect now and forever, despite the commencement of any federal or state bankruptcy, insolvency, receivership, liquidation or reorganization proceeding.

8. EFFECT ON BORROWER AND THIRD PARTIES. This Agreement will not affect the enforceability and priority of Creditor's and Lender's security interests in the Property and rights against the Borrower, Grantor, or any third party except as set forth herein.

9. **REPRESENTATIONS AND WARRANTIES.** Creditor represents and warrants to Lender that:
- a. Creditor has not assigned any of its rights or interest in the Property prior to the execution of this Agreement. Creditor shall not assign or transfer to others any claim that Creditor has or may have in the Property while any indebtedness of Borrower to Lender remains unpaid without the express written consent of the Lender;
 - b. Creditor has obtained all consents and approvals needed to execute written consent of the Lender;
 - c. Creditor's execution and performance of its obligations under this Agreement will not violate any court order, administrative order or ruling, or agreement binding upon Creditor in any manner; and
 - d. Creditor has conducted an independent investigation of Borrower's or execute this Agreement by any oral or written money or extend other financial accommodations to Borrower's or execute this Agreement by any oral or written representation by Lender.
10. **ASSIGNMENT.** Lender shall be entitled to assign its security interest and its rights and remedies described in this Agreement without notice to Creditor.
11. **SUCCESSORS AND ASSIGNS.** This Agreement shall be binding upon and inure to the benefit of Creditor and Lender and their respective successors, assigns, trustees, receivers, administrators, personal representatives, legatees, and devisees.
12. **SEVERABILITY.** If any provision of this Agreement violates the law or its unenforceable, the rest of the Agreement shall remain valid.
13. **NOTICE.** Any notice or other communication to be provided under this Agreement shall be in writing and sent to the parties at the addresses described in this Agreement or such other address as the parties may designate in writing from time to time.
14. **APPLICABLE LAW.** This Agreement shall be governed by the laws of the state in which the property is located. Creditor consents to the jurisdiction and venue of any court located in the state in which the property is located in the event of any legal proceeding under this Agreement.
15. **ATTORNEY'S FEES.** Lender will be entitled to collect its attorney's fees, legal expenses, and other costs in the event of any litigation pertaining to this Agreement.
16. **JOINT AND SEVERAL.** If there is more than one Creditor, their obligations shall be joint and several under this Agreement. Wherever the context requires, the singular form of any word shall include the plural.
17. **INTEGRATION.** This Agreement and any related documents represent the complete and integrated understanding between Creditor and Lender pertaining to the terms and conditions of this Agreement.

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Creditor acknowledges that Creditor has read, understands, and agrees to the terms and conditions of this Agreement.

DATED: February 7, 2005

CREDITOR: Columbia River Bank

CREDITOR:

BY:

Tom Van Hemert

BY:

TITLE:

TITLE: SVP

LENDER: Columbia River Bank

LENDER:

BY:

BY:

TITLE:

TITLE:

State of

OREGON

)
SS.

State of

)
SS

County
of

Deschutes

)

County
of

)

I, a notary public in the for said County, in the State
aforesaid, DO HEREBY CERTIFY that personally known
to me to be the same person whose name is subscribed to the
foregoing instrument, appeared before me this day in person
and acknowledged that signed, sealed and delivered the said
instrument as free and voluntary act, for the uses and
purposes herein set forth.

The foregoing instrument was acknowledged before
me this _____ day of _____ by _____

as _____
on behalf of the corporation.

Given under my hand and official seal, this
February 7, 2005

Given under my hand and official seal, this _____ day
of _____

Kim Luckman

Notary Public

Commission Expires: Oct 27 2007

, Notary Public

Commission Expires:

This instrument was prepared by:

After recording return to Lender.

