

SUBORDINATION AGREEMENT

This agreement made this 23rd day of November, 2005, between Wells Fargo Financial Bank, f/k/a/ Dial Bank, (hereinafter referred to as subordinating creditor), and Wells Fargo Financial Oregon, Inc. (hereinafter referred to as favored creditor), witnesseth:

That in consideration of subordinating creditor entering into this subordination agreement, favored creditor agrees to lend not to exceed \$128,434.14 in accordance with that certain agreement between favored creditor and Jose Santiago Luna and Melissa A. Luna, as tenants by the entirety (debtor).

In consideration of favored creditor making aforesaid loan to debtor, subordinating creditor agrees that the mortgage/deed of trust (hereafter "mortgage") executed in its favor by debtor on 8/16/2004, and recorded in the mortgage records of Klamath County, State of Oregon as Book M04, Page 53612, Instrument No. , be subject, inferior, junior, secondary and subordinate to a mortgage which is executed by debtor in favor of favored creditor as security for the aforesaid loan, and that said mortgage and debt in favor of favored creditor shall have priority over said mortgage and debt in favor of subordinating creditor, with respect to the property legally described in the mortgage executed in favor of subordinating creditor described above.

Provided, however, that this agreement to subordinate shall not extend to any advances made by favored creditor after the date of the loan described above (except that this subordination agreement shall extend to any future advances made for taxes and insurance to protect favored creditor's interest), and provided, however, that this Agreement is based upon favored creditor's representation that subordinating the creditor will not be reduced to less than a second mortgage position by virtue of executing this Agreement.

WITNESS WHEREOF, the parties have executed this Assignment the 3rd day of November, 2005.

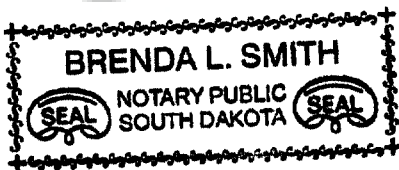
WELLS FARGO FINANCIAL BANK
Subordinating Creditor

By: 
Trent Schanzenbach
Its: Title Officer

State of South Dakota

County of Minnehaha

The foregoing instrument was acknowledged before me this 23rd day of November, 2005 by Trent Schanzenbach, Title Officer of Wells Fargo Financial Bank, a South Dakota corporation, on behalf of the corporation.




Brenda L. Smith
Notary Public

My Commission Expires: August 10, 2011

Recording requested by:
Wells Fargo Financial Bank

When recorded mail to:
Wells Fargo Financial Bank
PO Box 5943
Sioux Falls, SD 57117-5943