

**M06-13131**

Klamath County, Oregon

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Pages 4 Fee: \$36.00



Return to:

Klamath Tribes Housing Authority, a Public Corp. Body.

PO BOX 436  
Chiloquin, OR 97624

ASPN. 63512  
**SUBORDINATION AGREEMENT**

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN THE SIGNER'S SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

This Subordination Agreement is executed this 5th day June, 2006 by The Klamath Tribes Housing Authority, a Public Corporate Body herein "Subordinator."

**RECITALS**

1. The owner of the subject property of this Subordination Agreement is:

said property is situated in the County of , State of Oregon, herein "the Real Property", and described as follows:

All of Lots 8 and 9, Block 100, BUENA VISTA ADDITION TO THE CITY OF KLAMATH FALLS, according to the official plat thereof on file in the office of the Clerk of Klamath County, Oregon. SAVING AND EXCEPTING THEREFROM:

Beginning at the Northwest corner of Lot 8, Block 100, BUENA VISTA ADDITION TO THE CITY OF KLAMATH FALLS, and running thence South 85 degrees 02'50" East along the Northerly line of said Lot 8, 129.69 feet to the Northeasterly corner of said Lot 8; thence South 0 degrees, 36'10" West along the Easterly line of said Lot 8, 16.31 feet; thence North 77 degrees 57'50" West 131.93 feet, more or less, to the point of beginning.

CODE 001 MAP 3809-032BB TL 01500 KEY # 409409

2. Owner has obtained a loan in the amount of from , herein Lender, secured by a trust deed or mortgage against the Real Property, herein "Lender's Encumbrance," dated \_\_\_\_\_, recorded on \_\_\_\_\_, as recording reference \_\_\_\_\_, records of above referenced county.
3. Subordinator has an interest in or lien upon the Real Property described below, as follows:

Φ 36-A

☒ (Trust Deed): As beneficiary under a trust deed dated October 1, 1996, and recorded October 1, 1996 as recording reference Book M96 Page 31211, records of above referenced county.

☐ (Mortgage): As mortgagee under a mortgage dated , and recorded as recording reference , records of above referenced county.

☐ (Contract) As land sale contract under a contract dated , which, or a memorandum of which, was recorded as recording reference , records of above referenced county.

☐ (Other - Specify): .

The above interest is herein referred to as "Subordinator's Lien."

4. Subordinator has never sold or assigned Subordinator's Lien and is the present owner and holder thereof and all obligations thereby secured.
5. Subordinator has agreed and consented to subordinate Subordinator's Lien to Lender's Encumbrance.

#### AGREEMENT

NOW, THEREFORE, in consideration of benefits to Subordinator from Owner, receipt and sufficiency of which are hereby acknowledged, Subordinator hereby consents, covenants and agrees that all of Subordinator's right, title, lien and interest in, to, and upon the Real Property, shall be subject to and subordinate to Lender's Encumbrance and that Lender's Encumbrance, including any and all advances, extensions or renewals thereof, shall be first, prior, and superior to any right, title, lien or interest of the Subordinator.

Subordinator acknowledges that, prior to the execution hereof, Subordinator has had the opportunity to examine the terms of Lender's Encumbrance, note, and agreements relating thereto; that Subordinator consents to and approves same, and recognizes that Lender has no obligation to Subordinator to advance any funds under Lender's Encumbrance or to see to the application of Lender's funds; and that any application or use of such funds for purposes other than those provided for in Lender's Encumbrance, note or agreements shall not defeat this Subordination Agreement, in whole or in part.

It is expressly understood and agreed that nothing herein contained shall be construed to change, alter or impair the Subordinator's Lien, except as herein expressly set forth.

In the event that the loan above mentioned is an additional advance to be made under the open-end provisions of an existing trust deed or mortgage held by the Lender as a first lien upon the Real Property, Subordinator agrees that all of Subordinator's right, title, lien or interest in, to and upon the Real Property shall be subject to and subordinate to the Lender's existing trust deed or mortgage not only for the unpaid balance of the original loan and any further advances heretofore made and secured by Lender's Encumbrance, but also for the additional advances now and hereafter to be made by Lender to Owner.

Subordinator agrees to pay Lender's attorney fees and costs in any action to enforce this Agreement, whether through arbitration, bankruptcy or insolvency proceedings, civil action, appeals, or otherwise.

This Agreement binds Subordinator's heirs, representatives, successors and assigns, and it shall inure to the benefit of the assignees or transferees of Lender's Encumbrance and the obligations secured thereby.

*intentionally left blank*

**NOTICE: UNDER THE TERMS OF THIS SUBORDINATION AGREEMENT, THE NEW LOAN PROCEEDS 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 ABOUT THIS AGREEMENT. READ THIS AGREEMENT CAREFULLY, AND DO NOT SIGN IT UNLESS ALL OF ITS PROVISIONS ARE ACCEPTABLE TO YOU.**

IN WITNESS WHEREOF, Subordinator has executed this Subordination Agreement on the date first above written.

The Klamath Tribes Housing Authority, a Public Corporate Body

Roberta Sexton  
By: Roberta Sexton  
Its Housing Director

STATE OF OREGON

County of Klamath

The foregoing instrument was acknowledged before me this 15<sup>th</sup> day of June, 2006, by Roberta Sexton, as Housing Director of The Klamath Tribes Housing Authority, a Public Corporate Body, on behalf of the corporation.

Lynda L Crocker  
Notary Public for the State of Oregon  
My Commission expires: 6-4-08

