

MTCT 16985
After Recording Return To:
Wells Fargo Bank, N.A.
Attn: Doc. Management MAC B6955-011
PO Box 31557
Billings, MT 59107-1557

2006-024461
Klamath County, Oregon



00010688200600244610040049

12/11/2006 11:34:35 AM

Fee: \$36.00

Min No. 100024200008795888

MERS Telephone # (888) 679-6377

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 Subordination Agreement, made this November 6, 2006 by Mortgage Electronic Registration Systems, Inc., whose address is P.O. Box 2026, Flint, MI 48501-2026, (hereinafter referred to as "MERS") in its sole capacity as nominee for beneficial owner and Wells Fargo Bank, N.A., who is the beneficial owner of the Deed of Trust first hereinafter described below as well as the promissory note secured by the same (hereinafter referred to as the "Lender") on one hand and Metropolitan Home Mortgage, Inc. (hereinafter referred to as "New Lender"), on the other hand;

WITNESSETH

THAT WHEREAS, Larry W. Clark And Carla L. Clark (hereinafter referred to as "Owner") did execute a Deed of Trust, dated June 23, 2005 to MERS in its sole capacity as nominee for the then beneficial owner, American Brokers Conduit, covering that certain real property described as follows:

THE LEGAL DESCRIPTION IS ATTACHED HERETO AND MADE A PART HEREOF
APN: R3909-005 B C 00200-000

To secure a note in the sum of \$37,500.00, dated June 23, 2005, in favor of American Brokers Conduit, which Deed of Trust was recorded June 30, 2005, as VOLUME NO. M 05, PAGE 50212, Official Records of Klamath County.

WHEREAS, Owner has executed, or is about to execute, a Deed of Trust or Mortgage (hereinafter referred to as "New Lender's Security Instrument") and note not to exceed the sum of \$214,000.00, dated ~~November 2006~~ November 2006 in favor of Metropolitan Home Mortgage, Inc., its successors and/or assigns, payable with interest and upon the terms and conditions described therein, which New Lender's Security Instrument is to be recorded concurrently herewith; and

WHEREAS, It is a condition precedent to obtaining said loan that said New Lender's Security Instrument last above mentioned shall unconditionally be and remain at all times a lien or charge upon the land hereinbefore described, prior and superior to the lien or charge of the Deed of Trust first mentioned. Owner has requested MERS and Lender to subordinate their lien to the lien about to be taken by the New Lender; and

WHEREAS, New Lender is willing to make said loan provided the New Lender's Security Instrument securing the same is a lien or charge upon the above described property prior and superior to the lien or charge of the Deed of Trust first above mentioned and provided that MERS and Lender will specifically

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and unconditionally subordinate the lien or charge of the Deed of Trust first above mentioned to the lien or charge of the Lender's Security Instrument in favor of the New Lender; and

WHEREAS, It is to the mutual benefit of the parties hereto that New Lender make such loan to Owner; and MERS and Lender is willing that the New Lender's Security Instrument securing the same shall, when recorded, constitute a lien or charge upon said land which is unconditionally prior and superior to the lien or charge of the Deed of Trust first above mentioned.

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce New Lender to make the loan above referred to, it is hereby declared, understood and agreed to as follows:

- (1) That said New Lender's Security Instrument securing said note in favor of New Lender, and any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the property therein described, prior and superior to the lien or charge of the Deed of Trust first above mentioned.
- (2) That New Lender would not make its loan above described without this subordination agreement.
- (3) That this agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the Deed of Trust first above mentioned to the lien or charge of the New Lender's Security Instrument in favor of the Lender above referred to and shall supersede and cancel, but only insofar as would affect the priority between the lien instruments hereinbefore specifically described, any prior agreements as to such subordination including, but not limited to, those provisions, if any, contained in the Deed of Trust first above mentioned, which provide for the subordination of the lien or charge thereof to another deed or deeds of trust or to another mortgage or mortgages.

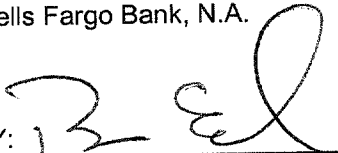
MERS and Lender, and each of them declares, agrees and acknowledges that:

- (a) They consent to and approves (i) all provisions of the note and Lender's Security Instrument in favor of New Lender above referred to, and (ii) all agreements, including but not limited to any loan or escrow agreements, between Owner and New Lender for the disbursement of the proceeds of Lender's loan.
- (b) New Lender in making disbursements pursuant to any such agreement is under no obligation or duty to, nor has New Lender represented that it will, see to the application of such proceeds by the person or persons to whom New Lender disburses such proceeds and any application or use of such proceeds for purposes other than those provided for in such agreement or agreements shall not defeat the subordination herein made in whole or in part.
- (c) They intentionally waive, relinquish and subordinate the lien or charge of the Deed of Trust first above mentioned in favor of the lien or charge upon said land of the Lender's Security Instrument in favor of New Lender above referred to and understand that in reliance upon, and in consideration of, this waiver, relinquishment and subordination specific loans and advances are being and will be made and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination; and
- (d) An endorsement has been placed upon the note secured by the Deed of Trust first above mentioned that said Deed of Trust has by this instrument been subordinated to the lien or charge of the Lender's Security Instrument in favor of New Lender above referred to.

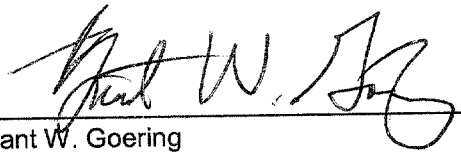
IN WITNESS WHEREOF, the undersigned has hereunto set his/her/their hand(s); if the undersigned is a corporation, it has caused its corporate name to be affixed hereunto by its officers duly authorized thereunto by order of its board of directors, on this, the day and year first above written.

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 LAND.

Wells Fargo Bank, N.A.

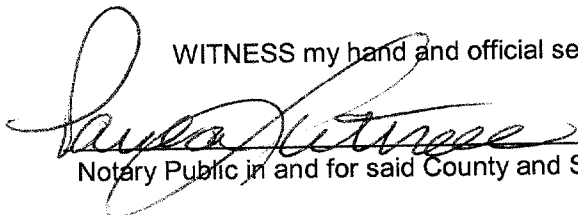
BY: 
Barbara Edwards
Authorized Signer

Mortgage Electronic Registration Systems, Inc.

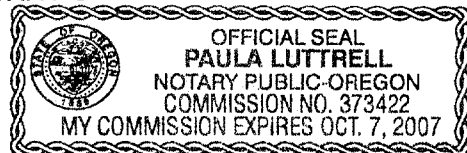
BY: 
Brant W. Goering
Assistant Secretary

STATE OF: OREGON) SS
COUNTY OF: WASHINGTON)

On November 6, 2006 before me, Paula Luttrell, a Notary Public in and for said state, personally appeared, Barbara Edwards, Authorized Signer and Brant W. Goering, Assistant Secretary, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledge to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.


WITNESS my hand and official seal.
Notary Public in and for said County and State

NOTARY STAMP OR SEAL



This instrument was prepared by:
Debby Wirstlin
18700 NW Walker Rd #92
Beaverton, OR 97006

Return to: Wells Fargo Bank, N.A.
Attn: Doc. Management MAC B6955-011
PO Box 31557
Billings, MT 59107-1557

EXHIBIT "A"
LEGAL DESCRIPTION

All that portion of the SW1/4 of the NW1/4 of Section 5, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at the iron pipe on the North boundary of the SW1/4 of the NW1/4 of said Section 5, from which the iron pipe marking the Northwest corner of said SW1/4 of NW1/4 bears West a distance of 959.56 feet; thence East, along said North boundary of the SW1/4 of NW1/4, a distance of 140.0 feet to the iron pin marking the Northwest corner of that parcel conveyed by Deed Volume 317, page 390, Deed Records of Klamath County, Oregon; thence South 396.0 feet to an iron pipe; thence West 140.0 feet; thence North 396.0 feet, more or less, to the point of beginning.

EXCEPTING THEREFROM that portion deeded to Klamath County, a political subdivision Document No. 5886 in Volume M66, page 3875, Microfilm Records of Klamath County, Oregon, described as follows: Beginning at a point that lies East 959.56 feet and South 374 feet from the Northwest corner of the SW1/4 NW1/4 of Section 5, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon; thence East 140 feet; thence South 22 feet; thence West 140 feet; thence North 22 feet to the point of beginning.

Tax Account No: 3909-005BC-00200-000

Key No: 531794