

2007-007611

Klamath County, Oregon

RECORDING REQUESTED BY

AND WHEN RECORDED MAIL TO:
Klamath First Federal Savings and
Loan Association
2323 Dahlia Street
Klamath Falls, OR 97601



00021089200700076110030034

04/27/2007 03:13:23 PM

Fee: \$31.00

1st-1012015

Space Above This Line for Recorder's Use Only

A.P.N.: R248823

Order No.: 7016-1012015

Escrow No.: 1547981

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, made this Sixth day of April, 2007, by

MARCELLA J. HARRINGTON Owner of the land hereinafter described and hereinafter referred to as "Owner," and

The Klamath Tribes, a federally recognized Indian Tribe of the State of Oregon present owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "Beneficiary";

WITNESSETH

THAT WHEREAS, Owner has executed a deed of trust, dated July 29, 1999, to **Marcella J. Harrington**, as trustee, covering:

A parcel of land situated in the West Half of the Northwest Quarter of Section 27, as more particularly described in Exhibit "A" attached hereto and made a part hereof.

to secure a note in the sum of \$40,000.00, dated July 29, 1999, in favor of Beneficiary, which deed of trust was recorded on July 29, 1999, as Instrument No. /// Volume M99, Page 30329 Official Records of said county; and

WHEREAS, Owner has executed, or is about to execute, a deed of trust and note in the sum of \$90,000.00 dated April 18, 2007, in favor of **Countrywide Home Loans**, hereinafter referred to as "Lender", payable with interest and upon the terms and conditions described therein, which deed of trust is to be recorded concurrently herewith; and

WHEREAS, it is a condition precedent to obtaining said loan that said deed of trust 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 above mentioned; and

WHEREAS, Lender is willing to make said loan provided the deed of trust 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 Beneficiary will specifically and unconditionally subordinate the lien or charge of the deed of trust first above mentioned to the lien or charge of the deed of trust in favor of Lender; and

WHEREAS, it is to the mutual benefit of the parties hereto that Lender make such loan to Owner; and Beneficiary is willing that the deed of trust securing the same shall, when recorded, constitute alien or charge upon said land which is unconditionally prior and superior to the lien or charge of the deed of trust above mentioned.

SUBORDINATION AGREEMENT CONTINUED ON NEXT PAGE

31-F

CONTINUATION OF SUBORDINATION AGREEMENT

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 Lender to make the loan above referred to, it is hereby declared, understood and agreed as follows:

- (1) That said deed of trust securing said note in favor of 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 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 deed of trust in favor of lender above referred to and shall supersede and cancel, but only insofar as would affect the priority between the deeds of trust hereinbefore specifically described, any prior agreement 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 deed of trust or to another mortgage or mortgages.

Beneficiary declares, agrees and acknowledges that

- (a) He consents to and approves (i) all provisions of the note and deed of trust in favor of Lender above referred to, and (ii) all agreements, including but not limited to any loan or escrow agreements, between Owner and Lender for the disbursement of the proceeds of Lender's loan;
- (b) Lender in making disbursements pursuant to any such agreement is under no obligation or duty to, nor has Lender represented that it will see to the application of such proceeds by the person or persons to whom 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) He intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of the deed of trust first above mentioned in favor of the lien or charge upon said land of the deed of trust in favor of Lender above referred to and understands 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 deed of trust first above mentioned that said deed of trust has by this instrument been subordinated to the lien or charge of the deed of trust in favor of Lender above referred to.

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.

BENEFICIARY:

The Klamath Tribes, a federally recognized
Indian Tribe of the State of Oregon

BY:

Roberta Sexta
Housings Director

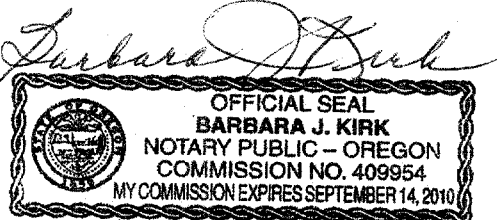
OWNER:

Marcella J. Harrington
MARCELLA J. HARRINGTON

BY: _____

(ALL SIGNATURES MUST BE SIGNED IN THE PRESENCE OF A NOTARY PUBLIC)

IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THERETO.



9 April 2007
Klamath County, Chiloquin Oregon

EXHIBIT A

LEGAL DESCRIPTION:

A PARCEL OF LAND SITUATED IN THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 27, ~~TOWNSHIP 35 SOUTH~~, TOWNSHIP 35 SOUTH, RANGE 7 EAST OF THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A HALF INCH IRON PIPE ON THE SECTION LINE COMMON TO SECTIONS 27 AND 28 FROM WHICH THE SECTION CORNER COMMON TO SECTIONS 21, 22, 27 AND 28 BEARS NORTH 00° 38' 00" WEST, 1102.20 FEET; THENCE NORTH 00° 38' 00" WEST, 330.00 FEET ALONG SAID SECTION LINE TO A HALF INCH REBAR; THENCE SOUTH 89° 56' 51" EAST, 329.60 FEET TO A HALF INCH REBAR; THENCE SOUTH 00° 39' 49" EAST, 330.00 FEET TO A HALF INCH REBAR; THENCE NORTH 89° 56' 51" WEST, 329.77 FEET TO THE POINT OF BEGINNING.