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MTCT9134-KR

U.S. DEPARTMENT OF AGRICULTURE

SUBORDINATION AGREEMENT AND LIMITED LIEN WAIVER

1. To be completed by NRCS; check appropriate box:

2. AGREEMENT NO.: 66-0436-6-134



This transaction is for CCC



This transaction is for NRCS

* F/k/a Transamerica Life Insurance and Annuity Company

This Subordination Agreement and Limited Lien Waiver, effective 3. 8/17/07, is signed by
 4. Transamerica Life Insurance Company * (indicate person or person signing this document or party on whose behalf
 the document is signed) "Subordinating Party" who hereby grants, to the extent specified in Part II of this document, the following
 subordination and limited lien waiver to the United States of America (United States) by and through the Natural Resources
 Conservation Service or the Commodity Credit Corporation, as indicated above. The property described below is encumbered with an
 easement as described in the attached Warranty Easement Deed.

This easement are is located in the County (Borough or Parish) of 5. Klamath
 and State of 5a. Oregon and is identified as follows:

6. **Easement Area.** The property encumbered by the Federal easement is described as follows: (Provide a legal description of the land
 comprising the easement area or recordable plot).

EXHIBIT A

PART I - GENERAL TERMS

A. Authority. This Subordination Agreement and Limited Lien Waiver is acquired by the United States under the authority of
 7 U.S.C 428a.

B. Purposes. This Subordination Agreement and Limited Lien Waiver is required by the United States in connection with its
 acquisition of an easement over the property described above to ensure that the easement area is maintained to promote wetland
 functions and values.

C. Duration of Easement and this Subordination Agreement and Limited Lien Waiver. The easement and subordination and
 limited lien waiver shall continue for the duration of the easement deed.

PART II - SUBORDINATION AGREEMENT AND LIMITED LIEN WAIVER

The Subordinating Party: (1) subordinates its interest in the property described herein to the easement of the United States
 for the same property which is conveyed to the United States in the easement; (2) acknowledges that the property which contains the
 easement area is burdened by the right of access granted to the United States in the easement and agrees that this right of access shall
 be superior to any rights of the Subordinating Party; (3) subordinates its interest in the property to the purposes of the easement and
 any easement practices adopted pursuant to such purposes; and (4) agrees that the United States may make payments in connection
 with the easement deed without regard to any lien or claim that the Subordinating Party may have with respect to any person with an
 interest in the easement area, unless an assignment of such payment has been made to the Subordinating Party on a form approved by
 the United States.

30 AMT

This Subordination Agreement and Limited Lien Waiver: (1) binds the Subordinating Party and its heirs, agents, assigns, and successors with respect to the interests that the Subordinating Party and such other persons have, or may have, in the property or against any person having an interest in the property; and (2) inures in favor of the United States and its assigns of any kind.

7 a. Randall R. Smith ^{FM} 7 b. Date: 8/17/07 7 c. Title: Vice President
Signature Authorizing Rep. of Sub. Party

8. (INSERT ACKNOWLEDGEMENT STATEMENT BY NOTARY IN ACCORDANCE WITH STATE OR LOCAL PRACTICE)

OMB DISCLOSURE STATEMENT

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0578-0013. The time required to complete this information collection is estimated to average 0.69 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

NONDISCRIMINATION STATEMENT

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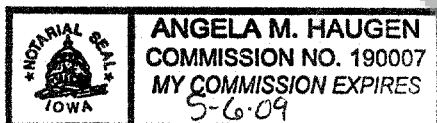
PRIVACY ACT STATEMENT

The above statements are made in accordance with the Privacy Act of 1974 (5 U.S.C. 552a). Furnishing this information is voluntary; however, failure to furnish correct, complete information will result in the withholding or withdrawal of such technical or financial assistance. The information may be furnished to other USDA agencies, the Internal Revenue Service, the Department of Justice, or other State or Federal Law enforcement agencies, or in response to orders of a court, magistrate, or administrative tribunal.

STATE OF IOWA)
) ss:
COUNTY OF LINN)

On this 17th day of August, 2007, before me, Angela M. Haugen, Notary Public, in and for said county, personally appeared Randall R. Smith, to me personally known, who being by me duly sworn did say that that person is the Vice President of said corporation and that said instrument was signed on behalf of the said corporation by authority of its board of directors and the said Randall R. Smith acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by it voluntarily executed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the date and year first above written.



Angela M. Haugen
Notary Public in and for said State
My Commission Expires: 5/6/09

JESPERSEN EDGEWOOD, INC
EASEMENT AREA

Description of easement area:

Wetlands Reserve Program (WRP) Conservation easement over a parcel of land owned by A grantor in Sections 15, 21, 22, 23, 26, 27, 28, 34 and 35, Township 37 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon. This easement area being a portion of that property conveyed to **Jespersen Edgewood Inc.**, as described in Deed Volumes M73-4496, M77-872, M78-7073 and M79-3600 of the deed records of said Klamath County; being more particularly described as follows:

Beginning at the section corner common to Sections 14, 15, 22 and 23, of said Township 37 South, Range 10 East; thence, along the north line of said section 23, South 88°40'49" East, 1291.98 feet; thence South 88°33'36" East, 1291.54 feet to the N1/4 corner of said section 23; thence, leaving said north line, South 00°59'46" West, 2648.89 feet to the C1/4 corner of said section 23; thence South 88°54'26" East, 1301.06 feet; thence South 00°48'25" West, 2640.90 feet, more or less to the north line of section 26 of said Township 37 South, Range 10 East; thence South 00°27'59" West, 5319.79 feet, more or less to the south line of said section 26; thence South 00°49'49" West, 1330.04 feet, more or less; thence North 89°15'47" West, 3947.79 feet, more or less; thence North 88°44'28" West, 1295.20 feet, more or less; thence North 01°08'40" East, 1334.82 to the south line of section 27 of said Township 37 South, Range 10 East; thence, along said south line, North 88°33'22" West, 3959.89 feet, more or less to the southwest corner of said section 27; thence, along the south line of section 28 of said Township 37 South, Range 10 East, North 89°53'55" West, 5264.89 feet, more or less to the southwest corner of said section 28; thence, along a random line through Sections 28, 21, 22 and 15, the following twelve courses, North 02°07'20" East, 5178.76 feet; thence South 89°36'15" East, 352.93 feet; thence North 05°46'51" East, 137.89 feet; thence South 89°02'00" East, 2205.57 feet; thence North 00°43'35" East, 74.54 feet; thence North 89°53'07" East, 462.88 feet; thence North 01°23'33" East, 232.28 feet; thence North 83°31'24" West, 467.72 feet; thence North 00°45'26" East, 3202.61 feet; thence South 89°33'48" East, 3450.75 feet; thence North 42°58'15" East, 3226.85 feet; thence South 73°24'32" East, 2337.69 feet to the Point of Beginning.

Containing 3109 acres, more or less.

BAR CL, INC.
±2128 ACRES WRP # 66-0436-7-132

BIAGGI-VENABLE
±2741 ACRES WRP # 66-0436-7-133

JESPERSEN EDGEWOOD INC.
±3109 ACRES WRP # 66-0436-7-134

CARROLL
±1471 ACRES WRP # 66-0436-7-135

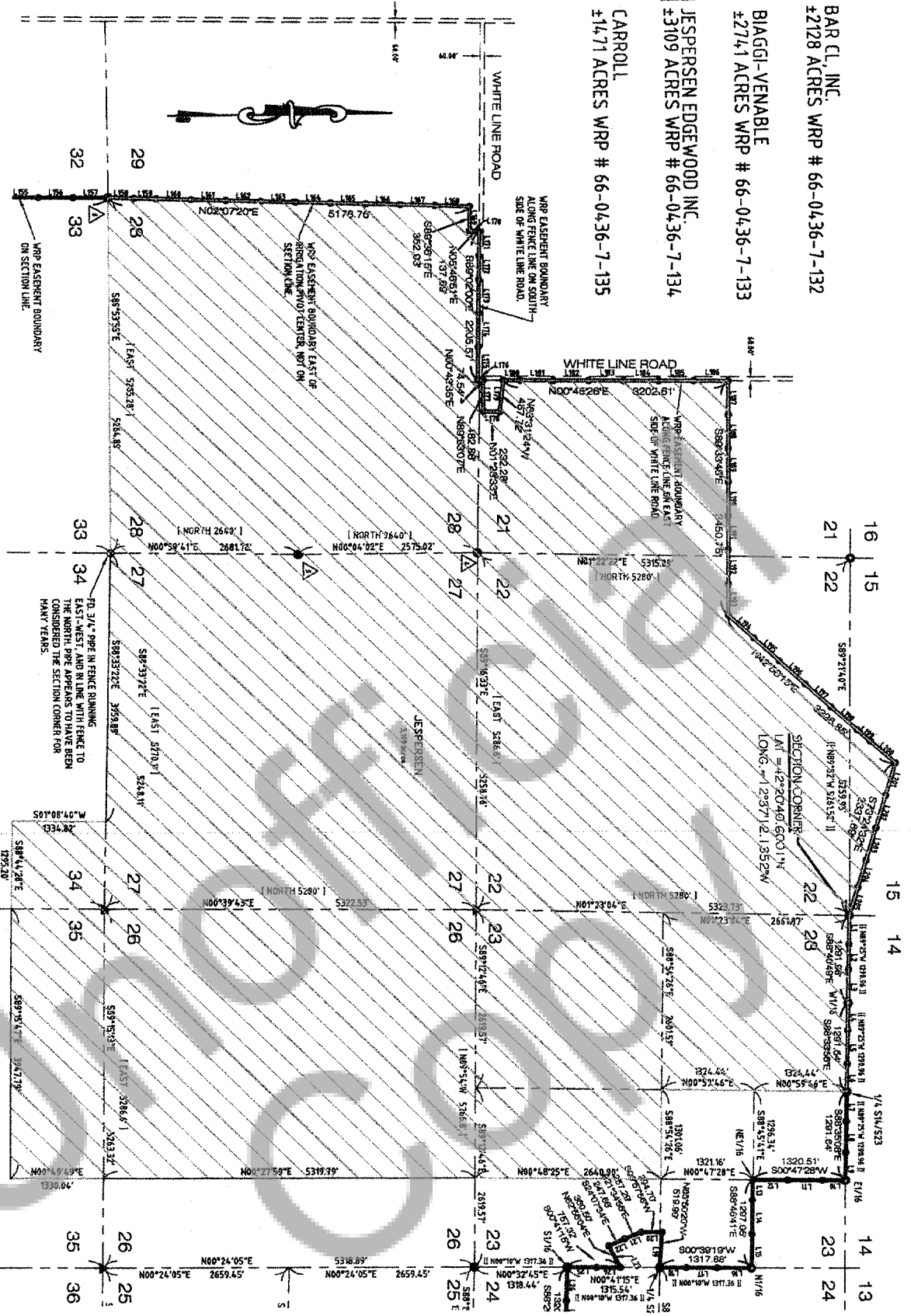


EXHIBIT MAP
SWAN LAKE WRP - JESPERSEN

SCALE 1" = 2000'

R-C RHINE-CROSS GROUP LLC
ENGINEERING - SURVEYING - PLANNING
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Phone: (541) 851-9405 Fax: (541) 273-9200