

2008-012533

Klamath County, Oregon



00052790200800125330030037

COVER SHEET

ORS: 205.234

09/08/2008 03:20:57 PM

Fee: \$31.00

This cover sheet has been prepared by the persons presenting the attached instrument for recording. Any errors in this cover sheet DO NOT affect the transaction(s) contained in the instrument itself.

1st 1150577

After recording, return to:

Pacific Crest
PO BOX 1179
Klamath Falls OR 97603

The date of the instrument attached is August 18 2008.

1) NAMES(S) OF THE INSTRUMENT(S) required by ORS 205.234(a)

Mortgage Subordination
Agreement

2) PARTY(IES)/GRANTOR, required by ORS 205.125(1)(b) and ORS 205.160:

Pacific Crest FCU

3) PARTY(IES)/GRANTEE, required by ORS 205.125(1)(b) and ORS 205.160

CIT

4) TRUE and ACTUAL CONSIDERATION (if any), ORS 93.030

\$ _____

5) FULL OR PARTIAL SATISFACTION ORDER or WARRANT FILED IN THE COUNTY CLERK'S LIEN RECORDS, ORS 205.121(1)(c)

6) RE-RECORDED to correct: _____
 Previously recorded as: _____

F31-

MORTGAGE SUBORDINATION AGREEMENT

THIS AGREEMENT, made this day of August , 2008 by Pacific Crest Federal Credit Union ("Prior Lienholder") and CIT Small Business Lending Corporation, ("Subordinate Lienholder");

WITNESSETH

THAT WHEREAS, Kent Pederson and Linda Pederson and CIT Small Business Lending Corporation did execute a second deed of trust dated ("Mortgagor/Grantor") December 9, 2002 to CIT Small Business Lending Corporation, covering the property more commonly known as 1146 Pine Street, Klamath Falls, Oregon to secure a note in the sum of \$330,000 dated December 9, in favor of Subordinate Lienholder, which deed of trust was recorded on December 16, 2002 in Volume M02, Pg 73211-15 in Klamath and;

THAT WHEREAS, Kent Pederson and Linda Pederson and CIT Small Business Lending Corporation did execute a second deed of trust dated ("Mortgagor/Grantor") December 9, 2002 to CIT Small Business Lending Corporation, covering the property more commonly known as 1143 Pine Street, Klamath Falls, Oregon to secure a note in the sum of \$330,000 dated December 9, in favor of Subordinate Lienholder, which deed of trust was recorded on December 16, 2002 in Volume M02, Pg 73189-93 in Klamath and;

WHEREAS, Mortgagor/Grantor has executed, or is about to execute, a Note and Mortgage in the sum of \$100,000 dated August , 2008, in favor of Prior Lienholder, 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 Prior Lienholder Deed of Trust ("Prior Lien") shall unconditionally be and remain at all times a lien or charge upon the land herein before described, prior and superior to the lien or charge of the Subordinate Lienholder Deed of Trust ("Subordinate Lien"); and


WHEREAS, Prior Lienholder is willing to make said loan provided the Prior Lien is a lien or charge upon the above described property prior and superior to the lien or charge of the Subordinate Lien and provided that Subordinate Lienholder will specifically and unconditionally subordinate the Subordinate Lien to the Prior Lien; and

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

(1) That said Prior Lien, in the maximum amount of \$100,000 shall unconditionally be and remain at all times a lien or charge on the property therein described, prior and superior to the Subordinate Lien.

(2) That this agreement shall be the whole and only agreement with regard to the subordination of the Subordinate Lien to the Prior Lien and shall supersede and cancel, but only insofar as would affect the priority between the Mortgages/Deed of Trust herein before specifically described, any prior agreements as to such subordination, including, but not limited to, those provisions, if any, contained in the Subordinate Lien, which provide for the subordination of the lien or charge thereof to another mortgage or mortgages.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by its duly authorized representatives as of the date first above written.

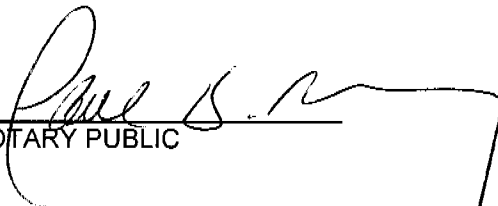

Peter Schaeffler
Vice President

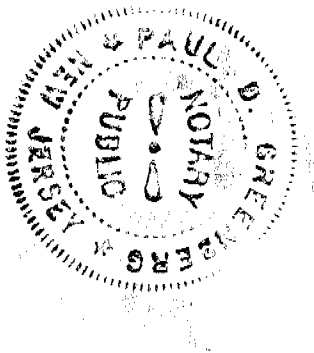
(ALL SIGNATURES MUST BE ACKNOWLEDGED)

STATE OF NEW JERSEY

COUNTY OF ESSEX

On *Aug. 18*, 2008, Peter Schaeffler, Vice President then personally appeared the above mentioned , and who acknowledged the foregoing instrument to be free act and deed.


NOTARY PUBLIC



PAUL D. GREENBERG
ID # 2325331
NOTARY PUBLIC OF NEW JERSEY
Commission Expires 2/17/2010