

2009-011825

Klamath County, Oregon



00072112200900118250030036

09/03/2009 11:48:25 AM

Fee: \$31.00

Recording requested by: LSI
When recorded return to :
Non Aqua Dept./ Cheng Em
2550 N. Red Hill Ave.
Santa Ana, CA. 92705
800-756-3524 ext. 5679

SUBORDINATION AGREEMENT

(DEED OF TRUST) OR - # 6121030

This Subordination Agreement ("Agreement") is entered into by National City Bank, for itself and/or its successors and assigns ("Subordinating Beneficiary"), and WELLS FARGO ("New Lender") on June 26, 2009.

RECITALS

WHEREAS, CHARLES B. HOY, JR. AND NADINE HOY, AS TENANTS BY THE ENTIRETY ("Borrower") executed a certain deed of trust dated 6/6/2005, in favor of National City Bank or its predecessor-in-interest identified above, which deed of trust was duly recorded on 6/14/2005, Record No. M05 on Page 44542, in the KLAMATH County Recorder's Office, State of Oregon ("Existing Deed of Trust"), with respect to the property ("Property"), described in Exhibit A (attached hereto and incorporated herein), the address and permanent parcel number for which are:

13910 HIGHWAY 66, KLAMATH FALLS, OR 97601

WHEREAS, the New Lender desires to make a loan in the amount of \$208,896.00 (the "New Loan") to be secured by a deed of trust on the Property (the "New Deed of Trust"), which New Deed of Trust is dated August 21, 2009. 2009-11824

WHEREAS, in order to make the New Loan, New Lender has requested subordination of the lien of the Existing Deed of Trust to the lien of the New Deed of Trust, and Subordinating Beneficiary is hereby willing to subordinate the lien of the Existing Deed of Trust to the lien of the New Deed of Trust, to the extent of the New Loan, on the terms and conditions set forth below.

NOW THEREFORE, in consideration of these premises, Subordinating Beneficiary and New Lender agree as follows:

1. The lien of the Existing Deed of Trust is hereby subordinated and postponed in priority to the lien of the New Deed of Trust, in the same manner and with like effect as though the New Deed of Trust had been executed, delivered and recorded prior to the execution, delivery and recordation of the Existing Deed of Trust. Notwithstanding the foregoing, the subordination, as described herein, does not extend to (i) any future advance clause contained in the New Deed of Trust; (ii) any future advance of funds to Borrower by New Lender except for advances under the New Deed of Trust for foreclosure costs and advances for taxes and insurance premiums; or (iii) any debt or obligation of Borrower to New Lender other than the New Loan.

2. The subordination, as described herein, is expressly subject to the valid creation, grant, attachment and perfection of the lien of the New Deed of Trust, and nothing contained herein shall be construed to alter or release indebtedness due and owing to the Subordinating Beneficiary under any obligations secured by the Existing Deed of Trust, and Subordinating Beneficiary specifically reserves and retains all right, title and interest that it holds pursuant to the Existing Deed of Trust, including, without limitation, any right to declare a default, accelerate, and exercise any remedies (including the right to foreclosure); and

3. The terms of the New Loan shall not be modified without the prior written consent of Subordinating Beneficiary. Any modification of the New Loan without the prior written consent of Subordinating Beneficiary shall render this Agreement null and void and of no further force and effect.

\$31 ATE

NATIONAL CITY BANK

By: Carol Wood

Name: Carol Wood

Title: Officer

Signed and Acknowledged in the Presence of:

Angela Graves

Angela Graves, witness

Marcia Afton

Marcia Afton, witness

STATE OF OHIO

} SS

County of Cuyahoga

Before me, the undersigned, a Notary Public in and for said County and State, this 26th day of June, 2009 personally appeared Carol Wood as Officer of National City Bank and acknowledged the execution of the foregoing Agreement.

Cynthia Peskura
Notary Public: Cynthia Peskura
My Commission Expires: October 19, 2013
County Of Residence: Cuyahoga



Cynthia Peskura
Notary Public, State of Ohio
Cuyahoga County
My Commission Exp.
October 19, 2013

This instrument prepared by Angela Graves, National City Bank

Please return to:

NATIONAL CITY BANK
Lending Services
ATTN: Angela Graves
6750 Miller Road, Loc 01-7116
Brecksville OH 44141

**LEGAL DESCRIPTION
EXHIBIT "A"**

Parcel 2 of Land Partition 20-98, located in the SE 1/4 of Section 31, Township 39 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon.

APN: R-3908-031D0-02902-000