

2009-015757

Klamath County, Oregon



00076764200900157570040046

12/15/2009 02:50:54 PM

Fee: \$57.00

Recording requested by: LSI  
When recorded return to :  
Non Aqua Dept./A. Garcia  
2550 N. Red Hill Ave.  
Santa Ana, CA. 92705  
800-756-3524 ext. 5952

682669

ATE 66943

### 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 July 15, 2009 by Wells Fargo Bank, N. A., who is the present owner and holder 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 Wells Fargo Bank, N. A., (hereinafter referred to as "New Lender"), on the other hand.

#### WITNESSETH

THAT WHEREAS, Martin W. Dahm And Stephanie Dahm, Husband And Wife, As Tenants By The Entirety (hereinafter referred to as "Owner") did execute a Deed of Trust, dated October 26, 2007 to Wells Fargo Financial National Bank, as Trustee, covering that certain real property described as follows:

THE LEGAL DESCRIPTION IS ATTACHED HERETO AND MADE A PART HEREOF  
APN: R183919

To secure a note in the sum of \$150,000.00, dated October 26, 2007, in favor of Wells Fargo Bank, N. A., which Deed of Trust was recorded November 20, 2007, as 2007-019725, 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 \$142,485.00, dated August 19, 2009, in favor of Wells Fargo Bank, N. A., 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~~ **Recorded in Book 2009 on page 11826**

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 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 Lender will specifically and unconditionally subordinate 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 New Lender; and

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WHEREAS, It is to the mutual benefit of the parties hereto that New Lender make such loan to Owner; 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 New 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.

Lender declares, agrees and acknowledges that:

- (a) It consents to and approves (i) all provisions of the note and New 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 New 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 New 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 New 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.

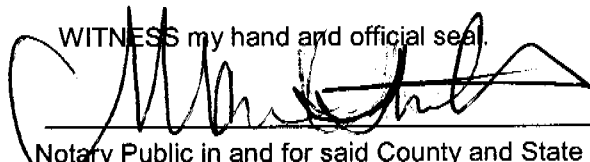
**NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF LAND.**

Wells Fargo Bank, N. A.

BY:   
Barbara Edwards, Work Director

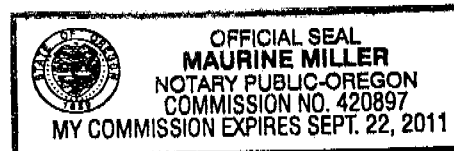
STATE OF: OREGON ) SS  
COUNTY OF: WASHINGTON )

On July 15, 2009 before me the undersigned, a Notary Public in and for said state personally appeared, Barbara Edwards, Work Director, 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:  
Barbara Edwards  
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**

**LEGAL DESCRIPTION  
EXHIBIT "A"**

**Lots 1 and 2 in Block 44 of Buena Vista Addition to the City of Klamath Falls, according to the Official Plat thereof on File in the Office of the County Clerk of Klamath County, Oregon, except the Southerly 20 feet thereof and also except that portion thereof described as follows:**

**Beginning at an iron pin on Easterly line of said Lot 1, said point being South 8 degrees 09' East a distance of 115.5 feet from the Northeasterly corner of said Lot 1; thence South 85 degrees 27' West, a distance of 82.8 feet to an iron pin; thence South 76 degrees 11' West, a distance of 37.5 feet to the line common to Lots 2 and 3, said Block 44, said point being South 8 degrees 09' East, a distance of 114.0 feet from the Northeasterly corner of said Lot 3; thence South 8 degrees 09' East along the line common to said Lot 2 and 3, a distance of 6.0 feet; thence North 81 degrees 51' East parallel with and 20.0 feet distant at right angles from the Southerly line of said Lots 1 and 2 a distance of 120.0 feet to the Easterly line of said Lot 1; thence North 8 degrees 09' West along the Easterly line of said Lot 1, a distance of 4.5 feet, more or loss, to the point of beginning.**

**Also a portion of Lot 3, Block 44, Buena Vista Addition to the City of Klamath Falls, according to the Official Plat thereof on File in the Office of the County Clerk of Klamath County, Oregon, more particularly described as follows:**

**Beginning at the Northwesternly corner of said Lot 3; thence South 81 degrees 51' East along the Northerly line of said Lot 3, a distance of 67.5 feet to the Northeasterly corner of said Lot 3; thence South 8 degrees 09' East along the Easterly line of said Lot 3, a distance of 114.0 feet; thence South 76 degrees 11' West, a distance of 18 feet to an iron pin on the Westerly line of said Lot 3; thence North 31 degrees 17 West along the Westerly line of said Lot 3, a distance of 130.6 feet, more or less, to the point of beginning.**

**APN: R-3809-030AB-05600-000**