

NOTE 87876-MS

2010-011424

Klamath County, Oregon



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Recording Requested By/Return To:

Wells Fargo
P.O. Box 31557
MAC B6955-013
Billings, MT 59107-90900

09/27/2010 03:32:36 PM

Fee: \$57.00

This Instrument Prepared by:

Wells Fargo
P.O. Box 4149 MAC P6051-019
Portland, OR 97208-4149
1-800-945-3056

MIN # 100024200008600542

[Space Above This Line for Recording Data]

MERS Telephone # 1-(888) 679-6377

Account #: XXX-XXX-XXX4147-0001

Reference Number: 100024200008600542

**SUBORDINATION AGREEMENT
DEED OF TRUST**

Effective Date: 7/28/2010

Owner(s): JAMES C MILLER
TERRI L MILLER

Current Lien Amount: \$69,000.00

Senior Lender: Flagstar Bank, FSB

Subordinating Lender: Wells Fargo Bank, N.A. AS ASSIGNEE AMERICAN BROKERS CONDUIT WHOSE
NOMINEE IS ELECTRONIC REGISTRATION SYSTEMS, INC.

If Wells Fargo Bank, N.A. is subordinating to Wells Fargo Bank, N.A., this document is notice that the lien securing the loan or line of credit serviced by the Wells Fargo Bank Home Equity Group is subordinated to the first lien loan being originated or modified by the Wells Fargo Home Mortgage Group

Trustee: AMERITITLE

Property Address: 9576 ARANT RD, KLAMATH FALLS, OR 97603

57 AM

THIS AGREEMENT (the "Agreement"), effective as of the Effective Date above, is made by and among the Subordinating Lender, Owners and the Senior Lender named above.

JAMES C. MILLER, TERRI L. MILLER (individually and collectively the "Owner") own the real property located at the above Property Address (the "Property").

The Subordinating Lender has an interest in the Property by virtue of a Deed of Trust given by the Owner, covering that real property, more particularly described as follows:

See Exhibit A

which document is dated the 14th day of June , 2005, which was filed in Volume M05 at page 47023 (or as N/A) of the Official Records in the Office of the Recorder of the County of KLAMATH, State of Oregon (the "Existing Security Instrument"). The Existing Security Instrument secures repayment of a debt evidenced by a note or a line of credit agreement extended to JAMES C MILLER and TERRI L MILLER (individually and collectively "Borrower") by the Subordinating Lender.

The Senior Lender has agreed to make a new loan or amend an existing loan in the original principal amount NOT to exceed \$394,931.00 (the "New Loan or Amended Loan"), provided that the New Loan or Amended Loan is secured by a first lien mortgage on the Property (the "New Security Instrument") in favor of the Senior Lender. If the New Loan or Amended Loan exceeds this amount, the Subordination Agreement is VOID.

The Subordinating Lender is willing to subordinate the lien of the Existing Security Instrument to the lien of the New Security Instrument under the terms set forth in this Agreement.

NOW, THEREFORE, for and in consideration of the above recitals, the covenants herein contained, and for good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

A. Agreement to Subordinate

Subordinating Lender and Trustee, if applicable, hereby subordinates the lien of the Existing Security Instrument, and all of its modifications, extensions and renewals, to the lien of the New Security Instrument. This Agreement is effective as to any sum whose repayment is presently secured or which may in the future be secured by the Existing Security Instrument.

B. General Terms and Conditions

Binding Effect – This Agreement shall be binding upon and inure to the benefit of the respective heirs, legal representatives, successors and assigns of the parties hereto and all of those holding title under any of them.

Nonwaiver – This Agreement may not be changed or terminated orally. No indulgence, waiver, election or non-election by New Lender or the trustee(s) under the New Security Instrument or related documents shall affect this Agreement.

Severability – The invalidity or unenforceability of any portion of this Agreement shall not affect the remaining provisions and portions of this Agreement.

C. Appointment of Substitute Trustee If Applicable

The Existing Security Instrument names N/A, as Trustee and the Subordinating Lender as Beneficiary. The Existing Security Instrument provides that the Subordinating Lender may designate and appoint a substitute Trustee in place of any other trustee by an instrument recorded among the appropriate land records.

The Subordinating Lender hereby removes N/A as Trustee and designates and appoints N/A as substitute Trustee with the same powers and duties as were originally vested in the Original Trustee under the Existing Security Instrument.

D. Signatures and Acknowledgements

The Subordinating Lender, through its authorized officer, and the Trustee if applicable, individually or through its authorized officer or other representative, have each set their hand and seal as of the Effective Date above unless otherwise indicated.

SUBORDINATING LENDER:

Wells Fargo Bank N.A.

Mortgage Electronic Registration Systems, Inc.


(Signature)


(Signature)

Barbara Edwards
(Printed Name)

Michael Costello
(Printed Name)

Work Director
(Title)

Vice President
(Title)

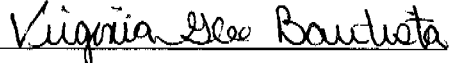
7/28/2010
(Date)

7/28/2010
(Date)

FOR NOTARIZATION OF LENDER PERSONNEL

STATE OF Oregon)
)ss.
COUNTY OF Washington)

The foregoing Subordination Agreement was acknowledged before me, a notary public or other official qualified to administer oaths this 28 day of July, 2010, by Barbara Edwards, as Work Director, and Michael Costello, as Vice President of the Subordinating Lender named above, on behalf of said Subordinating Lender pursuant to authority granted by its Board of Directors. S/he is personally known to me or has produced satisfactory proof of his/her identity.

 (Notary Public)

SUBORDINATION ONLY_OR MERS V1.0
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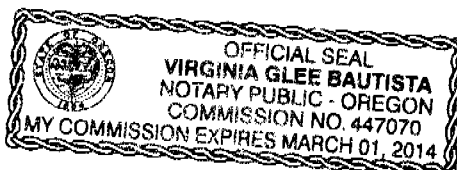


Exhibit A

Reference Number: 429552402011218

LEGAL DESCRIPTION

"EXHIBIT A"

Lot 5 in Block 5 of FIRST ADDITION TO SHIELD CREST, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

TOGETHER WITH an undivided interest in all those private roads shown on the plat and more particularly described in Declaration recorded in Volume M84, page 4256, Deed Records of Klamath County, Oregon

For an Individual Trustee Borrower

State of _____)
County of _____)

This instrument was acknowledged before me on _____ (date) by

_____ (name(s) of person(s)) as
_____ (type of authority, e.g., officer, trustee, etc.) of _____
_____ (name of party on behalf of
whom instrument was executed).

(Seal, if any)

(Signature of notarial officer)

Title (and Rank)

My commission expires: _____