

...: MTC 85467

2011-004128

Klamath County, Oregon



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03/29/2011 02:49:36 PM

Fee: \$52.00

After recording return to:

NWFCS – Salem Corporate
650 Hawthorne Avenue SE, Suite 210
P.O. Box 13309
Salem, OR 97309-9831

COVER PAGE TO:

SUBORDINATION AGREEMENT and LIMITED LIEN WAIVER

PARTIES AND INTERESTS.

Subordinator: Northwest Farm Credit Services, FLCA and PCA

- a. Subordinator's Interest: Deed of Trust executed June 29, 2005, recorded July 21, 2005, in Volume M05, Page 56114, records of Klamath County, Oregon, as amended by Modification of such Deed of Trust, dated August 3, 2005, recorded August 12, 2005 in Volume M05, Page 61803, records of Klamath County, Oregon.
- b. UCC-1 Financial Statement, File No. 6983549, Filed July 18, 2005.
- c. Subordinator's Interest: Deed of Trust, Assignment of Rent, Security Agreement and Fixture Filing dated August 3, 2005, recorded August 12, 2005, in Volume M05 Page 61804, records of Klamath County, Oregon.
- d. Any and all UCC-1 Financial Statements in favor of Subordinatee.

Subordinatee: United States of America by and through the Natural Resources Conservation Service Deed of Trust Recorded on 3/29/2011 in volume 2011 page 004127 in Klamath County records.

Borrower: Sevenmile Creek Ranch, LLC, an Oregon limited liability company

AGREEMENT

The property described in the above-referenced instruments creating Subordinatee's Interest is referred to as the "Property."

For good and valuable consideration, Subordinator subordinates its interest in the Property to Subordinatee's Interest and all advances or charges, if any, made or accruing

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under Subordinate's Note, if any. This subordination also includes any extension, refinancing, reindexing, renewal, or renegotiation of Subordinate's Note, if any.

Subordinator acknowledges the opportunity to examine the terms of the documents pertaining to Subordinate's Interest.

The heirs, personal representatives, successors and assigns of Subordinator shall be bound by this Agreement. This Agreement shall inure to the benefit of Subordinate and its personal representatives, successors and assigns.

Dated: December 1, 2010

NORTHWEST FARM CREDIT SERVICES, FLCA
NORTHWEST FARM CREDIT SERVICES, PCA

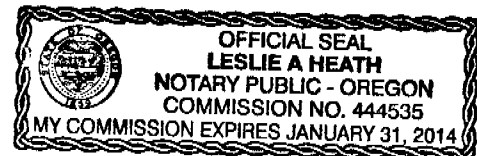
By: *Randi Bural*

Authorized Agent

STATE OF Oregon
County of Marion

On this 1st day of December, 2010, before me personally appeared Randi Bural known to me to be the Authorized Agent of Northwest Farm Credit Services, FLCA and PCA, the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same as its free act and deed; and each on oath stated that he/she was authorized to execute said instrument.

Leslie A. Heath
Notary Public for the State of Oregon
Residing at Keizer, Oregon
My commission expires:



SUBORDINATION AGREEMENT AND LIMITED LIEN WAIVER

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

2. AGREEMENT NO.: 66-0436-9-107☐

This transaction is for CCC

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This transaction is for NRCS

This Subordination Agreement and Limited Lien Waiver, effective (3.) 07-10-2010, is signed by (4.) Northwest Farm Credit Services, PCA and Northwest Farm Credit Services, FLCA (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 County 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).

T33S-R6E-S23, 25, 26. Exact map of easement area included in Wetland Reserve Program Agreement No. 66-0436-9-107, Sevenmile Creek II.

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.

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. Randi Bural
Signature Authorizing Rep. of Sub. Party

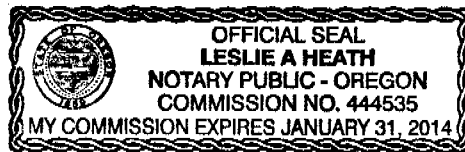
7 b. Date: 12-1-2010 7 c. Title: Authorized Agent

8. STATE OF OREGON)
COUNTY OF Marion) SS

This instrument was acknowledged before me on December 1, 2010 by Randi Bural
(Person Signing)

Leslie A. Heath
Notary Public for Oregon

My commission expires:



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

The United States Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, or marital or family status. (Not all prohibited bases apply to all programs.). Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 voice and TDD). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (202) 720-5964.

PRIVACY ACT STATEMENT

The above statements are made in accordance with the Privacy Act of 1974 (5 U.S.C. 522a). 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.