

11729088 4-LW
RECORDING REQUESTED BY:

IMortgage
3389 Crater Lake Hwy
Medford OR 97504

2011-009218

Klamath County, Oregon



00105859201100092180030039

08/10/2011 11:26:53 AM

Fee: \$47.00

AND WHEN RECORDED MAIL TO:

PREMIERWEST BANK
ATTN CONSUMER LENDING, Jeannette
1463 E.MCANDREWS RD, STE 3
MEDFORD, OR 97504

SPACE ABOVE THIS LINE FOR RECORDER'S USE

APN: R3808-004C0-03100-000

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 AGREEMENT, MADE this 28th day of July, 2011 by JAMES S WHITMORE AND PATRICIA A WALLACE, owners of the land hereinafter described and hereinafter referred to as "Owners", and PREMIERWEST BANK, present owner and holder of the Deed of Trust and Note first hereinafter described and hereinafter referred to as "Beneficiary":

WITNESSETH

THAT WHEREAS JAMES S WHITMORE AND PATRICIA A WALLACE did execute a deed of trust, dated OCTOBER 20, 2008, to AMERITITLE, as trustee covering:

LOT 170, RUNNING Y RESORT, PHASE 2, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE COUNTY CLERK OF KLAMATH COUNTY, OREGON.

To secure a Note in the sum of \$100,000.00 dated OCTOBER 20, 2008 in favor of PREMIERWEST BANK and MODIFIED BY A CHANGE-IN-TERMS AGREEMENT TO LOWER THE NOTE AMOUNT TO \$57,000.00 dated 5-2-2011.

Which Deed of Trust was recorded as Instrument # 2008-014367 Book/Reel N/A Page/Image N/A, recorded on OCTOBER 21, 2008, in the Official Records of KLAMATH COUNTY, OREGON

WHEREAS, Owner has executed, or is about to execute, a deed of trust and note in the sum of \$ 309,000.00 or less on or about AUGUST 5, 2011, in favor of IMORTGAGE, hereinafter referred to as "Lender", 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 deed of trust last above mentioned 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 deed of trust first above mentioned; and

WHEREAS, Lender is willing to make said loan provided the deed of trust 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 Beneficiary will specifically and unconditionally subordinate the lien or charge of the deed of trust first above mentioned to the lien or charge of the deed of trust in favor of Lender; and

WHEREAS, it is to the mutual benefit of the parties hereto that Lender make such loan to Owner; and Beneficiary is willing that the deed of trust 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 Lender to make the loan above referenced to, it is hereby declared, understood and agreed as follows:

(1) That said deed of trust securing said note in favor of Lender, and any renewals or extensions thereof, shall unconditionally be and remain at all time 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 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 deed of trust in favor of Lender above referred to and shall supersede and cancel, but only insofar as would affect the priority between the deeds of trust herein before specifically described, any prior agreement 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.

Beneficiary declares, agrees and acknowledges that

(a) He consents to and approves (i) all provisions of the note and deed of trust in favor of Lender above referred to, and (ii) all agreements, including but not limited to any loan or escrow agreements, between Owner and Lender for the disbursement of the proceeds of Lender's loan;

(b) Lender in making disbursements pursuant to any such agreement is under no obligation or duty to, nor has Lender represented that it will, see to the application of such proceeds by the person or persons to whom 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) He intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of the deed of trust first above mentioned in favor of the lien or charge upon said land of the deed of trust in favor of Lender above referred to and understands 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 deed of trust in favor of Lender above referred to.

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 THE LAND.

By: Jeannette Clarke
JEANNETTE CLARKE
PREMIERWEST BANK, BENEFICIARY

James S Whitmore
JAMES S WHITMORE

ASSISTANT VICE PRESIDENT,
TITLE

Patricia A Wallace
PATRICIA A WALLACE

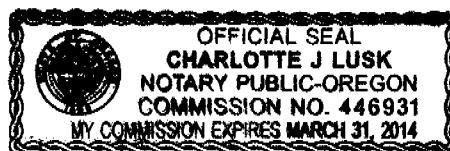
State of Oregon
County JACKSON } ss.

On JULY 28, 2011, before me, CHARLOTTE J LUSK
a Notary Public, personally appeared JEANNETTE CLARKE, ASSISTANT VICE PRESIDENT
who 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
acknowledged 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.

I certify under PENALTY OF PERJURY under the laws of the State of Oregon that the foregoing paragraph is true and correct.

Witness my hand and official seal

Signature Charlotte J. Lusk (Seal)



State of Oregon
County Klamath } ss.

On August 5, 2011, before me, Lisa Weatherby

A Notary Public, personally appeared: JAMES S WHITMORE AND PATRICIA A WALLACE
who 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
acknowledged 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.

I certify under PENALTY OF PERJURY under the laws of the State of Oregon that the foregoing paragraph is true and correct.

Witness my hand and official seal

Signature Lisa Weatherby (Seal)

