

2011-011548

Klamath County, Oregon

**RECORDING REQUESTED BY:**

First American Title Insurance Company-  
NTP



00108708201100115480060062

10/14/2011 01:17:46 PM

Fee: \$62.00

**PREPARED BY AND WHEN**

~~RECORDED MAIL TO:~~

First American Title Insurance  
Company-NTP  
2605 Enterprise Road East  
Suite 300  
Clearwater, FL, 33759

*WHEN RECORDED, RETURN TO:*

*FIRST AMERICAN MORTGAGE SERVICES*

*1100 SUPERIOR AVENUE, SUITE 200*

*CLEVELAND, OHIO 44114*

*NATIONAL RECORDING*

A.P.N: 3808-025DD-02400-000

File No: 7002254n *LO*

**SUBORDINATION AGREEMENT**

(Existing to New)

**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 10<sup>th</sup> day of August, 2011, by

GERRIN DEGROOT AND KRISTINE DEGROOT, AS TENANTS BY THE ENTIRETY  
Owner of land hereinafter described and hereinafter referred to as "Owner", and

WELLS FARGO BANK, NATIONAL ASSOCIATION

present owner and holder of the Deed of Trust and Note first hereinafter described and hereinafter referred to as  
"Beneficiary",

**WITNESSETH**

THAT WHEREAS, GERRIN DEGROOT AND KRISTINE DEGROOT, AS TENANTS BY THE ENTIRETY has executed a Deed of Trust dated JANUARY 23, 2007, to FIRST AMERICAN TITLE INSURANCE COMPANY OF OREGON, as Trustee, covering:

**LOT 4, BLOCK 2 OF TRACT 1091, LYNNWOOD, 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 \$1,715,000.00, dated JANUARY 23, 2007, in favor of WELLS FARGO BANK, NATIONAL ASSOCIATION, which Deed of Trust was recorded JANUARY 25, 2007 in Instrument No. 2007-001343, of said County; and

WHEREAS, Owner has executed, or is about to execute, a Deed of Trust and Note in the sum of \$361,150.00, **(NOT TO EXCEED THIS AMOUNT)**, dated 8/17/2011, in favor of FLAGSTAR BANK, 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 9/2/2011; Instr. # 2011-010047; 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 hereinbefore 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 the 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 the lender and

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

- 1) That said Deed of Trust securing said note in favor of Lender, and renewals or extensions thereof, shall unconditionally be and remain at all times a lien prior 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 Deed of Trust hereinbefore specifically described any prior agreement as to such subordination including, but not limited to, these 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 deed of trust or to another mortgage or mortgages.

Beneficiary declares, agrees and acknowledges that

1. Beneficiary 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;
2. 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 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;
3. The Beneficiary 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 and 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
4. An endorsement has been placed upon the note secured by 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 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.**

BENEFICIARY Wells Fargo Bank, National Association OWNER:

[Signature]  
Wan Adjuster

\_\_\_\_\_  
\_\_\_\_\_

STATE OF OREGON } ss  
County of KLAMATH

BE IT REMEMBERED, that on this \_\_\_\_\_, personally appeared the within named WELLS FARGO BANK, NATIONAL ASSOCIATION, and acknowledged to me that he/she/they executed the same freely and voluntarily.

*\* see Attached*

\_\_\_\_\_  
Notary Public for State of Oregon

STATE OF OREGON } ss  
County of KLAMATH

BE IT REMEMBERED, that on this \_\_\_\_\_, personally appeared the within named GERRIN DEGROOT AND KRISTINE DEGROOT, AS TENANTS BY THE ENTIRETY, and acknowledged to me that he/she/they executed the same freely and voluntarily.

\_\_\_\_\_  
Notary Public for State of Oregon

**IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THERETO.**

## ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Placer

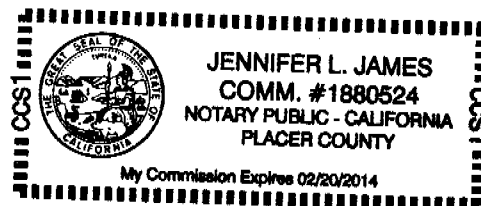
On 8/10/2011 before me, Jennifer L. James, Notary Public, personally appeared Matt Sullivan, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized 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 California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

*Jennifer L. James* (Seal)  
*Jennifer L. James*



BENEFICIARY:

See previous  
\_\_\_\_\_

OWNER:

[Signature]  
Kristine De Groot

STATE OF OREGON  
County of KLAMATH

} ss

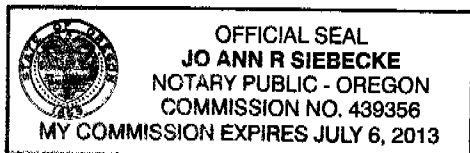
BE IT REMEMBERED, that on this \_\_\_\_\_, personally appeared the within named WELLS FARGO BANK, NATIONAL ASSOCIATION, and acknowledged to me that he/she/they executed the same freely and voluntarily.

See previous  
\_\_\_\_\_  
Notary Public for State of Oregon

STATE OF OREGON  
County of KLAMATH

} ss

BE IT REMEMBERED, that on this 8.17.11, personally appeared the within named GERRIN DEGROOT AND KRISTINE DEGROOT, AS TENANTS BY THE ENTIRETY, and acknowledged to me that he/she/they executed the same freely and voluntarily.



Jo Ann R. Siebecke  
\_\_\_\_\_  
Notary Public for State of Oregon

**IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THERETO.**

**EXHIBIT 'A'**

File No.: **7002254n (mb)**

**LOT 4, BLOCK 2 OF TRACT 1091, LYNNWOOD, ACCORDING TO THE OFFICIAL PLAT  
THEREOF ON FILE IN THE OFFICE OF THE COUNTY CLERK OF KLAMATH COUNTY,  
OREGON.**

**A.P.N. 3808-025DD-02400-000**

 DEGROOT  
44000796 OR  
FIRST AMERICAN ELS  
SUBORDINATION AGREEMENT  
