

RECORDING REQUESTED BY:
First American Title Insurance Company
Mortgage Services-NTP

2012-013303
Klamath County, Oregon
11/30/2012 01:36:10 PM
Fee: \$52.00

**PREPARED BY AND WHEN
RECORDED MAIL TO:**
First American Title Insurance
Company Mortgage Services-NTP
1591 Galbraith Avenue, Suite 200
Grand Rapids, MI, 49546

A.P.N: R565383
File No: 7475766n

*WHEN RECORDED, RETURN TO:
FIRST AMERICAN MORTGAGE SERVICES
1100 SUPERIOR AVENUE, SUITE 200
CLEVELAND, OHIO 44114
NATIONAL RECORDING*

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.

MERS #: 1-888-679-6377
MIN#: 100062604722843069

THIS AGREEMENT, made this 21 day of August, 2012, by

James E. Nelson and Debera L. Nelson
Owner of land hereinafter described and hereinafter referred to as "Owner", and

MERS INC. AS NOMINEE FOR HOMECOMINGS FIN'L LLC ITS SUCCESSORS AND ASSIGNS

Present Owner and Holder of the Mortgage and Note first hereinafter described and hereinafter referred to as "Beneficiary",

WITNESSETH

THAT WHEREAS, James E. Nelson and Debera L. Nelson has executed a Mortgage dated FEBRUARY 14, 2007, to MERS INC. AS NOMINEE FOR HOMECOMINGS FIN'L LLC ITS SUCCESSORS AND ASSIGNS, covering:

Lot 6 in Block 17, 8TH ADDITION TO SUNSET VILLAGE, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

APN : R565383

To secure a Note in the sum of \$22,000.00, dated FEBRUARY 14, 2007, in favor of MERS INC. AS NOMINEE FOR HOMECOMINGS FIN'L LLC ITS SUCCESSORS AND ASSIGNS, which Mortgage was recorded FEBRUARY 22, 2007 in Instrument No. 2007003039, of said County; and

WHEREAS, Owner has executed, or is about of execute, a Mortgage and Note in the sum of \$167,700.00, **(NOT TO EXCEED THIS AMOUNT)**, dated 10/26/2012, in favor of ALLY BANK CORP, hereinafter referred to as "Lender", payable with interest and upon the terms and conditions described therein, which Mortgage is to be recorded concurrently herewith; and

WHEREAS, it is a condition precedent to obtaining said loan that said Mortgage 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 Mortgage first above mentioned; and

WHEREAS, Lender is willing to make said loan provided the Mortgage securing the same is a lien or charge upon the above described property prior and superior to the lien or charge of the Mortgage first above mentioned and provided that Beneficiary will specifically and unconditionally subordinate the lien or charge upon said land which is unconditionally prior and superior to the lien or charge of the Mortgage above mentioned.

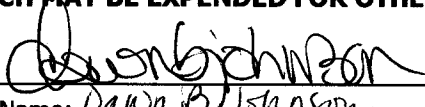
NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce Lender to make the loan above referred to, it is hereby declared, understood and agreed as follows:

- 1) That said Mortgage 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 Mortgage 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 Mortgage first above mentioned to the lien or charge of the Mortgage in favor of lender above referred to and shall supersede and cancel, but only insofar as would affect the priority between the Mortgage hereinbefore specifically described any prior agreement as to such subordination including, but not limited to, these provisions, if any, contained in the Mortgage 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. He consents to and approves (i.) all provisions of the note and Mortgage 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 or use of such proceeds for purposes other than those provided for in such agreement or agreements shall not defeat the subordination herein made or in part;
3. He intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of the Mortgage first above mentioned in favor of the lien or charge upon said land of the Mortgage 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 Mortgage first above mentioned that said Mortgage has by this instrument been subordinated to the lien or charge of the Mortgage 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.


Print Name: Dawn Johnson
Title: Assistant Secretary

Print Name: _____
Title: _____

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

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

STATE OF Colorado) SS

COUNTY OF Douglas)

On August 21, 2012, before me, Crystal R. Ornelas personally appeared Dawn B. Johnson, personally known to me (or proved to me on the basis of satisfactory evidence) to 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 his/her/their signature(s) on the instrument to the person(s) or the entity upon behalf of which the person(s) acted executed the instruments.

WITNESS my hand and official seal.

Signature [Signature]

My Commission Expires: 3/11/14

This area for official notarial seal.

CRYSTAL R. ORNELAS
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 03/11/2014

EXHIBIT 'A'

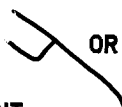
File No.: **7475766n (mo)**

Property: **3937 La Marada Way, Klamath Falls, OR 97603**

**LOT 6 IN BLOCK 17, EIGHTH ADDITION TO SUNSET VILLAGE, ACCORDING TO THE
OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE COUNTY CLERK OF KLAMATH
COUNTY, OREGON.**

A.P.N. R565383

 **NELSON
46047366**

 **OR**

**FIRST AMERICAN ELS
SUBORDINATION AGREEMENT**

