

WTC 94650

When recorded mail to:

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Kay McClure

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14715665

This Instrument Prepared by:

Wells Fargo

P.O. Box 4149 MAC P6051-019

Portland, OR 97208-4149

1-800-945-3056

2012-013331

Klamath County, Oregon

11/30/2012 03:48:23 PM

Fee: \$52.00

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Account #: XXX-XXX-XXX2408-1998

Reference Number: 7026770319

**SUBORDINATION AGREEMENT FOR
SHORT FORM LINE OF CREDIT DEED OF TRUST (WITH FUTURE ADVANCE CLAUSE)**

Effective Date: 8/7/2012

Owner(s): MICHAEL J KENNEDY
ALICE C KENNEDY

Mailing Address: 5837 VALLEYVIEW LN, KLAMATH FALLS, OR 97601

Current Lien Amount: \$60,000.00

Senior Lender: Citibank N.a.

Subordinating Lender: Wells Fargo Bank, N.A.
101 North Phillips Avenue, Sioux Falls, SD 57104

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: WELLS FARGO FINANCIAL NATIONAL BANK

Property Address: 5837 VALLEYVIEW LN, KLAMATH FALLS, OR 97601

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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.

MICHAEL J. KENNEDY AND ALICE C. KENNEDY, HUSBAND AND WIFE (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 Short Form Line Of Credit Deed Of Trust (With Future Advance Clause) (the "Existing Security Instrument") given by the Owner, covering that real property, more particularly described as follows:

See Exhibit A

which document is dated the 27th day of May , 2004, which was filed in Volume M04 at page 41963 (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 secures repayment of a debt evidenced by a note or a line of credit agreement extended to MICHAEL J KENNEDY and ALICE C KENNEDY (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 \$115,515.00 (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.

By  AUG 07 2012
(Signature) Date

Lisa M. Sowers
(Printed Name)

Officer
(Title)

FOR NOTARIZATION OF LENDER PERSONNEL

STATE OF Virginia)
)ss.
COUNTY OF Roanoke)

The foregoing Subordination Agreement was acknowledged before me, a notary public or other official qualified to administer oaths this 7 day of August, 2012, by Lisa M. Sowers, as Officer of Wells Fargo Bank, N.A., the Subordinating Lender, 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)

Sandra Jean Lucas
Notary Public 239947
Commonwealth of Virginia
My Commission Expires April 30, 2016

EXHIBIT A

Legal Description

Lot 4 in Block 8, Tract No. 1016, GREEN ACRES, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.