

2013-002970

Klamath County, Oregon

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Fee: \$57.00

mtc 95503

**When recorded mail to:**

LSI-OS Recording

Kay McClure

5039 Dudley Blvd 15304579

McClellan, CA 95652

(800) 964-3524

**SUBORDINATION AGREEMENT**

APN: 3909-001BD-02800-000

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 November 8, 2012, by **JOSEPH EDWARD FOREMAN and JODI ANN FOREMAN**, Owners of the land hereinafter described and hereinafter referred to as "Owners", and **SOUTH VALLEY BANK & TRUST**, present Owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "Beneficiary";

**WITNESSETH**

THAT WHEREAS, **JOSEPH EDWARD FOREMAN and JODI ANN FOREMAN** did execute a deed of trust, dated **10/28/2004**, to **Aspen Title and Escrow**, as trustee, covering real property at 2129 Kelsey Lane, Klamath Falls, OR 97603, County of **Klamath, State of Oregon**:

Lot 18, TRACT 1304, PLEASANT VISTA, according to the official plat thereof on file in the Office of the County Clerk, Klamath County, Oregon.

to secure a note in the original sum of **\$24,900.00** dated **10/28/2004**, in favor of **SOUTH VALLEY BANK & TRUST**, which the original deed of trust was recorded on **10/29/2004**, in **Volume M04 on Page 74413**, Official Records of said county; and

WHEREAS, Owner has executed, or is about to execute, a deed of trust and note in the **sum not to exceed \$119,033.00**, dated March 8, 2013, in favor of **CITIBANK, N.A., its successors and/or assigns**, 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 hereinbefore described, prior and superior to the lien or charge of the deed of trust first above mentioned; and

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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 referred to, it is hereby declared, understood and agreed as follows:

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 times a lien or charge on the property therein described, prior and superior to the lien or charge of the deed of trust above mentioned.

That Lender would not make its loan above described without this subordination agreement.

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 hereinbefore specifically described, any prior agreement as to such subordination including, but not limited, 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

He/She/They consent(s) 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;

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 who 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;

He/She/They 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

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.

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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.

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

**SOUTH VALLEY BANK & TRUST**

By: Cortney Hall Beneficiary

Cortney Hall  
Printed Name Beneficiary

Title: VP, Residential Real Estate  
Beneficiary

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

STATE OF Oregon

COUNTY OF Klamath

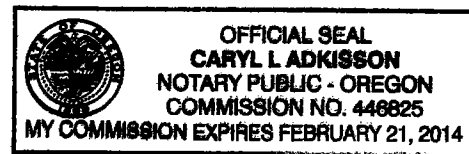
On 12/3/12 before me, Caryl L. Adkisson, personally appeared Cortney Hall who is a/the VP, Residential Real Estate of **SOUTH VALLEY BANK & TRUST**, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to 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 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 Caryl L. Adkisson

My Commission expires: 2/21/14



# **EXHIBIT A**

## **Legal Description**

**Lot 18 TRACT 1304, PLEASANT VISTA, according to the official plat thereof on file in the office of the County Clerk, Klamath County, Oregon.**