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2013-011652  
Klamath County, Oregon  
10/15/2013 11:41:03 AM  
Fee: \$72.00

**Recording Requested By/Return To:**

Wells Fargo  
P.O. Box 31557  
MAC B6955-013  
Billings, MT 59107-9900

**This Instrument Prepared by:**

Wells Fargo  
P.O. Box 4149 MAC P6051-019  
Portland, OR 97208-4149  
1-800-945-3056

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Account #: XXX-XXX-XXX1523-1998

Reference Number: 418039691952

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

Effective Date: 10/3/2013

Owner(s): KEVIN B SHULTS  
SUSAN D SHULTS

Mailing Address: 2729 GREENSPRINGS DR, KLAMATH FALLS, OR 97601

Current Line of Credit Recorded Commitment \$48,800.00 being reduced to \$25,200.00.

Senior Lender: Wells Fargo Bank, 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: 2729 GREENSPRINGS DR, 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.

KEVIN B. SHULTS AND SUSAN D. SHULTS, 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 14th day of August, 2007, which was filed in Document ID# 2007-015833 at page N/A (or as No. N/A) of the Official Records in the Office of the Recorder of the County of KLAMATH, State of Oregon (the "Existing Security Instrument"). The Existing Security Instrument secures repayment of a debt evidenced by a note or a line of credit agreement extended to KEVIN B SHULTS, SUSAN D SHULTS (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 \$103,000.00 (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. Agreement to Change Credit Limit**

The Subordinating Lender's agreement to subordinate is conditioned subject to the following:

Change in Line of Credit Agreement

The credit limit under the Line of Credit Agreement is hereby changed from \$48,800.00 to the new credit limit of \$25,200.00.

By signing this Agreement below, the Borrower(s) agrees to this change.

Change in Security Interest

The lien evidenced by the Existing Security Instrument is hereby reduced from \$48,800.00 to \$25,200.00.

By signing this Agreement below, the Owner(s) agrees to this change.

**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. 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.

**E. Signatures and Acknowledgements**

The Subordinating Lender, through its authorized officer, and the Trustee if applicable, individually or through its authorized officer or other representative, and the Borrower, have each set their hand and seal as of the Effective Date above unless otherwise indicated.

**(ACKNOWLEDGEMENT PAGE FOLLOWS)**

**SUBORDINATING LENDER:**

Wells Fargo Bank, N.A.

By [Signature]  
(Signature)

10/4/2013  
Date

Shannon Johnson  
(Printed Name)

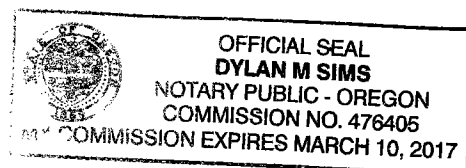
Vice President Loan Documentation  
(Title)

**FOR NOTARIZATION OF LENDER PERSONNEL**

STATE OF Oregon )  
 )ss.  
COUNTY OF Multnomah )

The foregoing Subordination Agreement was acknowledged before me, a notary public or other official qualified to administer oaths this 4th day of OCTOBER, 2013, by Shannon Johnson, as Vice President Loan Documentation 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.

[Signature] (Notary Public)



**BORROWER(S):** I received and read a completed copy of this Modification Agreement before I signed it. I agree to all its terms.

<u>Kevin B Shults</u> (Signature) KEVIN B SHULTS	<u>10/9/13</u> (Date)
<u>Susan D Shults</u> (Signature) SUSAN D SHULTS	<u>10-9-13</u> (Date)

_____ (Signature)	_____ (Date)
_____ (Signature)	_____ (Date)
_____ (Signature)	_____ (Date)
_____ (Signature)	_____ (Date)
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_____ (Signature)	_____ (Date)

85  
STAMP  
BRAZIL  
IC- OREGON  
NO. 454091A  
FEBRUARY 05, 2015

**OWNER(S):** As a signer on the Security Instrument under the Line of Credit Agreement, the undersigned hereby acknowledges this Modification Agreement and agrees to its terms, and a receipt of a copy of the same.

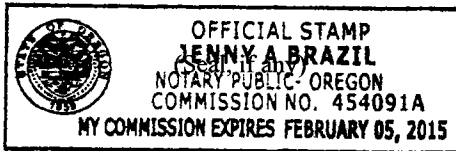
<u>Kevin B Shults</u> (Signature) KEVIN B SHULTS	<u>10/9/13</u> (Date)
<u>Susan D Shults</u> (Signature) SUSAN D SHULTS	<u>10-9-13</u> (Date)

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_____ (Signature)	_____ (Date)
_____ (Signature)	_____ (Date)

**For An Individual Acting In His/Her Own Right:**

State of Oregon )  
County of Klamath )

This instrument was acknowledged before me on 10/9/2013 (date) by  
Kevin B. Shults & Susan D. Shults  
\_\_\_\_\_  
(name(s) of person(s)).



J. Brazil  
(Signature of notarial officer)

Notary Public  
Title (and Rank)

My commission expires: 2/5/15



**Exhibit A**

Reference Number: 418039691952

**Legal Description:**

A tract of land more particularly described as follows:

Beginning at an iron pin on the Southerly right of way line of the Ashland-Klamath Falls Highway (which pin is 30 feet at right angles Southerly from the center of said highway) that lies South 89 degrees 22 1/2' East along the section line a distance of 1321.4 feet and South 0 degrees 40 1/2' East (along the 40 line which is also the West line of Westover Terraces) a distance of 626.5 feet and North 89 degrees 22 1/2' West a distance of 106.2 feet and South 38 degrees 40' West (along the Southerly right of way line of above mentioned highway) a distance of 150.0 feet from the Northwest corner of Section 8, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, being the true point of beginning of this description and running thence; continuing South 38 degrees 40 1/2' West along the Southerly right of way line of the Ashland-Klamath Falls Highway a distance of 150 feet to an iron pin; thence at right angles South 51 degrees 19 1/2' East a distance of 383.3 feet, more or less, to an iron pin on the Westerly line of Westover Terraces; thence North 0 degrees 40 1/2' West along the Westerly line of Westover Terraces a distance of 194 feet, more or less, to an iron pin; thence North 51 degrees 19 1/2' West a distance of 260.4 feet, more or less, to the point of beginning, said tract in the NW1/4 NW1/4 of Section 8, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon.