

2013-012454

Klamath County, Oregon

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00144714201300124540030037

11/06/2013 08:15:25 AM

Fee: \$52.00

WHEN RECORDED RETURN TO:

Record & Return To:
Mortgage Information Services
4877 Galaxy Parkway, Ste 1
Cleveland, OH 44128

M.I.S. FILE NO

1220253

SUBORDINATION AGREEMENT

Grantor(s): Mark A. Vanover and Reiko C. Vanover, Husband and Wife

Grantee(s): Rogue Federal Credit Union

Legal Description: THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF KLAMATH, STATE OF OREGON, AND IS DESCRIBED AS FOLLOWS:

LOT 29, BLOCK 1, SUNSET EAST, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE CLERK OF KLAMATH COUNTY, OREGON.

THIS SUBORDINATION AGREEMENT (the "Agreement") dated as of October 15, 2012, is entered into among Rogue Federal Credit Union (the "Creditor"), whose address is 1370 Center Drive, Medford OR 97501, Mark and Reiko Vanover (the "Borrower"), whose address is 7116 Verda Vista Place, Klamath Falls, OR 97603, and Citibank, N.A. ("New Lender"), whose address is 100 Technology Drive, O'Fallon, MO 63368.

RECITALS:

A. Creditor has extended credit in the amount of Fifteen Thousand Dollars (\$15,000.00) to Borrower (the "Creditor Loan") which is or will be secured by a deed of trust executed by Borrower for the benefit of Creditor (together with any amendments, supplements, extensions, renewals or replacements, the "Creditor Deed of Trust") covering the real property described above (the "Real Property") and the personal property described therein. The Creditor Deed of Trust was recorded at Auditors File No. 2011-005259, on April 27, 2011, in the records of Klamath County, Oregon. As of the date of this agreement the current principal balance of the aforementioned deed of trust is Fourteen Thousand Six Hundred Eighteen Dollars and Eighty Nine Cents (\$14,618.89).

B. New Lender has made or may make a loan in an amount not to exceed Two Hundred Thirty Thousand Dollars (\$230,000.00) to Borrower ("New Lender Loan"), which will be secured by a deed of trust executed by Borrower for the benefit of New Lender which is being recorded concurrently with this Agreement (together with any amendments, supplements, extensions, renewals or replacements, the "New Lender Deed of Trust") covering the Real Property and the personal property described therein (the Real Property and such personal property and all products and proceeds thereof, is collectively, the "Property").

C. New Lender has required that its security interest in the Property be superior to the security interest of Creditor in the Property.

In consideration of the matters contained in the foregoing Recitals, which are hereby incorporated herein, and for other valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows:

AGREEMENT:

1. Subordination.

a. Creditor hereby subordinates any and all of its right, title, claim, lien and interest in the Property and all proceeds thereof, under the Creditor Deed of Trust, to all right, title, claim, lien and interest of New Lender in the Property under the New Lender Deed of Trust.

b. Creditor's agreement to subordinate shall apply to the principal balance on the New Loan, plus all interest, late charges, collection costs and expenses, attorney's fees and amounts paid to third parties to protect or enforce New Lender's security interest, but shall not include increases in the principal balance other than increases required for preservation, maintenance, or improvement of the Property, or performance of Borrower's obligations under New Lender's Deed of Trust.

c. Except as otherwise set forth herein, the priority of security interests in the Property shall be governed by applicable law.

2. Actions by New Lender. Creditor agrees that New Lender may foreclose its security interest in the Property and may otherwise act in any manner permitted by the New Lender Deed of Trust or by law without affecting any priority of New Lender hereunder. New Lender agrees that it shall provide Creditor, in such time and manner as is required by applicable law, all notices required to be provided to the beneficiary of a trust deed or mortgagee of a mortgage that is recorded after the deed of trust or mortgage being foreclosed. New Lender agrees that it will not, without prior written consent of Creditor, increase the interest rate or the payments required on the New Lender Loan (except for increases in escrow impound amounts for taxes and insurance, or increases

pursuant to variable rate terms in the New Lender Loan documents) or otherwise modify the New Lender Loan in any material respect.

3. **No Obligation.** This Agreement shall not be construed as giving rise to any obligation on the part of Creditor to assume or pay any indebtedness of any person to New Lender, nor shall this Agreement be construed as giving rise to any obligation on the part of Creditor or New Lender to loan any amounts or extend any financial accommodations to Borrower or any other person.

4. **Entire Agreement.** This Agreement constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless made in writing and signed by all parties hereto.

5. **Successors.** This Agreement shall extend to and bind the respective heirs, personal representatives, successors and assigns of the parties to this Agreement, and the covenants of Borrower and Creditor respecting subordination of the Creditor Deed of Trust shall extend to, include, and be enforceable by any transferee or endorsee of the Creditor Deed of Trust or the Creditor Loan.

6. **Recitals.** The Recitals are hereby incorporated herein.

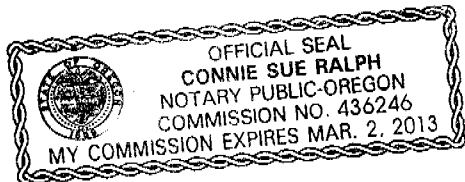
CREDITOR:

Natasha Adams

By: Natasha Adams
Title: Lending Services Specialist II

State of Oregon)
) ss.
County of Jackson)

This instrument was acknowledged before me on October 15, 2012 by Natasha Adams as Lending Services Specialist II of Rogue Federal Credit Union.



Connie Sue Ralph
Notary Public for Oregon
Commission No.: 3-2-2013
My Commission Expires: 436246

BORROWER:

Mark A. Vanover
State of _____)
) ss.
County of _____)

BORROWER:

Reiko C. Vanover

This instrument was acknowledged before me on _____ by _____
Mark and Reiko Vanover

Notary Public for Oregon
Commission No.: _____
My Commission Expires: _____

NEW LENDER

By: _____
Title: _____

State of _____)
) ss.
County of _____)

This instrument was acknowledged before me on _____ by _____
as _____ of _____

Notary Public for Oregon
Commission No.: _____
My Commission Expires: _____

pursuant to variable rate terms in the New Lender Loan documents) or otherwise modify the New Lender Loan in any respect.

3. **No Obligation.** This Agreement shall not be construed as giving rise to any obligation on the part of Creditor to pay any indebtedness of any person to New Lender, nor shall this Agreement be construed as giving rise to any obligation of Creditor or New Lender to loan any amounts or extend any financial accommodations to Borrower or any other person.

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CREDITOR:



By: Natasha Adams

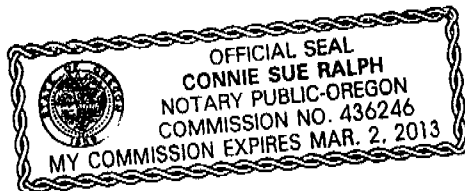
Title: Lending Services Specialist II

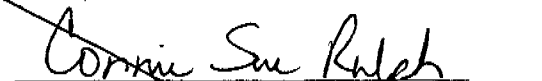
State of Oregon)

County of Jackson)


ss.

This instrument was acknowledged before me on October 15, 2012 by Natasha Adams as Lending Services Specialist II of Federal Credit Union.




Notary Public for Oregon
Commission No.: 3-2-2013
My Commission Expires: 436246

BORROWER:


Mark A. Vanover

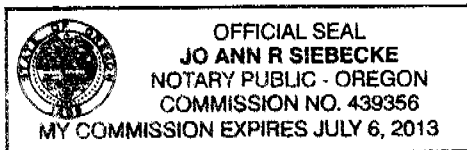
State of OR)

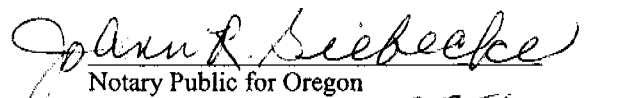
County of KLAMATH)

ss.

This instrument was acknowledged before me on NOV 20 2012 by

Mark and Reiko Vanover




Notary Public for Oregon
Commission No.: 439356
My Commission Expires: 07-06-2013

NEW LENDER

By: _____

Title: _____