

**2015-009667****Klamath County, Oregon****08/31/2015 11:37:20 AM****Fee: \$87.00**

SUBORDINATION AGREEMENT

27987143

THIS SUBORDINATION AGREEMENT is made this October 15th, 2013 by and between Lender, CitiBank, N.A. a federally chartered financial institution having a corporate address at 1000 Technology Drive, O'Fallon, MO 63368 and Klamath Lake Regional Housing Center by Deed of Trust, dated 08/10/2005, and recorded in Book: M05, Page: 62436 in Klamath county records by borrowers: Corintha Bottorf and Darla Charlton

WHEREAS, Borrowers is indebted to Klamath Lake Regional Housing Center pursuant to contract executed by borrower, dated 08/10/2005, and made payable to the order of Creditor in the original principal amount of Twenty Five Thousand Dollars and 00/100 Cents (**US \$25,000.00**); a securing Deed of trust. And

WHEREAS, payment of the creditor note is secured by a deed of trust executed by borrower for the benefit of Creditor upon the real property and improvements thereon located at 5959 Delaware Ave, Klamath Falls, OR, 97603 in Klamath County, being more particularly described on Exhibit "A" attached hereto and made a part hereof for all purposes (the "Property") and which was recorded on 08/17/2005, in Book: M05, Page 62136 in the Klamath County Records. All documentation executed ancillary to or in conjunction with the Creditor Loan, including, but not limited to, the Creditor Note and the Creditor Security Instrument, shall be collectively referred to as the "Creditor Loan Documents"; and

WHEREAS, Lender has agreed to make a loan to Borrower in the principal loan amount of Seventy Two Thousand Two Hundred Fifteen dollars **and no/100 cents (US \$72,215.00)** to be evidenced by a contract executed by Borrower and made payable to the order of Lender in the Lender Loan Amount and to be secured by a deed of trust executed by Borrower for the benefit of Lender upon the Property. All documentation executed ancillary to or in conjunction with the Lender Loan, including, but not limited to, the Lender Note and the Lender Security Instrument, shall be collectively referred to as the "Lender Loan Documents"; and

*dated 1/7/14 recorded 2/4/14
Inst # 2014-000998*

WHEREAS, Lender has required execution of this Agreement as a condition precedent to the making of the Lender Loan and the parties hereto understand that Lender would not make the Lender Loan without the benefit of this Agreement; and

WHEREAS, Creditor has agreed to waive and subordinate the priority of the Creditor Security Instrument and the lien and security interest created thereby in favor of the

Lender Security Instrument and the lien and security interest created by the Lender Security Instrument and it is for this purpose that the parties to this Agreement execute, acknowledge, and deliver this Agreement;

NOW, THEREFORE, IN CONSIDERATION of the foregoing, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Creditor hereby waives and subordinates the priority of the Creditor Security Instrument and the lien and security interest created thereby in favor of the Lender Security Instrument and the lien and security interest created by the Lender Security Instrument, so that between the Creditor Security Instrument and the Lender Security Instrument, the Lender Security Instrument shall be a prior lien and security interest upon the Property with all the rights and remedies of a prior security interest and lien incident thereto. The trustees, if applicable, of the Creditor Security Instrument waive notice of Lender's acceptance of and reliance on this Agreement. This is a subordination only of lien priority position as to security instruments and does not constitute a subordination of debt.
2. As between the Creditor Security Instrument and the Lender Security Instrument, the Lender Security Instrument shall have all of the rights, privileges and remedies of the prior lien incident thereto, including, without limitation, the right to first payment from the proceeds of the sale of the Property if the Property is sold by Borrower, Creditor, Lender, their trustees or otherwise, to satisfy their respective indebtedness. The subordination effected by this Agreement does not extend to include any future advances by Lender which cause the principal balance of the indebtedness outstanding from Borrower to Lender to exceed the Lender Loan Amount.
3. This Agreement does not require that the Lender Note or the Lender Loan be satisfied prior to satisfaction of the Creditor Note and the Creditor Loan.
4. This Agreement in no way modifies, affects or impairs the obligations of Borrower under the Creditor Loan Documents, the Lender Loan Documents or any of Creditor's or Lender's respective rights and remedies as between Borrower and Creditor or Lender, respectively.
5. Creditor agrees that it shall not commence exercise of any right or remedy against, or seek possession or control of, the Property unless and until Creditor shall have give Lender thirty (30) days' prior written notice thereof at Lender's address set forth above. In the event Lender exercises its rights as a secured party with respect to the Property, Lender agrees to deliver to Creditor (or, in the case of a foreclosure sale, to the party responsible for disbursement) that portion of any proceeds actually received by the Lender, solely through the exercise of such rights, in excess of the Lender Loan Amount or in excess of such amounts as are

lawfully owned to Lender and are secured by the Lender Security Instrument the "Excess Proceeds"). Lender shall deliver the Excess Proceeds within fifteen (15) days after receipt by Lender thereof and of a good faith accounting of the amount thereof.

6. This Agreement shall only be construed to determine the rights of the parties hereto with respect to each other and shall not be construed to provide any benefit to any persons or entity not a party hereto.

7. Nothing herein contained shall obligate either party to grant credit to, or continue any existing financing arrangements with, Borrower.

8. This Agreement shall be binding upon, and inure to the benefit of, the parties to the Agreement and to their successors and assigns.

9. Any modification of this Agreement shall not be effective unless in writing and signed by the party to be charged.

10. This Agreement shall be governed by, construed and enforced in accordance with the laws of the state of Oregon.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement under seal as of the date and year first above written.

**CREDITOR: KLAMATH LAKE REGIONAL
HOUSING CENTER**



By: *Betty Riley*
Name: *Betty Riley*
Title: *Executive Director*

ACKNOWLEDGMENT

STATE OF Oregon)
) SS.
County of Klamath)

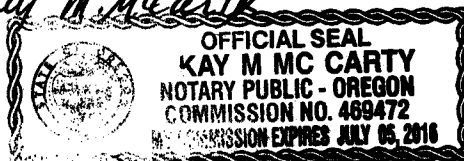
I certify that I know or have satisfactory evidence that ELIZABETH RILEY signed this instrument and that they are authorized to execute this instrument, and acknowledged it as Grantor to be their free and voluntary act for the uses and purposes mentioned in this instrument.

Before me: *This day, October 18, 2013*

My Commission Expires: *7-5-14*

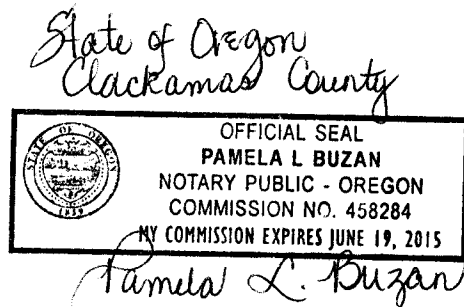
Kay M. McCarty

Notary Public for Oregon
Kay M. McCarty



State of Oregon
County of Klamath

^{CB flb}
BORROWER(S) : CORINTHA L. BOTTORF
DARLA L. CHARLTON



NAME : *Corintha A. Bottorf*
SIGNED : *Corintha Bottorf*
DATE : *1-16-2014*

NAME : _____

SIGNED : _____

DATE : _____

All-Purpose Acknowledgment

State of: Oregon

County of: Clackamas

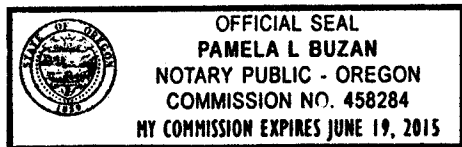
On Jan. 16, 2014 before me Pamela L. Buzan
Name and Title (e.g. Jane Doe, Notary Public)

personally appeared Corintha A. Bottorf
Name(s) of Signer(s)

- ☐ personally known to me - OR - ☐ 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 the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal

Pamela L. Buzan
Signature of Notary Public



**BORROWER(S) : CORINTHA L. BOTTORF
DARLA L. CHARLTON**

NAME : Darla L. Charlton
SIGNED : Darla L. Charlton
DATE : 1/17/2014

NAME : _____

SIGNED : _____

DATE : _____

All-Purpose Acknowledgment

State of: OREGON

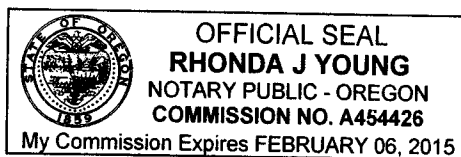
County of: KLAMATH

On JAN 17 2014 before me RHONDA J YOUNG NOTARY PUBLIC OREGON
Name and Title (e.g. Jane Doe, Notary Public)

personally appeared DARLA L CHARLTON
Name(s) of Signer(s)

- ☐ personally known to me - OR ☒ 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 the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal



Rhonda J Young
Signature of Notary Public

AFTER RECORDING RETURN TO:

Recording Requested by and return to:

Chicago Title ServiceLink Division
4000 Industrial Blvd
Aliquippa Pa 15001

EXHIBIT "A"
(PROPERTY DESCRIPTION)

Parcel 1 of Land Partition No. 13-07, being a replat of Tract 14 of HOMELAND TRACTS, NO. 2, situated in the SW1/4 SW1/4 of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon filed August 8, 2007 in Volume 2007-13971, Microfilm Records of Klamath County, Oregon.