



People's Bank of Commerce
1311 East Barnett Rd
Medford, OR 97504

2016-006670
Klamath County, Oregon
06/23/2016 01:41:58 PM
Fee: \$47.00

Subordination Agreement

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 this 23rd day of May, 2016, by

Ronald C. Shubin and Rachel L. Shubin Owner of land hereinafter described and hereinafter referred to as "Owner", and

People's Bank of Commerce present owner and holder of the Deed of Trust and Note first hereinafter described and hereinafter referred to as "Beneficiary"

WITNESSETH

THAT WHEREAS, Ronald C. Shubin and Rachel L. Shubin have executed a Deed of Trust dated May 22, 2012, to AmeriTitle, as Trustee, covering:

Legal Description

Lot 1 in Block 13 of FAIRVIEW ADDITION No. 2 to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

To secure a Note in the sum of \$75,000.00, dated May 22, 2012 in favor of People's Bank of Commerce, which Deed of Trust was recorded June 6, 2012 as Instrument No. 2012-006190, of said County; and

WHEREAS, Owner has executed, or is about to execute a Deed of Trust and Note in the sum of \$105,650, (**NOT TO EXCEED THIS AMOUNT**) with no cash out, dated May , 2016, in favor of Ditech Financial, LLC, 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 time 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

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 the Beneficiary will specially 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 the Lender and

WHEREAS, it is to mutual benefit of the parties hereto that Lender make such loan to Owner; and Beneficiary is willing that the Deed of Trust of Lender 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:

- 1) That said Deed of Trust securing said Note in favor of Lender, and renewals or extensions thereof, shall unconditionally be and remain at all times a lien prior charge on the property therein described, prior and superior to the lien or charge of the Deed of Trust first above mentioned.
- 2) That Lender would not make its loan above described without this subordination agreement.

- 3) 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 Deed of Trust hereinbefore specifically described any prior agreement as to such subordination including, but not limited to, these 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 Deed of Trust or to another mortgage or mortgages.

Beneficiary declares, agrees and acknowledges that:

- 1) Beneficiary consents 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;
- 2) 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 whom Lender disburses such proceeds and any application 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;
- 3) The Beneficiary intentionally and unconditionally waives, relinquishes and subordinated 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 and 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
- 4) An endorsement has been placed upon the Note secured by 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 referred to.

BENEFICIARY:

People's Bank of Commerce

By: Jamie Brindle

Jamie Brindle, Branch Manager

OWNER:

Ronald C. Shubin

Ronald C. Shubin

Rachel L. Shubin

Rachel L. Shubin

STATE OF OREGON

County of Jackson

BE IT REMEMBERED, that on this 23rd day of May, 2016 personally appeared the within named Jamie Brindle, as Branch Manager of People's Bank of Commerce and acknowledged to me that he/she executed the same freely and voluntarily.



Dana M. Holthus

Notary Public for State of Oregon

BE IT REMEMBERED, that on this 17 day of June, 2016 personally appeared Ronald C. Shubin AND Rachel L. Shubin and acknowledged to me that he/she executed the same freely and voluntarily.

[Signature]

Notary Public for State of Oregon