

**2020-015162**

**Klamath County, Oregon**

**11/19/2020 03:40:01 PM**

**Fee: \$102.00**

**WHEN RECORDED MAIL TO:**

Flagstar Bank, FSB  
Mail Stop E-165-3  
5151 Corporate Drive  
Troy, MI 48098

**APN: 875475**

This Space Reserved for Recorder's Use Only

**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, is made this 19<sup>th</sup> day of October, 2020 by **Flagstar Bank, FSB, a Federally Chartered Savings Bank** (hereafter referred to as "Subordinating Lender"), as the present owner and holder of the beneficial interest under that certain Home Equity Line of Credit Agreement secured by a Deed of Trust hereinafter described.

**WITNESSETH**

WHEREAS, **STACY M. OSBORN AND RAYMOND E. OSBORN, WIFE AND HUSBAND** ("Owner") did execute a Home Equity Line of Credit Agreement in favor of **Flagstar Bank, FSB, a Federally Chartered Savings Bank** in the maximum Credit Limit amount of **\$62,000.00** which debt is secured by a Deed of Trust in favor of **Flagstar Bank, FSB, a Federally Chartered Savings Bank** as Beneficiary, which encumbers that certain real property commonly known as, **7517 BOOTH RD., KLAMATH FALLS, OREGON 97603**, and said Deed of Trust was recorded on **March 20, 2019, in Instrument No. 2019-002531**.

WHEREAS, Owner has executed, or is about to execute, a Deed of Trust and Note dated **11/13/2020**, 2020 in the principal amount of **\$216,000.00** in favor of **Flagstar Bank, FSB, a Federally Chartered Savings Bank** (hereinafter referred to as "Senior Lender") as Beneficiary / Payee, 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

WHEREAS, Senior 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 Subordinating Lender will specifically and unconditionally subordinate the lien or charge of its Deed of Trust first above mentioned to the lien or charge of the Deed of Trust in favor of Senior Lender; and

WHEREAS, it is to the mutual benefit of Subordinating Lender and Senior Lender that Senior Lender make such loan to Owner.

NOW, THEREFORE, in consideration of the mutual benefits accruing to Subordinating Lender and Senior Lender and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce Senior 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 Senior 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 first above mentioned.
- (2) That Senior 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 Senior Lender and shall supersede and cancel (but only insofar as would affect the priority between the Deed of Trust first above mentioned and the Deed of Trust in favor of Senior Lender), any prior agreement as to such subordination including, but not limited to, 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 other Deeds of Trust or Mortgages.


Subordinating Lender declares, agrees and acknowledges that

- (a) It consents to and approves (i) all provisions of the Note and Deed of Trust in favor of Senior Lender above referred to, and (ii) all agreements, including but not limited to any loan or escrow agreements, between Owner and Senior Lender for the disbursement of the proceeds of Senior Lender's loan;
- (b) Senior Lender in making disbursements pursuant to any such agreement is under no obligation or duty to, nor has Senior Lender represented that it will see to the application of such loan proceeds by the person or persons to whom 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; and
- (c) It intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of its Deed of Trust first above mentioned in favor of the lien or charge upon said land of the Deed of Trust in favor of Senior 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 otherwise be made or entered into but for said reliance upon this waiver, relinquishment and subordination.

**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.**

**SUBORDINATING LENDER:**

Flagstar Bank, FSB, a federally chartered savings bank

By: 

Duo Yang  
Its: Vice President

**(ALL SIGNATURES MUST BE ACKNOWLEDGED)**

STATE OF Michigan

} SS:

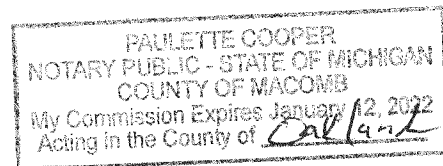
COUNTY OF Oakland

On Oct 19, 2020 before me, personally appeared Deo Yang,  
VP who proved to me on the basis of satisfactory evidence to be the person whose name is  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their  
authorized capacity, and that by his/her/their signature on the instrument the person, or the entity upon behalf of  
which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Michigan that the foregoing  
paragraph is true and correct.

WITNESS my hand and official seal.

Signature Paulette Cooper (Seal)



**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

Parcel 1 of Land Partition 11-93 being Parcel 1 of Land Partition 42-92, and being a Portion of Tract 19 of Junction Acres, situated in the SW1/4 NW1/4 of Section 7, Township 39 South, Range 10, East of the Willamette Meridian, Klamath County, Oregon.