

SUBORDINATION AGREEMENT

THIS AGREEMENT, Made and entered into this 25<sup>th</sup> day of November, 1969, by and between STANDARD OIL COMPANY OF CALIFORNIA, a corporation, herein called "Standard", and FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION OF Klamath Falls, Limited, a Federal corporation, herein called "First Federal".

W I T N E S S E T H

WHEREAS, First Federal holds a first mortgage dated the 10th day of May, 1962, and recorded the 21st day of May, 1962, in Mortgage Records of Klamath County, Oregon, Volume 210, Page 422, covering the following-described real property situated in Klamath County, Oregon, to-wit:

All of Lot B) the Northeasterly 55.5 feet of Lot 7) and the Northeasterly 61 feet of the Northeasterly 57 feet of Lot 1, Block 3), original Townsite of Linville (now Klamath Falls), Klamath County, Oregon,

which said mortgage is given to secure the payment of a promissory note in the principal amount of \$40,000.00, with interest thereon at the rate of 6 1/2% per annum, and

WHEREAS, Standard has executed a lease covering said real property dated the 15th day of December, 1960, for a term certain of five years from March 1, 1969.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements hereinafter set forth, it is agreed as follows:

1. Notwithstanding any provisions in the above-mentioned lease agreement to the contrary, Standard agrees:

(a) That title to all improvements placed on said premises as contemplated by Paragraph 3 of said lease agreement shall remain in issue until the mortgage held by First Federal has been satisfied in full.

(b) That the insurance policy or policies mentioned in Paragraph 5 of said lease agreement shall be endorsed to name First Federal as an additional insured to the extent of its interest in said property.

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(u) That the option to purchase said property expressed in paragraph 6 of said lease agreement shall be subject to all rights and interests of First Federal in and to said property.

2. In consideration of the premises and subject to the foregoing agreements, First Federal does, by these presents, subordinate its security interest in and to the above-described real property to the rights and privileges granted said lessee in said lease agreement for so long as the rental reserved to the lessor therein is promptly paid according to the terms and provisions thereof and said lessee otherwise fully and promptly performs all of the terms and conditions of said lease agreement to be kept and performed by said lessee.

IN WITNESS WHEREOF, the parties hereto have caused this Subordination Agreement to be executed the day and year first hereinabove written.

STANDARD OIL COMPANY OF CALIFORNIA

By

*E. J. Smith*

By

FIRST FEDERAL SAVINGS AND LOAN  
ASSOCIATION OF Klamath Falls, Oregon

By

*James D. Buehler*



STATE OF CALIFORNIA,

City and County of San Francisco.

On November 21, 1969, before me, RICHARD LEE KELLY, a Notary Public in and for said city and county and state, residing therein, duly qualified and sworn, personally appeared A. T. JACOB, Attorney in Fact of Standard Oil Company of California, a Delaware corporation known to me to be the person who executed the within instrument on behalf of the corporation therein named and he acknowledged to me that said corporation executed the same, and also known to me to be the person whose name is subscribed to the within instrument as the Attorney in Fact of said corporation, and he acknowledged to me that he subscribed the name of said Standard Oil Company of California therein as aforesaid and he executed as Attorney in Fact.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the City and County and State aforesaid the day and year in this certificate first above written.

Notary Public  
State of California  
My Commission Expires 1/1/70

*Richard Lee Kelly*  
RICHARD LEE KELLY  
Notary Public

In and for the City and County of  
San Francisco, State of California.

Residing at San Francisco, California

(Alaska, Ariz., Calif., Ill., Ind., Iowa.)

State of Oregon

(County of Multnomah)

On this 21st day of December, 1969, before me appeared Van H. Hollman and James D. Burchell, both to me personally known, who being duly sworn did say that he, the said Van H. Hollman is the President, and he, the said James D. Burchell is the Secretary of First Federal Savings and Loan Association of Elmwood Falls, Oregon, the within named corporation, and that the seal affixed to said instrument is the corporate seal of said corporation, and that the said instrument was signed and sealed to behalf of said corporation by Authority of its Board of Directors, and Van H. Hollman and James D. Burchell acknowledged said instrument to be their act and deed of said corporation.

In Testimony Whereof, I have hereunto set my hand and affixed my official seal this day and year last above written.

*Richard Lee Kelly*  
Notary Public for Oregon  
My Commission Expires 1/1/70

State of Oregon  
County of Multnomah

Filed for record in request of  
ELMWOOD COUNTY TITLE CO.  
on this 17th day of December A.D. 1969  
at 4:19 P.M. and duly  
recorded in Vol. 862 of Multnomah  
Page 10497

WM. D. MILNE, County Clerk  
By *Wm. D. Milne*  
Dec 24, 69 Deputy