

THIS AGREEMENT, Made and entered into this 25th day of November, 1972,

by and between JUSTIN C. SWATZLANDER and GRACE M. SWATZLANDER, husband and wife,
hereinafter called the first party, and DEPARTMENT OF VETERAN'S AFFAIRS, STATE OF OREGON,
hereinafter called the second party;

WITNESSETH:

RECITALS:

On or about November 26, 1969, DONALD B. SARUTZKI and AGNES SARUTZKI,
husband and wife,
being the owner of the following described property in Klamath County, Oregon, to-wit:

The W 1/2 SE 1/4 of Section 2, Township 40 South, Range
9 East of the Willamette Meridian, Klamath County, Oregon.

executed and delivered to the first party his certain Mortgage
(State whether mortgage, trust deed, contract, security agreement or otherwise)
(herein called the first party's lien) on said described property to secure the sum of \$ 2,396.51, which lien was

—Recorded on December 9, 1969, in the Records of Klamath
County, Oregon, in book M-69 at page 10173 thereof;
—Filed on [unclear] in the office of the [unclear]
County, Oregon, where it bears file No. [unclear]
—Created by a security agreement, notice of which was given by the filing on
[unclear] by a filing in the office of the [unclear] Secretary of State
[unclear] Department of Motor Vehicles, [unclear]
[unclear] and in the office of the [unclear]
County, Oregon, where it bears file No. [unclear]

Reference to the document so recorded or filed hereby is made. The first party has never sold or assigned his said lien
and at all times since the date thereof has been and now is the owner and holder thereof and the debt thereby secured.

The second party is about to loan the sum of \$ 27,000.00 to the present owner of the property above
described, with interest thereon at a rate not exceeding 5.9% per annum, said loan to be secured by the said

present owner's Mortgage (hereinafter
(State nature of lien to be given, whether mortgage, trust deed, contract, security agreement or otherwise)
called the second party's lien) upon said property and to be repaid within not more than 25 days
from its date.

To induce the second party to make the loan last mentioned, the first party heretofore has agreed and con-
sented to subordinate first party's said lien to the lien about to be taken by the second party as above set forth.

NOW, THEREFORE, for value received and for the purpose of inducing the second party to make the loan
aforesaid, the first party, for himself, his personal representatives (or successors) and assigns, hereby covenants,
consents and agrees to and with the second party, his personal representatives (or successors) and assigns, that the
said first party's lien on said described property is and shall always be subject and subordinate to the lien about to
be delivered to the second party, as aforesaid, and that second party's said lien in all respects shall be first, prior
and superior to that of the first party; provided always, however, that if second party's said lien is not duly filed or
recorded or an appropriate financing statement thereon duly filed within [unclear] days after the date hereof, this
subordination agreement shall be null and void and of no force or effect.

It is expressly understood and agreed that nothing herein contained shall be construed to change, alter or im-
pair the first party's said lien, except as hereinabove expressly set forth.

In construing this subordination agreement and where the context so requires, the singular includes the plural;
the masculine includes the feminine and the neuter, and all grammatical changes shall be supplied to cause this
agreement to apply to corporations as well as to individuals.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand and seal; if the undersigned is a cor-
poration, it has caused its corporate name to be signed and its corporate seal to be affixed hereunto by its officers
duly authorized thereunto by order of its board of directors, all on this, the day and year first above written.

[Signature] (SEAL)
[Signature] (SEAL)
[Signature] (SEAL)

NEBRASKA
STATE OF OREGON

County of Scofield

13674

November 25, 19 72

Personally appeared the above named JUSTIN C. SWATZLANDER and GRACE M. SWATZLANDER
husband and wife,
and acknowledged the foregoing instrument to be their voluntary act and deed. Before me:

(SEAL)

My commission expires May 12, 76
Notary Public for Oregon.

STATE OF OREGON,

County of _____

Personally appeared _____

who being duly sworn, did say that he is the _____

of _____
a corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation
and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of
Directors; and he acknowledged said instrument to be its voluntary act and deed. Before me:

(SEAL)

My commission expires _____
Notary Public for Oregon.

**SUBORDINATION
AGREEMENT**
(FORM No. 903)

TO _____

STATE OF OREGON,

County of KLAMATH

I certify that the within instru-
ment was received for record on the
28th day of NOVEMBER, 19 72,
at 3:21 o'clock P.M., and recorded
in book M 72 on page 13673 or as
filing fee number 70789.
Record of Mortgages of said County.
Witness my hand and seal of
County affixed.

Wm. D. Milne

COUNTY CLERK

Title.

By Harold D. Dwyer Deputy.

STEVENS-NEES LAW FIRM, CO., PORTLAND, ORE.

Brown - Brown
Brown Belg
City 97601

FEE \$ 4.00