

RECORDING REQUESTED BY

A-27180

21267

Vol 116 Page

17668

AND WHEN RECORDED MAIL TO

Name
Street
Address
City
State
Zip

PLYMOUTH MORTGAGE SERVICE CO.

13400 Northrup Way

Bellevue, Washington 98005

SPACE ABOVE THIS LINE FOR RECORDER'S USE

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 20th day of October, 1976, by MARVIN D. BARSTAD and SHARRON E. BARSTAD, husband and wife, owner of the land hereinafter described and hereinafter referred to as "Owner", and ELLWYN STUMBAUGH and MARJORIE STUMBAUGH, husband and wife, present owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "Beneficiary";

WITNESSETH:

THAT, WHEREAS, MARVIN D. BARSTAD and SHARRON E. BARSTAD, husband and wife, did execute a deed of trust dated September 27, 1976, to TERRENCE B. O'SULLIVAN, as trustee, covering:

A parcel of land situated in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 30, Township 24 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at an Iron pin which is North 39° 37' East 360 feet from the Northwest corner of Graves and Main Street of the Crescent Original Map; thence North 39° 37' East 100 feet; thence North 50° 23' West 120 feet; thence South 39° 37' West 100 feet; thence South 50° 23' East 120 feet to the point of beginning.

to secure a note in the sum of \$ none given, dated September 27, 1976, in favor of ELLWYN STUMBAUGH and MARJORIE STUMBAUGH, husband and wife, which deed of trust was recorded October 11, 1976, in book/reel M76, page/image 15970, Official Records of said County; and

WHEREAS, Owner has executed, or is about to execute, a deed of trust and note in the sum of \$ 25,000.00, dated October 20, 1976, in favor of PLYMOUTH MORTGAGE SERVICE CO., a Delaware Corporation, 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 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, 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 Beneficiary will specifically 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 Lender; and

WHEREAS, it is to the mutual benefit of the parties hereto that Lender make such loan to Owner; and Beneficiary is willing that the deed of trust 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.

TS

66 1 PM 5 NOV 91

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:

17669

(1) That said deed of trust securing said note in favor of 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 Lender would not make its loan above-described without this subordination agreement; and

(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 deeds of trust hereinbefore specifically described, any prior agreements 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 another deed or deeds of trust or to another mortgage or mortgages.

Beneficiary declares, agrees, and acknowledges that:

(a) He 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;

(b) 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 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;

(c) He intentionally and unconditionally waives, relinquishes and subordinates 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, 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

(d) An endorsement has been placed upon the note secured by the 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 above-referred to.

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.

Ellwyn Stumbaugh
ELLIWYN STUMBAUGH
Marjorie Stumbaugh
MARJORIE STUMBAUGH
BENEFICIARY

Marvin D. Barstad
MARVIN D. BARSTAD
Sharon E. Barstad
SHARRON E. BARSTAD
OWNER

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THERETO.

(CLTA SUBORDINATION FORM "A")

MAX MERRILL
TERRENCE B. O'SULLIVAN

LAW OFFICES OF
MERRILL & O'SULLIVAN
327 N.W. GREENWOOD
BEND, OREGON 97701

17670

AREA CODE 503
TELEPHONE 399-1770

OCT 28 1976

CALL HOMES

STATE OF OREGON }
County of Deschutes }

25 October, 1976/

Personally appeared the above named Ellen Stumbaugh and
Marjorie Stumbaugh
and acknowledged the foregoing instrument to be their
voluntary act. Before me:

Terrence B. O'Sullivan
Notary Public for Oregon
My Commission Expires: 11-2-77

Personally appeared and acknowledged
the foregoing instrument,

Marvin Barstad &
Sharon Barstad

Marjorie Stumbaugh,

Notary Public for the State of Oregon
My Com. expires 1-30-78

STATE OF OREGON; COUNTY OF KLAMATH; ss.

I hereby certify that the within instrument was received and filed for record on the 5 day of
Nov A.D., 19 76 at 1:49 o'clock P M., and duly recorded in Vol M 76,
of mortgages on Page 17668

FEE 9.00

WM. D. MILNE, County Clerk

By Terrence B. O'Sullivan Deputy