

TK

48693

STEVENESS LAW PUBLISHING CO., PORTLAND, OR. 97204

THIS AGREEMENT, Made and entered into this 18th day of May, 1978, by and between Klamath County Credit Service, Inc. hereinafter called the first party, and Melvin W. Ostrom and/or Edna M. Ostrom, husband hereinafter called the second party; WITNESSETH: On or about August 11, 1977, Kirk K. Watson & Shirley E. Watson, husband & wife, being the owner of the following described property in Klamath County, Oregon, to-wit:

Lot 7 in Block 13 of Merrill, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

were judgment debtors in that certain judgment in the amount of

~~XXXXXX~~ (State whether mortgage, trust deed, contract, security agreement or otherwise) ~~XXXXXX~~ \$ 422.33, which lien was ~~XXXXXX~~ filed on August 11, 1977, in the Circuit Court Records of Klamath County, Oregon, in book 29 at page 50 thereof on file/reel number ~~XXXXXX~~ (indicate which); Filed on ~~XXXXXX~~, 19 ~~XXXXXX~~, in the office of the ~~XXXXXX~~ County, Oregon, where it bears the file/reel No. ~~XXXXXX~~ (indicate which); Created by a security agreement, notice of which was given by the filing on ~~XXXXXX~~, 19 ~~XXXXXX~~, of a financing statement in the office of the Oregon Secretary of State ~~XXXXXX~~ where it bears file No. ~~XXXXXX~~ and in the office of the ~~XXXXXX~~ Department of Motor Vehicles ~~XXXXXX~~ where it bears file No. ~~XXXXXX~~ (State Title) ~~XXXXXX~~ County, Oregon, where it bears the file/reel No. ~~XXXXXX~~ (indicate which).

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 has loaned sum of \$ 1,000.00 to the present owner of the property above described, with interest thereon at a rate not exceeding 10 % per annum, said loan to be secured by the said present owner's Trust Deed recorded May 16, 1978 in Mortgage (hereinafter called the second party's lien) upon said property and to be repaid by May 20, 1983 from its date from its date (State nature of lien to be given, whether mortgage, trust deed, contract, security agreement or otherwise) Vol. M78 page 10247

To induce the second party to make the loan last mentioned, the first party heretofore has agreed and consented 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 30 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 impair 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 corporation, 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.

President, Klamath County Credit Service, Inc.

STATE OF OREGON,

10729

County of _____ } ss.

Personally appeared the above named _____, 19

and acknowledged the foregoing instrument to be _____ voluntary act and deed. Before me:

(SEAL)

Notary Public for Oregon.
My commission expires _____

STATE OF OREGON,

County of Klamath } ss.

Personally appeared Ronald W. Peil

May 19, 1978

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

of Klamath County Credit Service, Inc.

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)

Steve Russell
Notary Public for Oregon.
My commission expires 9/23/81

**SUBORDINATION
AGREEMENT**

OF _____
TO _____

AFTER RECORDING RETURN TO _____

KCT 20.

(DON'T USE THIS
SPACE RESERVED
FOR RECORDING
LABEL IN COUN-
TIES WHERE
USED.)

STATE OF OREGON,

County of Klamath } ss.

I certify that the within instru-
ment was received for record on the
22nd day of May, 1978,
at 2:33 o'clock P.M., and recorded
in book M78 on page 10728 or as
file/reel number 48693,
Record of Mortgages
of said County.

Witness my hand and seal of
County affixed.

Wm. D. Peilne
By *Bernice N. Helwick* Recording Officer.
Deputy.

Fee \$6.00