

K-31177

60103

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SUBORDINATION AGREEMENT

WHEREAS, Larry R. Payn and Beverly M. Payn, husband and wife, have executed a Note and Mortgage in favor of the State of Oregon, Department of Veteran's Affairs, to secure the sum of said Note and Mortgage being dated December 22, 1978 and encumbering the following described real property in Klamath County, Oregon to wit:

The East half of Lot 20 and all of Lot 21, Block 29, Hot Springs Addition, in the City of Klamath Falls,

and

WHEREAS, Carter-Jones Collection Service, Inc., an Oregon Corporation, has certain judgments in its favor against the aforesaid Larry R. Payn and Beverly M. Payn, said judgments being filed in volume 23, page 56, as case number 68-945L, entered December 13, 1968, and renewed December 30, 1968, in docket 23, page 60, in the amount of \$539.80, plus interest, and in Volume 23, page 197, as case number 69-60L, in the amount of \$2,392.02 plus interest.

WHEREAS, The Department of Veteran's Affairs is about to disburse the loan proceeds under the aforementioned Note and Mortgage and is requiring that said Note and Mortgage be clearly established as a first lien on said real property and be superior to the interest of Carter-Jones Collection Service, Inc., under their above judgments, and

WHEREAS, it is mutually beneficial to the parties that said loan be made under the above conditions,

NOW THEREFORE, in consideration of the premises and to induce The Department of Veteran's Affairs to make said loan, the undersigned, Carter-Jones Collection Service, Inc., does hereby covenant, consent and agree to and with The Department of Veteran's Affairs, that the aforesaid judgments and the interest of Carter-Jones Collection Service, Inc., thereunder shall be and the same is hereby made subject to and subordinate and interest in each and every respect to the lien of the mortgage above described.

THIS AGREEMENT is binding upon and shall be to the benefit of the respective successors and assigns of the parties hereto.

DATED THIS 19 day of December, 1978.

CARTER-JONES COLLECTION SERVICE, INC.

By Leonard D. Jones President
Leonard D. Jones

STATE OF OREGON)
County of Klamath) ss.

December 19, 1978.

Personally appeared LEONARD D. JONES, who, being duly sworn, did say that he is the President of grantor corporation and that the seal affixed hereto is it's seal and that this agreement was voluntarily signed and sealed in behalf of the corporation by authority of it's Board of Directors. Before me:

XETC

James M. Fuller
Notary Public for Oregon
My Commission expires: 2-24-81

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at RECORDS

this 22nd day of DECEMBER A. D. 1978 at 1:33 o'clock P.M., and

fully recorded in Vol. 1778, of DEEDS

FEE \$ 3.00

on Page 28566

W. D. MILNE, County Clerk

By James M. Fuller