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7/19-38-21131-0-7

WATKINS LAW PUBLISHING CO., PORTLAND, OR 97204

THIS AGREEMENT, Made and entered into this 12th day of March, 1980,
by and between Pacific Power and Light Company
hereinafter called the first party, and STATE OF OREGON, representing and acting by the
hereinafter called the second party; WITNESSETH: Director of Veterans' Affairs.
On or about July 26, 1979, James R. Ottoman and Patricia Ottoman
, being the owner of the following described property in Klamath County, Oregon, to-wit:
The NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 3, Township 41 South, Range 12 East of the
Willamette Meridian, in the County of Klamath, State of Oregon.

executed and delivered to the first party his certain Mortgage
(herein called the first party's lien) on said described property to secure the sum of \$ 1,282.50, which lien was
(State whether mortgage, trust deed, contract, security agreement or otherwise)
—Recorded on December 24, 1979, in the Mortgage Records of Klamath County,
Oregon, in book M-79 at page 29403 thereof or as file/reel number _____
—Filed on _____, 19____, in the office of the _____ (indicate which);
_____ County, Oregon, where it bears the file/reel No. _____ of
—Created by a security agreement, notice of which was given by the filing on _____ (indicate which);
—a financing statement in the office of the Oregon Secretary of State _____, 19____, of
—and in the office of the _____ Department of Motor Vehicles _____ where it bears file No. _____
—where it bears the file/reel No. _____ (State Title) _____ of _____ County, Oregon,
(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 about to loan the sum of \$ 20,000.00 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
(State nature of lien to be given, whether mortgage, trust deed, contract, security agreement or otherwise) (hereinafter called the
second party's lien) upon said property and to be repaid within not more than 40 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 _____ days after the date hereof, this sub-
ordination 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.

X A. C. Bartholomew
Senior Vice President
A. C. Bartholomew

STATE OF OREGON,

County of _____ } ss.

10800

Personally appeared the above named _____, 19____
and acknowledged the foregoing instrument to be _____
voluntary act and deed. Before me:

(SEAL)

My commission expires _____ Notary Public for Oregon.

STATE OF OREGON,

County of Multnomah } ss.

Personally appeared A.C. Bartholomew March 12, 19 80

who being duly sworn, did say that he is a Sr. Vice President
of Pacific Power & Light Company
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)

William Windard
Notary Public for Oregon.
My commission expires August 20, 1982

SUBORDINATION
AGREEMENT

TO

AFTER RECORDING RETURN TO

T/A - Julie

(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
12th day of June, 19 80
at 11:37 o'clock A.M., and recorded
in book M80 on page 10799 or as
file/reel number 85499
Record of Mortgages
of said County.

Witness my hand and seal of
County affixed.

Wm. D. Milne
Recording Officer.
By Bernetha J. Felts Deputy.
Fee \$7.00