

TK

93380

22199-9-D

Vol. M80 Page 23585

25 day of November

1980

THIS AGREEMENT, Made and entered into this 25 day of November, 1980, by and between FRED W. KOEHLER, JR. hereinafter called the first party, and STATE OF OREGON, by and through DEPARTMENT OF VETERAN'S AFFAIRS hereinafter called the second party; WITNESSETH:

On or about October 28, 1980, ROBERT HARRY SCHNURBUSCH, being the owner of the following described property in Klamath County, Oregon, to-wit: In Township 37 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon: Section 20: All that portion of the S 1/2 lying Easterly of that certain 60 foot road easement described in Book M-73 at page 16734, Klamath County Deed Records, and Westerly of Old Fort Road.

Section 28: All that portion of the NW 1/4 NW 1/4 lying Westerly of Old Fort Road.

Section 29: All that portion of the N 1/2 N 1/2 lying Easterly of that certain 50 foot road easement described in Book M-73 at page 16734, Klamath County Deed Records and Westerly of Old Fort Road.

executed and delivered to the first party his certain TRUST DEED (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 \$ 60,000.00, which lien was Recorded on April 22, 1979, in the Mortgage Records of Klamath County, Oregon, in book M-80 at page 7513* thereof or as file/reel number (Indicate which); Filed on 1980, in the office of the (Indicate which); Created by a security agreement, notice of which was given by the filing on 1980, of a financing statement in the office of the Oregon Secretary of State where it bears file No. and in the office of the (State Title) (Indicate which).

*Cross out any language opposite which is not pertinent to this transaction.
said trust deed was subsequently assigned to First Party on June 18, 1980, Book M-80, 11316 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 \$ 25,000.00 to the present owner of the property above described, with interest thereon at a rate not exceeding 9% per annum, said loan to be secured by the said present owner's Mortgage (hereinafter called the second party's lien) upon said property and to be repaid within not more than 30 years from its date.

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 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.

FRED W. KOEHLER, JR.

80 DEC 14 PM 3 45

STATE OF OREGON,

County of Klamath

ss.

23586

November

25

, 19 80

Personally appeared the above named FRED W. KOEHLER, Jr.
and acknowledged the foregoing instrument to be his

voluntary act and deed. Before me:

(SEAL)

My commission expires

My Commission Expires

STATE OF OREGON,

County of

ss.

Personally appeared

, 19

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

FRED W. KOEHLER, JR.

TO

STATE OF OREGON, DEPARTMENT OF
VETERAN'S AFFAIRS

AFTER RECORDING RETURN TO

Mr. and Mrs. Robert H. Schnurbusch
Rt. 5 Box 1246
Klamath Falls, Oregon 97601

(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
4th day of December, 19 80,
at 3:46 o'clock P. M., and recorded
in book M80 on page 23585 or as
file/reel number 93380
Record of Mortgages
of said County.

Witness my hand and seal of
County affixed.

Wm. D. Milne

By Bernetha A. Hetch Deputy.
Recording Officer.

Fee \$7.00