

TM 18509

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THIS AGREEMENT, Made and entered into this 17 day of December, 1982, by and between Klamath Production Credit Association hereinafter called the first party, and Farmers Home Administration, U.S.A., Dept of Ag. hereinafter called the second party; WITNESSETH:

On or about June 23, 1982, Dale E. Larrick and Judith I. Larrick, being the owner of the following described property in Klamath County, Oregon, to-wit:

That portion of SW $\frac{1}{4}$ and the S $\frac{1}{2}$ NW $\frac{1}{4}$ lying Northwesterly of Highway #140, and Easterly of O. C. & E. Railroad in Section 23, Township 38 South, Range 11 $\frac{1}{2}$ E.W.M.

Section 26: That portion of the NW $\frac{1}{4}$ NW $\frac{1}{4}$ described as follows:

Beginning at a point on the North line of said NW $\frac{1}{4}$ NW $\frac{1}{4}$ which bears East a distance of 84.13 feet from a 5/8 inch iron pin marking the Northwest corner of said Section 26; thence S. 26°04' E. a distance of 834.54 feet to a 1/2 inch iron pin on the Northwesterly right of way line of Highway #140; thence Northeasterly along said right of way to the North line of said NW $\frac{1}{4}$ NW $\frac{1}{4}$; thence West along said North line to the point of beginning; said parcel containing 7.12 acres, more or less.

SAVING AND EXCEPTING therefrom any portion thereof lying within the right of way of the Oregon-California & Eastern Railway and/or any roads. executed and delivered to the first party his certain Mortgage

(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 \$170,275.00 which lien was

—Recorded on July 1, 1982, in the Mortgage Records of Klamath County, Oregon, in book/reel/volume No. M82 at page 8322 thereof or as document/fee/file/instrument/microfilm No. (indicate which);

—Filed on _____, 19____, in the office of the _____ of _____ County, Oregon, where it bears the document/fee/file/instrument/microfilm No. _____ (indicate which);

—Created by a security agreement, notice of which was given by the filing on _____, 19____, of a financing statement in the office of the Oregon Secretary of State Department of Motor Vehicles where it bears file No. _____ and in the office of the _____ of _____ County, Oregon, where it bears the document/fee/file/instrument/microfilm No. _____ (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 \$170,000.00 to the present owner of the property above described, with interest thereon at a rate not exceeding 11.5% per annum, said loan to be secured by the said present owner's Mortgage (hereinafter called the

(State nature of lien to be given, whether mortgage, trust deed, contract, security agreement or otherwise)

second party's lien) upon said property and to be repaid within not more than 40 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 10 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.

Klamath Production Credit Association

by: Rudell W. Hamking
Vice President

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(Cost, if out, only language opposite which is not pertinent to this transaction)

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STATE OF OREGON,

County of _____ } ss.

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Personally appeared the above named _____

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.

December 17, 19 82

Personally appeared Lindell Warneking

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

of Klamath Production Credit Association

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)

Notary Public for Oregon.

My commission expires 5-5-83

SUBORDINATION AGREEMENT

TO

AFTER RECORDING RETURN TO

KCTC

J2200

(DON'T USE THIS SPACE! RESERVED FOR RECORDING LABEL IN COUNTIES WHERE USED.)

STATE OF OREGON,

County of Klamath } ss.

I certify that the within instrument was received for record on the 17th day of December, 19 82, at 11:00 o'clock A.M., and recorded in book/reel/volume No. M82, on page 18033, or as fee/file/instrument/microfilm/reception No. 18509. Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn County Clerk

By Berntha D. Felsch Deputy