

THIS AGREEMENT, made and entered into this 11th day of September; 1984, by and between LAWRENCE A. McFALL and CIELITA L. McFALL, husband and wife, hereinafter called the first party, and ALVA G. ROBERTS and LOUISE J. ROBERTS, hereinafter called the second party;

WITNESSETH

On or about February 1, 1982, the second party purchased the following described property in Klamath County, Oregon, to wit:

That portion of the North Half of the Southwest Quarter of the Southwest Quarter of Section 22, Township 39 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon, lying Easterly of the Easterly right of way line of Round Lake Road, as it existed August 23, 1971.

Subject to the following:

1. Contracts and/or liens for irrigation and/or drainage, reservations, easements, restrictions and rights of way of record and those apparent on the land.
2. Rights of the public in and to any portion of said premises lying within the limits of roads and highways.
3. Subject to a 40 foot easement over the northwest portion of the North Half of the Southwest Quarter of the Southwest Quarter set forth in Warranty Deed recorded October 25, 1972 in Book M-72, page 12412, Microfilm Records, for ingress and egress to the Northwest Quarter of the Southwest Quarter.

and pursuant to that purchase executed and delivered to the first party his Contract of Sale (herein called the first party's lien) on said described property to secure the sum of \$22,000.00, which lien was Recorded on February 5, 1982, in the Records of Klamath County, Oregon in volume No. M82 at page 1467 thereof, which has been replaced with a Trust Deed recorded 1984, in Volume M84, page 18952, Microfilm Records of Klamath County, Oregon.

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 borrow the sum of \$63,000.00 from the Oregon Department of Veterans' Affairs.

To induce the Oregon Department of Veterans' Affairs 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 Oregon Department of Veterans' Affairs as above set forth.

NOW, THEREFORE, for value received and for the purpose of inducing the Oregon Department of Veterans' Affairs to make the loan aforesaid, the first party, for himself, 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 Oregon Department of Veterans' Affairs, as aforesaid, and that the Oregon Department of Veterans' Affairs' said lien in all respects shall be first, prior and

superior to that of the first party.

18955

It is expressly understood and agreed that nothing herein contained shall be construed to change, alter or impair the first party's 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.

Lawrence A. McFall
LAWRENCE A. McFALL

Cielita L. McFall
CIELITA L. McFALL

STATE OF OREGON)
) ss.
County of *Sebe*

Sebe, 1984.

Personally appeared the above named Lawrence A. McFall and Cielita L. McFall and acknowledged the foregoing instrument to be their voluntary act and deed.

Before me,

Charles B. Bond
NOTARY PUBLIC for Oregon

My Commission expires:

1/17/87

Return: MTC

STATE OF OREGON,)

County of Klamath)

Filed for record at request of

on this 8th day of Nov. A.D. 19 84
at 9:20 o'clock A M, and duly
recorded in Vol. M84 of Mortgages
Page 18954

EVELYN BIEHN, County Clerk

By *Ram Smith* Deputy

Fee 8.00 Index: \$1.00