

47173

LESSOR'S AGREEMENT TO SUBORDINATE Vol. 185 Page 4435

To P. O. BOX 5210

KLAMATH FALLS, OREGON 97601

The undersigned, hereinafter called the lessor (whether one or more), is the owner of the following described property:

S1/2 NE1/4 and SE1/4 of Section 21 and S1/2 NW1/4 and SW1/4 of Section 22
all in Township 37 S. R. 10 E. W. M. Klamath County, Oregon containing 480 acres.

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KLAMATH COUNTY OREGON
P. O. BOX 5210
KLAMATH FALLS, OREGON 97601This property is leased to Leonard K. Jespersen and Vicki L. Jespersen
who plans to execute in your favor a chattel mortgage on the crops to be harvested during the years 19..... and 19..... on the above described premises, and has applied to you for a loan secured by said chattel mortgage.

We understand that you are willing to advance funds to said tenant only in the event that you are protected as herein provided.

NOW, THEREFORE, in consideration of your making a loan to said tenant in such amount as you may approve, and in further consideration of the benefit to the lessor from having his tenant financed, the lessor agrees with you as follows:

Said tenant shall have the right and authority to mortgage the entire crop to be harvested during the years 1985 and 1986, on the above described premises, together with the summerfallow thereon, and the said mortgage so given shall bind said entire crop and summerfallow, together with the interest of the tenant and the interest of the lessor therein. To that end the lessor hereby sells, assigns, and conveys to the tenant all the lessor's right, title and interest in and to the crops and summerfallow covered by this instrument.

The above named tenant may remain in possession of the above described premises, and may tend, grow and harvest the crops on said premises and otherwise operate same in the usual manner, until said loan made by you to said tenant and all further advances made by you under said mortgage have been fully paid, regardless of whether or not tenant defaults in any obligation to the lessor; PROVIDED, HOWEVER, That said right to possession shall not continue beyond June 30, 1986 date.

In the event that said tenant defaults under his mortgage to you, and you take possession of any of the mortgaged property, then you are to have the same rights with respect to said property as are given said tenant hereunder, in addition to whatever rights you may have under your mortgage and under this agreement.

Notice of acceptance hereof is hereby waived and the conditions hereof shall become automatically effective upon your making a loan in any amount to the above tenant. The lessor hereby consents and agrees that you may foreclose your mortgage, extend time of payment and otherwise proceed in any manner permitted by your mortgage and/or agreements with the tenant without affecting in any way the rights given by the lessor hereunder; except that in case you foreclose said mortgaged crop you shall give the lessor reasonable notice thereof.

Nothing contained herein shall be construed as obligating you to lend said tenant any amounts now or hereafter, but all such loans shall be optional with your institution.

The mortgage debts and rights in your favor against the crops growing on said premises shall be prior to any right, claim, lien or interest which the lessor now has or may hereafter have in or to said crops or the proceeds from the sale thereof, and the enforcement of any such lien, claim or right of the lessor in and to said crops shall be deferred until all your indebtedness from said tenant is fully paid, satisfied and discharged, including original loan, future advances, interest and other charges, and the lessor hereby subordinates all his rights to all your rights against said crops. This subordination, however, shall apply only to crops harvested before December 31, 1985 date.

The provisions of this instrument shall in no way relieve either the tenant or his sureties in said lease in the full performance of such obligations as they have assumed therein, and all rights of the lessor under said lease shall be and remain in full force and effect, except as specially modified hereby.

The provisions hereof shall bind the heirs, legal representatives, successors and assigns of the lessor.

In the event that said tenant becomes insolvent or a bankrupt or the undersigned or said tenant invokes the compositions and extensions provisions of the bankruptcy act or the provisions of any act for the financial relief of farmers now in effect or hereafter enacted, or amendments to said acts, this agreement shall remain in full force and effect and shall constitute an assignment to you of any dividends payable to the undersigned from the assets of said tenant.

Dated and signed this 18th day of March, 1985.

Jespersen Edgewood, Inc.

By: [Signature]

Secretary

STATE OF OREGON,

County of _____ } ss.

BE IT REMEMBERED, That on this _____ day of _____, 19____, before me, the undersigned, a notary

public in and for said county and state, personally appeared the within named _____, who _____, known to me to be the identical individual described in and who executed the within instrument, and acknowledged to me that _____ executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My commission expires: _____

Notary Public for Oregon.

4436

STATE OF OREGON,

County of Klamath } ss.

CORPORATE ACKNOWLEDGMENT

BE IT REMEMBERED, That on this 18th day of March, 1985, before me, the undersigned, a notary public in and for said county and state, appeared Lawrence C. Jespersen and

that he, the said _____, both to me personally known, who being duly sworn, did say _____ is the president, and he, the said Lawrence C. Jespersen is the secretary of Jespersen-Edgewood, Inc.

affixed to said instrument is the corporate seal of said corporation, and that the said instrument was signed and sealed in behalf of said corporation by _____ the within named corporation, and that the seal acknowledged said instrument to be the free act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal the day and year last above written.

My commission expires: 3-14-87

Notary Public for Oregon.

Terrill L. Stodolton

Lessor's Agreement to
Subordinate

FROM

TO

Return

SOUTH VALLEY STATE BANK
P. O. BOX 5210
KLAMATH FALLS, OREGON 97601

STATE OF OREGON,)

County of Klamath)

Filed for record at request of

on this 27th day of March A.D. 19 85

at 8:36 o'clock A M, and duly

recorded in Vol. M85 of Mortgages

Page 4435

EVELYN BIEHN, County Clerk

By Pennington Deputy

Fee 9.00