

55759

M85 15772

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THIS AGREEMENT, Made and entered into this 19TH day of NOVEMBER, 1985, by and between SOUTH VALLEY STATE BANK hereinafter called the first party, and SEATTLE FIRST NATIONAL BANK hereinafter called the second party; WITNESSETH: On or about SEPTEMBER 11, 1985, EDMOND AND BARBARA ANDERSCH, being the owner of the following described property in KLAMATH County, Oregon, to-wit:

Lots 92 - 98 inclusive, plus the 40 foot wide private service road easement lying adjacent to above lots as designated on the plat, all in BALSIGER TRACTS, in the County of Klamath, State of Oregon.

Lots 81 - 91 inclusive, plus 10 feet vacated walkway lying between Lots 86 & 87, plus the 40 foot wide private service road easement lying adjacent to above lots as designated on the plat, all in BALSIGER TRACTS, in the County of Klamath, State of Oregon.

executed and delivered to the first party his certain

(herein called the first party's lien) on said described property to secure the sum of \$225,000.00, which lien was (State whether mortgage, trust deed, contract, security agreement or otherwise) TRUST DEED
 —Recorded on SEPTEMBER 12, 1985, in the MORTGAGE Records of KLAMATH County, Oregon, in book M85 at page 14734 thereof or as file/reel number (indicate which);
 —~~FILED~~ in the office of the Secretary of State (indicate which);
 —~~FILED~~ by a security agreement, notice of which was given by the filing on a financing statement in the office of the Oregon Department of Motor Vehicles where it bears file No. (indicate which);
 and in the office of the Secretary of State where it bears the file/reel No. (State Title) County, Oregon.

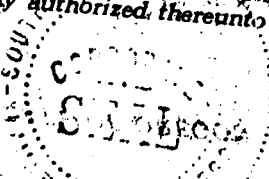
Reference to the document so recorded or filed hereby is made. The first party has never sold or assigned his said lien and at all times since the date thereof has been and now is the owner and holder thereof and the debt thereby secured. The second party is about to loan the sum of \$ 500,000.00 to the present owner of the property above described, with interest thereon at a rate not exceeding N/A % per annum, said loan to be secured by the said present owner's TRUST DEED (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 90 days 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 90 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.

SOUTH VALLEY STATE BANK

By: *Allen T. Nagle* President



STATE OF OREGON,

County of _____

ss.

19354

Personally appeared the above named _____
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 _____ KLAMATH

ss.

NOVEMBER 19

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Personally appeared ALLAN A. CRAIGMILES

PRESIDENT

who being duly sworn, did say that he is the _____
of SOUTH VALLEY STATE BANK, an Oregon Corporation
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)

Jana M. Jenkins
My commission expires _____ Notary Public for Oregon.
4-17-89

**SUBORDINATION
AGREEMENT**

SOUTH VALLEY STATE BANK

TO

SEATTLE FIRST NATIONAL BANK

AFTER RECORDING RETURN TO
SOUTH VALLEY STATE BANK
P.O. BOX 5210
KLAMATH FALLS, OR 97601

22.220

(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
25th day of November, 19 85
at 4:34 o'clock P. M., and recorded
in book M85 on page 19353 or as
file/real number 55759
Record of Mortgages

Witness my hand and seal of
County affixed.

Evelyn Biehn, County Clerk
By Pam Smith, Recording Officer,
Deputy.

Fee: \$9.00