

MTC-17248

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68804

day of November, 1986

THIS AGREEMENT Made and entered into this _____ day of November, 1986, by and between ALBERT W. SCHMECK AND VADA H. SCHMECK hereinafter called the first party, and Klamath First Federal Savings & Loan Assn. hereinafter called the second party; WITNESSETH: On or about October 12, 1979, 1986, D. T. Matthews and Elsie P. Matthews

being the owner of the following described property in Klamath County, Oregon, to-wit: A tract of land situated in the Northeast one-quarter of Section 12, Township 38 South, Range 8 East, Willamette Meridian, in Klamath County, Oregon being more particularly described as follows:

Beginning at a 5/8" iron rod from which the East one-quarter corner of said Section 12 bears South 72°58'55" East, 1300.87 feet; thence North 46°30'00" East, 660.00 feet to a 5/8" iron rod; thence North 43°30'00" West, 660.00 feet to a 5/8" iron rod; thence South 46°30'00" West, 660.00 feet to a 5/8" iron rod; thence South 43°30'00" East, 660.00 feet to the point of beginning, containing 10.00 acres, more or less.

executed and delivered to the first party his certain Mortgage (herein called the first party's lien) on said described property to secure the sum of \$40,000.00, which lien was—Recorded on October 18, 1979, in the mtg. Records of Klamath County, Oregon, in book/reel/volume No. M79 at page 24584 thereof or as document/tee/file/instrument/microfilm No. (indicate which); —Filed on 19, in the office of the County, Oregon, where it bears the document/tee/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 County, Oregon, where it bears the document/tee/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 \$116,000.00 to the present owner of the property above described, with interest thereon at a rate not exceeding 12% per annum, said loan to be secured by the said present owner's Deed of Trust

(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 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 45 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.

CORP. OF OREGON

STATE OF OREGON, VICTOR

Albert W. Schmeck

Vada H. Schmeck

STATE OF OREGON, Arizona

County of Maricopa

This instrument was acknowledged before me on November 10, 1986, by Albert W. Schmeck and Vada H. Schmeck

Schmeck and Vada H. Schmeck

Notary Public for Oregon
My commission expires 7-31-90

STATE OF OREGON

County of

This instrument was acknowledged before me on

of DEED OF TRUST AS TO NAME OF CORPORATE OFFICE OR AGENT, PARTNER, TRUSTEE, ETC.
REFERENCE TO THE DOCUMENT OF RECORD NAME OF CORPORATION, PARTNERSHIP, TRUST, ETC.

(SEAL) Notary Public for Oregon
My commission expires

—Created by a separate agreement, notice of which has been filed in the office of the
—Executed on October 13, 1986 in the office of the
—Recorded on October 13, 1986 in the office of the
—Booked on October 13, 1986 in the office of the
—Filed on October 13, 1986 in the office of the

SUBORDINATION AGREEMENT

Schmeck

TO

Klamath First Federal

AFTER RECORDING RETURN TO:
Klamath First Federal
540 Main Street
Klamath Falls, OR 97601

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

10/10/86
M222 E 3 A
THOMAS L. LEE ESQ
VADA H. SCHMECK
ALBERT W. SCHMECK

Fee: \$9.00

STATE OF OREGON, Klamath

County of

I certify that the within instrument was received for record on the 1st day of December, 19 86, at 3:23 o'clock P.M., and recorded in book/reel/volume No. M86, on page 22083 or as fee/file/instrument/microfilm/reception No. 58864, Record of Mortgages

of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk

By Am Smith Deputy

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