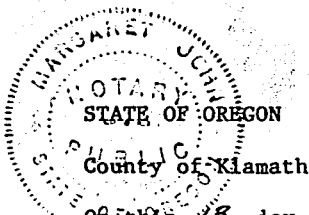


1. Interstate Production Credit Association Successor to merger of Klamath Production Credit Association referred to herein as "Subordinator" is the owner and holder of a mortgage dated January 11, 1985, which is recorded in volume M85 of Mortgages, page 756, under File No. 45017, records of Klamath County, State of Oregon.
2. Gerda Isenberg referred to herein as "lender" is the owner and holder of a mortgage dated March 26, 1987 executed by Gerda V. Hyde (which is recorded in Volume M-87 of Mortgages, page 6084, under file No. 73346, records of Klamath County, State of Oregon).
3. Dayton O. Hyde and Gerda V. Hyde, husband and wife, referred to herein as "Owner", is the owner of all the real property described in the mortgage identified above in paragraph 2.
4. In consideration of benefits to "subordinator" from "owner", receipt and sufficiency of which is hereby acknowledged, and to induce "lender" to advance funds under this mortgage and all agreements in connection therewith, the "subordinator" does hereby unconditionally subordinate the lien of his mortgage identified in Paragraph 1 above only as to the Real Property described in Exhibit "A" to the lien of "lender's" mortgage, identified in Paragraph 2 above, and all advances or charges made or accruing thereunder, including any extension or renewal thereof. It is agreed that "subordinator's" mortgage identified in Paragraph 1 above is by virtue of such subordination, second and junior in its lien position to that mortgage of "lenders" identified in Paragraph 2 above only as to the Real Property described in Exhibit "A" and not to any other real property described in the Mortgage identified in Paragraph 1 above.
5. "Subordinator" acknowledges that, prior to the execution hereof, he has had the opportunity to examine the terms of "lender's" mortgage, note and agreements relating thereto, consents to and approves same, and recognized that "lender" has no obligation to "subordinator" to advance any funds under its mortgage or see the application of "lender's" mortgage funds, and any application or use of such funds for purposes other than those provided for in such mortgage, note or agreements shall not defeat the subordination herein made in whole or in part.
6. It is understood that "lender" would not make the loan secured by the mortgage in Paragraph 2 without this agreement.
7. The heirs, administrators, assigns and successors in interest of the "subordinator" shall be bound by this agreement. Where the word "mortgage" appears herein it shall be considered as "Deed of Trust", and gender and number of pronouns consider to conform to undersigned.

Executed this 13 day of APRIL, 1987.

INTERSTATE PRODUCTION CREDIT ASSN.

BY: Michael J. Chase
Michael J. Chase
Sr. Credit Officer



On this 13 day of April, 1987, before me, the undersigned, a Notary Public in and for the State of Oregon, duly commissioned and sworn, personally appeared Michael J. Chase to me known to be a Senior Credit Officer of Interstate Production Credit Assn., the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned.

Margaret John
Notary Public for Oregon
My Commission Expires: 9-12-90

87 APR 14 AM 9 53

EXHIBIT "A"

6248

TOWNSHIP 34S RANGE 9 E
SECTION 15: W1/2, W1/2 W1/2 E1/2
SECTION 22: N1/2 NW1/4, W1/2 NW1/4 NE1/4

Return to:
James McCobb
409 Pine
Klamath Falls, Ore 97601

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title Company the 14th day
of April A.D., 19 87 at 9:53 o'clock A M., and duly recorded in Vol. 487,
of Mortgages on Page 6247.
Evelyn Biehn, County Clerk
By [Signature]

FEE \$9.00