

1. KLAMATH PRODUCTION CREDIT ASSOCIATION referred to herein as "subordinator", is the owner and holder of a mortgage dated April 21, 1982, which is recorded in volume M82 of Mortgages, page 5240, under file No. _____, records of Klamath County, State of Oregon.
2. The Federal Land Bank of Spokane referred to herein as "lender", is the owner and holder of a mortgage dated August 17, 1984, executed by Wayne W Cunningham (which is recorded in volume M-84 of Mortgages, page 16838, under file No. 41719, records of Klamath County, State of Oregon.) (which is to be recorded concurrently herewith.)
3. Wayne Cunningham 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 its mortgage and all agreements in connection therewith, the "subordinator" does hereby unconditionally subordinate the lien of his mortgage identified in Paragraph 1 above 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 "lender" identified in Paragraph 2 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 recognizes that "lender" has no obligation to "subordinator" to advance any funds under its mortgage or see to 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 considered to conform to undersigned.

Executed this 27th day of August, 19 84

Return to:
INTERSTATE FEDERAL LAND BANK ASSOCIATION
P. O. BOX 148
KLAMATH FALLS, OREGON 97601

KLAMATH PRODUCTION CREDIT ASSOCIATION
Subordinator

By: Greg Williams
President

Subordinates

STATE OF Oregon)
County of Klamath) ss.

On August 27, 1984, before me personally appeared
Greg Williams

to me known to be the person(s) described in and who executed the foregoing instrument, and acknowledged that (he) (she) (they) executed the same as (his) (her) (their) free act and deed.

Carol Chiers
Notary Public

My commission expires 10-18-86

31831
58081

12093

31831

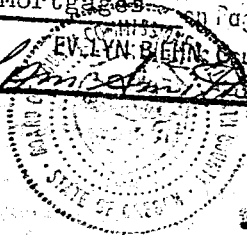
16845A

STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record .

this 22 day of Sept A.D. 19 84 at 4:05 o'clock P.M.,
duly recorded in Vol. M84, of Mortgages on Page 16845By Evelyn Biehn

Fee: \$8.00



F.L.B. Loan No.

F-198048-6

Cunningham

Lot 4 in Section 12, Township 37 South, Range 8 East of the
Willamette Meridian.

Lot 1, N $\frac{1}{2}$ of Lot 2, NE $\frac{1}{4}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 13, Township 37
South, Range 8 East of the Willamette Meridian.

EXCEPT those portions of the above described properties heretofore
conveyed to the State of Oregon for highway purposes in Deed Volume
224 at page 139, Records of Klamath County, Oregon.

ALSO EXCEPTING those portions of the above described properties
heretofore conveyed to the Oregon Eastern Railway Company, an
Oregon Corporation, for railroad right of way in Deed Volume 26 at
page 396, Records of Klamath County, Oregon.

Lot 4, SE $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$, Section 7, Township 37 South, Range 9 East of
the Willamette Meridian.

N $\frac{1}{2}$ NW $\frac{1}{4}$, Portions of the S $\frac{1}{2}$ NW $\frac{1}{4}$, Section 18, Township 37 South, Range 9
East of the Willamette Meridian, more particularly described as
follows:

Beginning at the Northeast corner of the SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 18; thence
Southwesterly along the center of the dredger cut to a point 10
chains North of the quarter section corner of the West line of said
Section 18; thence North to the Northwest corner of SW $\frac{1}{4}$ NW $\frac{1}{4}$ of said
Section 18; thence East along the North line of the S $\frac{1}{2}$ NW $\frac{1}{4}$ of Section
18 to the place of beginning.

Together with a 25 HP Fairbanks Morse electric motor with a Layne &
Bowler centrifugal pump and any replacements thereof, all of which
are hereby declared to be appurtenant thereto.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____ the _____ 9th day
of July A.D. 19 87 at 2:38 o'clock P M., and duly recorded in Vol. M87,
of Mortgages on Page 12092.

FEE \$9.00

By Evelyn Biehn, County Clerk
Ann Smith