

TN

78631

Vol. MS Page 15527
August 19 87

THIS AGREEMENT, Made and entered into this 20th day of August, 1987, by and between Pacific Power and Light Company hereinafter called the first party, and Klamath First Federal Savings and Loan Association hereinafter called the second party; WITNESSETH: On or about April 9th, 1979, Norman L. Rose and Martha J. Rose, being the owner of the following described property in Klamath County, Oregon, to-wit:

Lots 12 and 13 in Block 217 of Mills Second Addition to the City of Klamath Falls, Oregon, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

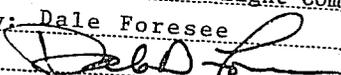
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executed and delivered to the first party his certain Insulation Cost Repayment Agreement and Mortgage. (State whether mortgage, trust deed, contract, security agreement or otherwise)
Herein called the first party's lien) on said described property to secure the sum of \$4,832.15, which lien was recorded on September 22, 1980, in the real prop. Records of Klamath County, Oregon, in book/reel/volume No. M-80 at page 18052 thereof or as document/fee/file/instrument/microfilm No. (indicate which);
Filed on _____, 19____, in the office of the _____ of _____ County, Oregon, where it bears the document/fee/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 and in the office of the Oregon Department of Motor Vehicles where it bears file No. _____ of _____ County, Oregon, where it bears the document/fee/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 \$ 72,000.00 to the present owner of the property above described, with interest thereon at a rate not exceeding 8.50 % per annum, said loan to be secured by the said present owner's Deed of Trust (hereinafter called the second party's lien) upon said property and to be repaid within not more than _____ 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 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 _____ 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.

Pacific Power and Light Company
by: Dale Foresee


STATE OF OREGON,

County of } ss.

15578



This instrument was acknowledged before me on, 19....., by

(SEAL)

Notary Public for Oregon
My commission expires

STATE OF OREGON,

County of Klamath } ss.

This instrument was acknowledged before me on August 20, 1987, by Dale Foresee

as Klamath Falls District Manager
of Pacific Power & Light Company
NAME OF CORPORATE OFFICE OR AGENT, PARTNER, TRUSTEE, ETC.

(SEAL)

Diane Reeves
Notary Public for Oregon
My commission expires 5/23/90



SUBORDINATION AGREEMENT

Pacific Power and Light Co.

TO
Klamath First Federal
540 Main St., Klamath Falls, OR

AFTER RECORDING RETURN TO
Klamath First Federal S&L
540 Main St.
Klamath Falls, OR 97601

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

STATE OF OREGON,
County of Klamath } ss.

I certify that the within instrument was received for record on the 28th day of August, 1987, at 10:02 o'clock A.M., and recorded in book/reel/volume No. M87, on page 15577 or as fee/file/instrument/microfilm/reception No. 78631, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn, County Clerk
NAME TITLE
By *P. M. Smith* Deputy

Fee: \$9.00