85529

RECORDING REQUESTED

AND WHEN RECORDED MAIL TO:

Shearson Lehman Mortgage 19000 MacArthur Blvd. 3rd Floor Irvine, CA. 92715 Attn: Marilee Reynolds

- SPACE ABOVE FOR RECORDER'S USE -

Vol. M87 Page 4091

K-40252

788 MAR 21; AH 11 01

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

THIS AGREEMENT, made this <u>5th</u> day of <u>March</u>, <u>1988</u> by <u>I.A. Swetland and Chervl J. Swetland</u> owner of the land hereinatter described and hereinatter referred to as "Owner" and <u>I.A. Swetland Pension & Profit Sharing Trust</u> present owner and holder of the Security Instrument and Note first hereinafter described and hereinafter referred to as "Beneficiary";

WITNESSETH

THAT WHEREAS, <u>L.A. Swetland and Cheryl J. Swetland</u> did execute a Security Instrument dated <u>November 19, 1982</u>, to <u>L.A. Swetland Pension &</u> <u>Profit Sharing Trust</u>, as Trustee covering:

LOTS 15, 16, AND 17 IN BLOCK 18 OF HILLSIDE 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.

to secure a Note in the sum of \$ 60,000.00 , dated November 19, 1982 in favor of L.A. Swetland Pension & Profit Sharing Trust which Security Instrument was recorded March 4, 1985 , in book M85 , page 3660 Official Records of said county; and MODIFICATION OF ACCOUNT AGREEMENT NHEREAS, Owner has executed, or is about to execute, a Security/Instrument/AMD/Note in the sum of \$ 103,200.00 , dated March 5, 1988 in favor of Shearson Lehman Mortgage Corporation , hereinafter referred to as "lender", payable with interest and upon the terms and conditions described therein, which Security Instrument is to be recorded concurrently herewith; and

WHEREAS, it is a condition precedent to obtaining said loan that said Security Instrument last above mentioned shall unconditionally be and remain at all times a lien or charge upon the land hereinbefore described, prior and superior to the lien or charge of the Security Instrument first above mentioned; and

WHEREAS, Lender is willing to make said loan provided the Security Instrument securing the same is a lien or charge upon the above described property prior and superior to the lien or charge of the Security Instrument first above mentioned and provided that Beneficiary will specifically and unconditionally subordinate the lien or charge of the Security Instrument first above mentioned to the lien or charge of the Security Instrument in favor of Lender; and

SCOL REAS, it is to the mutual benefit of the parties hereto that Lender make such loan that the Security Instrument securing the same shall, 4092WHEREAS, it is to the mutual benefit of the parties hereto that Lender make such loan to Owner; and Beneficiary is willing that the Security Instrument securing the same shall, when recorded, constitute a lien or charge upon said land which is unconditionally prior when recorded, constitute a lien of the Security Instrument first above mentioned. and superior to the lien or charge of the Security Instrument first above mentioned.

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce Lender to make the loan above referred to, it is hereby declared, understood and agreed as follows:

(1) That said Security Instrument securing said Note in favor of Lender, and any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the property therein described, prior and superior to the lien or charge of the Security Instrument first above mentioned.

(2) That Lender would not make its loan above described without this subordination agreement.

(3) That this agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the Security Instrument first above mentioned to the lien or charge of the Security Instrument in favor of Lender above referred to and shall supersede and cancel, but only insofar as would affect the priority between the Security Instrument hereinafter specifically described, any prior agreements as to such subordination including, but not limited to, those provisions, if any, contained in the Security Instrument first above mentioned, which provide for the subordination of the lien or charge thereof to another deed or deeds of trust or to another mortgage or mortgages.

Beneficiary declares, agrees and acknowledges that

(a) He consents to and approves (i) all provisions of the Note and Security Instrument in favor of Lender above referred to, and (ii) all agreements, including but not limited to any loan or escrow agreements, between Owner and Lender for the disbursement of the proceeds of Lender's loan;

(b) Lender in making disbursements pursuant to any such agreement is under no obligation or duty to, nor has Lender represented that it will, see to the application of such proceeds by the person or persons to whom Lender disburses such proceeds and any application or use of such proceeds for purposes other than those provided for such agreement or agreements shall not defeat the subordination herein made in whole or in part;

(c) He intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of the Security Instrument first above mentioned in favor of the lien or charge upon said land of the Security Instrument in favor of Lender above referred to and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination specific loans and advances are being and will be made and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination; and

(d) An endorsement has been placed upon the Note secured by the Security Instrument first above mentioned that said Security Instrument has by this instrument been subordinated to the lien or charge of the Security Instrument in favor of Lender above referred to.

(e) Before Lender shall accelerate payments or enforce Lender's lien upon subject property, Lender will give Beneficiary written notice of any default on the lien obligation.

NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN A PORTION OF WHICH MAY BE EXPEDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND.

Buettan

Beneficiary L.A. Swetland Pension & Profit Sharing Trust

Beneficiary

Calulte

A... SWE't Land J_ Swetland \odot Caroc mick

2

£1.

4.

3/5/88

notary, State of Crage,

Cormelypines: 4/27/88

(All signatures must be acknowledged.)

PA6216 (C4/87)

1092

01. - al die sam schrub best ofstand beinnen of in allfanen läst und schrub **4093** - al die state state state state state all aller state state state state state state state - al die state - al die state - al die state - al die state - al die state st

ester i rector protocol sillereco fautur di di di concenso i concerso de la sectoria de sector de sector la sector de sector liter i dende sector de sector de set sector de sec

(1) A Batt said Barren () (astronomic standing takin Bara () a fision of a standing () a said batt said Barren () as the standard barren () and () a said at a standing () a standard barren () and () a lised bar () and () bard () and () a

References and second because even and and set of the second second (1)

STATE OF OREGON: COUNTY OF KLAMATH:

of	March		Klamath Cou 19 88 at 11:01	nty Title Company o'clock A M and		dav
		of	Mortgages	ditter and the second s	d duly recorded in Vol M8 4091	
FEE	\$15.00			Evelyn Biehn	County Clerk	
 	10 Docement			By	Am Smith	
		Rental y de la segunda de la dela de la dela de la dela de la de la dela dela dela dela dela dela dela de	artin for dar. Bergenandennings, all above i negari ett e geto dega parate opri d <mark>ater ta bigenang</mark>			

(a) the userance is an inclusion of the state frequency of the state inclusion of the state sector frequences for an inclusion of the state sector of the state sec

(b) Assist in contract the construct current of any inclusion of many inclusion of the second of the construct of the cons

(c)) He Briders' that is not an interview by activity and the distribution of the second rest in the seco

n niemen al exercisel selected bergebe book edi noor boosis hear the triber becker with the Restriction need to be as a company sel stimuted. Stimuted this en activity of the selected boosing Restrict in notice of company and get receil and the against a stimuted to be selected by Restrict in notice of company and get receil and the against a stimuted to be selected by Restrict in the selected company and get receil and the against a stimuted to be selected by Restrict in the selected company and get receil and the against a set of the selected by the selected by Restrict in the selected company and get receil and the against a set of the selected by the selecte ad terrator evolu-

na finis a na serie de la construcción de la construcción de la construcción de la construcción de la construcc A serie de la construcción de la con A serie de la construcción de la co Consideration

norios. Subreated - Seconder Subreater - Licolaries, 10 Guiles, and 1420 and 1420 and 1420 and 1420 and 1420 and 1420 Systematics - Seconder Purchasels, Tenna International Comparison and Example Contraction of the second

2835

Marine States

VALUE FIRE and the second second

Charley Seper

) 1946-1947 1946-1947

z Če