

87482

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THIS AGREEMENT, Made and entered into this 13th day of May, 1988, by and between South Valley State Bank hereinafter called the first party, and Klamath First Federal Savings and Loan Association hereinafter called the second party; W I T N E S S E T H :

On or about August 27, 1987, Larry D. and Evelyn K. Batsell, being the owner of the following described property in Klamath County, Oregon, to-wit: Lot 1 in Block 3 of The Highlands, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

Tax Acct. #3910 010CO 00800

VEHEWEMJ
SUBORDINATION

CLERK OF OREGON

executed and delivered to the first party his certain trust deed (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 \$50,000.00., which lien was—Recorded on September 2, 1987, in the Mortgage Records of Klamath County, Oregon, in book/reel/volume No. M87 at page 15928 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 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 \$12,000.00 to the present owner of the property above described, with interest thereon at a rate not exceeding 9.75% per annum, said loan to be secured by the said present owner's deed of trust (hereinafter called the (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 236 months 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 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.

Count by Klamath

South Valley State Bank

By:

Loan Officer

CLERK OF OREGON

88 MAY 19 PM 2 56

(Cross out any language opposite which is not pertinent to this transaction)

STATE OF OREGON,

County of Klamath

ss.

NOTARY PUBLIC

7883

May 13, 1988

19.88

Personally appeared the above named Jeffrey S. Bradford and acknowledged the foregoing instrument to be his voluntary act and deed. Before me:

(SEAL) My commission expires 9/12/89 Notary Public for Oregon

STATE OF OREGON, and described himself as County of Klamath and acknowledged said instrument to be his voluntary act and deed. Before me:

who being duly sworn, did say that he is the Secretary of State of the State of Oregon, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged said instrument to be its voluntary act and deed. Before me:

(SEAL) My commission expires Notary Public for Oregon

Created by a contract agreement, notice of which was given by the filing on _____ of _____ in the office of the _____

Filed on _____ in the office of the _____

Recorded on _____ in the _____

SUBORDINATION AGREEMENT

South Valley State Bank

KLAMATH FIRST FEDERAL S&LA
2943 SOUTH SIXTH STREET
KLAMATH FALLS, OREGON 97603

KLAMATH FIRST FEDERAL S&LA
2943 SOUTH SIXTH STREET
KLAMATH FALLS, OREGON 97603

STATE OF OREGON,

County of Klamath

ss.

I certify that the within instrument was received for record on the 19th day of May, 19 88, at 2:56 o'clock P.M., and recorded in book/reel/volume No. M88 on page 7882 or as document/fee/file/instrument/microfilm No. 87482. Record of Mortgages of said County.

Witness my hand and seal of County affixed:
Evelyn Biehn, County Clerk
Berntha S. Ketch Deputy

Fee \$10.00