

04-13631 KCT K-40770

by and between Interstate Production Credit Association  
hereinafter called the first party, and Klamath First Federal Savings and Loan Association  
hereinafter called the second party; WITNESSETH:

On or about May 14, 1987, Warren B. More and David Chan, M.D. later assumed  
by Gary B. Williams the owner of the following described property in Klamath County, Oregon, to-wit:

SW1/4SE1/4NW1/4 and NW1/4NE1/4SW1/4 of Section 26, Township 40 South, Range 13 East of the  
Willamette Meridian, Klamath County, Oregon.

AGREEMENT  
SUBORDINATION

executed and delivered to the first party his certain Mortgage and Financing Statement  
(herein called the first party's lien) on said described property to secure the sum of \$ 264,000.00, which lien was  
Recorded on May 15, 1987, in the County of Klamath, Oregon, in book/fee/volume No. M87, at page 8443, thereof ~~xxx document fee file instrument~~  
and assigned 5-15-87 M87 Page 8449  
Financing Statement recorded 5-15-87 M87 Page 8466  
County, Oregon, where it bears the document fee file first mortgage instrument No. ~~xxxx~~  
Created by a security agreement, notice of which was given by the filing on May 15, 1987, of  
a financing statement in the office of the Oregon Secretary of State, see above  
and in the office of the County Clerk, Department of Motor Vehicles, where it bears file No. ~~xxxx~~  
where it bears the document/fee/file/instrument/microfilm No. M87 Page 8466 (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 \$ 100,000.00 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 First Deed of Trust.  
(State nature of lien to be given, whether mortgage, trust deed, contract, security agreement or otherwise) (hereinafter called the  
second party's lien) upon said property and to be repaid within not more than 30 years from its date.

To induce the second party to make the loan last mentioned, the first party heretofore has agreed and con-  
sented 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 sub-  
ordination 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 im-  
pair 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 cor-  
poration, 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.

Interstate Production Credit Association by:  
*David [Signature]*

See reverse for Notary Acknowledgment

\*88 SEP 2 PM 2 09

## STATE OF OREGON,

County of Klamath

ss.

This instrument was acknowledged before me on August 31, 1988, byNoland Alston, Credit Manager of Interstate Production Credit Association, A corporation.Carol Chidester

Notary Public for Oregon

My commission expires 10-18-90

(SEAL)

NOTARY

PUBLIC

STATE OF OREGON,

County of KlamathThis instrument was acknowledged before me on 19, byELITE DEPT OF JUSTICE

ss.

The second party is agent to join the sum of 100,000.00

NAME OF CORPORATION, PARTNERSHIP, TRUST, ETC.

NAME OF CORPORATION, PARTNERSHIP, TRUST, ETC.

Notary Public for Oregon

My commission expires

Created by a security agreement, notice of which was filed on

Recorded and indexed in the public records of the County of Klamath, Oregon, in book 14368, page 2-18-88

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## SUBORDINATION AGREEMENT

TO

INTERSTATE PRODUCTION CREDIT ASSOCIATION, A CORPORATION

OF THE STATE OF OREGON

BY AND FOR THE PURPOSES OF THE INSTRUMENT

RECORDED IN THE PUBLIC RECORDS OF THE COUNTY OF KLAMATH, OREGON, IN BOOK 14368, PAGE 2-18-88

AFTER RECORDING RETURN TO

Klamath 1st Fed St

540 Main St

Klamath Falls, OR

Phone 97601

11-13831

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

RECORDING LABEL IN COUNTIES WHERE USED.)

TO BE MAILED BY MAIL

MAILED

MAILED

MAILED

MAILED

MAILED

MAILED

## STATE OF OREGON,

County of Klamath

ss.

I certify that the within instrument was received for record on the 2nd day of Sept., 1988, at 2:09 o'clock P.M., and recorded in book/reel/volume No. M88, on page 14367, or as fee/file/instrument/microfilm/reception No. 91041, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

Evelyn Biehn County Clerk

NAME TITLE

By Richard M. Miller Deputy

Fee \$13.00

By Richard M. Miller Deputy