

TN

97349

Vol. m87 Page 3179

January, 1989

THIS AGREEMENT, Made and entered into this 31st day of January, 1989, by and between CITY OF KLAMATH FALLS, a municipal corporation hereinafter called the first party, and LIBERTY SAVINGS AND LOAN ASSOCIATION hereinafter called the second party; WITNESSETH:

On or about April 1, 1987, MONTI'S CONSTRUCTION, INC., an Oregon corporation, being the owner of the following described property in Klamath County, Oregon, to-wit:

PARCEL 1: Lots 7, 8, 9 and 10, Block 63, LAKEVIEW ADDITION to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon. Klamath County Tax Account #3809-029BA-06000 and #3809-029BA-6100.

PARCEL 2: Lot 11, Block 63, LAKEVIEW ADDITION to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon. Klamath County Tax Account #3809-029BA-05900.

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 \$ 25,000.00, which lien was

—Recorded on October 9, 1987, in the Mortgage Records of Klamath County, Oregon, in book/reel/volume No. M87 at page 18401 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 where it bears file No. and in the office of the 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 \$ 210,000.00 to the present owner of the property above described, with interest thereon at a rate not exceeding 12.375 %/per annum, said loan to be secured by the said present owner's Trust Deed & Assignment of Leases (fixed rate) (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 10 years 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 30 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.

CITY OF KLAMATH FALLS, a municipal corporation

by: James R. Keller

James R. Keller, City Manager

*89 FEB 21 PM 3 56

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



STATE OF OREGON,

County of

} ss.

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 January 31, 1989, by

JAMES R. KELLER

as

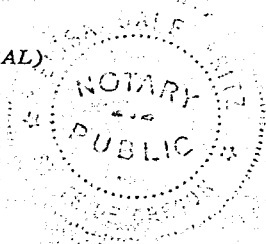
CITY MANAGER

NAME OF CORPORATE OFFICE OR AGENT, PARTNER, TRUSTEE, ETC.

of CITY OF KLAMATH FALLS

NAME OF CORPORATION, PARTNERSHIP, TRUST, ETC.

(SEAL)



Notary Public for Oregon

My commission expires

5-17-89

SUBORDINATION AGREEMENT

TO

AFTER RECORDING RETURN TO

Liberty SAVINGS & LOAN
899 Pearl St
Eugene, OR 97401

(DON'T USE THIS
SPACE: RESERVED
FOR RECORDING
LABEL IN COUN-
TIES WHERE
USED.)

Fee \$13.00

STATE OF OREGON,

County of Klamath

} ss.

I certify that the within instru-
ment was received for record on the
21st day of Feb., 1989,
at 3:56 o'clock P.M., and recorded in
book/reel/volume No. M89, on
page 3179 or as fee/file/instru-
ment/microfilm/reception No. 97349.
Record of Mortgages
of said County.

Witness my hand and seal of
County affixed.

Evelyn Biehn, County Clerk
NAME TITLE

By Roseanne M. Miller, Deputy