

99927

When Recorded Return to:
STANDARD INSURANCE COMPANY
P.O. Box 711

Portland, OR 97207 - Attn: M. Gebo

Vol. m89 Page. 7888

Loan No. 15014

MITC-21329D
SUBORDINATION AGREEMENT AND RELEASE OF LIABILITY

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

THIS AGREEMENT, dated May 3rd, 1989, is made by Cathy Jean Benson ("Cathy Benson") and Standard Insurance Company ("Standard").

RECITALS:

A. Daniel O. Benson ("Benson") and Cathy Benson (collectively, "Borrowers") were formerly the owners of the real property in Klamath County, Oregon, described on the attached Exhibit "A" (the "Property");

B. Borrowers executed and delivered to Standard a Deed of Trust and Assignment of Rents dated February 1, 1984 upon the Property to secure the sum of \$235,000 (the "Deed of Trust");

C. By Decree of Dissolution of Marriage dated March 9, 1989, in Klamath County Circuit Court No. 88-754D1, Daniel O. Benson was awarded Cathy Benson's interest in the Property, and Cathy Benson was awarded a child support and alimony judgment against Daniel O. Benson. The judgment is a lien against the Property.

D. Benson and Standard desire to enter into a Modification Agreement in which the Deed of Trust and other loan documents will be amended in various respects, including a reduction in the interest rate and an extension of the maturity date of the loan.

E. Standard is willing to release Cathy Benson from liability on the Deed of Trust and the note that it secures, provided she consents to the modification of the loan documents described above and subordinates the judgment lien described above (the "Judgment Lien") to the Deed of Trust, as modified.

F. Cathy Benson has consented to the Modification Agreement and agreed and consented to subordinate the Judgment Lien to the Deed of Trust, as modified.

NOW, THEREFORE, for valuable consideration, receipt of which is hereby acknowledged:

1. Cathy Benson hereby consents to the modification of the Deed of Trust and other loan documents as set forth in the Modification Agreement between Benson and Standard dated February 3, 1989.

2. Cathy Benson for herself, her heirs and assigns, hereby covenants, consents and agrees to and with Benson and Standard,

1 - SUBORDINATION AGREEMENT AND RELEASE OF LIABILITY

'89 MAY 8 PM 4 32

EXHIBIT "A"

TO

SUBORDINATION AGREEMENT
AND RELEASE OF LIABILITY
LOAN NO. 15014

Lot 2 in Block 5 of TRACT NO. 1163, CAMPUS VIEW, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

their respective successors and assigns, that Cathy Benson's Judgment Lien and any other interest she may have in the Property is and shall always be subject and subordinate to the Deed of Trust, as modified.

3. This Subordination Agreement shall apply to any security interest now or hereafter held by Standard on the Property, including security for future advances.

4. Cathy Benson waives presentment, demand, protest and notice and agrees that Standard, without notice to or consent of Cathy Benson, upon such terms as Standard may deem advisable, and without releasing or discharging Cathy Benson of her interests under this Agreement, may (a) extend, in whole or in part, by renewal or otherwise, the time of payment or performance of any obligation secured by the Deed of Trust, as modified; (b) release, surrender, exchange, or modify any obligation secured by the Deed of Trust, as modified, or any security therefor; and/or (c) settle or compromise any claim with respect to any obligation secured by the Deed of Trust, as modified, or against any person who has given security therefor.

5. It is expressly understood that nothing herein contained shall be construed to change, alter or impair Cathy Benson's Judgment Lien, except as hereinabove expressly set forth.

6. Standard hereby releases Cathy Benson from liability for payment or performance of the Deed of Trust, the note that it secures, or any of the other loan documents.

7. The law of the State of Oregon shall govern the validity, interpretation, construction and performance of this Agreement.

IT IS RECOMMENDED THAT PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE UNDERSIGNED CONSULT WITH HER ATTORNEY WITH RESPECT THERETO.

* SEE NEXT SHEET FOR ORIGINAL
SIGNATURE OF CATHY JEAN BENSON*

Cathy Jean Benson

STANDARD INSURANCE COMPANY,
an Oregon corporation

By *J. M. S.*
Its Treasurer

ATTEST:

By *Wesley R. Chase*
Its Assistant Secretary

their respective successors and assigns, that Cathy Benson's Judgment Lien and any other interest she may have in the Property is and shall always be subject and subordinate to the Deed of Trust, as modified.

3. This Subordination Agreement shall apply to any security interest now or hereafter held by Standard on the Property, including security for future advances.

4. Cathy Benson waives presentment, demand, protest and notice and agrees that Standard, without notice to or consent of Cathy Benson, upon such terms as Standard may deem advisable, and without releasing or discharging Cathy Benson of her interests under this Agreement, may (a) extend, in whole or in part, by renewal or otherwise, the time of payment or performance of any obligation secured by the Deed of Trust, as modified; (b) release, surrender, exchange, or modify any obligation secured by the Deed of Trust, as modified, or any security therefor; and/or (c) settle or compromise any claim with respect to any obligation secured by the Deed of Trust, as modified, or against any person who has given security therefor.

5. It is expressly understood that nothing herein contained shall be construed to change, alter or impair Cathy Benson's Judgment Lien, except as hereinabove expressly set forth.

6. Standard hereby releases Cathy Benson from liability for payment or performance of the Deed of Trust, the note that it secures, or any of the other loan documents.

7. The law of the State of Oregon shall govern the validity, interpretation, construction and performance of this Agreement.

IT IS RECOMMENDED THAT PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE UNDERSIGNED CONSULT WITH HER ATTORNEY WITH RESPECT THERETO.

STANDARD INSURANCE COMPANY,
an Oregon corporation

Cathy Jean Benson
Cathy Jean Benson

By [Signature]
Its Treasurer

STATE OF OREGON, }
COUNTY OF KLAMATH }

ATTEST:

BE IT REMEMBERED, That on this 3rd day May, 1989, before me, the undersigned, a Notary Public in and for said County and State, [Signature] Its Assistant Secretary personally appeared the within named Cathy Jean Benson, known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that she executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

2 - SUBORDINATION AGREEMENT AND RELEASE OF LIABILITY

Notary Public for Oregon
My Commission expires

3-2-92

STATE OF OREGON

COUNTY OF MULTNOMAH

ss:

On this 31st day of May, 1989, before me appeared VICKI R. CHASE and JACK R. SULLIVAN both to me personally known, who being duly sworn, did say that she, the said VICKI R. CHASE is the Assistant Secretary, and he, the said JACK R. SULLIVAN is the Treasurer of STANDARD INSURANCE COMPANY, the within named corporation, and that the seal affixed to said document is the corporate seal of said corporation, and that the said document was signed and sealed in behalf of said corporation by authority of its Board of Directors, and VICKI R. CHASE and JACK R. SULLIVAN acknowledged said document to be the free act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and seal the day and year last above written.

STATE OF OREGON, ss.
County of Klamath

Filed for record at request of:

Mountain Title Co.

on this 8th day of May A.D., 1989
at 4:32 o'clock P M. and duly recorded
in Vol. M89 of Mortgages Page 7888

Evelyn Biehn County Clerk

By Pauline Mueller Deputy.

Fee, \$28.00

Mailee Gebb
Mailee Gebb
Notary Public for Oregon

My commission expires
April 6, 1991

