

30812

THIS AGREEMENT Made and entered into this 3rd day of June, 1991, by and between South Valley State Bank

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hereinafter called the first party, and Klamath First Federal Savings and Loan Association, hereinafter called the second party; WITNESSETH:

On or about January 10, 1989,

Kenneth R. Black and Marcia Black, being the owner of the following described property in Klamath County, Oregon, to-wit:

A tract of land situated in the SE1/4 of Section 19, Township 39 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

Beginning at an iron pin which marks the corner common to Sections 19, 20, 29 and 30; thence West 685 feet; thence North parallel to the East line of said Section 19 to the South line of the property described in Volume H69, page 9420, Microfilm Records of Klamath County, Oregon; thence North 87 degrees 09' East 685 feet, more or less, along the South line of said property described in Volume H69, page 9420, Microfilm Records of Klamath County, Oregon, to the East line of said Section 19; thence South 1000 feet, more or less to the point of beginning, EXCEPT that portion lying within the right of way of Reeder Road.

executed and delivered to the first party his certain Mortgage

(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 \$152,000.00, which lien was Recorded on January 23, 1989, in the Records of Klamath County, Oregon, in book/reel/volume No. M89 at page 1344 thereof or as document/fee/file/instrument/

XXXXXX, 19, in the office of the 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 \$10,500.00 to the present owner of the property above described, with interest thereon at a rate not exceeding 11.75% per annum, said loan to be secured by the said present owner's Trust Deed (hereinafter called the

second party's lien) upon said property and to be repaid within not more than 27 days from its date (years)

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.

South Valley State Bank

by: [Signature] VP

STATE OF OREGON,

County of Klamath

SS.

11595

Personally appeared the above named

, 19

and acknowledged the foregoing instrument to be

voluntary act and deed. Before me:

(SEAL)

My commission expires

Notary Public for Oregon.

STATE OF OREGON,

County of Klamath

SS.

Personally appeared

Herbert A. Elbert

April 4

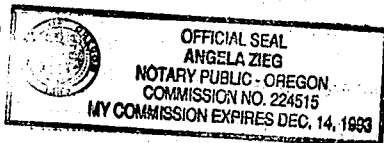
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who being duly sworn, did say that he is the *Vice President*

of *South Valley State Bank*

a corporation, 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)



Angela Zieg

My commission expires

Notary Public for Oregon.

12/14/93

SUBORDINATION AGREEMENT

South Valley State Bank

TO

Klamath First Federal Savings and Loan Assoc.

AFTER RECORDING RETURN TO

Klamath First Federal Savings and Loan Assoc.
2943 South Sixth St.
Klamath Falls, OR 97603

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

STATE OF OREGON,

County of Klamath

SS.

I certify that the within instrument was received for record on the 18th day of June, 19 91, at 11:49 o'clock A.M., and recorded in book/reel/volume No. M91 on page 11594 or as document/fee/tile/instrument/microfilm No. 30812, Record of Mortgages of said County.

Witness my hand and seal of County affixed.
Evelyn Biehn, County Clerk

NAME

TITLE

By *Pauline M. Mendenhall* Deputy

Fee \$13.00