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TN

32403

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THIS AGREEMENT, Made and entered into this 21st day of June, 1991, 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; WITNESSETH: On or about March 15, 1990, Barry A. Rigo and Karen D. Rigo, husband & Wife, being the owner of the following described property in Klamath County, Oregon, to-wit:

Lots 28, 29, 30, 31, 32 and 33 in Block 4 of Midland according to the official plat thereof on file in that office of the County Clerk of Klamath County, Oregon, together with that portion of vacated Main Street which inured thereto by order to vacate recorded February 11, 1981 in Volume M81 at page 2111, Microfilm Records of Klamath County, Oregon.

executed and delivered to the first party his certain Mortgage (herein called the first party's lien) on said described property to secure the sum of \$185,000.00, which lien was

Recorded on April 17, 1990, in the Microfilm Records of Klamath County, Oregon, in Book/leaf/volume No. M90 at page 7098 thereof of as/document/leaf/file/instrument/microfilm/No. (indicate which) / Filed on April 17, 1990, in the office of the Secretary of State, Klamath County, Oregon, where it bears the document/leaf/file/instrument/microfilm/No. (indicate which) / Created by a security agreement, notice of which was given by the filing on April 17, 1990, 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. (indicate which) / where it bears the document/leaf/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 \$40,900.00 to the present owner of the property above described, with interest thereon at a rate not exceeding 9.25% 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 15 days 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.

South Valley State Bank

By:

[Signature]
Vice-President

(Not for use in any language opposite which is not pertinent to this transaction)

14566

STATE OF OREGON,

} ss.

County of

This instrument was acknowledged before me on 19....., by

(SEAL)

Notary Public for Oregon

My commission expires

STATE OF OREGON,

} ss.

County of KLAMATH

This instrument was acknowledged before me on JULY 3, 1991, by

GERRIT A. DEGROOT

as

VICE PRESIDENT

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

of SOUTH VALLEY STATE BANK

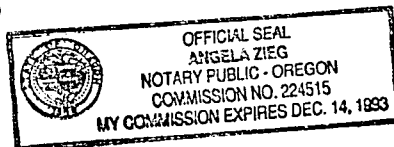
NAME OF CORPORATION, PARTNERSHIP, TRUST, ETC.

(SEAL)

Notary Public for Oregon

12/14/93

My commission expires

SUBORDINATION
AGREEMENT

TO

AFTER RECORDING RETURN TO

KLAMATH FIRST FEDERAL

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

STATE OF OREGON,

County of Klamath } ss.

I certify that the within instru-
ment was received for record on the
25th day of July, 1991,
at 4:00 o'clock P.M., and recorded in
book/reel/volume No. M91, on
page 14565 or as fee/file/instru-
ment/microfilm/reception No. 32403,
Record of Mortgages
of said County.

Witness my hand and seal of
County affixed.

Evelyn Biehn, County Clerk

NAME

TITLE

By Paula M. Mendenhall Deputy

Fee \$13.00