

ON 49573

Vol. m92 Page 19007

THIS AGREEMENT, Made and entered into this 11th day of August, 1992, by and between CP National Corporation, a California Corporation now WP Natural Gas hereinafter called the first party, and Klamath First Federal Savings & Loan Association hereinafter called the second party; WITNESSETH:
On or about February 15, 1991, Mark S. Carlson and Kristy L. Carlson, being the owner of the following described property in Klamath County, Oregon, to-wit:

Lot 11, EXCEPT THEREFROM the Easterly 38 feet of BURNSDALE, in the County of Klamath, State of Oregon.

Code 41 Map 3909-10DD TL 8000 Key No. 547297

executed and delivered to the first party owner's certain Mortgage (herein called the first party's lien) on said described property to secure the sum of \$ 2,961.00, which lien was Recorded on April 15, 1991, in the County of Klamath, Oregon, in book No. M-91 at page 6711 thereof. Reference to the document so recorded or filed hereby is made. The first party has never sold or assigned first party's 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 \$ 40,500.00 to the present owner of the property above described, with interest thereon at a rate not exceeding 8.25% per annum, said loan to be secured by the said present owner's First Deed of Trust (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 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, first party's personal representatives (or successors) and assigns, hereby covenants, consents and agrees to and with the second party, second party's 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, 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 executed this agreement; if the undersigned is a corporation, it has caused its corporate name to be signed and its seal affixed by an officer duly authorized thereto by order of its board of directors the day and year first above written.

WP NATURAL GAS

by: [Signature]

19008

WASHINGTON
STATE OF OREGONCounty of SPOKANE } ss.

This instrument was acknowledged before me on _____, 19____, by _____

(SEAL)

Notary Public for Oregon
My commission expires _____

STATE OF OREGON, WASHINGTON

County of SPOKANE } ss.This instrument was acknowledged before me on August 14, 1992, by _____J. E. ELIASSENas VICE PRESIDENT

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

of WP Natural Gas

NAME OF CORPORATION, PARTNERSHIP, TRUST, ETC.

(SEAL)

Notary Public for Oregon WASHINGTON
My commission expires 8/27/95**SUBORDINATION
AGREEMENT**

WP Natural Gas

TO

Klamath First Federal S&L

AFTER RECORDING RETURN TO

Klamath First Federal S&L
540 Main St.
Klamath Falls, OR 97601(DON'T USE THIS
SPACE! RESERVED
FOR RECORDING
LABEL IN COUN-
TIES WHERE
USED.)

Fee \$15.00

STATE OF OREGON,
County of Klamath } ss.I certify that the within instru-
ment was received for record on the
21st day of Aug., 1992,
at 10:21 o'clock A.M., and recorded in
book/reel/volume No. M92, on
page 19007, or as fee/file/instru-
ment/microfilm/reception No. 49573,
Record of Mortgages
of said County.Witness my hand and seal of
County affixed.Evelyn Biehn, County Clerk.

NAME

TITLE

By Deborah M. Mendenhall, Deputy