

NL 71457

THIS AGREEMENT, Made and entered into this day of October, 1993,
 by and between WP Natural Gas
 hereinafter called the first party, and Klamath First Federal Savings and Loan Association
 hereinafter called the second party; WITNESSETH:
 On or about November 15, 1991, Jim Houk
 being the owner of the following described property in Klamath County, Oregon, to-wit:

Lot 29 of FIRST ADDITION TO MADISON PARK, according to the official plat
 thereof on file in the office of the County Clerk of Klamath County, Oregon.

(IF SPACE INSUFFICIENT, CONTINUE DESCRIPTION ON REVERSE SIDE)

executed and delivered to the first party a certain financing statement
 (State whether mortgage, trust deed, contract, security agreement or otherwise)

(herein called the first party's lien) on the property to secure the sum of \$....., which lien was:
 November 15, 1991, in the Microfilm Records of Klamath County,
 Oregon, in book/reel/volume No. M91 at page 23895 and for as libe / title / instrument / microfilm / reception No.

(Cross out any language opposite
 which is not pertinent to this trans-
 action)

— Recorded on November 15, 1991, in the Microfilm Records of Klamath County,
 Oregon, in book/reel/volume No. M91 at page 23895 and for as libe / title / instrument / microfilm / reception No.
 — Filed for in the office of the County, Oregon, where it bears the libe / title / instrument / microfilm / reception No.
 — Created by a security agreement, notice of which was given by the Secretary of State
 of a financing statement in the office of the Oregon Dept. of Motor Vehicles where it bears the libe / title / instrument / microfilm / reception No.
 and in the office of the County, Oregon,
 where it bears the libe / title / instrument / microfilm / reception No.

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 \$64,500.00 to the present owner of the property, with
 interest thereon at a rate not exceeding 6.625% per annum. This loan is to be secured by the present owner's
 Trust Deed (hereinafter called

(State nature of lien to be given, whether mortgage, trust deed, contract, security agreement or otherwise)
 the second party's lien) upon the property and is to be repaid not more than 15 years from its date.

— OVER —

SUBORDINATION AGREEMENT

WMPG

P. O. Box 3727

Spokane, WA 99220

To

Klamath First Federal

P. O. Box 5270

Klamath Falls, OR 97601

After recording return to (Name, Address, Zip):

Klamath First Federal

P. O. Box 5270

Klamath Falls, OR 97601

SPACE RESERVED
FOR
RECORDER'S USE

STATE OF OREGON,
 County of

I certify that the within instrument
 was received for record on the day
 of 19..... of
 o'clock M., and recorded in
 book/reel/volume No. on page
 and/or as fee/file/instru-
 ment/microfilm/reception No.
 Record of
 of said county.

Witness my hand and seal of
 County affixed.

By TITLE
 NAME Deputy

30471

To induce the second party to make the loan last mentioned, the first party heretofore has agreed and consented to subordinate first party's 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 first party's lien on the 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 lien in all respects shall be first, prior and superior to that of the first party, provided always, however, that if second party's lien is not duly filed or recorded or an appropriate financing statement thereon duly filed within 45 days after the date hereof, this subordination agreement shall be null and void and of no force or effect.

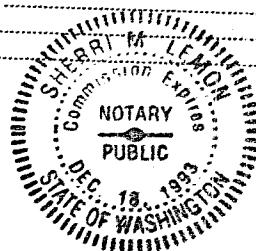
It is expressly understood and agreed that nothing herein contained shall be construed to change, alter or impair the first party's lien, except as hereinabove expressly set forth.

In construing this subordination agreement, and where the context so requires, the singular includes the plural, and all grammatical changes shall be made so that this agreement shall apply equally to corporations and so individuals.

IN WITNESS WHEREOF, the undersigned has executed this agreement; if the undersigned is a corporation, it has caused its name to be signed and its seal, if any, affixed by an officer or other person duly authorized to do so by order of its board of directors.

Ronald R. Peterson

Washington
STATE OF OREGON, County of *Spokane*
This instrument was acknowledged before me on *October 28th*, 19*93*,
by *Ronald R. Peterson*
This instrument was acknowledged before me on _____, 19____
by _____
as _____
of _____



Sherri M. Lemon
Notary Public for Oregon
My commission expires *12/18/93* *WA*

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of *Mountain Title co* the *18th* day
of *Nov* A.D., 19 *93* at *9:39* o'clock *A.M.*, and duly recorded in Vol. *493*
of *Mortgages* on Page *30470*

FEE \$15.00

Evelyn Blehn
By *Mountain Title co* County Clerk