

74398

DEED OF TRUST

MTC 31417

Vol. 94 Page 1258

## SUBORDINATION AGREEMENT

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

THIS AGREEMENT, made this 30 day of NOVEMBER, 19 93 by

EDWARD AND LINDA DOREMUS

Owner of the land hereinafter described and hereinafter referred to as "Owner", and

WP FINANCE COMPANY

present owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "Beneficiary";

WITNESSETH

THAT WHEREAS, EDWARD AND LINDA DOREMUS

did execute a deed of trust, dated JANUARY 16, 1992

to WP FINANCE COMPANY

as trustee, covering:

SEE ATTACHED LEGAL DESCRIPTION

to secure a note in the sum of \$

dated JANUARY 16, 1992, in favor of WP FINANCE COMPANY

which deed of trust was recorded JANUARY 16, 1992

in book M92, page 15706. Official Records of said county; and

WHEREAS, Owner has executed, or is about to execute, a deed of trust and note in the sum of \$ 56,849.00 dated DECEMBER 13, 1993, in favor of SOURCE ONE MORTGAGE SERVICES CORPORATION, hereinafter referred to as "Lender," payable with interest and upon the terms and conditions described therein, which deed of trust is to be recorded concurrently herewith; and

WHEREAS, it is a condition precedent to obtaining said loan that said deed of trust last above mentioned shall unconditionally be and remain at all times a lien or charge upon the land hereinbefore described, prior and superior to the lien or charge of the deed of trust first above mentioned; and

WHEREAS, lender is willing to make said loan provided the deed of trust securing the same is a lien or charge upon the above described property prior and superior to the lien or charge of the deed of trust first above mentioned and provided that Beneficiary will specifically and unconditionally subordinate the lien or charge of the deed of trust first above mentioned to the lien or charge of the deed of trust in favor of Lender; and

WHEREAS, it is to the mutual benefit of the parties hereto that Lender make such loan to Owner; and Beneficiary is willing that the deed of trust securing the same shall, when recorded, constitute a lien or charge upon said land which is unconditionally prior and superior to the lien or charge of the deed of trust first above mentioned.

NOW THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce Lender to make the loan above referred to, it is hereby declared, understood and agreed as follows:

- (1) That said deed of trust securing said note in favor of Lender shall unconditionally be and remain at all times a lien or charge on the property therein described, prior and superior to the lien or charge of the deed of trust first above mentioned.
- (2) That Lender would not make its loan above described without this subordination agreement.
- (3) That this agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the deed of trust first above mentioned to the lien or charge of the deed of trust in favor of Lender above referred to and shall supersede and cancel, but only insofar as would affect the priority between the deeds of trust hereinbefore specifically described any prior agreement as to such subordination including, but not limited to, those provisions, if any, contained in the deed of trust first above mentioned, which provide for the subordination of the lien or charge thereof to another deed or deeds of trust or to another mortgage or mortgages.

Beneficiary declares, agrees and acknowledges that:

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- (a) He consents to and approves (i) all provisions of the note and deed of trust in favor of Lender above referred to, and (ii) all agreements, including but not limited to any loan or escrow agreements, between Owner and Lender for the disbursement of the proceeds of Lender's loan;
- (b) Lender in making disbursements pursuant to any such agreements is under no obligation or duty to, nor has Lender represented that it will, see to the application of such proceeds by the person or persons to whom Lender disburses such proceeds and any application or use of such proceeds for purposes other than those intended in such agreement or agreements shall not defeat the subordination herein made in whole or in part;
- (c) He intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of deed of trust in favor of the lien or charge upon said land of the deed of trust in favor of the Lender above mentioned and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination specific loans and advances are being and will be made and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination; and
- (d) An endorsement has been placed upon the note secured by the deed of trust first above mentioned that said deed of trust of Lender above referred to.

NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN A PORTION OR WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND.

BENEFICIARY

WP Finance Company

IN WITNESS THEREOF, the undersigned has caused this instrument to be executed the day and year first above written.

x Moracy Mercer  
(Subordinating Party)

WITNESS:

By: \_\_\_\_\_

Its \_\_\_\_\_

State of Washington )  
County of Spokane ) ss.

On this 2nd day of December, 1992, 1993  
before me, the undersigned, a Notary Public in and for said county, personally appeared Dorothy B. Mercer to me personally known, who being duly sworn, did say that he/she is Treasurer of WP Finance and that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and he/she acknowledged the execution of said instrument to be the free and voluntary act and deed of said corporation.

Witness my hand and seal the day and year last above written.



Sherri M. Lemon  
Notary Public in and for said County and State

## LEGAL DESCRIPTION

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LOT 3, BLOCK 14, TRACT 1064, FIRST ADDITION TO GATEWOOD, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE OF THE COUNTY CLERK OF KLAMATH COUNTY, OREGON.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co the 12th day  
of Jan A.D., 19 94 at 3:26 o'clock P M., and duly recorded in Vol. M94,  
of Mortgages on Page 1258.

Evelyn Biehn  
By David M. Mulhender County Clerk

FEE \$20.00

Return: Mountain Title Co