

87531

MTC 33679

MEMBERSHIP SUBORDINATION AGREEMENT

THIS AGREEMENT is made by and between **RICH MCINTYRE** and **KAREN GREENE**, husband and wife, hereinafter "**Grantor**", and **PAUL V. PALMER, M.D.**, hereinafter "**Beneficiary**". The effective date of this agreement shall be the last date of the signature placed hereon of either Grantor or Beneficiary.

RECITALS

WHEREAS, Beneficiary is a member in the Williamson River Club, hereinafter WRC, pursuant to a Membership Agreement between Grantor and Beneficiary;

WHEREAS, Grantor executed a third deed of trust in favor of Beneficiary, hereinafter Membership Trust Deed, dated October 20, 1993, which was recorded October 21, 1993, in Volume M93, Page 27608, in the Official Records of Klamath County, Oregon;

WHEREAS, Grantor executed a second deed of trust concerning the real property, Exhibit "A" hereto, in favor of Karl Conrad Wenner and Anne Wenner, husband and wife, and Karl Conrad Wenner, trustee of the Klamath Orthopedic Clinic, P.C. Pension and Profit Sharing Plan, which trust deed was October 20, 1993, and recorded October 21, 1993, in Volume M93, Page 27600 in the Official Records of Klamath County, Oregon, hereinafter Wenner Trust Deed;

WHEREAS, the Wenner Trust Deed is superior and paramount to the Membership Trust Deed;

WHEREAS, the Wenner Trust Deed and Membership Trust Deed are subject and inferior to a first trust deed dated September 14, 1979, and recorded September 14, 1979, at Volume M79, Page 21900 in the Official Records of Klamath County, Oregon, hereinafter First Trust Deed;

WHEREAS, said First Trust Deed was given to secure payment for a promissory note, hereinafter First Note of the sum of \$190,000;

WHEREAS, said First Note and the First Trust Deed, which it secures, is all due and payable on September 14, 1994;

WHEREAS, Grantor has made arrangements to refinance the First Trust Deed and pay off the First Note secured thereby and satisfy all obligations on said First Trust Deed, by borrowing the sum of \$200,000 from Edward T. Harrison, Jr., trustee of the Mary Gary Harrison Revocable Trust, dated July 8, 1993, (as amended); **WHEREAS**, said refinancing is hereinafter referred to as the Harrison Loan;

WHEREAS, pursuant to the Harrison Loan, Grantor will execute a promissory note, hereinafter Harrison Note, in the sum of \$200,000 and a deed of trust, hereinafter Harrison Trust Deed, for purposes of securing said note;

WHEREAS, Harrison, as trustee, will lend the sum of \$200,000 only if the Harrison Trust Deed is a first trust deed on the real property, Exhibit "A";

THEREFORE, in consideration of the mutual covenants and conditions contained herein, Grantor and Beneficiary hereby agree as follows:

-1- MEMBERSHIP SUBORDINATION AGREEMENT

RETURN: AMERICAN PACIFIC TITLE, P.O. BOX 1804, MEDFORD, OR 97501-0142

1. Beneficiary subordinates its right, title and interest in the Membership Trust Deed to the Harrison Trust Deed in an amount not to exceed \$200,000 plus any accrued interest thereon and any reasonable attorney's fees awarded in the event of a foreclosure thereon;

2. The Wenner Trust Deed shall remain in a second position on the real property, Exhibit "A" hereto;

3. The Membership Trust Deed shall remain in a third position on the real property, Exhibit "A" hereto.

IN WITNESS WHEREOF, the parties hereunto have executed this agreement the last day and year written below.

DATE: 8-29-94

Rich McIntyre
Rich McIntyre

DATE: 8-29-94

Karen Greene
Karen Greene

"GRANTOR"

DATE: 8-14-94

Paul V. Palmer, M.D.
Paul V. Palmer, M.D.

"BENEFICIARY"

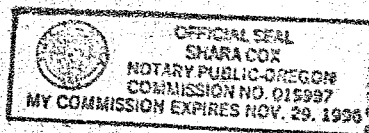
STATE OF OREGON)
) ss.
County of Klamath)

Personally appeared Rich McIntyre and Karen Greene and acknowledged the foregoing instrument to be their voluntary act and deed. Before me this 29 day of Aug, 1994.

Shara Cox
Notary Public for Oregon

My Commission Expires: 11-29-96

STATE OF CALIFORNIA)
) ss.
County of San Diego)



Personally appeared Paul V. Palmer M.D. and acknowledged the foregoing instrument to be his

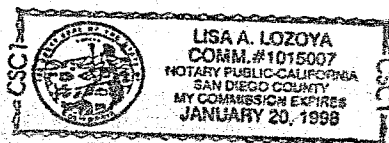
voluntary act and deed. Before me this 14 day of August, 1994.

[Signature]

Notary Public for California

My Commission Expires: 1-20-98

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PARCEL 1

The E1/2 SW1/4; NW1/4 SE1/4 of Section 26, Township 34 South, Range 6 East of the Willamette Meridian, Klamath County, Oregon.

PARCEL 2

The NE1/4 NE1/4 NW1/4; N1/2 SE1/4 NE1/4 NW1/4 of Section 35, Township 34 South, Range 6 East of the Willamette Meridian, Klamath County, Oregon, ALSO the following described tract of land:

Beginning at the Northwest corner of the NE1/4 of Section 35, Township 34 South, Range 6 East of the Willamette Meridian, Klamath County, Oregon; thence South 15 chains; thence East 3 and 1/3 chains; thence, North 15 chains; thence West 3 and 1/3 chains to the point of beginning;

EXCEPTING THEREFROM the following:

Beginning at a point on the Section line between Section 26 and Section 35, Township 34 South, Range 6 East of the Willamette Meridian, Klamath County, Oregon, 675.7 feet West of the 1/4 Section corner; thence South along the West line of the NE1/4 NE1/4 of the NW1/4 of Section 35 and of the N1/2 SE1/4 NE1/4 NW1/4 of Section 35 a distance of 990 feet; thence East on the South line of the N1/2 SE1/4 NE1/4 NW1/4 of Section 35, a distance of 530 feet; thence North a distance of 330 feet; thence West a distance of 135 feet; thence North a distance of 660 feet to intersect the above mentioned section line 395 feet East of point of beginning.

* * *END* * *

EXHIBIT A

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co the 7th day
of Sept A.D., 19 94 at 3:28 o'clock P.M., and duly recorded in Vol. M94
of Mortgages on Page 28082.

FEE \$25.00

Evelyn Biehn, County Clerk

By Robert Mullendore