

12-09-94A10:58 RCVD

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MTG 3455

VOL 1194 Page 37433

THIS AGREEMENT, Made and entered into this 30th day of November, 1994, by and between South Valley State Bank hereinafter called the first party, and Klamath First Federal Savings & Loan Association hereinafter called the second party; WITNESSETH:

On or about December 30, 1993, James E. Jacobson and Janett L. Jacobson, being the owner of the following described property in Klamath County, Oregon, to-wit: All of Blocks 18, 19, 24, 25 and 26 in TERMINAL CITY, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon. TOGETHER WITH those portions of the vacated alleys in Blocks 24 and 25 which inurred thereto and vacated Lake Street and Midway Avenue which inurred thereto as evidenced by Order dated November 20, 1926 in Commissioners Journal Book 10 at page 28.

ALSO TOGETHER WITH that portion of vacated Shasta Street which inurred thereto as evidenced by Order dated May 29, 1935 in Commissioners Journal Book 13 at page 44.  
Tax #3809-018BC-03300 Key #431937 Tax #3809-018BC-01500 Key #431875  
#3809-018BC-03200 #431946 #3809-018BC-01600 #431857  
#3809-018BC-03100 #431955  
#3809-018BC-03400 #431928

(IF SPACE INSUFFICIENT, CONTINUE DESCRIPTION ON REVERSE SIDE)

executed and delivered to the first party a certain mortgage (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 \$18,000.00, which lien was: Recorded on January 12, 1994, in the microfilm Records of Klamath County, Oregon, in book/reel/volume No. M94 at page 1229 and/or as fee/file/instrument/microfilm/reception No. (indicate which);

(Cross out any language opposite which is not pertinent to this transaction)

Created by a security agreement, notice of which was given by the filing on of a financing statement in the office of the Oregon Dept. of Motor Vehicles where it bears file # and in the office of the County Clerk of Klamath County, Oregon, where it bears fee/file/instrument/microfilm/reception No. (indicate which);

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 \$91,500.00 to the present owner of the property, wit. interest thereon at a rate not exceeding 8.875% per annum. This loan is to be secured by the present owner's trust deed

(State nature of lien to be given, whether mortgage, trust deed, contract, security agreement or otherwise)

(hereinafter called the second party's lien) upon the property and is to be repaid not more than 15 days from its date.

### SUBORDINATION AGREEMENT

South Valley State Bank

To

Klamath First Federal S&L Assn.

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

Klamath First Federal

540 Main Street

Klamath Falls, OR 97601

Re: 090-04-15703

SPACE RESERVED  
FOR  
RECORDER'S USE

### STATE OF OREGON,

County of } ss.

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

Witness my hand and seal of County affixed.

By NAME TITLE Deputy

37434



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 30 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 to 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.

SOUTH VALLEY STATE BANK

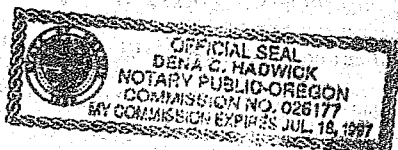
By:

*J. Mielazyk*  
Branch Manager

STATE OF OREGON, County of Klamath

This instrument was acknowledged before me on 12.2.94, 19\_\_ ss. by *Jim Mielazyk*

This instrument was acknowledged before me on \_\_\_\_, 19\_\_, as \_\_\_\_, of \_\_\_\_



*Dena C. Hadwick*  
Notary Public for Oregon

My commission expires

7.18.97

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co the 9th day of Dec A.D., 19 94 at 10:58 o'clock A.M., and duly recorded in Vol. M94 of Mortgages on Page 37433

FEE \$15.00

Evelyn Biehn - County Clerk

By

*Dena C. Hadwick*