

NL

97655

Vol. 195 Page 8318

THIS AGREEMENT, Made and entered into this 30th day of March, 1995, by and between South Valley State Bank hereinafter called the first party, and Klamath First Federal Savings and Loan Association hereinafter called the second party; WITNESSETH: On or about June 23, 1992, Peter Dempsey, Jr. and Tracy P. Dempsey, being the owner of the following described property in _____ County, Oregon, to-wit:

Lot 5, Block 1, HARBOR ISLES TRACT 1209, 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 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 \$ 25,000.00, which lien was:

—Recorded on June 30, 1992, in the Microfilm Records of Klamath County, Oregon, in book /cdl/vol/bk No. M92 at page 14299 and /or/as/fee/file/instrument/microfilm/reception No. / (Indicate which);

+Filed on /, 19/ in the office of the / of / County, Oregon, where it bears fee/file/instrument/microfilm/reception No. / (Indicate which);

+Created by a security agreement, none of which was given by the filing on / 19/ of a financing statement in the office of the Oregon Secretary of State, where it bears file No. / and in the office of the / Dept. of Motor Vehicles where it bears file No. / and in the office of the / County, Oregon, where it bears fee/file/instrument/microfilm/reception No. / (Indicate which).

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

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 \$ 30,100.00 to the present owner of the property, with interest thereon at a rate not exceeding *12.375 % 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)

the second party's lien) upon the property and is to be repaid not more than 158 months ~~days~~ from its date.

*This is an adjustable rate loan with an original rate of 6.375% and a $\pm 6\%$ life cap.

SUBORDINATION AGREEMENT

South Valley State Bank
801 Main Street
Klamath Falls, OR. 9760

To
Klamath First Federal S&L Assn.
540 Main Street
Klamath Falls, OR. 97601

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

Klamath First Federal S&L Assn.
540 Main Street
Klamath Falls, OR. 97601

STATE OF OREGON, } ss.
County of

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

Witness my hand and seal of
County affixed.

NAME _____ TITLE _____
By _____, Deputy

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.

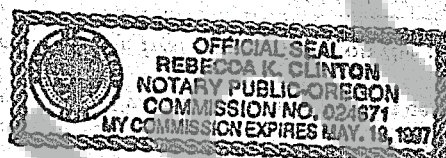
IN WITNESS WHEREOF, the undersigned has executed this agreement; if the undersigned is a corporation, it has caused its name to be signed and its seal, if any, affixed by an officer or other person duly authorized to do so by order of its board of directors.

South Valley State Bank

by: Jeffery S. Bradford, V.P.

STATE OF OREGON, County of Klamath) ss.
This instrument was acknowledged before me on _____, 19____,

by _____
This instrument was acknowledged before me on MAR 31, 1975,
by JEFFERY S. BRADFORD
as VICE PRESIDENT
of SOUTH VALLEY STATE BANK



Rebecca K. Clinton
My commission expires 5/19/87 Notary Public for Oregon

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co the 5th day
of April A.D., 19 95 at 9:53 o'clock A M., and duly recorded in Vol. M95
of Mortgages on Page 8318

FEE \$15.00

Bernetha G. Letch, County Clerk
By [Signature]