

THIS AGREEMENT, Made and entered into this 38983 day of Vol 1495 Page 10533
 by and between HMR INC., AN OREGON CORPORATION
 hereinafter called the first party, and FIRST INTERSTATE BANK OF OREGON N.A.
 hereinafter called the second party; WITNESSETH:
 On or about NOVEMBER 9, 1994, JERRY R. BOWERS AND CRETCHEN R. BOWERS
 being the owner of the following described property in KLAMATH County, Oregon, to-wit:

SEE ATTACHED "EXHIBIT A".

executed and delivered to the first party his certain TRUST DEED
 (herein called the first party's lien) on said described property to secure the sum of \$292,500.00, which lien was
 Recorded on NOVEMBER 29, 1994, in the MICROFILM Records of KLAMATH County,
 Oregon, in BOOK 7000/volume No. M94 at page 36373 where it bears the document/fee/file/instrument/microfilm No.
(indicate which);
 Filed on NOVEMBER 29, 1994, in the office of the Secretary of State of KLAMATH County, Oregon, where it bears the document/fee/file/instrument/microfilm No. (indicate which);
 Created by a security agreement, notice of which was given by the filing on NOVEMBER 29, 1994, of
 a financing statement in the office of the Oregon Department of Motor Vehicles where it bears file No. (indicate which);
 and in the office of the Secretary of State of KLAMATH County, Oregon,
 where it bears the document/fee/file/instrument/microfilm No. (indicate which).

Reference to the document so recorded or filed hereby is made. The first party has never sold or assigned his said 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 \$30,000.00 to the present owner of the property above described, with interest thereon at a rate not exceeding 10% per annum, said loan to be secured by the said present owner's MORTGAGE (hereinafter called the

second party's lien) upon said property and to be repaid within not more than 30 days from its date.

To induce the second party to make the loan last mentioned, the first party heretofore has agreed and consented to subordinate first party's said 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, for himself, his personal representatives (or successors) and assigns, hereby covenants, consents and agrees to and with the second party, his personal representatives (or successors) and assigns, that the said first party's lien on said described 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 said lien in all respects shall be first, prior and superior to that of the first party; provided always, however, that if second party's said 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 said lien, except as hereinabove expressly set forth.

In construing this subordination agreement and where the context so requires, the singular includes the plural; the masculine includes the feminine and the neuter, and all grammatical changes shall be supplied to cause this agreement to apply to corporations as well as to individuals.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand and seal; if the undersigned is a corporation, it has caused its corporate name to be signed and its corporate seal to be affixed hereunto by its officers duly authorized thereunto by order of its board of directors, all on this, the day and year first above written.

A. J. [Signature]
V. R. [Signature]
ATTEST



STATE OF OREGON,

County of _____

ss.

, 19____

Personally appeared the above named _____

and acknowledged the foregoing instrument to be _____ voluntary act and deed. Before me:

(SEAL)

Notary Public for Oregon.

My commission expires _____

STATE OF OREGON,

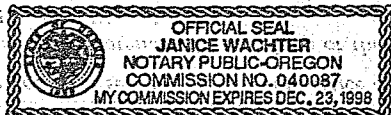
County of Klamath

ss.

April 20, 1995Personally appeared A. Darrel Rusthwho being duly sworn, did say that he is the Vice-Presidentof HMR, Inc.

a corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and he acknowledged said instrument to be its voluntary act and deed. Before me:

(SEAL)



My commission expires _____

Notary Public for Oregon.

12-23-98SUBORDINATION
AGREEMENT

TO

(DON'T USE THIS
SPACE: RESERVED
FOR RECORDING
LABEL IN COUN-
TIES WHERE
USED.)

AFTER RECORDING RETURN TO _____

STATE OF OREGON,

County of _____

ss.

I certify that the within instrument was received for record on the _____ day of _____, 19____, at _____ o'clock _____ M., and recorded in book/reel/volume No. _____ on page _____ or as document/tee/file/instrument/microfilm No. _____, Record of _____ of said County.

Witness my hand and seal of _____ County affixed.

NAME

TITLE

By _____

Deputy

10535

JERRY R. BOWERS and GRETCHEN R. BOWERS
as TENANTS BY THE ENTIRETY

LENDER:

FIRST INTERSTATE BANK

Mortgage Premises

(a) Legal Description:

A tract of land situated in the NE1/4 of Section 28, Township 39 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a 5/8 inch iron pin marking the Northeast corner of the NW1/4 NE1/4 of said Section 28; thence South 89 degrees 54' 41" East 10.70 feet; thence South 00 degrees 19' 32" West 1537.06 feet; thence West 822.06 feet to a 5/8 inch iron pin marking the true point of beginning of this description; thence continuing West 60 feet; thence South 320.00 feet, more or less; thence West on a line passing over the center of a well, 280.31 feet; thence South 21 degrees 52' 50" East 231.43 feet; thence South 34 degrees 05' 44" East 283.82 feet; thence South 13 degrees 49' 31" East 68.80 feet; thence North 40 degrees 20' 19" East 121.31 feet; thence North 74.4.14 feet to the true point of beginning.

(b) Street Address:

8260 HILL ROAD
KLAMATH FALLS, OREGON 97603

Recorder Form No. 9420 (4-94)

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co the 25th day
of April A.D., 19 95 at 3:41 o'clock P M., and duly recorded in Vol. M95
of Mortgages on Page 10533

FEE \$20.00

Bernetha G. Detsch, County Clerk
By Lynette H. Haly

1001 TITLE CO
1883-3401

462

He

1 + 600