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MTC3762

Vol. M96 Page 13201

THIS AGREEMENT, Made and entered into this 24th day of April, 1996, by and between Portland Teachers Credit Union hereinafter called the first party, and Klamath First Federal Savings and Loan Association hereinafter called the second party; WITNESSETH:

On or about August 16, 19 94, James W. Houk, Cindy L. Houk and Edna Mae Houk, being the owner of the following described property in Klamath County, Oregon, to-wit:  
 Lot 29 of FIRST ADDITION TO MADISON PARK, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

executed and delivered to the first party a certain Trust Deed (herein called the first party's lien) on the property to secure the sum of \$18,000.00, which lien was:  
☒ Recorded on August 19, 19 94, in the file Records of Klamath County, Oregon in book/reel/volume No. M94 at page 25756 and/or as fee/file/instrument/microfilm/reception No. \_\_\_\_\_  
☐ Filed on \_\_\_\_\_, 19 \_\_\_\_\_ in the office of the \_\_\_\_\_ of \_\_\_\_\_ County, Oregon, where it bears fee/file/instrument/microfilm/reception No. \_\_\_\_\_  
☐ Created by a security agreement, notice of which was given by the filing on \_\_\_\_\_, 19 \_\_\_\_\_ of a financing statement in the office of the Oregon \_\_\_\_\_ where it bears file No. \_\_\_\_\_ and in the office of the \_\_\_\_\_ of \_\_\_\_\_ County, \_\_\_\_\_, where it bears fee/file/instrument/microfilm/reception No. \_\_\_\_\_

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 \$73,528.29 to the present owner of the property, with interest thereon at a rate not exceeding 7.50 % per annum. This ~~loan is to be secured by the present owner's~~ Trust Deed (hereinafter called the second party's lien) upon the property and is to be repaid not more than 149 months from its date.

### SUBORDINATION AGREEMENT

Portland Teachers Credit Union

To  
Klamath First Federal Savings and Loan Association

SPACE RESERVED  
 FOR  
 RECORDER'S USE

After recording return to (Name, Address, Zip):  
Portland Teachers Credit Union  
Lending Services/PO Box 3750  
Portland, OR 97208-3750

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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 the 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.

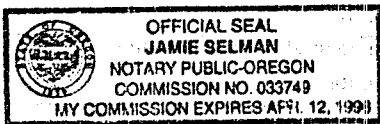
IN WITNESS WHEREOF, the undersigned has executed this agreement; if the undersigned is a corporation, it has caused its name to be signed and its seal, if any, affixed by an officer or other person duly authorized to do so by order of its board of directors.

*Pat Angus*

STATE OF OREGON, County of Multnomah ) ss.

This instrument was acknowledged before me on April 24, 1996

by Pat Angus  
as Loan Officer in Lending Services  
of Portland Teachers Credit Union



*[Signature]*

Notary Public for Oregon

My commission expires 4-12-98

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of AmeriTitle the 8th day  
of May A.D., 19 96 at 3:33 o'clock P M., and duly recorded in Vol. M96  
of Mortgages on Page 13201

FEE \$15.00

Bernetha G. Letsch, County Clerk

By *[Signature]*