

SUBORDINATION AGREEMENT

FOR ONE DOLLAR AND NO/100ths (\$.00) and other good and valuable consideration, the SMALL BUSINESS ADMINISTRATION (SBA), an Agency of the United States of America, reference docket No EIDL 601947530-06 OR, hereby agrees that the lien of its Deed of Trust, dated February 7, 1994, and recorded November 17, 1994, Volume M94, Page No. 35445-35448, records of Klamath County, State of Oregon, given to secure the payment of \$18,300.00, with interest thereon, executed by Roberto R. Davila and Sylvia R. Davila, husband and wife, as Grantor, to the SMALL BUSINESS ADMINISTRATION, as Trustee, and as Beneficiary, shall be junior and subordinate to the lien of the Transamerica Financial Services (Transamerica), not yet recorded, given to secure the payment of a Note of no more than \$118,000.00 with interest thereon, executed by Roberto R. Davila And Sylvia R. Davila, to Transamerica; provided, however, that this Subordination Agreement shall be limited to \$118,000.00, with interest thereon, and shall not extend to any further advances of Transamerica.

IN WITNESS WHEREOF, this instrument has been executed by the Chief, Portfolio Management Division, Portland District Office, SMALL BUSINESS ADMINISTRATION, an Agency of the United States of America, at Portland, Oregon, this 19th day of August, 1996, pursuant to the authority contained in 44 FR 59499, as corrected in 44 FR 64401, as amended.

SMALL BUSINESS ADMINISTRATION

By:

Wayne E. Carver
Wayne E. Carver, Chief
Portfolio Management Division
Portland District Office

STATE OF OREGON)
) ss
COUNTY OF MULTNOMAH)

This certifies that before me on this day there personally appeared Wayne E. Carver, to me known to be the Chief, Portfolio Management Division, Portland District Office, of the SMALL BUSINESS ADMINISTRATION, an Agency of the United States of America, and acknowledged to me that he executed the foregoing instrument as the free and voluntary act and deed of SMALL BUSINESS ADMINISTRATION for the uses and purposes therein mentioned, and on oath stated that he was duly and regularly authorized to execute the same on its behalf.

IN WITNESS WHEREOF, my hand and official seal this 19th day of August, 1996.

STATE OF OREGON, ss.
County of Klamath

Filed for record at request of:

Aspen Title

on this 27th day of Aug A.D., 19 96
at 3:53 o'clock P.M. and duly recorded
in Vol. M96 of Mortgages Page 26577.

Bernetha G. Letsch County Clerk

By *Bernetha G. Letsch*
Deputy.

Fee, \$10.00

