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MTC 39105

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## SUBORDINATION AGREEMENT

Forest Products Federal Credit Union

To

Klamath First Federal Savings and  
Loan

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

KEFSL LOAN #090-57-16273

540 MAIN STREET

KLAMATH FALLS, OREGON 97601

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 \_\_\_\_\_, 19\_\_\_\_, at  
\_\_\_\_\_ o'clock \_\_\_\_\_ M., and recorded in  
book/reel/volume No. \_\_\_\_\_ on page  
\_\_\_\_\_ and/or as fee/file/instru-  
ment/microfilm/reception No. \_\_\_\_\_,  
Records of said County.

Witness my hand and seal of County  
affixed.

NAME

TITLE

By \_\_\_\_\_, Deputy.

THIS AGREEMENT made and entered into this \_\_\_\_\_ 16 \_\_\_\_\_ day of \_\_\_\_\_ October \_\_\_\_\_, 19\_\_\_\_, by and between \_\_\_\_\_ Forest Products Federal Credit Union \_\_\_\_\_ hereinafter called the first party, and \_\_\_\_\_ Klamath First Federal Savings and Loan Association \_\_\_\_\_ hereinafter called the second party, WITNESSETH:

On or about \_\_\_\_\_ May 11 \_\_\_\_\_, 1990, \_\_\_\_\_ Dale C. Cheyne and Patricia R. Cheyne \_\_\_\_\_, being the owner of the following described property in \_\_\_\_\_ Klamath \_\_\_\_\_ County, Oregon, to-wit:

Lot 5, Block 3 of Tract No. 1172, Shield Crest, according to the official plat thereof on file in the office of the County Clerk, Klamath County, Oregon,

Together with other property immaterial

TOGETHER WITH AN UNDIVIDED INTEREST IN ALL THOSE RADS SHOWN ON THE PLAT AND MORE PARTICULARLY DESCRIBED IN DECLARATION RECORDED IN VOLUME M84 PAGE 4256, RECORDS OF KLAMATH COUNTY, OREGON.

(IF SPACE INSUFFICIENT, CONTINUE DESCRIPTION ON REVERSE)

executed and delivered to the first party a certain \_\_\_\_\_ Trust Deed \_\_\_\_\_

(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 \$150,000.00, which lien was:

- Recorded on \_\_\_\_\_ May 15 \_\_\_\_\_, 1990, in the Records of \_\_\_\_\_ Klamath \_\_\_\_\_ County, Oregon, in book/reel/volume No. \_\_\_\_\_ M-90 \_\_\_\_\_ at page \_\_\_\_\_ 9202 \_\_\_\_\_ and/or as fee/file/instrument/microfilm/reception No. \_\_\_\_\_ 14854 \_\_\_\_\_ (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, notice of which was given by the filing on \_\_\_\_\_, 19\_\_\_\_, of a financing statement in the office of the Oregon ☐ Secretary of State ☐ Dept. of Motor Vehicles (indicate which) where it bears file No. \_\_\_\_\_ and in the office of the \_\_\_\_\_ of \_\_\_\_\_ County, Oregon, where it bears fee/file/instrument/microfilm/reception No. \_\_\_\_\_ (indicate which).

Reference to the document so recorded or filed is hereby 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 \$120,000.00 to the present owner of the property, with interest thereon at a rate not exceeding \_\_\_\_\_ 9.0 \_\_\_\_\_ % 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 \_\_\_\_\_ ☐ days ☐ years (indicate which) from its date.

(OVER)



To induce the second party to make the loan last mentioned, the first party 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, on behalf of the first party and also on behalf of the first party's personal representatives, successors, and assigns, hereby covenants, consents and agrees to and with the second party and second party's personal representatives, 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 the second party's lien in all respects shall be first, prior and superior to that of the first party, provided always, however, that if the second party's lien is not duly filed or recorded, or an appropriate financing statement with respect thereto duly filed within 120 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.

*Cheri R. Baugh*

STATE OF OREGON, County of Klamath ) ss.

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

by \_\_\_\_\_

This instrument was acknowledged before me on October, 1996,

by Cheri R. Baugh

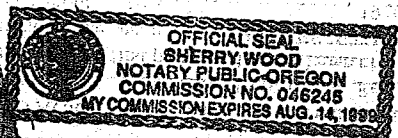
as President / CEO

of Forest Products Federal Credit Union

*Sherry Wood*

Notary Public for Oregon

My commission expires Aug. 14, 1999



STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Amerititle the 21st day  
of October A.D., 19 96 at 3:54 o'clock P.M., and duly recorded in Vol. M96,  
of Mortgages on Page 33292.

FEE \$15.00

Bernetha G. Letsch County Clerk

By

*Kathleen Ross*