

30082

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THIS AGREEMENT, Made and entered into this 23rd day of December, 1996, by and between South Valley State Bank hereinafter called the first party, and Klamath First Federal Saving and Loan Association hereinafter called the second party; WITNESSETH:
On or about November 23, 1994, Allan L. Craigmiles and Jane A. Craigmiles, being the owner of the following described property in Klamath County, Oregon, to-wit:

Unit A of Building No. 3, (TAGE II PLAT OF TRACT 1271 - S FIELD CREST CONDOMINIUM), according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

Together with that interest in common areas as disclosed by Declaration of Shield Crest Condominiums recorded April 23, 1991, and Supplemented by Supplemental Declaration.

Also together with an undivided interest in all those private roads shown on the plat and more particularly described in Declaration recorded in Volume M84, page 4256, and in Easement recorded May 23, 1990, in Volume M90, page 9828, Microfilm Records 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 \$79,800.00, which lien was:
*Recorded on January 12, 1995, in the deed Records of Klamath County, Oregon, in book/reel/volume No. M95 at page 868 and/or as fee/file/instrument/microfilm/reception No. (indicate which).

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

~~Created by recording instrument of the Secretary of State of a financing statement in the office of the Oregon Secretary of State and in the office of the County Clerk of Klamath County, Oregon where it bears fee/file/instrument/microfilm/reception No. (indicate which).~~

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 \$85,000.00 to the present owner of the property, with interest thereon at a rate not exceeding 7.00% per annum. This loan is to be secured by the present owner's first trust deed (hereinafter called

(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 15 years from its date.

SUBORDINATION AGREEMENT

South Valley State Bank

To Klamath First Federal S&L Assn.

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

KFFS&L RE: #090-04-16306
540 Main St.
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'clock _____ M., 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 60 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: William E. Castle

STATE OF OREGON, County of KLAMATH

) ss.

This instrument was acknowledged before me on DECEMBER 5, 1996

by WILLIAM E. CASTLE

This instrument was acknowledged before me on _____, 19____

by _____

as _____

of _____

Mindy Rutledge

Notary Public for Oregon

My commission expires DEC-1997



STATE OF OREGON : COUNTY OF KLAMATH:

Filed for record at request of _____, Agent, title _____ the 17th day
of December A.D. 1996 at 3:09 o'clock P. M., and duly recorded in Vol. 196
of Mortgages on Page 39182

FEE \$15.00

County Clerk
by Bernetha Letsch

Kathleen Rose