

30304

RECORDING REQUESTED BY

WELLS FARGO BANK, N.A.
AND WHEN RECORDED MAIL TO:WELLS FARGO BANK, N.A.
BEAVERTON LOAN CENTER
ATTN. COLLATERAL CONTROL
PO BOX 5140
PORTLAND, OR 97208-5140Vol. 1796 Page 39700
DEC 23 AM 37

SPACE ABOVE THIS LINE FOR RECORDER'S USE

MTC 39732

Loan No. 513-001-0183954-8001**SUBORDINATION AGREEMENT - FORM A**
(RECORDED DEED OF TRUST TO DEED OF TRUST TO RECORD)

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

THIS AGREEMENT, made this 8th day of November, 19 96, by Frederick L. Zwartverwer and Merlaine S. Zwartverwer, husband and wife owner of the land hereinafter described and hereinafter referred to as "Owner", and Wells Fargo Bank, N.A. present owner and holder of DEED OF TRUST and note first hereinafter described and hereinafter referred to as "Beneficiary";

WITNESSETH

THAT WHEREAS, FREDERICK L. ZWARTVERWER AND MERLAINE S. ZWARTVERWER, did execute a DEED OF TRUST, dated, January 26, 1987 to Mt. Title Co., as trustee, covering:

THE WESTERLY 17.5 FEET OF LOT 4, ALL OF LOTS 5 AND 6 AND THE EASTERLY 15 FEET OF LOT 7, BLOCK 13, MOUNTAIN VIEW ADDITION, TO THE CITY OF KLAMATH FALLS, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE COUNTY CLERK OF KLAMATH COUNTY, OREGON. ASSESSOR'S IDENTIFICATION NO.:3809-021CC-01300.

to secure a note in the sum of \$ 20,000.00, dated January 26, 1987, in favor of First Interstate Bank of Oregon, N.A., which DEED OF TRUST was recorded January 27, 1987, as Volume M87, Page 1364, Official Records of said county; andWHEREAS, Owner has executed, or is about to execute, a DEED OF TRUST and note in the sum of \$65,000.00, dated November 1, 1996, in favor of Klamath First Federal Savings and Loan Association, hereafter referred to as "Lender", payable with interest and upon the terms and conditions described therein, which DEED OF TRUST is to be recorded concurrently herewith; and

WHEREAS, it is a condition precedent to obtaining said loan that said DEED OF TRUST last above mentioned shall unconditionally be and remain at all times a lien or charge upon the land hereinbefore described, prior and superior to the lien or charge of the DEED OF TRUST first above mentioned; and

WHEREAS, Lender is willing to make said loan provided the DEED OF TRUST securing the same is a lien or charge upon the above described property prior and superior to the lien or charge of the DEED OF TRUST first above mentioned and provided that Beneficiary will specifically and unconditionally subordinate the lien or charge of the DEED OF TRUST first above mentioned to the lien or charge of the DEED OF TRUST in favor of the Lender; and

WHEREAS, it is to the mutual benefit of the parties hereto that Lender make such loan to Owner; and Beneficiary is willing that the DEED OF TRUST securing the same shall, when recorded, constitute a lien or charge upon said land which is unconditionally prior and superior to the lien or charge of the DEED OF TRUST first above mentioned.

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce Lender to make the loan above referred to, it is hereby declared, understood and agreed to as follows:

(1) That said DEED OF TRUST securing said note in favor of Lender, and any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the property therein described, prior and superior to the lien or charge of the trust first above mentioned.

(2) That Lender would not make its loan above described without this subordination agreement.

(3) That this agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the DEED OF TRUST first above mentioned to the lien or charge of the DEED OF TRUST in favor of Lender above referred to and shall supersede and cancel, but only insofar as would affect the priority between the deeds of trust hereinbefore specifically described, any prior agreements as to such subordination including, but not limited to, those provisions, if any, contained in the DEED OF TRUST first above mentioned, which provide for the subordination of the lien or charge thereof to another deed or deeds of trust or to another mortgage or mortgages.

Beneficiary declares, agrees and acknowledges that:

(a) He consents to and approves (i) all provisions of the note and DEED OF TRUST in favor of Lender above referred to, and (ii) all agreements, including but not limited to any loan or escrow agreements, between Owner and Lender for the disbursement of the proceeds of Lender's loan;

(b) Lender in making disbursements pursuant to any such agreement is under no obligation or duty to, nor has Lender represented that it will, see to the application of such proceeds by the person or persons to whom Lender disburses such proceeds and any application or use of such proceeds for purposes other than those provided for in such agreement or agreements shall not defeat the subordination herein made in whole or in part;

(c) He intentionally waives, relinquished and subordinates the lien or charge of the DEED OF TRUST first above mentioned in favor of the lien or charge upon said land of the DEED OF TRUST in favor of Lender above referred to and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination specific loans and advances are being and will be made and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination; and

(d) An endorsement has been placed upon the note secured by the DEED OF TRUST first above mentioned that said DEED OF TRUST has by this instrument been subordinated to the lien or charge of the DEED OF TRUST in favor of Lender above referred to.

NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF LAND.

Beneficiary

Wells Fargo Bank, N.A.
WELLS FARGO BANK, N.A., formerly known as
FIRST INTERSTATE BANK OF OREGON, N.A.

State of OREGON
County of WASHINGTON) ss. On
11-5-96 before me the
undersigned, a Notary Public in and for said state
personally appeared G. Walden
Banking Officer

personally known to me (or proved to me on the basis of
satisfactory evidence) to be the person(s) whose
name(s) is/are subscribed to the within instrument and
acknowledge to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by
his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the
person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Carol S. Dick
Notary Public in and for said County and State

Carol S. Dick
(Notary's name must be typed or legibly printed)
NOTARY STAMP OR SEAL



Fredrick L. Zwaartwener
FREDRICK L. ZWAARTWENER

Merlaine S. Zwaartwener
MERLAINE S. ZWAARTWENER

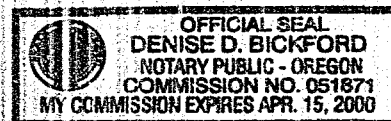
State of Oregon
County of Klamath) ss. On
November 3, 1996 before me the
undersigned, a Notary Public in and for said state
personally appeared Fredrick L. Zwaartwener
& Merlaine S. Zwaartwener

personally known to me (or proved to me on the basis of
satisfactory evidence) to be the person(s) whose
name(s) is/are subscribed to the within instrument and
acknowledge to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by
his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the
person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Denise D. Bickford
Notary Public in and for said County and State

Denise D. Bickford
(Notary's name must be typed or legibly printed)
NOTARY STAMP OR SEAL



STATE OF OREGON - COUNTY OF KLAMATH: ss.

Filed for record at request of Ameriti-le the 23rd day
of December A.D. 1996 at 11:37 o'clock A. M., and duly recorded in Vol. M96
of Mortgages on Page 39700

FEE \$20.00

by Bernetha G. Letsch, County Clerk
Kathleen Kiser