

35480

AFTER RECORDING RETURN TO:
Texas Commerce Bank National
Association, as Master Servicer
P.O. Box 2558
Houston, Texas 77252-8069

MTC 40829-KA
LIEN SUBORDINATION AGREEMENT

ocw-b by Kew-B
MRWS by Kew-B
Vol. m92 Page 10011

This Lien Subordination Agreement (this "Agreement") dated as of March 28, 1997, between STAR MARKETERS ACCEPTANCE CORP. ("MAC"), a Delaware non-stock corporation whose address is P.O. Box 2505, Houston, Harris County, Texas 77252-2505, and O.C. Webb-Bowen and Marie R. Webb-Bowen (the "Subordinate Lender"), residents of Oregon whose address is 2114 Watson St., Klamath Falls, Klamath County, Oregon 97603;

WITNESSETH:

WHEREAS, the Subordinate Lender is the legal and beneficial owner and holder of that certain promissory note (as the same has been renewed, extended, rearranged and replaced, the "Subordinate Note") made by Rod L. Slade (the "Borrower"), an Oregon resident, dated December 31, 1990 and in the principal amount of \$501,363.13;

WHEREAS, the Subordinate Note is secured, among other security, by that certain Trust Deed (as the same has been amended, supplemented and restated, and including any other documents covering any fixtures or other property of the Borrower now or hereafter attached to or located at the real property covered thereby, the "Subordinate Mortgage") dated December 31, 1990 and recorded January 4, 1991, in Volumes M91 and Page 216, Klamath County records; the Subordinate Mortgage covers, among other property, the property (the "Mortgaged Property") described on Exhibit A, attached hereto and hereby made a part hereof;

WHEREAS, the Borrower has made that certain promissory note (the "MAC Note") of even date herewith, payable to the order of MAC and in the original principal amount of \$739,500.00;

WHEREAS, the MAC Note is secured, among other security, by (a) that certain Deed of Trust (as amended, supplemented and restated, the "MAC Mortgage") of even date therewith, from the Borrower, to MAC and Amerititle (the "Trustee") and covering the Mortgaged Property and (b) that certain Security Agreement (as amended, supplemented and restated, the "MAC Security Agreement") of even date therewith, between the Borrower and MAC and covering certain fixtures and personal property affixed to or located at the Mortgaged Property; and

WHEREAS, MAC and the Subordinate Lender desire to cause the liens, security interests, assignments and other encumbrances (collectively, "Liens") of the Subordinate Mortgage (the "Subordinate Liens") to be subordinate to the Liens of the MAC Mortgage and the MAC Security Agreement (collectively, the "MAC Liens");

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, MAC and the Subordinate Lender agree as follows:

- 1. Subordination.** The Subordinate Lender subordinates the Subordinate Liens and all of the Subordinate Lender's other rights against the Mortgaged Property and the fixtures and personal property now or hereafter attached thereto or located thereon to the MAC Liens on the Mortgaged Property and such fixtures and personal property.
- 2. No Foreclosure.** The Subordinate Lender agrees that it will not foreclose any of the Subordinate Liens, commence any proceeding to foreclose any of the Subordinate Liens or consent to any transfer of any or all of the property covered by the Subordinate Mortgage in lieu of foreclosure unless and until the MAC Note has been paid in full.
- 3. Remains Effective.** The Subordinate Liens shall remain subordinate to the MAC Liens and this Agreement shall remain in full force and effect, regardless of frequency or manner of renewal, extension, increase, change or other alteration of the MAC Note the MAC Mortgage and/or the MAC Security Agreement and Subordinate Lender hereby consents to and waives notice of any renewal, extension, modification or increase or other alteration of the MAC Note, the MAC Mortgage, or the MAC Security Agreement.
- 4. Attorney fees.** If suit or action shall be instituted to enforce the terms hereof, the prevailing party shall be entitled to such sums as the court shall adjudge reasonable attorneys fees, at trial, on appeal, in bankruptcy proceeding, and upon any review thereof.
- 5. Bankruptcy.** If the Borrower becomes insolvent or bankrupt, this Agreement shall remain in full force and effect and shall constitute an assignment by the Subordinate Lender to MAC of any distributions paid or payable to the Subordinate Lender from the assets of the Borrower. Any excess of such distributions after payment in full of all amounts owing to the MAC shall be paid to the Subordinate Lender.
- 6. Miscellaneous.** This Agreement (a) shall be binding upon and inure to the benefit of the Subordinate Lender, MAC and their respective heirs, beneficiaries, administrators, executors, personal representatives, successors, assigns, receivers and trustees; (b) may be modified or amended only by a writing signed by each party, and (c) embodies the entire agreement and understanding between the parties with respect to the subject matter hereof and supersedes all prior agreements, consents and understandings related to such subject matter. The headings herein shall be accorded no significance in interpreting this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date set forth above.

STAR MARKETERS ACCEPTANCE CORP.

By: TEXAS COMMERCE BANK NATIONAL
ASSOCIATION, as Master Servicer

X By: Caroline H. Creeden
X Name: Caroline H. Creeden
X Title: Senior Vice President

O.C. Webb-Bowen
O.C. Webb-Bowen

Marie R. Webb-Bowen
Marie R. Webb-Bowen

Exhibit A - Property Description

THE STATE OF OREGON §

10012

COUNTY OF Klamath §

This instrument was acknowledged before me on March 31, 1997, by O. C. Webb-Bowen.



[SEAL]

Kristi L. Redd
(Signature of notarial officer)

NOTARY PUBLIC FOR OREGON

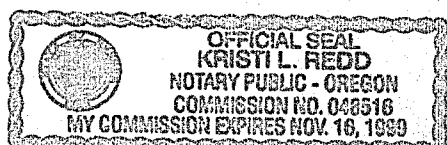
Title

My Commission Expires: 11/16/99

THE STATE OF OREGON §

COUNTY OF Klamath §

This instrument was acknowledged before me on March 31, 1997, by Marie Webb-Bowen.



[SEAL]

Kristi L. Redd
(Signature of notarial officer)

NOTARY PUBLIC FOR OREGON

Title

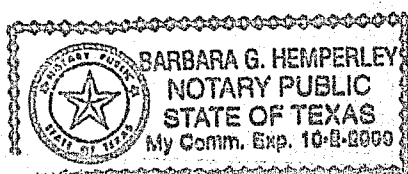
My Commission Expires: 11/16/99

THE STATE OF TEXAS §

§

COUNTY OF HARRIS §

This instrument was acknowledged before me on April 3, 1997, by Caroline H. Creeden, as Senior Vice President of Texas Commerce Bank National Association, a national banking association, acting in its capacity as master servicer for Star Marketers Acceptance Corp., a Delaware non-stock corporation, and the said Caroline H. Creeden acknowledged the execution of the instrument to be the voluntary act and deed of said association by it voluntarily executed.



[SEAL]

Barbara G. Hemperley
(Signature of notarial officer)

Barbara G. Hemperley

Title

My Commission Expires: 10-2-2000

EXHIBIT "A"
LEGAL DESCRIPTION

10013

PARCEL 1

All that portion of the SW1/4 NE1/4, SE1/4 NW1/4 of Section 30, Township 39 South, Range 9 East of the Willamette Meridian, more particularly described as follows:

Beginning at a point on the northwesterly right of way line of the Klamath Falls Weed State Highway in the SW1/4 NE1/4 of Section 30, Township 39 South, Range 9 East of the Willamette Meridian, which point of beginning is 1320 feet North of the quarter corner common to Sections 30 and 31, Township 39 South, Range 9 East of the Willamette Meridian, and South 89 degrees 44' West 1015 feet along the South line of the NE1/4 SW1/4 of Section 30 to the northwesterly right of way line of said highway; thence along said highway right of way line as follows: North 36 degrees 34' East 1792.17 feet; South 53 degrees 26' East 25.0 feet; thence North 36 degrees 34' East 412.3 feet to the true point of beginning of the tract herein described; thence continuing North 36 degrees 34' East 455 feet to a point, which is the most southerly corner of the tract conveyed to Robert D. McPherson by deed recorded October 8, 1956, in Volume 287 page 160; Deed Records, Klamath County, Oregon; thence North 53 degrees 26' West along the Southerly line of said McPherson Tract to the southeasterly right of way line of the Southern Pacific Railroad right of way; thence Southwesterly along said southeasterly right of way line of the Southern Pacific Railroad to a point which is North 53 degrees 26' West to the true point of beginning; thence South 53 degrees 26' East to the true point of beginning.

PARCEL 2

A parcel of land lying in the SW1/4 NE1/4 of Section 30, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, described as follows: Beginning at a point on the Northwesterly right of way line of the Klamath Falls-Weed State Highway in the SW1/4 NE1/4 of Section 30, Township 39 South, Range 9 East of the Willamette Meridian, which point of beginning is North 1320 feet; thence South 89 degrees 44' West 1,015 feet along the South line of the NE1/4 SW1/4 of Section 30, to the Northwesterly right of way line of said highway, and thence along said highway right of way, as follows: North 36 degrees 34' East 1,792.17 feet South 53 degrees 26' East 25.0 feet and North 36 degrees 34' East 867.43 feet from the one quarter corner common to Sections 30 and 31 of said township and range; thence North 53 degrees 26' West 487.8 feet, more or less, to the Southeasterly right of way line of the Southern Pacific Railroad; thence North 33 degrees 38' East 276.0 feet along said railroad right of way line to the North line of said SW1/4 NE1/4 of Section 30, thence South 89 degrees 49' East 624.1 feet along said North line of the SW1/4 NE1/4 of Section 30, to the Northwesterly right of way line of said highway; thence South 36 degrees 34' West 646.6 feet along said right of way line to the point of beginning.

STATE OF OREGON : COUNTY OF KLAMATH: ss.

Filed for record at request of Amerititle
of April A.D., 19 97 at 3:39 o'clock P. M., and duly recorded in Vol. M97
of Mortgages on Page 10011

FEE \$20.00

Bernetha G. Letsch, County Clerk

by Pauline Mullins