

40186

WHEREAS, the SMALL BUSINESS ADMINISTRATION ("SBA"), an agency of the United States of America, regarding loan #DLB 603164-30-03, is the beneficiary of a Deed of Trust dated November 4, 1993, and recorded on December 8, 1993, as Document #72456 in Book M-93, Page 32570-32573, in the records of Klamath County, State of Oregon ("SBA Deed of Trust").

WHEREAS, Transamerica Financial Services Inc., a California Corporation ("Transamerica"), is the beneficiary of a Deed of Trust dated August 22, 1996, and recorded on August 28, 1996, as Document #23969 in Book M-96, Page 26701, in the records of Klamath County, State of Oregon ("Transamerica Deed of Trust").

WHEREAS, the SBA executed a Partial Subordination Agreement, which was recorded on August 27, 1996, under Document #23912 in Book M-96, Page 26576, in the records of Klamath County, State of Oregon ("SBA's Partial Subordination Agreement"), subordinating the SBA's Deed of Trust to the Transamerica Deed of Trust on the real property described to-wit:

Lot 6 Winema Gardens, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, Excepting therefrom the Northwesterly 17.9 feet thereof.

WHEREAS, the intent of the SBA and Transamerica in recording the Partial Subordination Agreement described above was to put Transamerica in the same position as the previous lien for the debt that Transamerica refinanced (as evidenced by telephonic communications and letters between the SBA and Transamerica);

WHEREAS, the Transamerica Deed of Trust and the SBA's Partial Subordination Agreement together put Transamerica in a better position than was intended by the parties;

NOW THEREFORE THE PARTIES AGREE:

The SBA's Partial Subordination Agreement (on the real property described above), which was recorded August 27, 1996, under Document #23912 in Book M-96, Page 26576, shall be limited to \$70,161.34, with interest thereon, and shall not extend to any further advances of Transamerica.

TRANSAMERICA FINANCIAL SERVICES, INC.,
a California Corporation

By: Robert D. Carman
Robert D. Carman, District Manager

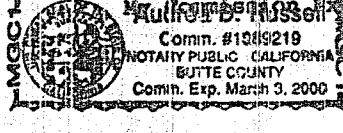
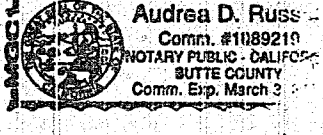
SMALL BUSINESS ADMINISTRATION

By: Wayne E. Carver
Wayne E. Carver, Chief
Portfolio Management Division
Portland District Office (1086)

STATE OF California)
COUNTY OF Butte) ss

This certifies that before me on this date there personally appeared Robert D. Carman, to me known to be the District Manager for TRANSAMERICA FINANCIAL SERVICES, INC., a California Corporation ("TRANSAMERICA" hereafter), and acknowledged to me that he executed the foregoing instrument as the free and voluntary act and deed of TRANSAMERICA 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 & official seal this 4th day of June, 1997.



STATE OF OREGON)
COUNTY OF MULTNOMAH) ss

This certifies that before me on this date 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 & official seal this ninth day of June, 1997.

STATE OF OREGON,
County of Klamath ss.

Filed for record at request of:

Small Business Admin.

on this 27th day of June A.D., 1997
at 3:28 o'clock P. M. and duly recorded
in Vol. M97 of Mortgages Page 20150

Bernetha G. Letsch, County Clerk

By: Kathleen Russ
Fee, \$10.00 Deputy



OFFICIAL SEAL
PAMELA S. ADAMS
NOTARY PUBLIC - OREGON
COMMISSION NO. 024545
MY COMMISSION EXPIRES JUNE 16, 1997

97 JUN 27 P 3:28

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