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Vol. 171 Page 15837

Recording Requested By and
When Recorded Mail to:

CITICORP NORTH AMERICA, INC.,
as Agent for TOSCO Corporation
2500 Michelson Drive, Suite 1200
Irvine, California 92612
Attention: COMPLIANCE OFFICER

RE: Clough Oil/Klamath Falls, OR

K-51532

SUBORDINATION AGREEMENT

THIS SUBORDINATION AGREEMENT (the "Agreement"), dated as of January 29, 1998, between TOSCO CORPORATION, a Nevada corporation, having an office at 601 Union Street, Suite 2500, Seattle, WA 98101 (the "Beneficiary"), CLOUGH OIL COMPANY, an Oregon corporation, having an office at, 3303 Washburn Way, Klamath Falls, Oregon 97601, as Sublandlord ("Borrower"), and Emily Glogowski, having an office at, 5800 South 6th Street, Klamath Falls, Oregon 97603, as lessee (hereinafter "Tenant").

WITNESSETH:

WHEREAS, Clough Oil Company, an Oregon corporation, as Borrower and Tenant, as tenant, are the current parties to the sublease (the "Lease"), dated February 5, 1997, covering land and improvements in Klamath County, Oregon, more particularly described in Exhibit A (collectively, the "Property"); and

WHEREAS, the Beneficiary is the holder of a deed of trust (the "Deed of Trust"), covering the Property; and

WHEREAS, the Beneficiary wishes to be assured that the Lease is subject and subordinate to the Deed of Trust:

NOW, THEREFORE, for valuable consideration, the Beneficiary, Borrower and the Tenant agree as follows:

1. The Lease is and shall continue to be subject and subordinate in all respects to the lien of the Deed of Trust and any renewals, modifications, consolidations, replacements and extensions thereof.

2. Upon the completion of foreclosure proceedings or cancellation of Lease for whatever reason, and if the Beneficiary notifies the Tenant that it has elected not to terminate the Lease to become the landlord under the Lease (or any new lease in substitution therefor), the Tenant

shall attorn to the purchaser at foreclosure or to the Beneficiary, as the case may be, and shall recognize such purchaser or the Beneficiary, as the case may be, as the Tenant's landlord under the Lease. From time to time upon the request of the purchaser at foreclosure or the Beneficiary, as the case may be, the Tenant shall execute and deliver any instrument specified in such request as may be reasonably necessary to effect such attornment or subordination or to confirm or evidence the same.

3. The Tenant waives the provisions of any statute or rule of law now or hereafter in effect which accords the Tenant any right of election to terminate the Lease or to surrender possession of the Property if foreclosure proceedings are instituted under the Deed of Trust. The Tenant shall, upon demand of the Beneficiary or any receiver in foreclosure, pay to the Beneficiary or to such receiver, as the case may be, all basic rent, additional rent and all other charges becoming due under the Lease after such demand.

4. Upon attornment by the Tenant pursuant to paragraph 2, the Lease shall continue in full force and effect as a direct lease between the purchaser at foreclosure or the Beneficiary, as the case may be, and the Tenant, upon all of the terms of the Lease, except that such purchaser or the Beneficiary, as the case may be, shall not:

- (a) be liable for any previous act or omission of the landlord under the Lease;
- (b) be subject to any offset, defense or counterclaim which shall have theretofore accrued to the Tenant against the landlord under the Lease;
- (c) be bound by any prepayment of more than one month's basic rent or additional rent under the Lease (except for prepayments in the nature of security for the performance by the Tenant of its obligations under the Lease, but only to the extent received by the Beneficiary), unless such prepayment shall have been approved by the Beneficiary; or
- (d) be bound by any amendment or modification of the Lease after the date hereof made without the Beneficiary's consent.

5. This Agreement contains the entire understanding between the Beneficiary, Borrower and the Tenant with respect to the subject matter hereof, and may not be changed except by an instrument signed by the party to be charged.

6. All notices, approvals and other communications hereunder shall be in writing and sent by registered or certified mail, return receipt requested, addressed to the appropriate party at its address above set forth or to such other address as such party shall specify by notice to the other.

7. This Agreement shall run with the Property and shall be binding upon and inure to the benefit of the Beneficiary, Borrower and the Tenant and their respective legal representatives, heirs, successors and assigns, as the case may be.

15839

7. This Agreement shall run with the Property and shall be binding upon and inure to the benefit of the Beneficiary, Borrower and the Tenant and their respective legal representatives, heirs, successors and assigns, as the case may be.

IN WITNESS WHEREOF, the Beneficiary, Borrower and the Tenant have executed this Agreement the day and year first above written.

"BENEFICIARY"

TOSCO CORPORATION,
a Nevada corporation

By: CITICORP NORTH AMERICA, INC.,
as Agent

By:

Name:

Its:

Vice President

"BORROWER"

CLOUGH OIL COMPANY,
an Oregon corporation

By:

Its:

Edwin J. Clough, III
President

"TENANT"

Emily Glogowski

Emily A. Glogowski
Emily Glogowski

15840

EXHIBIT A

Legal Description of Property:

Parcel 1 of Minor Land Partition 41-91, filed August 22, 1991, in Klamath County, Oregon, being a portion of Lots 3, 4 and 5 of Block 2, HOMELAND TRACTS, according to the official plat thereon on file in the office of the County Clerk of Klamath County, Oregon.



Common Address: 5800 South 6th Street, Klamath Falls, Oregon 97601

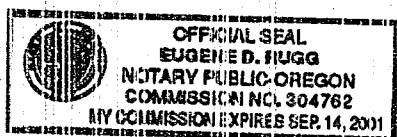
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ACKNOWLEDGMENT

STATE OF)
) ss:
 COUNTY OF)

I, EUGENE D. HUGG, a Notary Public, do hereby certify that
EUGENE D. HUGG, personally known to me to be the _____ president of
CLOUGH OIL, a ENVELOPE corporation, and _____
 personally known to me to be the _____ secretary of said corporation, and
 personally known to me to be the same persons whose names are subscribed to the foregoing
 document, appeared before me this day in person and severally acknowledged that as such
 _____ president and _____ secretary they signed and delivered the said document
 as _____ president and _____ secretary of said corporation, pursuant to authority
 given by the Board of Directors of said corporation as their free and voluntary act, and as the free
 and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

Given under my hand and notarial seal, this 18 day of MAY, 1988



Eugene D. Hugg
 Notary Public

Type or
 Print Name: EUGENE D. HUGG

My commission expires:

9-14-2001

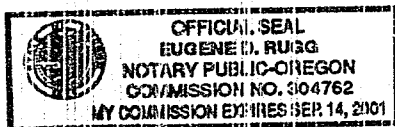
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ACKNOWLEDGMENT

STATE OF)
) ss:
 COUNTY OF)

I, EUGENE D RUGG, a Notary Public, do hereby certify that
NINA (family) GLADKOWSKI, personally known to me to be the TENANT president of
5800 S.W. ST., a _____ corporation, and _____,
 personally known to me to be the _____ secretary of said corporation, and
 personally known to me to be the same persons whose names are subscribed to the foregoing
 document, appeared before me this day in person and severally acknowledged that as such
 _____ president and _____ secretary they signed and delivered the said document
 as _____ president and _____ secretary of said corporation, pursuant to authority
 given by the Board of Directors of said corporation as their free and voluntary act, and as the free
 and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

Given under my hand and notarial seal, this 18 day of MARCH, 1998



Eugene D Rugg
Eugene D Rugg

Notary Public

Type or
 Print Name: EUGENE D RUGG

My commission expires:

9-14-2001

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of

California

County of

Orange

On

May 6, 1998

Date

before me,

Grisel M. Abassi

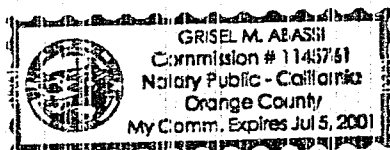
Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared

Gill C. Casselman

(Name(s) of Signer(s))

☒ 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 acknowledged 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.

Signature of Notary Public

- OPTIONAL -

Though the information below is not required by law it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document:

Subordination Agreement

Document Date:

January 29, 1998

Number of Pages:

7

Signer(s) Other Than Named Above:

None

Capacity(ies) Claimed by Signer(s)

Signer's Name:

Gill C. Casselman

Signer's Name:

☐ Individual☒ Corporate Officer

Title(s):

Vice President☐ Partner☐ Limited☐ General☒ Attorney-in-Fact☐ Trustee☐ Guardian or Conservator☐ Other:

Top of thumb here

Signer Is Representing:

Citigroup North America, Inc.☐ Individual☐ Corporate Officer

Title(s):

☐ Partner☐ Limited☐ General☐ Attorney-in-Fact☐ Trustee☐ Guardian or Conservator☐ Other:

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Signer Is Representing:

STATE OF OREGON: COUNTY OF KLAMATH

Filed for record at request of First American Title the 11th day of May A.D., 19 98 at 11:27 o'clock A.M., and duly recorded in Vol. M98 of Mortgages on Page 15837.

FEE

\$40.00

By

Bernetha G. Letsch, County Clerk