

JAN 12 1999
SUBORDINATION AGREEMENT

Klamath County Pure Project

To
Forest Products Federal Credit Union

After recording, return to place, address, zip:

Forest Products Federal C u
P.O. Box 1179
Klamath Falls, Oregon 97601

SPACE RESERVED
FOR
RECORDER'S USE

Vol. M99 Page 1059

STATE OF OREGON,
County of _____ } ss.
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/instru-
ment/microfilm/reception No. _____,
Records of said County.
Witness my hand and seal of County
affixed.

By _____ NAME _____ TITLE _____, Deputy.

THIS AGREEMENT made and entered into this _____ day of January, 19____,
by and between Klamath County Pure Project
hereinafter called the first party, and Forest Products Federal Credit Union
hereinafter called the second party, WITNESSETH:
On or about July 30, 19____, Charles E. Sikes and Vicki L. Sikes
being the owner of the following described property in Klamath County, Oregon, to-wit:

Lot 81, and the Easterly 26 feet of Lot 80, LEWIS TRACTS, in the County of Klamath,
State of Oregon

CODE 41 MAP 3809-35C7 TL 1400

(IF SPACE INSUFFICIENT, CONTINUE DESCRIPTION ON REVERSE)

executed and delivered to the first party a certain Trust Deed

(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 \$ 3,500.00, which lien was:
X Recorded on July 30, 19____, in the Records of Klamath County, Oregon, in
book/reel/volume No. M-93 at page 18847 and/or as fee/file/instrument/microfilm/reception No. _____
(indicate which);
Filed on _____, 19____, in the office of the _____ of
No. _____ County, Oregon, where it bears fee/file/instrument/microfilm/reception
(indicate which);
Created by a security agreement, notice of which was given by the filing on _____, 19____,
of a financing statement in the office of the Oregon Secretary of State Dept. of Motor Vehicles (indicate which)
where it bears file No. _____ and in the office of the _____ of
County, Oregon, where it bears fee/file/instrument/microfilm/reception No. _____
(indicate which).

Reference to the document so recorded or filed is hereby 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 \$ 35,400.00 to the present owner of the property, with interest there-
on at a rate not exceeding 7.7500% per annum. This loan is to be secured by the present owner's Trust Deed
(hereinafter called

the second party's lien) upon the property and is to be repaid not more than 15 _____ days [] years (indicate which)
from its date.

(OVER)

To induce the second party to make the loan last mentioned, the first party 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, on behalf of the first party and also on behalf of the first party's personal representatives, successors, and assigns, hereby covenants, consents and agrees to and with the second party and second party's personal representatives, 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 the second party's lien in all respects shall be first, prior and superior to that of the first party, provided always, however, that if the second party's lien is not duly filed or recorded, or an appropriate financing statement with respect thereto duly filed within _____ 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.

Klamath County Pure Project

By: Judie Durst

Title: Agent for Klamath
County Pure Project

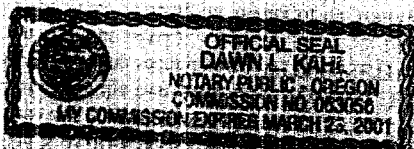
STATE OF OREGON, County of Klamath) ss.

This instrument was acknowledged before me on January, 1999,

by Judie Durst

as Agent, 1999,

of Klamath County Pure Project



Dawn L. Kahl
Notary Public for Oregon

My commission expires 3/23/2001

STATE OF OREGON : COUNTY OF KLAMATH: ss.

Filed for record at request of Aspen Title & Escrow the 12th day
of January A.D. 99 at 3:44 o'clock P. M., and duly recorded in Vol. M99
of Mortgages on Page 1059

FEE \$15.00

Linda Smith, County Clerk

by Kathleen Ross