

THIS AGREEMENT, Made and entered into this 23RD day of JULY, 1999, by and between JEAN ANN BOLTON, TRUSTEE OF THE JEAN ANN BOLTON REVOCABLE TRUST DTD 1-7-91 hereinafter called the first party, and WILLIAM C. FULLER hereinafter called the second party; WITNESSETH:

On or about NOVEMBER 28, 1994, MARK C. BOLTON

, being the owner of the following described property in KLAMATH County, Oregon, to-wit:

SEE ATTACHED EXHIBIT "A"

(IF SPACE INSUFFICIENT, CONTINUE DESCRIPTION ON REVERSE SIDE)

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 \$35,362.51, which lien was:

- Recorded on NOVEMBER 28, 1994, in the Records of KLAMATH County, Oregon, in book/deed/volume No. M94 at page 36227 and/or as fee/file/instrument/microfilm/reception No. (indicate which);
- Filed on , 19, in the office of the of County, Oregon, where it bears fee/file/instrument/microfilm/reception No. (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 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 hereby is 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 \$.75,000.00 to the present owner of the property, with interest thereon at a rate not exceeding NINE(9)% per annum. This loan is to be secured by the present owner's TRUST DEED (hereinafter called

(State nature of lien to be given, whether mortgage, trust deed, contract, security agreement or otherwise)

the second party's lien) upon the property and is to be repaid not more than SIX (6) days from its date.

— OVER —

SUBORDINATION AGREEMENT

JEAN ANN BOLTON

To

WILLIAM C. FULLER
1815 N. PARK
EUGENE, OR 97404

After recording return to (Name, Address, Zip):

KEY TITLE COMPANY

P.O. BOX 1456

EUGENE, OR 97440 ATTN: KIM

SPACE RESERVED
FOR
RECORDER'S USE

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/instrument/microfilm/reception No. Record of of said county.

Witness my hand and seal of County affixed.

NAME

TITLE

By Deputy

1999 JUL 30 AM 11:06

30473

To induce the second party to make the loan last mentioned, the first party heretofore 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, first party's personal representatives (or successors) and assigns, hereby covenants, consents and agrees to and with the second party, second party's personal representatives (or 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 second party's lien in all respects shall be first, prior and superior to that of the first party, provided always, however, that if second party's lien is not duly filed or recorded or an appropriate financing statement thereon duly filed within 30 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.

JEAN ANN BOLTON REVOCABLE TRUST DTD 1-7-91

JEAN ANN BOLTON, TRUSTEE

STATE OF OREGON, County of Lane ss.

This instrument was acknowledged before me on _____, 19____,

by _____, 19____,

This instrument was acknowledged before me on July 26, 1999,

by Jean Ann Bolton

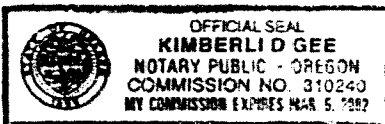
as Trustee

of Jean Ann Bolton Revocable Trust Dated 1-7-91

Kimberly D G

Notary Public for Oregon

My commission expires March 5, 2002



30474

EXHIBIT "A" **LEGAL DESCRIPTION**

A parcel of land lying in the E1/2 NE1/4 NE1/4 of Section 1, Township 24 South, Range 6 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at the intersection of the Westerly right of way line of Highway #58 and the Southerly right of way line of Secondary Highway #429 (Crescent Lake Road), which lies South 25 degrees 53' West a distance of 493 feet and South 16 degrees 19' East a distance of 30 feet and South 74 degrees 00' West a distance of 40 feet from the Northeast corner of said Section 1, Township 24 South, Range 6 East of the Willamette Meridian, Klamath County, Oregon; thence continuing South 16 degrees 19' East, along the Westerly right of way line of Highway #58, a distance of 170 feet to the true point of beginning of this description; thence South 74 degrees 00' West, parallel with the Southerly line of the Crescent Lake Road, a distance of 140 feet; thence South 16 degrees 19' East, parallel with the Westerly line of Highway #58, a distance of 175 feet; thence North 74 degrees 00' East a distance of 140 feet to the Westerly right of way line of Highway #58; thence North 16 degrees 19' West, along the Westerly right of way line of Highway #58, a distance of 175 feet, more or less, to the point of beginning, in Klamath County, Oregon.

State of Oregon, County of Klamath
Recorded 7/30/99, at 11:06 a.m.
In Vol. M99 Page 30472
Linda Smith,
County Clerk Fee \$ 20 - KR