

NN

SUBORDINATION AGREEMENT

Vol M02 Page 39402

STATE OF OREGON, } ss.

'02 JUL 11 AM 10:57

MILDRED SCHIRO

To

KLAMATH FIRST
540 MAIN STREET
KLAMATH FALLS OR 97601

SPACE RESERVED
FOR
RECORDER'S USE

After recording, return to (Name, Address, Zip):
KLAMATH FIRST ATTENTION: RICH
540 MAIN STREET
KLAMATH FALLS OR 97601

State of Oregon, County of Klamath
Recorded 07/11/2002 10:57 a m.
Vol M02, Pg 39402-03
Linda Smith, County Clerk
Fee \$ 26.00 # of Pgs 2

INTL 57448-K2

THIS AGREEMENT dated July 1, 2002

by and between MILDRED SCHIRO hereinafter called the first party, and KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION hereinafter called the second party, WITNESSETH:

On or about (date) April 6, 1993, JAMES J. BELLET & SHERRY A. BELLET, husband and wife, being the owner of the following described property in Klamath County, Oregon, to-wit:

Parcel 1 of Land Partition 59-95 in a portion of Lots 9 and 10 in Block 1 of HOMELAND TRACTS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon

(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 \$ 50,000.00, which lien was:
- Recorded on April 7, 1993 in the Records of Klamath County, Oregon, in book/reel/volume No. M93 at page 7136 and/or as fee/file/instrument/microfilm/reception No. 59571 (indicate which);
- Filed on _____, 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 _____ 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 \$ 275,000.00 to the present owner of the property, with interest thereon at a rate/initially not exceeding 7.13% 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 10 days years (indicate which) from its date.

(OVER)

JK.COM



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 -----15----- 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.

Mildred Schiro
MILDRED SCHIRO

STATE OF OREGON, County of Klamath) ss.
This instrument was acknowledged before me on July 3, 2002
by MILDRED SCHIRO
This instrument was acknowledged before me on _____
by _____
as _____
of _____

Kristin L. Redd
Notary Public for Oregon
My commission expires 11/16/2003

