

11

SUBORDINATION AGREEMENT

MTL 59056

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STATE OF OREGON.

'02 DEC 23 AM11:05

**Klamath Public Employees
Federal Credit Union**

To
Castleview Home Loans

After recording, return to (Name, Address, Zip):
Klamath Public Employees FCU
3737 Shasta Way
Klamath Falls, OR 97603

SPACE RESERVED
FOR
RECORDER'S USE

State of Oregon, County of Klamath
Recorded 12/23/2002 11:05 A.m.
Vol M02, Pg 74838-40
Linda Smith, County Clerk
Fee \$ 31.00 # of Pgs 3
eputy.

THIS AGREEMENT dated December 6, 2002, by and between Klamath Public Employees Federal Credit Union, hereinafter called the first party, and Castleview Home Loans, hereinafter called the second party, WITNESSETH:

12335 Lupine Lane
Klamath Falls, OR 97603

See Attached Legal Description

(IF SPACE INSUFFICIENT, CONTINUE DESCRIPTION ON REVERSE)

executed and delivered to the first party a certain Trust Deed

(herein called the first party's lien) on the property, to secure the sum of \$ 10,000.00, which lien was:
— Recorded on February 23, 2000, in the Records of Klamath County, Oregon, in
book/reel/volume No. M00 at page 5539 and/or as fee/file/instrument/microfilm/reception No.
— (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).

(Delete any language not
pertinent to this transaction)

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 \$ 114,500.00 to the present owner of the property, with interest thereon at a rate not exceeding 4.500 % per annum. This loan is to be secured by the present owner's Trust Deed

(State nature of lien to be given, whether mortgage, trust deed, contract, security agreement or otherwise) (hereinafter called
the second party's lien) upon the property and is to be repaid not more than 30 days XX years (indicate which)
for which

(OVER)

31.00 m

74839



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.



Gwen D. Smith

Loan Officer

STATE OF OREGON, County of Klamath ss.

This instrument was acknowledged before me on _____,
by _____
This instrument was acknowledged before me on December 6, 2002,
by Gwen D. Smith,
as a Loan Officer
of Klamath Public Employees federal Credit Union

Kevin Dearing
Notary Public for Oregon
My commission expires

2-19-05

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EXHIBIT "A"
LEGAL DESCRIPTION

That portion of the NW1/4 of NW1/4 of Section 10, Township 39 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at the Southwest corner of said NW1/4 of NW1/4; thence North 0 degrees 08' West along the West line of said NW1/4 NW1/4 333.94 feet to the true point of beginning; thence South 89 degrees 30' 57" East 1292.43 feet to the East line of said NW1/4 of NW1/4; thence North 0 degrees 10' 53" West 230.24 feet, thence North 89 degrees 30' 57" West 1291.16 feet; thence South 0 degrees 08' West 230.23 feet to the point of beginning.