

NN

Vol M05 Page 20302

## SUBORDINATION AGREEMENT

'05 MAR 28 AM 11:25

CISpen 61081

To

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

State of Oregon, County of Klamath fixed.  
 Recorded 03/28/2005 11:25 a m  
 Vol M05 Pg 20302-4  
 Linda Smith, County Clerk  
 Fee \$ 31<sup>00</sup> # of Pgs 3 deputy.

THIS AGREEMENT dated MARCH 15, 2005  
 by and between DILLARD AND LORRAINE CHRONISTER  
 hereinafter called the first party, and STERLING SAVINGS BANK  
 hereinafter called the second party, WITNESSETH:  
 On or about (date) JUNE 25, 1996, STANLEY J. AND LISA A. CHRONISTER  
 being the owner of the following described property in KLAMATH County, Oregon, to-wit:  
 LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF AS EXHIBIT "A"

(IF SPACE INSUFFICIENT, CONTINUE DESCRIPTION ON REVERSE)

executed and delivered to the first party a certain DEED OF TRUST  
 (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 \$ 40,000.00, which lien was:

(Delete any language not pertinent to this transaction)

- Recorded on JULY 18, 1996, in the Records of KLAMATH County, Oregon, in book/reel/volume No. M-96 at page 21466 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).

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 \$ 50,000.00 to the present owner of the property, with interest thereon at a rate not exceeding VARIABLE% per annum. This loan is to be secured by the present owner's

DEED OF TRUST

(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 \_\_\_\_\_ ☐ days ☐ years (indicate which) from its date.

(OVER)

31<sup>00</sup>



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 60 days after the date hereof, this subordination agreement shall be null and void and of no force or effect.

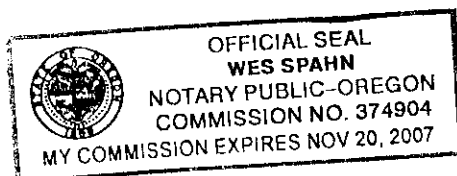
It is expressly understood and agreed that nothing herein contained shall be construed to change, alter or impair the first party's lien, except as hereinabove expressly set forth.

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.

*Dillard Chronister*  
*Lorraine Chronister*

STATE OF OREGON, County of KLAMATH ) ss.  
 This instrument was acknowledged before me on MARCH 25, 2005,  
 by DILLARD CHRONISTER AND LORRAINE CHRONISTER  
 This instrument was acknowledged before me on \_\_\_\_\_,  
 by \_\_\_\_\_,  
 as \_\_\_\_\_,  
 of \_\_\_\_\_.



*Wes Spahn*  
 Notary Public for Oregon  
 My commission expires 11/20/07

## Exhibit A

A portion of Lots 4 and 9, Section 7, Township 41 South, Range 12 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at the Northwest corner of Lot 5, Section 7, Township 41 South, Range 12 East of the Willamette Meridian; thence South along the West line of said Lot 5 and Lot 8 of the said Township and Range a distance of 300 feet; thence West at right angles to said West line of Lot 8 a distance of 145.2 feet; thence North parallel with the said West line of Lots 5 and 8 a distance of 300 feet; thence East 145.2 feet to the point of beginning.

Code 016 Map 4112-00700 TL 00900 Key #108966