

MT079738-KR

AFTER RECORDING RETURN TO:

Nathan J. Ratliff
Ratliff & Ratliff, P.C.
905 Main Street, Ste 200
Klamath Falls, OR 97601

2007-014462

Klamath County, Oregon



00029263200700144620040041

08/16/2007 11:31:18 AM

Fee: \$36.00

GRANTOR'S NAME AND ADDRESS:

Manuel Rocha and Linda Rocha
1363 Haskins Road
Bonanza, OR 97623

BENEFICIARIES' NAME AND ADDRESS:

Petaluma Livestock Auction Yard, Inc.
P.O. Box 750115
Petaluma, CA 94975

SEND TAX STATEMENTS TO:

Manuel O. Rocha
1363 Haskins Road
Bonanza, OR 97623

SUBORDINATION AGREEMENT

I, **MANUEL O. ROCHA and LINDA ROCHA**, herein called "Borrower," of Bonanza, County of Klamath, State of Oregon, is indebted to **PETALUMA LIVESTOCK AUCTION YARD, INC., a California corporation**, herein called "Secured Party," of P. O. Box 750115, Petaluma, California 94975, in the amount of **TWO HUNDRED NINETY-FOUR THOUSAND SEVEN HUNDRED SIXTY-EIGHT AND 93/100 DOLLARS (\$294,768.93)**, on an open account, as evidenced by a General Contract for Livestock, As Amended November 17, 2006 (The General Contract for Livestock, As Amended November 17, 2006, as modified, supplemented, extended, renewed, or replaced from time to time is referred to below as the "Contract"), payable by its terms on or before February 20, 2010.

Said Contract is secured by collateral described as follows, to-wit:

W $\frac{1}{2}$ NE $\frac{1}{4}$; also that portion of the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 30, Township 38 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon, lying North of the following described line:

BEGINNING at a point on the centerline of Haskins Road, being accepted as the West line of said NW $\frac{1}{4}$ SE $\frac{1}{4}$, said point being North 00°39'36" East 2184.0 feet from the South quarter corner of said Section 30, said quarter corner being marked by a PK nail 29.00 feet West of a 1" iron pipe as per survey no. 1713 and Major Land Partition No. 3-88; thence East 1320 feet, more or less, to a point on the East line of said NW $\frac{1}{4}$ SE $\frac{1}{4}$ with bearings based on said Survey No. 1713.

Tax Lot No.: R586084

Map No.: R-3811-01900-01900-000

30 AMT

The security is evidenced by a Trust Deed and Assignment of Leases and Rents, a memorandum of which was recorded on March 2, 2007, in Volume 2007, Page 003555, of the official records of Klamath County, Oregon.

Borrower has requested **RODERICK R. ROBERTS**, of Redding, California; **WILLIAM McKNIGHT and HARRIET McKNIGHT, as JTWROS; THOMAS McKNIGHT; HARRIET McKNIGHT, as Trustee of the E. McCoy Testamentary Trust for the benefit of JEAN McKNIGHT, TRICIA McKNIGHT, and THOMAS McKNIGHT**, of Stockton, California; and **FELIPE OROPEZA and WANDA OROPEZA, as JTWROS**, of Oroville, California, herein called "Preferred Creditor", to grant to Borrower a loan of \$990,000.00, for which Preferred Creditor requires collateral now subject to the perfected Secured Party interest of Secured Party.

THEREFORE, IN CONSIDERATION of the promises herein set forth, the parties hereto agree as follows:

1. Secured Party shall subordinate its security interest in the above-described collateral to the interest of Preferred Creditor in such collateral on account of such loan. The effect of said subordination shall place Secured Party in a junior position with respect to the Real Property. Such subordination by Secured Party shall in no way affect the terms and conditions of Borrower's obligation to Secured Party relative to the Contract. Secured Party shall not be required to subordinate its interest with respect to any other encumbrance on property owned by Borrower.

2. Nothing in this Agreement shall constitute a waiver by Secured Party of any of its rights created by the Contract, or the existing Trust Deed and Assignment of Leases and Rents encumbering the Property, but the Agreement merely grants Secured Creditor priority with respect to the Property.

IN WITNESS WHEREOF, the parties hereby have executed this agreement on the date set opposite their signatures, to be effective on the 10th day of August, 2007.

BORROWER

Manuel O Rocha
Manuel O. Rocha

Linda Rocha
Linda Rocha

SECURED PARTY

PETALUMA LIVESTOCK
AUCTION YARD, INC.,
a California Corporation

By: Manuel O Rocha
President

(Acknowledgments appear on Page 3)

STATE OF OREGON; County of Klamath) ss.

THIS INSTRUMENT was acknowledged before me this 13th day of August, 2007, by Manuel O. Rocha and Linda Rocha.



Kristi L. Redd
NOTARY PUBLIC FOR OREGON
My Commission expires: 11/16/2007

STATE OF CALIFORNIA)
County of _____) ss.
_____)

On the _____ before me, _____,
DATE NAME, TITLE OF OFFICER - E.G., "JANE DOE, NOTARY PUBLIC"

personally appeared _____,
NAME(S) OF SIGNER(S)

☐ personally known to me - **OR** - ☐ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

SIGNATURE OF NOTARY

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

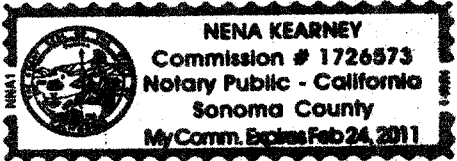
County of Sonoma } ss.

On 8/10/07, before me, Nena Kearney

personally appeared Manuel Antone Brazil

personally known to me

proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Nena Kearney
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

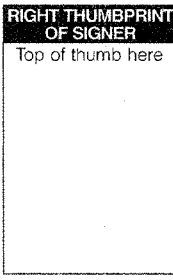
Title or Type of Document: Subordination Agreement

Document Date: 8/10/07 Number of Pages:

Signer(s) Other Than Named Above:

Capacity(ies) Claimed by Signer(s)

Signer's Name:
Individual
Corporate Officer — Title(s):
Partner — Limited General
Attorney in Fact
Trustee
Guardian or Conservator
Other:
Signer Is Representing:



Signer's Name:
Individual
Corporate Officer — Title(s):
Partner — Limited General
Attorney in Fact
Trustee
Guardian or Conservator
Other:
Signer Is Representing:

