

LTC 82674

After recording return to:  
Farm Credit Services - Klamath Falls  
300 Klamath Avenue, Suite 200  
PO Box 148  
Klamath Falls, OR 97601

2008-013112

Klamath County, Oregon



00053520200800131120030034

09/19/2008 03:26:49 PM

Fee: \$31.00

Customer/Note No. 22648-442

## SUBORDINATION AGREEMENT

### PARTIES AND INTERESTS.

Subordinator: Carelton Farms, a partnership  
PO Box 362  
Merrill, OR 97633

Subordinator's Interest: Agricultural Lease dated January 1, 2004 by Larry L. Paschke and Mary A. Paschke, husband and wife as Lessor and Carelton Farms, a partnership, as Lessee, covering the property described in Exhibit "A" attached hereto and incorporated herein.

Subordinatee: Northwest Farm Credit Services, FLCA  
300 Klamath Avenue, Suite 200  
PO Box 148  
Klamath Falls, OR 97601

Subordinatee's Interest: Mortgage dated July 8, 2008, recorded 7-9-08, as Instrument No. 2008-009938, records of Klamath County, Oregon.

Subordinatee's Note: Note, executed by Borrower or Borrower's successor, dated July 8, 2008, and any amendments thereto, secured by Subordinatee's Interest.

Borrower: Larry L. Paschke and Mary A. Paschke, husband and wife

### AGREEMENT.

The property described in the above-referenced instruments creating Subordinatee's Interest is referred to as the "Property."

For good and valuable consideration, Subordinator subordinates its interest in the Property to Subordinatee's Interest and all advances or charges, if any, made or accruing under Subordinatee's Note, if any. This subordination also includes any extension, refinancing, reindexing, renewal, or renegotiation of Subordinatee's Note, if any.

Subordinator acknowledges the opportunity to examine the terms of the documents pertaining to Subordinatee's Interest.

The heirs, personal representatives, successors and assigns of Subordinator shall be bound by this Agreement. This Agreement shall inure to the benefit of Subordinatee and its personal representatives, successors and assigns.

31amt

Dated: 9.19.2008

Carelton Farms, a partnership

By: Dick Carelton  
Dick Carelton, a general partner

By: Greg Carelton  
Greg Carelton, a general partner

By: James Carelton  
James Carelton, a general partner

STATE OF Oregon )  
 )ss.  
County of Klamath )

On this 19 day of September, 2008, before me personally appeared Dick Carelton, to me known to be a partner in the partnership which executed the within instrument, and acknowledged that he executed the same as one of the partners and in the partnership name freely and voluntarily.



Mitchell K. Stokes  
Printed Name Mitchell K Stokes  
Notary Public for the State of Oregon  
Residing at Klamath Falls  
My commission expires 3.19.2011

STATE OF Oregon )  
 )ss.  
County of Klamath )

On this 19 day of September, 2008, before me personally appeared Greg Carelton, to me known to be a partner in the partnership which executed the within instrument, and acknowledged that he executed the same as one of the partners and in the partnership name freely and voluntarily.



Mitchell K. Stokes  
Printed Name Mitchell K Stokes  
Notary Public for the State of Oregon  
Residing at Klamath Falls  
My commission expires 3.19.2011

STATE OF Oregon )  
 )ss.  
County of Klamath )

On this 19 day of September, 2008, before me personally appeared James Carelton, to me known to be a partner in the partnership which executed the within instrument, and acknowledged that he executed the same as one of the partners and in the partnership name freely and voluntarily.



Mitchell K. Stokes  
Printed Name Mitchell K Stokes  
Notary Public for the State of Oregon  
Residing at Klamath Falls  
My commission expires 3.19.2011

## EXHIBIT "A"

### PARCEL 1:

The SE1/4 of Section 36, Township 40 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon. EXCEPTING THEREFROM that portion conveyed to United States of America by deed dated January 28, 1909, recorded March 5, 1909 in Deed Volume 25 at page 571, Records of Klamath County, Oregon.

### PARCEL 2:

SW1/4NW1/4 of Section 6, Township 41 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon.

### PARCEL 3:

SE1/4NE1/4 and that portion of N1/2SW1/4NE1/4 lying Northerly of the Klamath Irrigation District Canal in Section 1, Township 41 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon. EXCEPTING THEREFROM that portion conveyed to United States of America by deed dated October 9, 1908, recorded October 13, 1908 in Deed Volume 25 at page 135, Records of Klamath County, Oregon.

<u>Account No.</u>	<u>Key No.</u>	<u>Code No.</u>
4010-03600-00600-000	100394	018
4110-00100-00400-000	100562	018
4111-00600-00400-000	105923	018