

11287530-SH

SUBORDINATION AGREEMENT

2010-006388**Klamath County, Oregon**

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05/26/2010 03:34:33 PM

Fee: \$42.00

 SPACE RESERVED
FOR
RECORDER'S

 South Valley Bank & Trust
803 Main St., Suite 200
Klamath Falls, OR 97601

 To
South Valley Bank & Trust
803 Main St
Klamath Falls, OR 97601

 After recording, return to (Name, Address, Zip):
South Valley Bank & Trust
803 Main St., Suite 200
Klamath Falls, OR 97601

THIS AGREEMENT dated May 6, 2010
by and between South Valley Bank & Trust
hereinafter called the first party, and South Valley Bank & Trust
hereinafter called the second party, WITNESSETH:
On or about (date) August 30, 2005, Michael P Picard and Valerie Picard
being the owner of the following described property in Klamath County, Oregon, to-wit:

Lot 3 in Block 5 of TRACT NO. 1245, FIRST ADDITION TO SHIELD CREST, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon. TOGETHER WITH an undivided interest in all those private roads shown on the plat and more particularly described in Declaration recorded in Volume M84, page 4256, Microfilm Records of Klamath County, Oregon.

(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 \$ 300,000.00, which lien was:

- (Delete any language not pertinent to this transaction)
- Recorded on September 6, 2005, in the Records of Klamath County, Oregon, in book/reel/volume No. M05 at page 63560 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 \$ 295,000.00 to the present owner of the property, with interest thereon at a rate not exceeding 5.00 % per annum. This loan is to be secured by the present owner's _____

(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 ☒ years (indicate which) from its date.

(OVER)

422007



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 30 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.

Bridgitte Griffin

Bridgitte Griffin, VP/Regional Credit Administrator

STATE OF OREGON, County of Klamath ss.

This instrument was acknowledged before me on _____,
by _____

This instrument was acknowledged before me on 5-6-10,
by Bridgitte Griffin,
as VP/Regional Credit Administrator
of South Valley Bank & Trust

Jennifer M Engelbrecht

Notary Public for Oregon

My commission expires 11-17-12

