

NN

WTC 93051-SH
SUBORDINATION AGREEMENT

2012-003665

Klamath County, Oregon



00116406201200036650030031

04/09/2012 03:20:56 PM

Fee: \$47.00

book/reel/volume No. _____ on page _____
and/or as fee/file/instrument/microfilm/reception
No. _____, Records of this County.

Witness my hand and seal of County affixed.

NAME

TITLE

By _____, Deputy.

SPACE RESERVED
FOR
RECORDER'S USE

SOUTH VALLEY BANK & TRUST
803 MAIN STREET
KLAMATH FALLS OR 97601

SOUTH VALLEY BANK & TRUST
803 MAIN STREET
KLAMATH FALLS OR 97601

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

SOUTH VALLEY BANK & TRUST
803 MAIN STREET
KLAMATH FALLS OR 97601

THIS AGREEMENT dated APRIL 3 2008

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) APRIL 3 2008, LYLE R SMITH AND BONNIE J SMITH

being the owner of the following described property in KLAMATH County, Oregon, to-wit:

PLEASE SEE ATTACHED EXHIBIT A

(IF SPACE INSUFFICIENT, CONTINUE DESCRIPTION ON REVERSE)

executed and delivered to the first party a certain TRUST DEED

(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 \$ 100,000.00, which lien was:

- (Delete any language not pertinent to this transaction)
- Recorded on APRIL 9, 2008, in the Records of KLAMATH County, Oregon, in book/reel/volume No. 2008 at page 005216 and/or as fee/file/instrument/microfilm/reception No. NA (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 \$ 142,000.00 to the present owner of the property, with interest thereon at a rate not exceeding 3.875% 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 ☒ years (indicate which) from its date.

(OVER)

47 Apr 10


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.

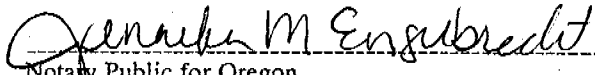

BRIDGITTE GRIFFIN
VP/REGIONAL CREDIT ADMINISTRATOR
KLAMATH / LAKE REGION

STATE OF OREGON, County of Klamath) ss.

This instrument was acknowledged before me on _____

by _____

This instrument was acknowledged before me on April 2, 2012
by Bridgitte Griffin
as VPI Regional Credit Administrator
of South Valley Bank & Trust


Notary Public for Oregon

My commission expires 11-17-12

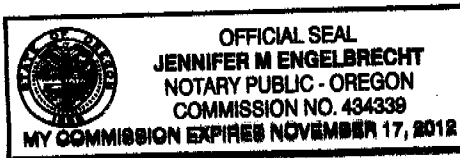


EXHIBIT "A"
LEGAL DESCRIPTION

A portion of the NW1/4 NE1/4 of Section 30, Township 39 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon, described as follows:

Beginning at the Northeast corner of the NW1/4 NE1/4 of Section 30, Township 39 South, Range 11 East of the Willamette Meridian; thence West along the section line 363 feet, more or less, to the Easterly right of way line of the Bonanza-Malin County Road; thence South $0^{\circ}16'1\frac{1}{2}"$ East 1320 feet, more or less, along said right of way line, to the South line of said NW1/4 NE1/4; thence East along the South line of said NW1/4 NE1/4 355 feet, more or less, to the Southeast corner of said NW1/4 NE1/4; thence North along the East line of said NW1/4 NE1/4, 1320 feet, more or less, to the point of beginning, being that portion of the NW1/4 NE1/4 of Section 30, Township 39 South, Range 11 East of the Willamette Meridian, lying East of the Bonanza-Malin County Road.