

**After Filing Please Return To:**

Key Equipment Finance  
17 Corporate Woods Blvd  
Albany, NY 12211  
Attn: Emley Purvis

**2017-014442**

**Klamath County, Oregon**

12/20/2017 10:10:01 AM

Fee: \$67.00

**SUBORDINATION AGREEMENT**

**Subordinator(s):**

1. **KEYBANK NATIONAL ASSOCIATION**

☐ Additional names on page \_\_\_\_ of document

**Subordinatee(s):**

1. **SELCO SERVICE CORPORATION**, an Ohio corporation

☐ Additional names on page \_\_\_\_ of document

**Abbreviated Legal Description** (lot, block and plat name, or section-township-range):

Additional legal description is on Exhibit B of document

**Assessor's Property Tax Parcel Account Number(s):**

R109180

**Reference Numbers of Documents Assigned or Released (if applicable):**

☐ Additional reference numbers on page \_\_\_\_ of document

## Subordination Agreement

This **Subordination Agreement** is made as of December 20, 2017 by KeyBank National Association (the "Bank"), for the benefit of SELCO SERVICE CORPORATION, an Ohio corporation, having an address c/o Key Equipment Finance, 17 Corporate Woods Blvd, Albany, New York 12211 ("SELCO").

### INTRODUCTION:

The Bank has a security interest (the "Bank Security Interest") pursuant to a Mortgage in the amount of \$850,000.00 dated November 20, 2017 and recorded on December 8, 2017 at 1:57:02 pm as No. 2017-014003 and Mortgage in the amount of \$850,000.00 dated November 20, 2017 and recorded on December 8, 2017 at 1:57:02 pm as No. 2017-014004 in certain property of T&W Land Holding LLC (the "Fee Owner") more fully described in Exhibit B, hereto. SELCO and the Fee Owner entered into a Ground Lease agreement dated December 20, 2017 (the "Ground Lease") of the property on Exhibit B (the "Real Property"), incident to an equipment financing transaction between SELCO and the Fee Owner (the "Financing") which is evidenced by a lease agreement, promissory note or other evidence of indebtedness in connection with the property described on Exhibit A attached hereto (the "Equipment"). The Bank agrees that it will subordinate the Bank Security Interest to the interest of SELCO in the Financing, the Equipment and the Ground Lease (collectively, the "SELCO Interest") as set forth herein.

NOW, THEREFORE, in consideration of the above premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Bank, for itself and for its successors and assigns, hereby agrees that:

1. The Bank Security Interest, and any other security interest of the Bank in the Real Property and, if any, in the Equipment and in any proceeds arising out of the sale, lease or other disposition of the Equipment, shall be subordinate and junior to the SELCO Interest and any proceeds arising out of any sale, lease or other disposition thereof. This subordination shall apply irrespective of the time or order of attachment or perfection of the Bank Security Interest and the SELCO Interest and shall remain in full force and effect (a) so long as SELCO its successors and assigns are owed any sums arising out of or related to the Financing or the Equipment and (b) regardless of whether the Bank or SELCO may seek to rescind, amend, terminate, or reform, by litigation or otherwise, its respective agreements with the Fee Owner.
2. The Bank hereby agrees, for itself and its successors and assigns, that SELCO may assign its rights hereunder to any person or entity ("Assignee") and that the Bank Security Interest shall be subordinate and junior to the interest of any such Assignee. The Bank shall not assign or transfer to others any claim the Bank has or may have against the Fee Owner while the liabilities remain unpaid, unless such assignment or transfer is made expressly subject to this Subordination.
3. The Bank further agrees that SELCO, its agents or assigns, may move or otherwise repossess and foreclose upon the Equipment whenever it deems such action to be necessary or desirable in order to protect the SELCO Interest. If the Bank obtains possession of the Real Property or the Equipment, or any part thereof, by virtue of the Bank Security Interest or otherwise, SELCO shall be entitled, as between the Bank and SELCO, to immediate possession thereof, as is applicable.
4. This Subordination relates to the Financing, the Equipment and the Ground Lease only. No notice of Bank's revocation of this Subordination shall affect this Subordination in relation to the SELCO Interest and/or to the Financing or any amendments, extensions, renewals or modifications thereto then existing and, as to any such amendments, extensions, renewals or modifications, this Subordination shall continue to be effective until the obligations thereunder shall have been fully discharged.

IN WITNESS WHEREOF, the Bank has executed, or has caused this Agreement to be executed, as of the day and year first above written.

**Bank:**

KeyBank National Association

X: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

*Rick G Weigel*  
*Rick G Weigel*  
*VP*

THE ABOVE SUBORDINATION AGREEMENT IS HEREBY  
ACKNOWLEDGED AND ACCEPTED AS OF DECEMBER 18, 2017.

SELCO Service Corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF WA )

COUNTY OF Benton ) ss

On this 18 day of December, 2017, before me the subscriber personally appeared Rick G Weigel, who being by me duly sworn, did depose and say that (s)he resides at Benton County, State of WA; that (s)he is a \_\_\_\_\_ of KeyBank National Association, the national banking association described in and which executed the foregoing instrument; and that (s)he signed his/her name thereto by order of the Board of Directors of said organization.

*Yannika Elliott*

NOTARY PUBLIC

My Commission Expires: Sept 22, 2020

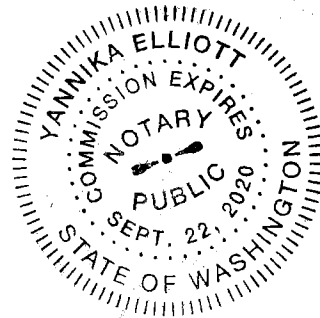
STATE OF \_\_\_\_\_ )

COUNTY OF \_\_\_\_\_ ) ss

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me the subscriber personally appeared \_\_\_\_\_, who being by me duly sworn, did depose and say that (s)he resides at \_\_\_\_\_ County, State of \_\_\_\_\_; that (s)he is a \_\_\_\_\_ of SELCO Service Corporation, the corporation described in and which executed the foregoing instrument; and that (s)he signed his/her name thereto by order of the Board of Directors of said corporation.

NOTARY PUBLIC

My Commission Expires: \_\_\_\_\_





**Exhibit A**

**DESCRIPTION OF EQUIPMENT**

62' x 288' Meridian Archwall Double Wide Potato Storage with internal fan house with six 54" 20 HP fans and all related equipment and other personal property

**Exhibit B**

**DESCRIPTION OF PREMISES**

The S1/2 NW1/4; N1/2 SW1/4, Section 9, Township 41 South, Range 12 East of the Willamette Meridian, Klamath County, Oregon, lying North of the U.S.B.R. "D" Canal.

Excepting therefrom that portion lying within public roads and that portion lying within the U.S.B.R. "D" Canal.

**EXCEPTING THEREFROM:** The west 80 feet lying in Patterson Ferry Road right of way and the north 25 feet lying in Depot Lane right of way.