

MIC 2/7/169 AM

2018-003042

Klamath County, Oregon

03/20/2018 02:24:01 PM

Fee: \$52.00

When Recorded Return to:

South Central Oregon Economic Development District

P.O. Box 1529, 803 Main Street, Suite 202, Klamath Falls OR 97601

### SUBORDINATION AGREEMENT

This Subordination Agreement made as of the 19 day of March, 2018, by South Central Oregon Economic Development District (SCOEDD) having an address of P.O. Box 1529, 803 Main Street, Suite 202, Klamath Falls OR 97601 ("Subordinator"), and People's Bank of Commerce ("Lender").

#### RECITALS:

- A. Basin Martini Bar, LLC, ("Borrower"), has applied to Lender for a loan to be made to Borrower and to be evidenced by a promissory note secured by a mortgage covering certain real property.
- B. The real property offered by Borrower as security to Lender is currently subject to the prior lien of the mortgage described below.
- C. Lender will make such loan to Borrower only on the condition precedent that such mortgage be subordinated to the lien of the mortgage described below to be given by Borrower to Lender.

In consideration of the matters described above, and of the mutual benefits and obligations set forth in this agreement, the parties agree as follows:

#### SUBORDINATION OF EXISTING MORTGAGE

The mortgage to be subordinated covers real property described as:

**Legal description attached hereto and made a part hereof marked Exhibit "A"**

**Property Address:** 630-626-628-632 Main Street, Klamath Falls, OR 97601 and made on the 14th day of April, 2014 between Basin Martini Bar LLC [Borrower] and South Central Oregon Economic Development District [Subordinator], and filed or recorded on April 22, 2014, in Instrument No.: 2014-003803 of the records of the County of Klamath, State of Oregon, shall be and the same is now subordinated and made subject and subsequent to the lien of that certain mortgage covering the real property referenced above, dated March 9, 2018, between Basin Martini Bar, LLC, [Borrower] and People's Bank of Commerce [Lender], and filed or recorded on the 20 day of March, 2018, in book 2018 page 003038, of the records of the County of Klamath, State of Oregon.

The undersigned Subordinator has executed this agreement at Klamath Falls, Oregon [designate location], on the date first appearing above.

South Central Oregon Economic Development District  
SUBORDINATOR

By: Elizabeth Riley

Its: Executive Director

State of Oregon )

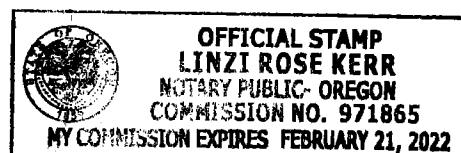
) SS:

County of Klamath )

This instrument was acknowledged before me this 19 day of March, 2018, for and on behalf of Elizabeth Riley

[Signature]  
Notary Public

My commission expires Feb 21, 2022 :



## EXHIBIT "A"

The Easterly 53.4 feet of Lot 7 and the Westerly 20 feet of Lot 8 in Block 38 of Original Town of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, excepting therefrom any portion lying within the alley adjacent to said lots.