

96672

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### SUBORDINATION AGREEMENT

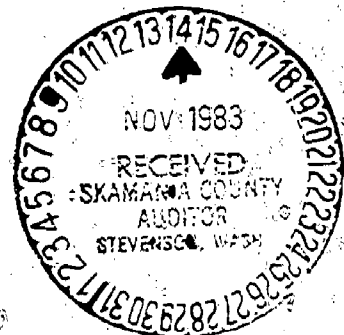
THIS AGREEMENT, executed in triplicate, this 10<sup>th</sup> day of November, 1983, between MARIA TERESA CLEVELAND, a married woman, as her separate estate, of 1217 NE. Burnside, Suite 803, Gresham, Oregon 97030, herein referred to as "Trustor", and R-J LAND DEVELOPMENT, INC., a Washington corporation, and MARION Z. LAMB and DOROTHY A. LAMB, husband and wife, of 7012 NE. 74th, Vancouver, Washington 98662, herein referred to as "Beneficiary" and HERITAGE BANK, a Washington corporation, herein referred to as "Beneficiary's Assignee".

The parties recite and declare that:

A. Trustor executed a trust deed on December 15, 1982, in favor of Beneficiary, which was recorded on December 22, 1982, under Recording No. 95146 in Book 58 of Mortgages at page 976, in the office of the County Recorder of Skamania County, Washington, covering the following described property:

A tract of land located in the SW. Quarter of the SE. Quarter of Section 9, Township 1 North, Range 5 East of the Willamette Meridian, described as follows:

Lot 4 of R-J LAND DEVELOPMENT SHORT PLAT NO. 2 recorded May 27, 1981 in Book 3 of Short Plats at page 5 under Auditor's File Number 92494, Records of Skamania County, Washington.



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B. The above-mentioned trust deed was given as security for a promissory note, described in such trust deed, in the amount of \$43,900, executed on December 15, 1982, by Trustor, in favor of Beneficiary.

C. Beneficiary assigned its beneficial interest in said above-mentioned trust deed to Heritage Bank, a Washington corporation, by instrument dated December 15, 1982, which was recorded December 22, 1982, under Recording Number 95147 in Book 58 of Mortgages at page 978, in the Office of the County Recorder, Skamania County, Washington.

D. Trustor desires to obtain a loan in the amount of \$156,000 from Pacific Western Bank, an Oregon corporation, Milwaukie, Oregon, herein referred to as "Lender", but Lender requires that such loan be secured by a trust deed that will be prior to the trust deed in favor of Beneficiary or Beneficiary's Assignee.

E. As part of the purchase agreement between Trustor and Beneficiary for the purchase of the above-described property, it was mutually agreed that Beneficiary would subordinate to a lender's security upon payment by Trustor of one-half of the purchase price. Trustor has paid one-half of the purchase price for said property. Beneficiary has provided consideration to its Assignee in order to satisfy its obligations under the purchase agreement to fulfill this agreement.

F. Beneficiary and Beneficiary's Assignee are willing to subordinate the lien of the trust deed in Beneficiary and Beneficiary's Assignee in their respective favor insofar as said trust deed or assignment of beneficial interest encumbers the above-described property, to a trust deed made in favor of lender in order that Trustor may obtain such loan from Lender.

For the reasons set forth above, and in consideration of the mutual covenants and promises of the parties hereto, Beneficiary and Beneficiary's Assignee covenant and agree as follows:

1. SUBORDINATION. As an inducement to Lender to grant such loan to Trustor, Beneficiary and Beneficiary's Assignee, and Trustor do hereby subordinate the above-described trust deed of December 15, 1982, and any assignment of beneficial interest thereto, in favor of Beneficiary, to the trust deed in favor of Lender that is being recorded concurrently herewith.

Beneficiary, Beneficiary's Assignee, and Trustor further declare that the lien of the trust deed in favor of the Lender shall be and is in all respects a lien prior and superior to the lien of the trust deed in favor of Beneficiary, as well as Beneficiary's Assignee.

2. APPROVAL OF LOAN. The terms of the loan from Lender to Trustor are approved by Beneficiary and Beneficiary's Assignee.

3. BINDING EFFECT. This agreement shall inure to the benefit of Lender, its successors and assignees, and shall be binding on Beneficiary, Beneficiary's Assignee, and Trustor,

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their successors and assigns.

IN WITNESS WHEREOF, the parties have executed this agreement  
on the date first above written.

TRUSTOR:

MARIA TERESA CLEVELAND

Maria Teresa Cleveland

BENEFICIARY:

R-J. LAND DEVELOPMENT, INC.

By

(Title)

Marion Z. Lamb

DOROTHY A. LAMB

HERITAGE BANK

By

(Title)

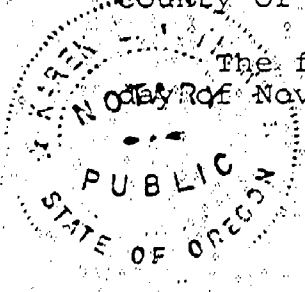
Cynthia A. Bateman  
CORP. OFFICER

STATE OF OREGON )

:ss.

County of Multnomah)

The foregoing instrument was acknowledged before me this 10<sup>th</sup>  
day of November, 1963, by MARIA TERESA CLEVELAND, Trustor.



Karen J. Rothney

Notary Public for Oregon

My commission expires: 4-18-67



96672

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STATE OF WASHINGTON )  
:ss.  
County of Clack )

The foregoing instrument was acknowledged before me this 10<sup>th</sup>  
day of November, 1983, by Douglas Ray  
the Secretary of R-J LAND DEVELOPMENT, INC., a Washington  
corporation, on behalf of the corporation.

Karen L. Rothery  
Notary Public for Oregon  
My commission expires: 4-18-87

STATE OF WASHINGTON )  
:ss.  
County of Clack )

The foregoing instrument was acknowledged before me this 10<sup>th</sup>  
day of November, 1983, by MARIAN Z. LAMB and DOROTHY A. LAMB.

Karen L. Rothery  
Notary Public for Oregon  
My commission expires: 4-18-87

STATE OF WASHINGTON )  
:ss.  
County of Clack )

The foregoing instrument was acknowledged before me this 9<sup>th</sup>  
day of November, 1983, by Janith A. Batstone  
the Corp Officer of HERITAGE BANK, a Washington  
corporation, on behalf of the corporation.

Karen L. Rothery  
Notary Public for Washington  
My commission expires: 4-18-87

HEREBY CERTIFIED THAT THE WITHIN

INSTRUMENT IS CORRECTLY FILED

Karen Rothery  
OF

10:10A Nov 14 83

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769-773

RECORDED

Larry M Olson

B Babcock