

CM 137560

T. C. M. O.

137560

SUBORDINATION AGREEMENT FOR RENTAL REHABILITATION INSTALLMENT

This agreement entered into on this 18th day of October 1990, by and between the City of Gary, Indiana acting through its designated agent, the Department of Housing Conservation Program (hereinafter called "City") and the undersigned lending institution (hereinafter called "Lender").

WITNESSETH:

WHEREAS, Darnail Lyles (hereinafter called "Owner") is a successful Rental Rehabilitation applicant and has received title to certain property through the City's Rental Rehabilitation Program; said property being more particularly described as follows (hereinafter called "Property"):

Gary Land Companies 6th Subdivision L28 Block 15 and Commonly Known as 332-34 Marshall Street, Gary, Indiana. Land and all improvements thereon.

WHEREAS, Pursuant to the City's Rental Rehabilitation Homeowner's Agreement, Darnail Lyles as an applicant under the City's Rental Rehabilitation Program, must meet specified qualifications for eligibility for the program one of which is to comply with certain conditions and terms under a Rental Property Rehabilitation Lien required under the program; and

WHEREAS, said title is a determinable fee based upon the conditions set out in the Rental Rehabilitation Homeowner Agreement mentioned above, which if not met shall cause the property to revert immediately to the City; and

WHEREAS, Owner has requested financing from Lender in order to improve the Property; and

WHEREAS, the Lender desires to be in a superior position as to the Lender's interest in the Property over that of the City's interest pursuant to the determinable fee.

NOW, THEREFORE, in consideration of the mutual promises and covenants and conditions herein contained, the City and the Lender enter into the following:

TERMS OF AGREEMENT:

The City agrees and acknowledges that any interest in the Property which the City may now have pursuant to Rental Rehabilitation Lien recorded under Document #128098 and Note recorded under document #128097 and Rehabilitation Agreement recorded under document #128096 all recorded on 10/10/90

shall be junior and subordinated to any security interest the Lender now has or may hereafter acquire up to the amount of \$ 22,500.00, plus any interest, cost of collection and attorney's fees.

IN WITNESS WHEREOF, the parties have set their hands and/or seals on the date last written.

"CITY OF GARY"

BY: Naomi J. Jefferson
NAOMI J. JEFFERSON, Director
Housing Conservation

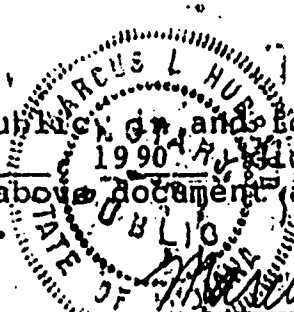
(STATE OF INDIANA)
)SS:
COUNTY OF LAKE)

MARCUS L. HUBBARD
NOTARY PUBLIC STATE OF INDIANA
LAKE COUNTY
MY COMMISSION EXPIRES SEPT 17, 1991

Before me, a Notary Public, on and for said County and State on the 18th day of October 1990, said personally appear Naomi Jefferson and execute the above document and acknowledge same to be her free and voluntary act.

My Commission Expires:

September 17, 1991



Marcus L. Hubbard
NOTARY PUBLIC
MARCUS L. HUBBARD

