

FA-12000

RECORDING REQUESTED BY:

WHEN RECORDED MAIL TO:

West Star Financial Corporation  
1335 East 10600 South  
Sandy, Utah 84092

94030276

Return to:

First American Title Insurance Company  
5265 Commerce Drive  
Crown Point, IN 46307

SPACE ABOVE THIS LINE FOR RECORDERS USE

**SUBORDINATION AGREEMENT**

**NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.**

THIS AGREEMENT, made this 3 day of March, 19 94, by  
KARL K. GRAHAM and SANDRA P. GRAHAM

owner of the land hereinafter described and hereinafter referred to as "Owner", and

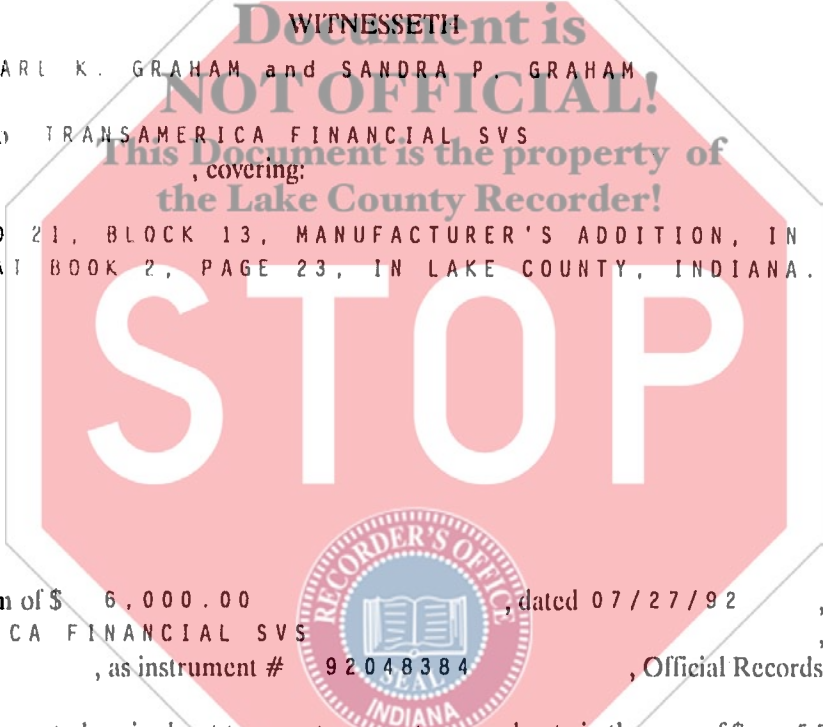
TRANSAMERICA FINANCIAL SVS

present owner and holder of the mortgage and note first hereinafter described and hereinafter referred to as "Beneficiary"

WITNESSETH  
THAT WHEREAS, KARL K. GRAHAM and SANDRA P. GRAHAM

did execute a mortgage, to TRANSAMERICA FINANCIAL SVS, covering:

LOTS 19, 20 AND 21, BLOCK 13, MANUFACTURER'S ADDITION, IN THE CITY OF HAVESON, INDIANA, AS SHOWN IN PLAT BOOK 2, PAGE 23, IN LAKE COUNTY, INDIANA.



STATE OF INDIANA  
LAKE COUNTY  
FILED  
APR 21 9 49 AM '94  
S.A. RECORDER

to secure a note in the sum of \$ 6,000.00, dated 07/27/92, in favor of  
TRANSAMERICA FINANCIAL SVS, which mortgage was  
recorded 07/29/92, as instrument # 92048384, Official Records of said county; and

WHEREAS, Owner has executed, or is about to execute, a mortgage and note in the sum of \$ 55,636.00 dated N/A, in favor of West Star Financial Corporation, hereinafter referred to as "Lender", payable with interest and upon the terms and conditions described therein, which mortgage is to be recorded concurrently herewith; and

WHEREAS, it is a condition precedent to obtaining said loan that said mortgage as above mentioned shall unconditionally be and remain at all times a lien or charge upon the land hereinbefore described, prior and superior to the lien or charge of the mortgage first above mentioned; and

WHEREAS, lender is willing to make said loan provided the mortgage securing the same is a lien or charge upon the above described property prior and superior to the lien or charge of the mortgage first above mentioned and provided that Beneficiary will specifically and unconditionally subordinate the lien of charge of the mortgage first above mentioned to the lien or charge of the mortgage in favor of Lender; and

WHEREAS, it is to the mutual benefits of the parties hereto that Lender make such loan to Owner; and Beneficiary is willing that the mortgage securing the same shall, when recorded, constitute a lien or charge upon said land which is unconditionally prior and superior to the lien or charge of the mortgage first above mentioned.

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce Lender to make loan above referred to, it is hereby declared, understood and agreed as follows:

- (1) That said mortgage securing said note in favor of Lender, and any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the property therein described, prior and superior to the lien or charge of the mortgage first above mentioned.
- (2) That Lender would not make its loan above without this subordination agreement.

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(3) That this agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the mortgage first above mentioned to the lien or charge of the mortgage in favor of Lender above referred to and shall supersede and cancel, but only insofar as would affect the priority between the mortgage hereinbefore specifically described, any prior agreement as to such subordination including, but not limited to, those provisions, if any, contained in the mortgage first above mentioned, which provide for the subordination of the lien or charge thereof to another mortgage or mortgages or to deed or deeds of trust.

Beneficiary declares, agrees and acknowledges that

- (a) He consents to and approves (I) all provisions of the note and mortgage in favor of Lender above referred to, and (II) all agreements, including but not limited to any loan or escrow agreements, between Owner and Lender for the disbursement of the proceeds of Lender's loan;
- (b) Lender in making disbursements pursuant to any such agreement is under no obligation or duty to, nor has Lender represented that it will, see to the application of such proceeds by the person or persons to whom Lender disburses such proceeds and any application or use of such proceeds for purposes other than those provided for in such agreement or agreements shall not defeat the subordination herein made in whole or in part;
- (c) He intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of the mortgage first above mentioned in favor of the lien or charge upon said land of the mortgage in favor of Lender above referred to and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination specific loans and advances are being and will be made and, as part of parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination; and
- (d) An endorsement has been placed upon the note secured by the mortgage first above mentioned that said mortgage has by this instrument been subordinated to the lien or charge of the mortgage in favor of Lender above referred to.

NOTICE THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN, A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND.

Transamerica Financial Services

[Signature]  
Borrower

Debbie K. Lones

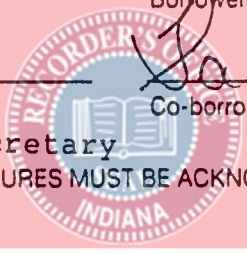
Beneficiary

[Signature]  
Co-borrower

[Signature]  
Owner

Debbie K. Lones, Asst. Secretary

(ALL SIGNATURES MUST BE ACKNOWLEDGED)



On this 17 day of March, 1994, personally appeared before me, Debbie K. Lones, who being duly sworn did say that (s)he is the Assistant Secretary of Transamerica Financial Service and that the foregoing instrument was signed in behalf of said Corporation by authority of a resolution of its Board of Directors, and said Debbie K. Lones and acknowledged to me that they executed the same.

[Seal]

[Signature]  
Notary Public  
**ERIC L. EAKIN**  
Notary Public, State of Ohio  
My Commission Expires  
12-17-95

STATE OF Indiana :  
COUNTY Lake :

On this 24<sup>th</sup> day of Mar, 1994, personally appeared before me, the undersigned, a Notary Public in the state of Indiana, county of Lake, Karl R. Helton known to me or proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) are subscribed to the within instrument, and acknowledged that they executed the same.

[Seal]

[Signature]  
Notary Public Sharon K Bielak