

198890

96021844

96 APR -4 PM 12: 11

SUBORDINATION AGREEMENT

MARGARETTE CLEVELAND  
RECORDER

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 March 21, 1996 by

Michael A. Spiccia, Jr. and Linda P. Spiccia as Husband and wife

owner of the land hereinafter described and hereinafter referred to as "Owner," and Irwin Union Bank and Trust Corporation present owner and holder of the mortgage and note first hereinafter described and hereinafter referred to as "Beneficiary";

WITNESSETH

THAT WHEREAS, Michael A. Spiccia, Jr. and Linda P. Spiccia as Husband and wife did execute a mortgage, dated June 22, 1995, to The Chase Manhattan Bank, N/A, Irwin Union Bank and Trust Company

Lot 404 in Foxwood Estates Unit 6, an Addition to the Town of Schereville, as per plat thereof, recorded in Plat Book 75 page 6, in the office of the Recorder of Lake County, Indiana.

to secure a note in the sum of \$ 58,200 dated June 22, 1995 in favor of Irwin Union Bank and Trust which mortgage was recorded as instrument number 95036510 in book N/A, page N/A, Official Records of said county; and

WHEREAS, Owner has executed, or is about to execute, a mortgage and note in the sum of \$ 193,000.00 dated 2-9-96, In favor of NBD Mortgage, 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 last 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 or 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 benefit 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 the loan above referred to, it is hereby declared, understood and agreed as follows:

TICOR TITLE INSURANCE  
Mo Crown Point, Indiana

2.  
1/6/96

- (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 mentioned.
- (2) That Lender would not make its loan above described without this subordination agreement.
- (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 mortgages hereinbefore specifically described, any prior agreement as to such subordination including, but not limited, 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 another deed of trust 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 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.**

**IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THERETO.**

Michael A. Spiccia, Jr.  
BORROWER Michael A. Spiccia, Jr.  
Linda P. Spiccia  
BORROWER Linda P. Spiccia

Gloria C. Bennett  
Irwin Union Bank and Trust  
By: Gloria C. Bennett  
Title: Vice President

R. Bishop  
The Chase Manhattan Bank, N.A., as Trustee  
By: R. Bishop  
Title: QVP

STATE OF INDIANA,

County ss:

On this 2nd day of April, before me,  
the undersigned, a Notary Public in and for said County, personally appeared Michael A. Spiccia, Jr.  
and Linda P. Spiccia  
and acknowledged the execution of the foregoing instrument.

My commission expires: 1-26-99

Resident of

County, Indiana

STATE OF INDIANA,

County ss: Bartholomew

On this 25th day of March, 1996, before me,  
the undersigned, a Notary Public in and for said County, personally appeared Gloria C. Bennett  
and acknowledged the execution of the foregoing instrument.

My commission expires: 7-1-97

Resident of

County, Indiana

This instrument was prepared by Kim Kaupp

.....(SPACE BELOW THIS LINE RESERVED FOR LENDER AND RECORDER).....

Drafted by and Return to:

Kim Kaupp

Irwin Home Equity Corporation

2400 Camino Ramon Suite 375

San Ramon, CA 94583

