

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

2000 000435

2000 JAN -5 AM 8:45

SUBORDINATION AGREEMENT

MORRIS W. CARTER
RECORDER

THIS SUBORDINATION AGREEMENT is entered into this 8th day of October, 1999, by and between CITY OF GARY ECONOMIC DEVELOPMENT CORPORATION ("Subordinated Lender") and NORTHWEST INDIANA REGIONAL DEVELOPMENT COMPANY ("RDC"); WITNESSETH:

WHEREAS, RDC has agreed to provide a loan in the principal sum of Four Hundred Twenty-One Thousand Dollars (\$421,000.00) to Dock, Incorporated ("Borrower") under the provisions of a Promissory Note dated the 8th day of October, 1999; and,

WHEREAS, RDC will only provide the loan if it has a senior and superior lien to that of the Subordinated Lender upon the real estate described in Schedule "A", which is attached to this Agreement ("Real Estate"), the rents, income and profits from and related to the Real Estate, and the equipment, machinery, fixtures and general intangibles owned by the Borrower and located on the Real Estate; and,

WHEREAS, the Subordinated Lender holds a mortgage on the Real Estate, several financing statements filed under the Indiana Uniform Commercial Code, and other security agreements against property which is or may become owned by the Borrower ("Collateral Documents"); and,

WHEREAS, pursuant to these Collateral Documents, the Subordinated Lender claims, or may claim, an interest in the Real Estate, the rents, income and profits from the Real Estate and in the equipment, machinery and fixtures, and general intangibles owned by the Borrower on or at the Real Estate; and

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WHEREAS, RDC insists that the Subordinated Lender subordinate its interests in the Real Estate, its rents, profits and income, the equipment, machinery, fixtures and general intangibles located at or on the Real Estate to the interest of the RDC, and the Subordinated Lender agrees to do so,

THEREFORE, in consideration of the foregoing, the covenants contained herein and for other good and valuable consideration, receipt of which is hereby acknowledged, the Subordinated Lender and RDC covenant and agree as follows:

1. The Subordinated Lender hereby subordinates any interest they now, or at any time may, claim or assert in and to the Real Estate, its rents, profits and income and the equipment, machinery, fixtures and general intangibles located at or on the Real Estate, whether this claim or interest is based upon the Collateral Documents, or otherwise, to the right, title, claim, and interest of the RDC in that same Real Estate, its rents, profits and income and the equipment, machinery, fixtures and general intangibles now existing or hereafter arising. It is the intent of the RDC that as a result of this Subordination Agreement, the RDC shall hold and enjoy a senior and superior lien on the Real Estate, its rents, profits and income and the equipment, machinery, fixtures and general intangibles described above, and that the lien, claim or interest of the Subordinated Lender, if any, shall be junior, inferior, subordinate and subject to, the right, title, claim, lien and interest of the RDC.

2. This Agreement shall continue in full force and effect until the indebtedness owing, or to be owing, to the RDC by the Borrower, which is secured by the Real Estate, its rents, profits and income and the personal property described above, is satisfied or paid in full.

3. The RDC may record this Subordination Agreement, or a short form memorandum of it, in its sole discretion.

4. This Subordination Agreement is binding upon the Subordinated Lender and their assigns or successors in interest.

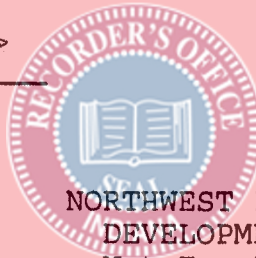
This Subordination Agreement is executed on the date stated above.

CITY OF GARY ECONOMIC DEVELOPMENT CORPORATION, an Indiana Not-For-Profit Corporation

By: Gardest Gillespie
Name: Gardest Gillespie
Title: Board of Trustee President

Attested to:

Audrey C. Frost
Name: Audrey C. Frost
Title: Executive Director



NORTHWEST INDIANA REGIONAL DEVELOPMENT COMPANY, an Indiana Not-For-Profit Corporation

By: Dennis M. Henson
Dennis Henson, President

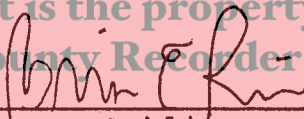
Attested to:

Mark McLaughlin
Mark McLaughlin, Secretary

STATE OF INDIANA)
) SS:
COUNTY OF LAKE)

Be it remembered, that on this 4th day of ~~October~~ ^{November}, 1999,
came before me Gardest Gillespie, Board of Trustee
President of City
of Gary Economic Development Corporation, an Indiana not-for-
profit corporation, who being duly sworn upon oath, did
acknowledge execution and delivery of the within instrument to be
the act and deed of said corporation for the purposes therein
contained.

My Commission Expires:
4-9-00


Notary Public
County of Residence: Lake

STATE OF INDIANA)
) SS:
COUNTY OF PORTER)

Be it remembered, that on this 4th day of ~~October~~ ^{November}, 1999,
came before me Dennis Henson, President of Northwest Indiana
Regional Development Company, an Indiana not-for-profit
corporation, who being duly sworn upon oath, did acknowledge
execution and delivery of the within instrument to be the act and
deed of said corporation for the purposes therein contained.

My Commission Expires:
4-9-00


Notary Public
County of Residence: Lake

This Instrument Prepared By:
J. Brian Hittinger
HOEPPNER WAGNER & EVANS, LLP
1000 East 80th Place
Suite 606 South Tower
Merrillville, Indiana 46410

Schedule "A"

Lots 1 to 12, both inclusive, Block 4,
Resubdivision of Gary Land Company's Sixth
Subdivision, in the City of Gary, as shown in
Plat Book 14, page 21, and Vacated Alley
Number 27 West adjoining Lots 6 and 7, as
evidenced in Ordinance No. 6607, recorded
March 28, 1996 as Document No. 96020025, in
Lake County, Indiana.

