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STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORD

2004 022724

2004 MAR 18 4:01 PM '04

MORTGAGE RECORDED

**RECORDATION REQUESTED BY:**

American Savings, FSB  
8230 Hohman Ave  
Munster, IN 46321

**WHEN RECORDED MAIL TO:**

American Savings, FSB  
8230 Hohman Ave  
Munster, IN 46321

**SEND TAX NOTICES TO:**

American Savings, FSB  
8230 Hohman Ave  
Munster, IN 46321

**NOTICE: THIS SUBORDINATION OF MORTGAGE 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.**

**SUBORDINATION OF MORTGAGE**

THIS SUBORDINATION OF MORTGAGE dated February 5, 2004, is made and executed among Franklin D. Diehl and Judith R. Diehl ("Borrower"); Finans FCU, A Credit Union ("Mortgagee"); and American Savings, FSB ("Lender").

**SUBORDINATED INDEBTEDNESS.** Mortgagee has extended the following described financial accommodations (the "Subordinated Indebtedness") to American Savings, FSB ("Mortgagor"):

Note in sum of \$36,887.62, dated April 24, 2000, in favor of Finans FCU, A Credit Union.

**SUBORDINATED MORTGAGE.** The Subordinated Indebtedness is secured by a mortgage dated February 5, 2004 from Mortgagor to Mortgagee (the "Subordinated Mortgage") recorded in Lake County, State of Indiana as follows:

Recorded May 5, 2000 as Document No. 2000-030786.

**REAL PROPERTY DESCRIPTION.** The Subordinated Mortgage covers the following described real property (the "Real Property") located in Lake County, State of Indiana:

The South 743 Feet of the West 1120 feet of the Southeast 1/4 of Section 16, Township 33 North, Range 7 West of the Second Principal Meridian, except the South 140 feet of the West 381 feet thereof, in Lake County, Indiana.

The Real Property or its address is commonly known as 9006 E. 173rd, Hebron, IN 46341. The Real Property tax identification number is 04-05-0028-0014

**REQUESTED FINANCIAL ACCOMMODATIONS.** Mortgagee, who may or may not be the same person or entity as Mortgagor, and Borrower each want Lender to provide financial accommodations to Borrower (the "Superior Indebtedness") in the form of (A) new credit or loan advances, (B) an extension of time to pay or other compromises regarding all or part of Borrower's present indebtedness to Lender, or (C) other benefits to Borrower. Borrower and Mortgagee each represent and acknowledge to Lender that Mortgagee will benefit as a result of these financial accommodations from Lender to Borrower, and Mortgagee acknowledges receipt of valuable consideration for entering into this Subordination.

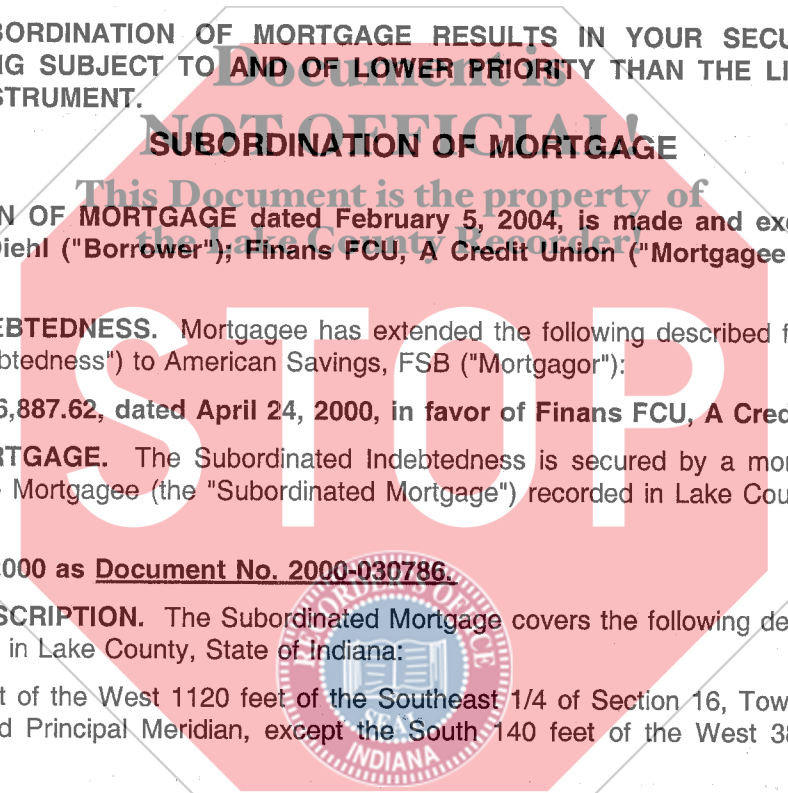
**LENDER'S LIEN.** As a condition to the granting of the requested financial accommodations, Lender has required that its mortgage or other lien on the Real Property ("Lender's Lien") be and remain superior to the Subordinated Mortgage.

**NOW THEREFORE THE PARTIES TO THIS SUBORDINATION HEREBY AGREE AS FOLLOWS:**

MORT Doc # 2004-022723

Bankers Title

# 320040175



DG  
OK # 6459  
1900

**SUBORDINATION OF MORTGAGE  
(Continued)**

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**SUBORDINATION.** The Subordinated Mortgage and the Subordinated Indebtedness secured by the Subordinated Mortgage is and shall be subordinated in all respects to Lender's Lien and the Superior Indebtedness, and it is agreed that Lender's Lien shall be and remain, at all times, prior and superior to the lien of the Subordinated Mortgage. Mortgagee also subordinates to Lender's Lien all other Security Interests in the Real Property held by Mortgagee, whether now existing or hereafter acquired. The words "Security Interest" mean and include without limitation any type of collateral security, whether in the form of a lien, charge, mortgage, deed of trust, assignment, pledge, chattel mortgage, chattel trust, factor's lien, equipment trust, conditional sale, trust receipt, lien or title retention contract, lease or consignment intended as a security device, or any other security or lien interest whatsoever, whether created by law, contract, or otherwise.

**MORTGAGEE'S REPRESENTATIONS AND WARRANTIES.** Mortgagee hereby represents and warrants to Lender that Mortgagee has heretofore delivered to Lender a true, correct and complete copy of the Lease, which constitutes the entire agreement between the parties thereto and Mortgagee further acknowledges that the Lease is in full force and effect and that no default by Mortgagee or, to Mortgagee's knowledge, by other party under the terms and provisions of the Lease exists as of the date hereof.

**MORTGAGEE WAIVERS.** Mortgagee waives any right to require Lender: (A) to make, extend, renew, or modify any loan to Borrower or to grant any other financial accommodations to Borrower whatsoever; (B) to make any presentment, protest, demand, or notice of any kind, including notice of any nonpayment of any Superior Indebtedness secured by Lender's Lien, or notice of any action or nonaction on the part of Borrower, Lender, any surety, endorser, or other guarantor in connection with the Superior Indebtedness, or in connection with the creation of new or additional indebtedness; (C) to resort for payment or to proceed directly or at once against any person, including Borrower; (D) to proceed directly against or exhaust any collateral held by Lender from Borrower, any other guarantor, or any other person; (E) to give notice of the terms, time, and place of any public or private sale of personal property security held by Lender from Borrower or to comply with any other applicable provisions of the Uniform Commercial Code; (F) to pursue any other remedy within Lender's power; or (G) to commit any act or omission of any kind, at any time, with respect to any matter whatsoever.

**LENDER'S RIGHTS.** Lender may take or omit any and all actions with respect to Lender's Lien without affecting whatsoever any of Lender's rights under this Subordination. In particular, without limitation, Lender may, without notice of any kind to Mortgagee, (A) make one or more additional secured or unsecured loans to Borrower; (B) repeatedly alter, compromise, renew, extend, accelerate, or otherwise change the time for payment or other terms of the Superior Indebtedness or any part of it, including increases and decreases of the rate of interest on the Superior Indebtedness; extensions may be repeated and may be for longer than the original loan term; (C) take and hold collateral for the payment of the Superior Indebtedness, and exchange, enforce, waive, and release any such collateral, with or without the substitution of new collateral; (D) release, substitute, agree not to sue, or deal with any one or more of Borrower's sureties, endorsers, or guarantors on any terms or manner Lender chooses; (E) determine how, when and what application of payments and credits, shall be made on the Superior Indebtedness; (F) apply such security and direct the order or manner of sale of the security, as Lender in its discretion may determine; and (G) transfer this Subordination to another party.

**DEFAULT BY BORROWER.** If Borrower becomes insolvent or bankrupt, this Subordination shall remain in full force and effect. Any default by Borrower under the terms of the Subordinated Indebtedness also shall constitute an event of default under the terms of the Superior Indebtedness in favor of Lender.

**MISCELLANEOUS PROVISIONS.** The following miscellaneous provisions are a part of this Subordination:

**Amendments.** What is written in this Subordination is Mortgagee's entire agreement with Lender concerning the matters covered by this Subordination. To be effective, any change or amendment to this Subordination must be in writing and must be signed by whoever will be bound or obligated by the change or amendment.

**Attorneys' Fees; Expenses.** If Lender institutes any suit or action to enforce any of the terms of this Subordination, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees and title insurance, to the extent permitted by applicable law. Mortgagee also will pay any court costs, in addition to all other sums provided by law.

**Authority.** The person who signs this Subordination as or on behalf of Mortgagee represents and warrants that he or she has authority to execute this Subordination and to subordinate the Subordinated Indebtedness and the Mortgagee's security interests in Mortgagee's property, if any.

**Caption Headings.** Caption headings in this Subordination are for convenience purposes only and are not to be used to interpret or define the provisions of this Subordination.

**Governing Law.** This Subordination will be governed by and interpreted in accordance with federal law and the laws of the State of Indiana. This Subordination has been accepted by Lender in the State of Indiana.

**SUBORDINATION OF MORTGAGE  
(Continued)**

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**Choice of Venue.** If there is a lawsuit, Mortgagee agrees upon Lender's request to submit to the jurisdiction of the courts of Lake County, State of Indiana.

**Successors.** This Subordination shall extend to and bind the respective heirs, personal representatives, successors and assigns of the parties to this Subordination, and the covenants of Mortgagee herein in favor of Lender shall extend to, include, and be enforceable by any transferee or endorsee to whom Lender may transfer any or all of the Superior Indebtedness.

**No Waiver by Lender.** Mortgagee understands Lender will not give up any of Lender's rights under this Subordination unless Lender does so in writing. The fact that Lender delays or omits to exercise any right will not mean that Lender has given up that right. If Lender does agree in writing to give up one of Lender's rights, that does not mean Mortgagee will not have to comply with the other provisions of this Subordination. Mortgagee also understands that if Lender does consent to a request, that does not mean that Mortgagee will not have to get Lender's consent again if the situation happens again. Mortgagee further understands that just because Lender consents to one or more of Mortgagee's requests, that does not mean Lender will be required to consent to any of Mortgagee's future requests. Mortgagee waives presentment, demand for payment, protest, and notice of dishonor. Mortgagee waives all rights of exemption from execution or similar law in the Property, and Mortgagee agrees that the rights of Lender in the Property under this Subordination are prior to Mortgagee's rights while this Subordination remains in effect.

**Waive Jury.** All parties to this Subordination hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

**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.**

**EACH PARTY TO THIS SUBORDINATION ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS SUBORDINATION, AND EACH PARTY AGREES TO ITS TERMS. THIS SUBORDINATION IS DATED FEBRUARY 5, 2004.**

**This Document is the property of  
the Lake County Recorder!**

**BORROWER:**

X *Franklin D. Diehl*  
Franklin D. Diehl, Individually

X *Judith R. Diehl*  
Judith R. Diehl, Individually

**MORTGAGEE:**

**FINANS FCU, A CREDIT UNION**

By: *Danielle Danner*  
Authorized Signer for Finans FCU, A Credit Union

By: *Judith Flores*  
Authorized Signer for Finans FCU, A Credit Union

**LENDER:**

X *Robert Williams*  
Authorized Officer



**SUBORDINATION OF MORTGAGE  
(Continued)**

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**INDIVIDUAL ACKNOWLEDGMENT**

STATE OF Indiana )  
 ) SS  
COUNTY OF Lake )

On this day before me, the undersigned Notary Public, personally appeared **Franklin D. Diehl and Judith R. Diehl**, to me known to be the individuals described in and who executed the Subordination of Mortgage, and acknowledged that they signed the Subordination as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 5<sup>th</sup> day of February, 20 04  
Lake County, IN

By Betty B. O'Rourke Residing at Dyer, Indiana  
Betty B. O'Rourke

Notary Public in and for the State of Indiana My commission expires January 9, 2008

**Document is  
NOT OFFICIAL!  
ASSOCIATION ACKNOWLEDGMENT  
This Document is the property of  
the Lake County Recorder!**

STATE OF Indiana )  
 ) SS  
COUNTY OF Lake )

On this 5<sup>th</sup> day of February, 20 04, before me, the undersigned Notary Public, personally appeared Judith Flores and Diane Donell

and known to me to be (an) officer(s) or designated agent(s) of the association that executed the Subordination of Mortgage and acknowledged the Subordination to be the free and voluntary act and deed of the association, by authority of its Bylaws or by resolution of its governing body, for the uses and purposes therein mentioned, and on oath stated that he or she/they is/are authorized to execute this Subordination and in fact executed the Subordination on behalf of the association.  
Lake County, IN

By Betty B. O'Rourke Residing at Dyer, Indiana  
Betty B. O'Rourke

Notary Public in and for the State of Indiana My commission expires January 9, 2008

SUBORDINATION OF MORTGAGE  
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LENDER ACKNOWLEDGMENT

STATE OF INDIANA )  
 ) SS  
COUNTY OF LAKE )

On this 5<sup>th</sup> day of February, 2004, before me, the undersigned Notary Public, personally appeared TODD C. WILLIAMS and known to me to be the \_\_\_\_\_, authorized agent for the Lender that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the said Lender, duly authorized by the Lender through its board of directors or otherwise, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this said instrument and that the seal affixed is the corporate seal of said Lender.

By Betty B. O'Rourke Residing at Lake County, IN  
Betty B. O'Rourke Dyer, Indiana

Notary Public in and for the State of Indiana My commission expires January 9, 2008

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This Subordination of Mortgage was prepared by: Clement B. Knapp, Jr., Attorney-at-Law

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