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STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL
TO:

2010 057407

2010 OCT -4 AM 10:11

Prepared by:
Brandon R. Calvert, Esq.
Charity & Associates, P.C.
20 North Clark Street, Suite 1150
Chicago, Illinois 60602

MICHELLE R. FAJMAN
RECORDER

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SPACE ABOVE FOR RECORDER'S USE

DECLARATION OF SUBORDINATION

This DECLARATION OF SUBORDINATION (the "Subordination") is made as of September 23, 2010, by The Community Builders, Inc., a Massachusetts charitable corporation, with a mailing address of 95 Berkeley Street, Boston, Massachusetts 02116 (hereinafter referred to as "TCB").

RECITALS

A. IFF, an Illinois not for profit corporation ("Lender") has made or is making a loan (the "First Mortgage Loan") to Northtown Village Townhomes Limited Partnership, an Indiana limited partnership in the original principal amount not to exceed Seven Hundred Fifty Thousand and No/100 Dollars (\$750,000.00). The First Mortgage Loan is secured by a first mortgage lien on an affordable housing development (including certain personal property used in connection with such affordable housing development) located in East Chicago, Indiana known as Northtown Village (the "Project") evidenced by a Mortgage, Assignment of Rents, Security Agreement and Fixture Filing (the "First Mortgage") encumbering the Project dated as of September 23, 2010. The land which the Project is situated on is more fully described in Exhibit A attached hereto. The Borrower's obligation to repay the First Mortgage Loan is evidenced by a Note dated of even date herewith (the "First Mortgage Loan Note").

B. Pursuant to that certain Option and Right of First Refusal Agreement (the "Purchase Agreement") between the Borrower and TCB dated as of September 30, 2008 and recorded in the official records of Lake County, Indiana on October 7, 2008 as Document No. 2008069364, TCB has a purchase option and right of first refusal (the "Purchase Option and Right of First Refusal") to the Project.

C. TCB and Lender both desire that the Purchase Option and Right of First Refusal under the Purchase Agreement be junior, subject and subordinate to the lien of the First Mortgage.

E. Lender requires, as a condition precedent to making the First Mortgage Loan that the

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Purchase Option and Right of First Refusal contained in the Purchase Agreement be expressly subordinated to the lien of the Lender's First Mortgage and that the First Mortgage shall be and shall remain a lien or charge upon the Project prior and superior to the Purchase Option and Right of First Refusal and the other covenants, conditions and restrictions contained in the Purchase Agreement.

NOW, THEREFORE, in consideration of the premises and other valuable consideration, receipt and sufficiency of which is hereby acknowledged, and in order to induce Lender to make the First Mortgage Loan, it is hereby declared, understood and agreed as follows:

1. The foregoing recitals are hereby incorporated in and made a part of this Subordination.
2. TCB's Purchase Option and Right of First Refusal is hereby declared to be in all respects and for all purposes and at all times junior, subject and subordinate to the lien of the Lender's First Mortgage, as same may be at any time and from time to time modified, renewed, replaced, extended or consolidated.
3. TCB has executed this instrument in order to induce Lender to disburse the proceeds of the First Mortgage Loan, and TCB intends that Lender shall rely on same. TCB agrees that the disbursement by Lender of the proceeds of all or any part of the First Mortgage Loan shall constitute conclusive evidence of reliance by Lender upon this instrument and the provisions hereof and the subordination effected hereby.
4. This instrument and each and every covenant, agreement and other provision herein contained shall be binding upon TCB, its successors and assigns. Each owner of the First Mortgage, including Lender, its successors and assigns, shall have and enjoy all of the rights, privileges, powers and benefits afforded Lender hereby and hereunder, and may enforce all and every of the terms and provisions hereof as fully and to the same extent and with the same effect as if herein by name specifically granted such rights, privileges, powers and benefits.

IN WITNESS WHEREOF, this instrument has been duly executed and delivered as of the day, month and year first above written.

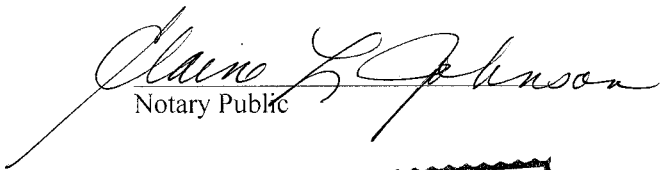
THE COMMUNITY BUILDERS, INC., a
Massachusetts charitable corporation

By: *Sara Jean Lindholm*
Name: SARA JEAN LINDHOLM
Its: authorized agent

STATE OF ILLINOIS)
)
COUNTY OF COOK)

I, ELAINE L. JOHNSON, a Notary Public residing in the county and state aforesaid, do certify that Sara Jean Lindholm, personally known to me to be the Authorized Agent, of The Community Builders, Inc., a Massachusetts charitable corporation ("TCB"), this day appeared before me personally and did acknowledge before me that he/she did sign, seal and deliver the foregoing instrument of his/her own accord and for TCB for the purposes herein named and expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 21st day of September, 2010.


Notary Public



"I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law." Chris Burk

EXHIBIT A
Legal Description

Parcel 1: Lots 6 to 11, both inclusive, and 18 to 28, both inclusive, in Block 52 in Original Town of Indiana Harbor, in the City of East Chicago, as per plat thereof, recorded in Plat Book 5, page 9, in the Office of the Recorder of Lake County, Indiana.

Parcel 2: Lots 10 and 11, both inclusive, and Lots 18 to 20, both inclusive, in Block 53 in Original Town of Indiana Harbor, in the City of East Chicago, as per plat thereof, recorded in Plat Book 5 page 9, in the Office of the Recorder of Lake County, Indiana.

Parcel 3: Lots 18 thru 23, both inclusive, in Block 3 in First Addition to Indiana Harbor, in the City of East Chicago, as per plat thereof, recorded in Plat Book 5 page 14, in the Office of the Recorder of Lake County, Indiana.

Parcel 4: Lots 29 to 34, both inclusive, in Block 2 in First Addition to Indiana Harbor, in the City of East Chicago, as per plat thereof, recorded in Plat Book 5 page 14, in the Office of the Recorder of Lake County, Indiana.

COMMON ADDRESS: 3618-3628 Main Street, in East Chicago, Indiana 46312