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STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

2011 045089

2011 AUG 19 PM 1:04

MICHELLE R. SAJMAN
RECORDER

SUBORDINATION AGREEMENT

August 15, 2011

GRANTEE: (for indexing purposes only)
DUNELAND VILLAGE ASSOCIATES, L.P.
720 Olive Street, Suite 2500, St. Louis, Missouri 63101

GRANTOR: (for indexing purposes only)
INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY
Rental Housing Tax Credit Allocation Department
30 South Meridian Street, Suite 1000
Indianapolis, Indiana 46204

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

LEGAL DESCRIPTION:
See Exhibit "A" pages 4-5

REFERENCE TO RECORDING INFORMATION:
Declaration of Extended Rental Housing Commitment
recorded July 13, 2006 as Document 2006-060779

RETURN RECORDED DOCUMENT TO:
David S. Lang, Esq.
Rosenblum, Goldenhersh, Silverstein & Zafft, P.C.
7733 Forsyth Boulevard, Suite 400
St. Louis, Missouri 63105



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CK# 53424
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SUBORDINATION AGREEMENT

THIS SUBORDINATION AGREEMENT ("Agreement") made as of August 13, 2011 by and between **DUNELAND VILLAGE ASSOCIATES, L.P.**, a Missouri limited partnership, and **INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY**, a public body corporate and politic of the State of Indiana ("IHCDA") with respect to the real property known as **DUNELAND VILLAGE** ("Development") as more fully described in Exhibit "A" attached hereto.

RECITALS

WHEREAS, DUNELAND VILLAGE ASSOCIATES, L.P. ("Owner") received an allocation of low-income housing tax credits ("Credits") with respect to the Development pursuant to Section 42 of the Internal Revenue Code of 1986, as amended (the "Code");

WHEREAS, in connection with the receipt of the Credits, the Owner and IHCDA entered into a Declaration of Extended Rental Housing Commitment on **January 11, 2006** and recorded on **July 13, 2006** in the Office of the Recorder of Deeds for the **County of Lake**, Indiana as Document 2006-060779 (the "LURA");

WHEREAS, the Owner has executed a Leasehold Mortgage in favor of Gershman Investment Corp. dated August 1, 2011, with the same being recorded on August 19, 2011 in the office of the Recorder of Deeds for the County of Lake, Indiana as Document 2011 045087 (the "First Mortgage Loan");

WHEREAS, the Owner has executed a Second Leasehold Mortgage and Security Agreement in favor of the Gary Housing Authority dated September 1, 2003, with the same being recorded on September 5, 2003 in the office of the Recorder of Deeds for the County of Lake, Indiana as Document 2003-092584 (the "Second Mortgage Loan");

WHEREAS, incorporated by reference in the above described First Mortgage Loan was one certain regulatory agreement executed by and between the **SECRETARY OF HOUSING AND URBAN DEVELOPMENT** and the Owner, dated August 1, 2011, and recorded on August 19, 2011, in the office of the Recorder of Deeds for the County of Lake, Indiana in as Document 2011 045088 ("HUD Regulatory Agreement"); and

WHEREAS, the holders of the First Mortgage Loan and Second Mortgage Loan each require that the LURA be subordinate to their respective loans with the one exception being Sections 6(c) and 6(d) of the LURA which preserves Code Section 42(h)(6)(E)(ii) which requires that certain limitations as to termination of tenancies and rent increases survive such foreclosure for a period of three years; and

WHEREAS, the Gershman Investment Corp., as lender under the First Mortgage Loan, requires that the LURA be subordinate to the HUD Regulatory Agreement with the one exception being Sections 6(c) and 6(d) of the LURA which preserves Code Section 42(h)(6)(E)(ii) which requires that certain limitations as to termination of tenancies and rent increases survive such foreclosure for a period of three years;

and

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the party hereto, intending to be legally bound hereby, agrees as follows:

1. The LURA shall be subordinate to the First Mortgage Loan and Second Mortgage Loan, and HUD Regulatory Agreement except for Sections 6(c) and 6(d) of the LURA which set forth the requirements of Section 42(h)(6)(E)(ii) of the Code.
2. The Recitals provisions are incorporated herein by this reference.
3. This Agreement shall be governed by Indiana Law and shall be binding on and inure to the benefit of, the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, the parties hereto has caused this Agreement to be executed.

**INDIANA HOUSING AND COMMUNITY
DEVELOPMENT AUTHORITY,**
a public body corporate and politic of the State of Indiana

By: Sherry Seiwert
Sherry Seiwert, Executive Director

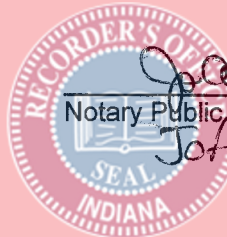
STATE OF INDIANA
COUNTY OF MARION

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

On this 15th day of August, 2011, before me, a notary public in and for said state, personally appeared, Sherry Seiwert, known to me personally and known to me to be the person who executed the within Subordination Agreement in behalf of INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY, and acknowledged to me that she executed same for the purposes therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

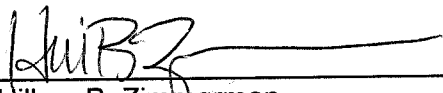
My Commission Expires: 2-21-2016
(SEAL)



Glenn Swinford
Notary Public

DUNELAND VILLAGE ASSOCIATES, L.P.,
a Missouri limited partnership


By: MBA Urban Development Co.,
A Missouri corporation,
Its general partner

By: 
Hillary B. Zimmerman,
Vice President

STATE OF MISSOURI)
) SS
COUNTY OF ST. LOUIS)

On this 16th day of August, 2011, before me, a Notary Public in and for the City and State aforesaid, personally appeared Hillary B. Zimmerman, to me personally known, who, being by me duly sworn, did say that she is Vice President of MBA Urban Development Co., a Missouri corporation, the general partner of Duneland Village Associates, L.P., a Missouri limited partnership, and acknowledged before me that, acting under due corporate and partnership authority, she executed the foregoing instrument for the purposes therein expressed as the free act and deed of said corporation and limited partnership.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the aforesaid City and State, the day and year last above written.


Notary Public

My Commission Expires:

"NOTARY SEAL"
David Lang, Notary Public
St. Louis County, State of Missouri
My Commission Expires 10/11/2012
Commission Number 08409298

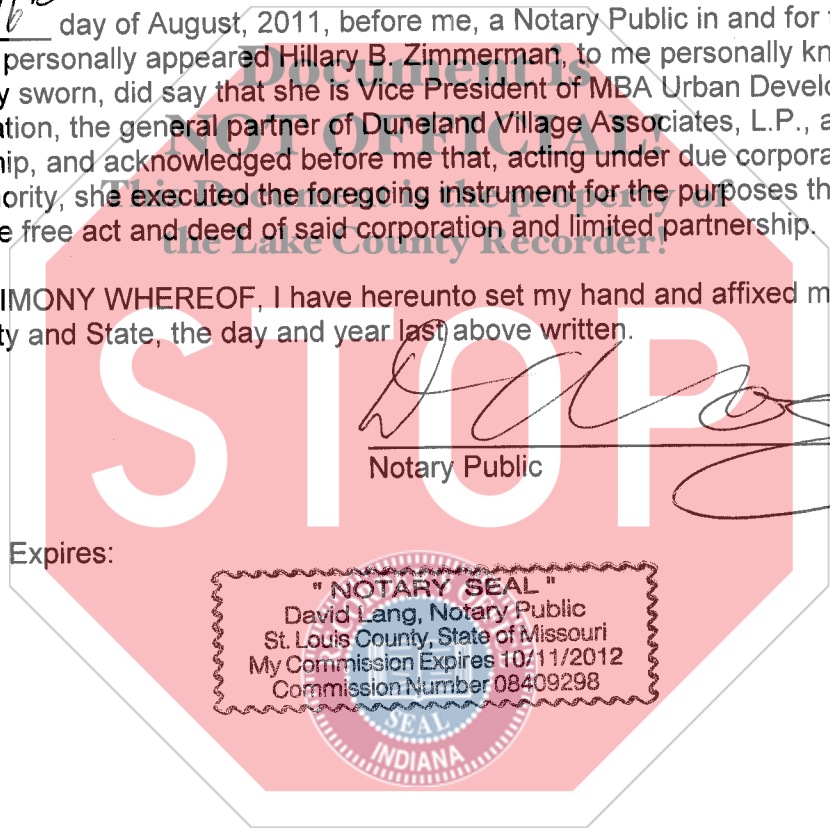


EXHIBIT A

LEGAL DESCRIPTION

Legal Description: DUNELAND VILLAGE AS RECORDED IN PLAT BOOK 093, PAGE 55, BEING A SUBDIVISION OF A TRACT OF LAND IN THE NORTHWEST QUARTER OF SECTION 6, TOWNSHIP 36 NORTH, RANGE 7 WEST OF THE SECOND PRINCIPAL MERIDIAN, LYING SOUTH OF THE RIGHT OF WAY OF THE LAKE SHORE AND MICHIGAN SOUTHERN RAILWAY COMPANY, NOW THE NEW YORK CENTRAL RAILROAD COMPANY AND EAST OF A LINE 990 FEET WEST OF AND PARALLEL TO THE EAST LINE OF SAID QUARTER SECTION, IN THE CITY OF GARY, LAKE COUNTY, INDIANA AND AS CORRECTED BY CERTIFICATE OF SURVEYOR RECORDED JUNE 6, 2003 AS DOCUMENT NO. 2003 057315.

PARCEL 1:

BLOCK 1 DUNELAND VILLAGE AS PER PLAT THEREOF RECORDED IN PLAT BOOK 093, PAGE 55, IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA, AND AS CORRECTED BY CERTIFICATE OF SURVEYOR RECORDED JUNE 6, 2003 AS DOCUMENT NO. 2003 057315, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF THE NORTHWEST QUARTER OF SECTION 6, TOWNSHIP 36 NORTH, RANGE 7 WEST OF THE SECOND PRINCIPAL MERIDIAN; THENCE NORTH 00 DEGREES 00 MINUTES 00 SECONDS EAST, ALONG THE EAST LINE OF SAID NORTHWEST QUARTER, 306.75 FEET; THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST, 30.00 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 00 DEGREES 00 MINUTES 00 SECONDS WEST, 181.64 FEET; THENCE NORTH 88 DEGREES 45 MINUTES 08 SECONDS WEST, 78.67 FEET; THENCE ON A CURVE TO THE RIGHT, 513.54 FEET SAID CURVE HAVING A RADIUS OF 760.00 FEET AND A CHORD THAT BEARS NORTH 69 DEGREES 23 MINUTES 41 SECONDS WEST, 503.82 FEET; THENCE NORTH 43 DEGREES 39 MINUTES 35 SECONDS EAST, 234.12 FEET; THENCE ON A CURVE TO THE LEFT, 431.40 FEET, SAID CURVE HAVING A RADIUS OF 625.00 FEET AND A CHORD THAT BEARS SOUTH 66 DEGREES 46 MINUTES 33 SECONDS EAST, 422.88 FEET TO THE POINT OF BEGINNING.

PARCEL 2:

BLOCK 2 DUNELAND VILLAGE AS PER PLAT THEREOF RECORDED IN PLAT BOOK 093, PAGE 55, IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA, AND AS CORRECTED BY CERTIFICATE OF SURVEYOR RECORDED JUNE 6, 2003 AS DOCUMENT NO. 2003 057315, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT SOUTHEAST CORNER OF THE NORTHWEST QUARTER OF SECTION 6, TOWNSHIP 36 NORTH, RANGE 7 WEST OF THE SECOND PRINCIPAL MERIDIAN; THENCE NORTH 00 DEGREES 00 MINUTES 00 SECONDS EAST, ALONG THE EAST LINE OF SAID NORTHWEST QUARTER, 639.05 FEET; THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST, 30.00 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 00 DEGREES 00 MINUTES 00 SECONDS WEST, 282.20 FEET; THENCE ON A CURVE TO THE RIGHT, 393.29 FEET SAID CURVE HAVING A RADIUS OF 575.00 FEET AND A CHORD THAT BEARS NORTH 66 DEGREES 39 MINUTES 16 SECONDS WEST, 385.67 FEET; THENCE NORTH 43 DEGREES 39 MINUTES 35 SECONDS EAST, 250.20 FEET; THENCE ON A CURVE TO THE LEFT, 190.89 FEET, SAID CURVE HAVING A RADIUS OF 352.89 FEET AND A CHORD THAT BEARS SOUTH 74 DEGREES 06 MINUTES 26 SECONDS EAST, 188.57 FEET TO THE POINT OF BEGINNING.

PARCEL 3:

BLOCK 3 DUNELAND VILLAGE AS PER PLAT THEREOF RECORDED IN PLAT BOOK 093, PAGE 55, IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA, AND AS CORRECTED BY CERTIFICATE OF SURVEYOR RECORDED JUNE 6, 2003 AS DOCUMENT NO. 2003 057315, MORE PARTICULARLY

DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF THE NORTHWEST QUARTER OF SECTION 6, TOWNSHIP 36 NORTH, RANGE 7 WEST OF THE SECOND PRINCIPAL MERIDIAN; THENCE NORTH 00 DEGREES 00 MINUTES 00 SECONDS EAST, ALONG THE EAST LINE OF SAID NORTHWEST QUARTER, 639.05 FEET; THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST, 30.00 FEET; THENCE ON A CURVE TO THE RIGHT 190.89 FEET, SAID CURVE HAVING A RADIUS OF 352.89 FEET AND A CHORD THAT BEARS NORTH 74 DEGREES 06 MINUTES 26 SECONDS WEST, 188.57 FEET; THENCE NORTH 46 DEGREES 20 MINUTES 25 SECONDS WEST, 150.00 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 43 DEGREES 39 MINUTES 35 SECONDS WEST, 246.35 FEET; THENCE ON A CURVE TO THE RIGHT, 147.07 FEET SAID CURVE HAVING A RADIUS OF 375.00 FEET AND A CHORD THAT BEARS NORTH 26 DEGREES 50 MINUTES 09 SECONDS WEST, 146.12 FEET; THENCE NORTH 15 DEGREES 36 MINUTES 03 SECONDS WEST, 42.11 FEET; THENCE ON A CURVE TO THE RIGHT, 168.82 FEET SAID CURVE HAVING A RADIUS OF 575.00 FEET AND A CHORD THAT BEARS NORTH 07 DEGREES 11 MINUTES 23 SECONDS WEST, 168.22 FEET; THENCE SOUTH 87 DEGREES 41 MINUTES 47 SECONDS EAST, 200.38 FEET; THENCE SOUTH 48 DEGREES 30 MINUTES 29 SECONDS EAST, 16.35 FEET; THENCE ON A CURVE TO THE LEFT, 152.63 FEET, SAID CURVE HAVING A RADIUS OF 352.89 FEET AND A CHORD THAT BEARS SOUTH 21 DEGREES 40 MINUTES 46 SECONDS EAST, 151.44 FEET TO THE POINT OF BEGINNING.

PARCEL 4:

BLOCK 4 DUNELAND VILLAGE AS PER PLAT THEREOF RECORDED IN PLAT BOOK 093, PAGE 55, IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA, AND AS CORRECTED BY CERTIFICATE OF SURVEYOR RECORDED JUNE 6, 2003 AS DOCUMENT NO. 2003 057315, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF THE NORTHWEST QUARTER OF SECTION 6, TOWNSHIP 36 NORTH, RANGE 7 WEST OF THE SECOND PRINCIPAL MERIDIAN; THENCE NORTH 00 DEGREES 00 MINUTES 00 SECONDS EAST, ALONG THE EAST LINE OF SAID NORTHWEST QUARTER, 306.75 FEET; THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST 30.00 FEET; THENCE ON A CURVE TO THE RIGHT 431.40 FEET, SAID CURVE HAVING A RADIUS OF 625.00 FEET AND A CHORD THAT BEARS NORTH 66 DEGREES 46 MINUTES 33 SECONDS WEST, 422.88 FEET; THENCE NORTH 45 DEGREES 02 MINUTES 38 SECONDS WEST, 150.04 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 43 DEGREES 39 MINUTES 35 SECONDS WEST, 232.35 FEET; THENCE ON A CURVE TO THE RIGHT, 272.76 FEET SAID CURVE HAVING A RADIUS OF 760.00 FEET AND A CHORD THAT BEARS NORTH 28 DEGREES 25 MINUTES 19 SECONDS WEST, 271.30 FEET; THENCE ON A CURVE TO THE RIGHT, 99.61 FEET SAID CURVE HAVING A RADIUS OF 315.00 FEET AND A CHORD THAT BEARS NORTH 09 DEGREES 04 MINUTES 52 SECONDS WEST, 99.20 FEET; THENCE NORTH 00 DEGREES 01 MINUTES 19 SECONDS WEST, 202.08 FEET; THENCE NORTH 46 DEGREES 08 MINUTES 27 SECONDS EAST, 18.75 FEET; THENCE SOUTH 87 DEGREES 41 MINUTES 47 SECONDS EAST, 178.42 FEET; THENCE ON A CURVE TO THE LEFT, 184.45 FEET SAID CURVE HAVING A RADIUS OF 625.00 FEET AND A CHORD THAT BEARS SOUTH 07 DEGREES 08 MINUTES 47 SECONDS EAST, 183.78 FEET; THENCE SOUTH 15 DEGREES 36 MINUTES 03 SECONDS EAST, 42.11 FEET; THENCE ON A CURVE TO THE LEFT, 173.93 FEET SAID CURVE HAVING A RADIUS OF 425.00 FEET AND A CHORD THAT BEARS SOUTH 27 DEGREES 19 MINUTES 30 SECONDS EAST, 172.72 FEET TO THE POINT OF BEGINNING.

PARCEL 5:

BLOCK 5 DUNELAND VILLAGE AS PER PLAT THEREOF RECORDED IN PLAT BOOK 093, PAGE 55, IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA, AND AS CORRECTED BY CERTIFICATE OF SURVEYOR RECORDED JUNE 6, 2003 AS DOCUMENT NO. 2003 057315, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT SOUTHEAST CORNER OF THE NORTHWEST QUARTER OF SECTION 6, TOWNSHIP 36 NORTH, RANGE 7 WEST OF THE SECOND PRINCIPAL MERIDIAN; THENCE NORTH 00 DEGREES 00 MINUTES 00 SECONDS EAST, ALONG THE EAST LINE OF SAID NORTHWEST QUARTER, 1100.62 FEET TO

THE SOUTHERLY RIGHT OF WAY LINE OF THE NEW YORK CENTRAL RAILROAD; THENCE NORTH 87 DEGREES 43 MINUTES 49 SECONDS WEST ALONG SAID SOUTHERLY RIGHT OF WAY LINE 328.40 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 01 DEGREE 06 MINUTES 51 SECONDS WEST 115.80 FEET; THENCE ON A CURVE TO THE LEFT, 4.32 FEET SAID CURVE HAVING A RADIUS OF 302.89 FEET AND A CHORD THAT BEARS SOUTH 00 DEGREES 42 MINUTES 36 SECONDS WEST, 4.32 FEET; THENCE NORTH 87 DEGREES 41 MINUTES 47 SECONDS WEST, 419.80 FEET; THENCE NORTH 02 DEGREES 16 MINUTES 11 SECONDS EAST, 119.84 FEET TO THE SOUTHERLY RIGHT OF WAY LINE OF THE NEW YORK CENTRAL RAILROAD; THENCE SOUTH 87 DEGREES 43 MINUTES 49 SECONDS EAST ALONG SAID SOUTHERLY RIGHT OF WAY LINE 417.34 FEET TO THE POINT OF BEGINNING.

BASIS OF BEARINGS PLAT OF DUNELAND VILLAGE RECORDED IN PLAT BOOK 93, PAGE 55.

