

RECORDING REQUESTED BY:

Continental Land Title Company

WHEN RECORDED MAIL TO:

City Clerk
City of Redlands
P.O. Box 3005
Redlands, CA 92373

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RECORDED IN OFFICIAL RECORD
DEC 30 1988 AT 8:00AM
SAN BERNARDINO COUNTY, CA

88-455544

SPACE ABOVE THIS LINE FOR RECORDER'S USE

SUBORDINATION AGREEMENT

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 this 20th day of December, 1988, by Dennis C. Rieger, a married man as his sole and separate property

owner of the land hereinafter described and hereinafter referred to as "Owner," and The City of Redlands, a Municipal Corporation

present owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "City" Beneficiary (w.r.) w.r.

WITNESSETH

179385
THAT WHEREAS, Mark A. Ostoich and Candice J. Ostoich did execute a deed of trust, dated January 18th, 1985, to The City of Redlands, A Municipal Corporation, as trustee, covering: lien agreement (w.r.) w.r.

For legal description see Exhibit "A" attached hereto and made a part hereof.

lien agreement (w.r.) w.r.
to secure a note in the sum of \$9,850.00, dated _____, in favor of The City of Redlands, a Municipal Corporation, which deed of trust was recorded January 23, 1985, in book _____ page _____ Official Records of said county; and

Instrument #85-016759
WHEREAS, Owner has executed, or is about to execute, a deed of trust and note in the sum of \$1,168,000.00 dated December 20th, 1985, in favor of Bank of Redlands, A State Corporation, hereinafter referred to as "Lender," payable with interest and upon the terms and conditions described therein, which deed of trust is to be recorded concurrently herewith; and

WHEREAS, it is a condition precedent to obtaining said loan that said deed of trust 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 deed of trust first above mentioned; and

WHEREAS, lender is willing to make said loan provided the deed of trust securing the same is a lien or charge upon the above described property prior and superior to the lien or charge of the deed of trust first above mentioned and provided that Beneficiary will specifically and unconditionally subordinate the lien or charge of the deed of trust first above mentioned to the lien or charge of the deed of trust 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 deed of trust 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 deed of trust 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:

- (1) That said deed of trust 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 deed of trust first above mentioned. lien agreement (w.r.) w.r.
- (2) That Lender would not make its loan above described without this subordination agreement.

lien agreement ^{was} (W.D.)
 (3) That this agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the deed of trust first above mentioned to the lien or charge of the deed of trust in favor of lender above referred to and shall supersede and cancel, but only insofar as would affect the priority between the deeds of trust hereinbefore specifically described, any prior agreement as to such subordination including, but not limited to, those provisions, if any, contained in the deed of trust first above mentioned, which provide for the subordination of the lien or charge thereof to another deed or deeds of trust or to another mortgage or mortgages. ^{any} ^{was} ^{O.R.}

lien ^{was} agreement
 "The City" declares, agrees and acknowledges that

- (a) He consents to and approves (i) all provisions of the note and deed of trust 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 deed of trust first above mentioned in favor of the lien or charge upon said land of the deed of trust 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 made and, as part and parcel thereof, specific monetary and other obligations 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 ^{lien agreement} ^{was} ^{O.R.}
- (d) An endorsement has been placed upon the note secured by the deed of trust first above mentioned that said deed of trust has by this instrument been subordinated to the lien or charge of the deed of trust in favor of Lender above referred to. ^{lien agreement} ^{was} ^{O.R.} ^{lien agreement} ^{was} ^{O.R.}

NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN A PORTION OR WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND.

Dan Rodriguez

Deputy City Manager
 DEPUTY CITY

Dennis C. Rieger
 Dennis C. Rieger Owner

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

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

RE: Loan No. 04-255038-73

EXHIBIT "A"

That portion of the Southeast $\frac{1}{4}$ of Section 13, Township 1 South, Range 3 West, San Bernardino Meridian, in the City of Redlands, County of San Bernardino, State of California, according to the Official Map thereof, described as follows:

Commencing at a point in the East line, 480 feet South of the East $\frac{1}{4}$ of said Section 13; Thence South $89^{\circ} 54' 45''$ West, 1317.2 feet, parallel to and 480 feet distant from the North line of said Southeast $\frac{1}{4}$ of said Section 13 to a point of beginning; Thence South along the East line of the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of said Section to a point 650 feet North of the South line thereof; Thence West, 239.85 feet; Thence North to a point 480 feet South of the North line of the Southeast $\frac{1}{4}$; Thence East and parallel with the North line of the Southeast $\frac{1}{4}$.

Excepting therefrom that portion lying Easterly of the West line of Parcel Map 1124, Book 12, page 14, in the office of the County Recorder of said County.

APN: 0168-041-29

W.R.

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