

RECORDING REQUESTED BY:

RECORDED AT THE REQUEST OF
FIRST AMERICAN TITLE INSURANCE CO.

WHEN RECORDED MAIL TO:

City Clerk
City of Redlands
P.O. Box 280
Redlands, Ca 92373

87-229940

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RECORDED IN
OFFICIAL RECORDS

1987 JUL -6 PM 2: 26

SAN BERNARDINO
CO., CALIF.

ORDER #896635 DK
SCROW #81536 GB
#1. #174-231-07

SPACE ABOVE THIS LINE FOR RECORDER'S USE

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BE-
COMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY
INSTRUMENT.

THIS AGREEMENT, made this 29th day of June, 19 87, by
DONALD C. HUBBS AND VERNA M. HUBBS, HUSBAND AND WIFE

owner of the land hereinafter described and hereinafter referred to as "Owner," and
THE CITY OF REDLANDS, A MUNICIPAL CORPORATION

Lien Agreement to Secure Construction of Public Improvements
present owner and holder of the ~~deed of trust~~ first hereinafter described and hereinafter referred to as "Beneficiary";
"City"

WITNESSETH

THAT WHEREAS, Donald C. Hubbs and Verna Mae Hubbs
did execute a deed of trust, dated February 27th, 1984, to The City of Redlands, A Municipal Corporation
lien agreement, as trustee, covering:

FOR LEGAL DESCRIPTION SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

Lien

to secure a note in the sum of \$40,000.00, dated February 27th, 1984, in favor of The City
of Redlands, A Municipal Corporation, which deed of trust was
recorded March 1, 1984, in book XXXXXXXXXXXXXXXXXXXXXXX, Official Records of said county; and
Instrument #84-048581

WHEREAS, Owner has executed, or is about to execute, a deed of trust and note in the sum of \$ 275,000
dated June 18th, 1987, in favor of Long Beach Savings and Loan Association
hereinafter referred to as "Lender," payable with interest and upon the terms and conditions de-
scribed 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 specifi-
cally 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

"The City"

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 re-
ceipt 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.
- (2) That Lender would not make its loan above described without this subordination agreement.

- (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.

"The City"

~~XXXXXXXXXX~~ 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
- (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.

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.

THE CITY OF REDLANDS:

BY: John E. Holmes

BY: John E. Holmes, City Manager
~~XXXXXXXXXX~~
 "The City"

Donald C. Hubbs
 DONALD C. HUBBS

Verna M. Hubbs
 VERNA M. HUBBS Owner

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

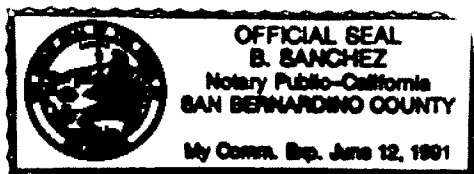
IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THERETO.

87-229940

STATE OF CALIFORNIA)
) SS
 COUNTY OF SAN BERNARDINO)

On this 1st day of July, in the year 1987,
 before me, B. Sanchez, Notary Public, personally appeared John E. Holmes personally
 known to me (or proved to me on the basis of satisfactory evidence)
 to be the person who executed the within instrument as City Manager
 of the corporation therein named
 and acknowledge to me that the corporation executed it.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



B. Sanchez
 B. SANCHEZ
 My Commission Expires 6/12/91

300-16/82 (Individual) First American Title Company

STATE OF CALIFORNIA)
 COUNTY OF San Bernardino) ss.
 On July 1, 1987

87-229940

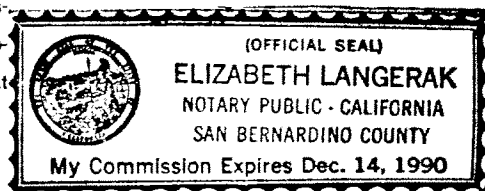
before me, the undersigned, a Notary Public in and for
 said State, personally appeared * * * DONALD C. HUBBS and VERNA M. HUBBS * * *

personally known to me (or proved to me on the basis of satis-
 factory evidence) to be the person(s) whose name(s) is/are sub-
 scribed to the within instrument and acknowledged to me that
 he/she/they executed the same.

WITNESS my hand and official seal.

Signature

Elizabeth Langerak



(This area for official notarial seal)

EXHIBIT "A"

Lot 13 of Craft's Map of Redlands, in the City of Redlands, County of San Bernardino, State of California. as per plat recorded in book 11 of maps, page 16, records of said County.

EXCEPTING THEREFROM that portion described as follows:

Beginning at the Westerly corner of said Lot 13; thence North $40^{\circ} 30'$ East 429.53 feet to the Southerly line of Daisy Avenue; thence South $60^{\circ} 29'$ East 375.92 feet along the said Southerly line of Daisy Avenue; thence South $40^{\circ} 30'$ West 514.9 feet to the Southwesterly line of said Lot 13; thence along the said Southwesterly line of said Lot 13, North $53^{\circ} 01'$ West 9.2 feet; thence North $47^{\circ} 23'$ West 360.1 feet to the point of beginning and containing 4.0 acres more or less.