

AND WHEN RECORDED MAIL TO

Name
LIFE SAVINGS BANK
Street
Address 1598 E. HIGHLAND AVENUE
P. O. BOX 30009
City
State SAN BERNARDINO, CA 92413
Zip

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 2ND day of OCTOBER, 1986, by JOSEPH M. IBSEN AND JOYCE E. IBSEN, HUSBAND AND WIFE AS JOINT TENANTS, owner of the land hereinafter described and hereinafter referred to as "Owner", and CITY OF REDLANDS AND VAUGHN S. BRYAN, JR. AND ANN L. BRYAN, present owner and holder of the ~~DEED OF TRUST~~ LIEN AGREEMENT and note first hereinafter described and hereinafter referred to as "Beneficiary";

WITNESSETH:

THAT, WHEREAS, JOSEPH M. IBSEN AND JOYCE E. IBSEN did execute a ~~DEED OF TRUST~~ LIEN AGREEMENT dated APRIL 16, 1985, to CITY OF REDLANDS AND VAUGHN S. BRYAN, JR. AND ANN L. BRYAN, as trustee, covering:

LOT 5, TRACT NO. 12901, IN THE CITY OF REDLANDS, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER PLAT RECORDED IN BOOK 180 OF MAPS, PAGE 56, RECORDS OF SAID COUNTY.

LIEN AGREEMENT

to secure a ~~NOTE~~ in the sum of \$ 25,000.00, dated APRIL 16, 1985, in favor of CITY OF REDLANDS AND VAUGHN S. BRYAN, JR. AND ANN L. BRYAN, which ~~DEED OF TRUST~~ LIEN AGREEMENT was recorded APRIL 23, 1985, in book/reel 85-096239, page/image _____, Official Records of said County; and

WHEREAS, Owner has executed, or is about to execute, a deed of trust and note in the sum of \$ 100,000.00, dated SEPTEMBER 24, 1986, in favor of LIFE SAVINGS BANK, 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;
- (2) That Lender would not make its loan above-described without this subordination agreement; and
- (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 agreements 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.

Beneficiary 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 OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND.

CITY OF REDLANDS

John E. Holmes
BY: John Holmes, City Manager

Joseph M. Ibsen
JOSEPH M. IBSEN

VAUGHN S. BRYAN, BENEFICIARY ANN L. BRYAN

Joyce E. Ibsen
JOYCE E. IBSEN 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.

(CLTA SUBORDINATION FORM "A")

WHEN RECORDED, RETURN TO:

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

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USA	FTE	DEP	CO

RECORDED IN
OFFICIAL RECORDS

1985 APR 23 AM 11: 53

SAN BERNARDINO
CO., CALIF.

85-095239

LIEN AGREEMENT TO SECURE CONSTRUCTION
OF PUBLIC IMPROVEMENTS
(Ordinance No. 1772)

85-095239

THIS AGREEMENT, made this 16th day of April,
1985, by and between the CITY OF REDLANDS, a municipal corpora-
tion hereinafter called CITY, and VAUGHN S. BRYAN, JR. AND
ANN L. BRYAN
hereinafter called OWNER.

WHEREAS, OWNER plans to construct certain improvements to
real property in CITY: and

WHEREAS, the laws of the State of California and the
ordinances of the City of Redlands require that OWNER secure the
construction of certain public improvements as a condition prece-
dent to said planned improvements and the occupancy thereof; and

WHEREAS, it is to the benefit of OWNER that he post an
adequate guarantee to insure the construction of said public
improvements and that he agree to install said public improvements;
and

WHEREAS, CITY is willing to approve said planned construc-
tion and occupancy thereof prior to completion of the required
public improvement work only upon the condition that OWNER agrees
to complete said public improvement work in accordance with the
provisions hereinafter set forth, and pursuant to California
Civil Code Section 66499 authorizes a lien to be immediately
placed upon this property as security for guaranteeing to CITY
completion of said public improvement work and payment of claims
of laborers and materialmen furnishing labor or material in the
construction of said public improvements;

NOW, THEREFOR, in consideration of the mutal covenants
herein contained and for other good and valuable consideration,
the sufficiency and receipt of which is hereby acknowledged, it
is mutually agreed as follows:

1. OWNER will at his sole cost and expense

SEWER (Tract No. 12901):

- (1) Install 8-inch sewermain through project to existing dry sewer
west of project as shown per drawing on file in the Public Works
Dept.
- (4) Compliance with ordinances in effect.

2. OWNER agrees that all of said public improvements as required and referred to in provision 1 hereof, shall be commenced and completed within thirty (30) days of receipt of a written request from CITY to so construct said improvements, and OWNER further agrees that all of said public improvements shall be commenced and completed in accordance with then existing laws, ordinances, and standards relating to same, and further subject to the approval of the City Engineer.

3. OWNER further agrees to furnish all equipment, material, labor and engineering services necessary to complete said improvements, to do said work in a good and workmanlike manner in accordance with specifications of CITY as communicated by the City Engineer and Department of Public Works of CITY, and to pay CITY its actual costs of engineering and inspection services to be rendered on such work.

4. Said public improvements shall not be deemed completed until approved and accepted as completed by CITY's Council.

5. OWNER further agrees concurrently with the execution of this agreement that CITY shall have a lien upon the property, herein described, of the OWNER for the performance by the OWNER of this agreement and of every provision herein in the mode and at the time provided. Time shall be of the essence of this agreement, and upon default in the performance of any promise of OWNER herein or by OWNER of any term or condition hereof, CITY may declare the whole amount hereunder then owing to be due and payable and may enforce said work to be done, or in the alternative CITY may elect and cause the completion of the construction and then institute foreclosure proceedings on this lien to pay for the same.

6. OWNER agrees that the cost of said improvements, including engineering and inspection services by the CITY, plus any possible payment of claims of laborers and materialmen furnishing labor or material in the construction of said public improvement, at the date of execution of this agreement is approximately TWENTY-FIVE THOUSAND DOLLARS (\$ 25,000.00). OWNER authorizes a lien upon his property for security to insure either the construction of said public improvement by his own action as provided in this agreement or as payment to the CITY of said amount in case the OWNER defaults in performance of this agreement. The amount of the lien shall be the amount indicated in this paragraph 6, adjusted to reflect changes in said costs as provided in the Engineering News Record Construction Cost Index as of the date of the CITY's written request to construct the improvements as provided in paragraph 2 of this agreement. OWNER understands and agrees that he and his heirs, successors, or assigns will be responsible for full reimbursement to the CITY for the CITY's actual cost of

constructing the improvements contemplated herein, notwithstanding the fact that such costs may exceed the amount of the lien created pursuant to this agreement.

7. CITY shall have the right immediately to record this agreement in the Official Records of the County of San Bernardino, State of California, as an instrument affecting and creating a lien upon the title to property of OWNER herein described; and, upon full performance by OWNER of this agreement, CITY shall execute and deliver to OWNER an instrument of full satisfaction of this agreement, which instrument shall fully and accurately describe the property of the OWNER herein described. This agreement shall be recorded before a building permit is issued to OWNER for said planned construction.

8. OWNER agrees to waive, as a defense, counterclaim or setoff, all and any defects, irregularities or deficiencies in ordinances or resolutions of CITY or of its officials or agents in regard to the authorization or making of said improvements and in regard to the defectiveness or voidness of aforesaid agreement between CITY and OWNER; and OWNER agrees to indemnify and hold harmless CITY, its officials or agents as to loss or damage from such defects, defectiveness, irregularities, omissions, deficiencies or voidness.

9. The property of OWNER to which this agreement is applicable is located at 176-192-26 (Parcel No.)
(street address)

Redlands, California, and its full legal description follows:

That certain property located in the City of Redlands, County of San Bernardino, State of California, more particularly described as Parcel 4 of PARCEL MAP NO. 3266, as per map recorded in Book 35, page 87 of parcel maps, in the office of the Recorder of said county.

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10. The lien created pursuant to this agreement shall run with the property described herein, and the requirements imposed by this agreement shall bind the heirs, successors and assigns of said property until satisfied in full.

11. Should any legal action be brought for the purpose of protecting or enforcing its rights under this agreement, the prevailing party shall recover, in addition to all other relief, its attorneys' fees and court costs in an amount to be fixed by the Court.

CITY OF REDLANDS

ATTEST:

By: Carole Bennoch
Mayor

Suzie Poyzer
City Clerk

[Signature]
OWNER

Ann L. Bryan
OWNER

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)

On April 18, , 19 85 , before me, the undersigned, a Notary Public in and for said County and State, personally appeared Vaughn S. Bryan, Jr., and Ann L. Bryan - - - personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) (~~is~~) (are) subscribed to this instrument and acknowledged that they executed it.

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

Jeannette S. Leest
Notary Public in and for said
County and State
My commission expires August 30, 1985

