



MISC 2010109265



NOV 18 2010 13:00 P 4

Fee amount: 20.50  
FB: 53-30460  
COMP: MB

Received - DIANE L. BATTIATO  
Register of Deeds, Douglas County, NE  
11/18/2010 13:00:07.00



2010109265

### SUBORDINATION AGREEMENT

**NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN THE LEASEHOLD IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF A LATER SECURITY INSTRUMENT.**

THIS SUBORDINATION AGREEMENT (this "Subordination Agreement") is made and entered into as of the 5<sup>th</sup> day of November, 2010, by JETZ SERVICE CO., INC., ("Jetz").

#### Recitals

A. 1001 Apartments, LLC (the "Owner") is the owner of the property described in Exhibit A attached hereto (the "Property"), on which an apartment complex known as 1001 Apartments is located.

B. Owner has requested that Gershman Investment Corp ("Lender") make a mortgage loan to the Owner (the "Loan"). The Loan is to be (i) secured by a Mortgage (the "Mortgage") on the Property and (ii) insured by HUD.

C. In connection with the Loan, Owner and HUD will enter into a Regulatory Agreement (the "Regulatory Agreement") relating to the Property.

D. As used herein, "Loan Documents" means the Mortgage, Regulatory Agreement, Security Agreement, and any other documents required by the Lender or HUD in connection with the Loan.

E. A Memorandum of Lease dated February 24, 2004, was filed of record on March 24, 2004, as Instrument No. 2004036722 in the office of the Register of Deeds for Douglas County, Nebraska, against the Property, and said Memorandum of Lease granted exclusive use and possession to a portion of the Property described as approximately 660 square feet to Jetz for its use as a laundry facility described therein as the "Leased Premises." Said Memorandum of Lease is a memorandum of an unrecorded Lease of the Leased Premises with Jetz as the Lessee dated February 24, 2004 (the "Lease").

F. Lender and HUD have required that Owner obtain this Subordination from Jetz as a condition of Lender making, and HUD insuring, the Loan.

#### Statement of Subordination

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in order to induce (i) Lender to make the Loan and (ii) HUD to insure the Loan, Jetz hereby agrees as follows:

1. Jetz hereby subordinates its interest in the Lease, in the Memorandum of Lease, and in any easement or interests that are described in said Lease or said Memorandum of Lease, to the Mortgage, Regulatory Agreement, Security Agreement and other Loan Documents, and Jetz hereby agrees that its interest in the Lease, in the Memorandum of Lease and in any easement or interests that are described in said Lease or said Memorandum of Lease, shall be subordinate to the Mortgage, Regulatory Agreement, Security Agreement and other Loan Documents against the Property for as long as HUD holds or insures a note secured by a mortgage against the Property or as long as there is any mortgage against the Property.
2. In the event of a forfeiture, foreclosure, deed in lieu thereof, or trustee's sale, under the Mortgage or any other mortgage, deed of trust or security agreement ("Foreclosure"), so long as Jetz is not in default under the Lease, the Memorandum of Lease or this Subordination Agreement beyond any applicable cure period, the Lease, the Memorandum of Lease and this Subordination Agreement shall remain in full force and effect, subject to Jetz performing under the Lease, the Memorandum of Lease and this Subordination Agreement.
3. Jetz agrees that any amendment or modification of this Subordination Agreement must be approved in writing by Jetz, by Owner, by Lender and by HUD as long as HUD holds or insures a note secured by a mortgage against the Property.
4. Jetz warrants that it has the right, power and authority to execute this Subordination Agreement, and that it is the holder of all the rights of the Lessee under the Lease and Memorandum of Lease as described in said Memorandum of Lease.

IN WITNESS WHEREOF, this Subordination Agreement has been executed by the duly authorized representative of each party hereto, effective as of the date first set forth above.

JETZ SERVICE CO., INC

By: Ronald W. Sommers  
Ronald W. Sommers, President

STATE OF Kansas : SS  
COUNTY OF Shawnee : SS

The foregoing instrument was acknowledged before me this 5<sup>th</sup> day of November, 2010, by Ronald W. Sommers, President of Jetz Service Co., Inc., a Kansas corporation, on behalf of the corporation.

Jean Rafferty  
Notary Public

My appointment expires November 21, 2012.

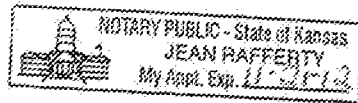


EXHIBIT "A"

Part of the South Half of Lot 2, Pierson's Subdivision of the Southwest Quarter and the West Half of the Southeast Quarter of Section 15, Township 15 North, Range 12 East of the 6<sup>th</sup> P.M., in the City of Omaha, Douglas County, Nebraska, more particularly described as follows:

Beginning at a point on the North line of the South Half of said Lot 2, said point being 50 feet East of the centerline of 90<sup>th</sup> Street; thence East along the North line of the South Half of said Lot 2 a distance of 607.0 feet; thence South along the East line of said lot 2 a distance of 95.0 feet; thence West parallel to the South line of said Lot 2 a distance of 55.0 feet; thence North making an interior angle of 90° a distance of 18.0 feet; thence West parallel to the South line of said Lot 2 a distance of 75.0 feet; thence South making an interior angle of 270°, a distance of 83.0 feet; thence West parallel to the South line of said Lot 2 a distance of 477.0 feet to the East right-of-way line of 90<sup>th</sup> Street; thence North along the East right-of-way line of 90<sup>th</sup> Street a distance of 160.0 feet to the Point of Beginning;

AND

Part of the South Half of Lot 2, Pierson's Subdivision of the South Half of the Southwest Quarter and West Half of the Southeast Quarter of Section 15, Township 15 North, Range 12 East of the 6<sup>th</sup> P.M., in the City of Omaha, Douglas County, Nebraska, more particularly described as follows:

Beginning at a point on the South line of said Lot 2, said point being 50 feet East of the centerline of 90<sup>th</sup> Street; thence North along the East right-of-way line of 90<sup>th</sup> Street, a distance of 157.5 feet; thence East parallel to the South line of said Lot 2, a distance of 477.00 feet; thence North making an interior angle of 270° a distance of 83.0 feet; thence East parallel to the South line of said Lot 2, a distance of 75.0 feet; thence South making an interior angle of 90°, a distance of 18.0 feet; thence East parallel to the South line of said Lot 2, a distance of 55.0 feet to the East line of said Lot 2; thence South along the East line of said Lot 2 a distance of 222.5 feet; thence West along the South line of said Lot 2 a distance of 607.0 feet to the Point of Beginning;

EXCEPT FOR

That portion deeded to the State of Nebraska in Warranty Deed filed August 19, 1981 in Book 1674 at Page 442 of the Deed Records of Douglas County, Nebraska; described as follows:

A tract of land located in the South Half of Lot 2, Pierson's Subdivision of the South Half of the Southwest Quarter and the West Half of the Southeast Quarter of Section 15, Township 15 North, Range 12 East of the 6<sup>th</sup> P.M., Douglas County, Nebraska, described as follows:

Beginning at a point on the North line of said South Half of Lot 2, said point being 50.0 feet East of the centerline of 90<sup>th</sup> Street; thence Southerly a distance of 317.60 feet along the Easterly 90<sup>th</sup> Street right-of-way line to the Southwest corner of the property owned by the Grantor; thence Easterly deflecting 90°00' left, a distance of 8.00 feet along the South line of said Lot 2; thence Northerly deflecting 90°00' left, a distance of 317.60 feet to a point on the North line of said South Half of Lot 2; thence Westerly deflecting 90°00' left, a distance of 8.00 feet along said line to the Point of Beginning.