



BK 1435 PG 100-102



MISC 2002 08748

RICHARD H. TAKECHI  
REGISTER OF DEEDS  
DOUGLAS COUNTY, NE

2002 APR 16 PM 3: 33

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## DEBT SUBORDINATION AGREEMENT

WHEREAS, 3525 Evans Street Limited Liability Company, a Nebraska Limited Liability Company; New Creations, Inc., a Nebraska Non-profit Corporation; Managing Member, Jeremiah McGhee, Executive Director; NuStyle Investment Corporation, a Nebraska Corporation, Member, Tammy Barrett, President; Hope of Glory Christian Fellowship Ministries, a Nebraska Non-Profit Corporation, Member, Patricia S. Williams, Vice-President, 1025 Leavenworth Street, Omaha, Nebraska, 68102 (hereinafter referred to as "Borrower") is now or hereafter may be indebted to the City of Omaha (hereinafter referred to as "City"), on account of a loan in the amount of One Hundred Seventy-two Thousand and 00/100 Dollars (\$172,000.00) which indebtedness was incurred for the purpose of partially financing the rehabilitation of a residential apartment complex consisting of eighteen (18) efficiency units and one (1) one-bedroom unit for occupancy by low and moderate income tenants, located at 3525 Evans Street, Omaha, Nebraska and legally described as:

Lots 7, 8, 9, 10, 11 and 12, Block 4, Bedford Place, an Addition to the City of Omaha, as surveyed, platted and recorded in Douglas County, Nebraska

WHEREAS, the Borrower's above-described indebtedness to the City is secured by a Deed of Trust, which security interest was perfected on November 1, 2001, upon the filing of same with the Douglas County Register of Deeds, same being recorded on November 2, 2001, in Book 6773 at Page 173; and,

WHEREAS, the Borrower is also or will be indebted to People's National Bank (hereinafter referred to as "Bank") by virtue of a loan in a sum not to exceed \$75,000.00, which indebtedness was/will be also incurred for the purposes of partially financing the rehabilitation of the above-described property; and,

WHEREAS, the Bank is unwilling to make the above-described loan unless same could be secured by a "first" mortgage/deed of trust; and,

WHEREAS, the City is willing to subordinate its position as a secured creditor to that of the Bank, in accordance with Section 1.8 of the Agreement between the City and the Borrower, approved by the Omaha City Council on October 16, 2001, by Resolution No. 2574.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Bank and the City do hereby agree that the lien to be acquired by the Bank by virtue of a mortgage/deed of trust executed in its favor by the Borrower to secure the above-referenced indebtedness shall be deemed a first and prior lien upon the above-described property, which lien shall be superior to the previously acquired lien of the City (as hereinabove described), as if the mortgage/deed of trust executed in favor of the Bank had been filed with and duly recorded by the Register of Deeds at some time prior to that of the City.

Rt. People's Natl Bank  
 201 Bennett Ave., PO Box 557,  
 Council Bluffs IA 51502-0557

✓ 5031756831

IN WITNESS WHEREOF, the parties have executed this Debt Subordination Agreement as of the date indicated below.

ATTEST: **IMPRINTED SEAL**  
**REGISTER OF DEEDS** CITY OF OMAHA, A Municipal Corporation

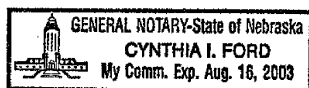
*Buster Brown*  
CITY CLERK

*Mike Jarey*  
MAYOR OF THE CITY OF OMAHA

STATE OF NEBRASKA )  
 ) ss.  
COUNTY OF DOUGLAS )

On this 7th day of March, 2002, before me the undersigned, a Notary Public in and for said County, personally came Mike Jarey, Mayor,  
and Buster Brown, City Clerk,  
who executed the above document, and acknowledged the execution thereof to be their voluntary act and deed as such officer and the voluntary act and deed of the City of Omaha, a Municipal Corporation.

In testimony whereof I have hereunto set my hand and affixed by Notary Seal at Omaha in Douglas County, on the day and date last above written.



*Cynthia I. Ford*  
NOTARY PUBLIC

My Commission expires 8/16/03

*Julie A. Starnel*  
WITNESS

PEOPLE'S NATIONAL BANK

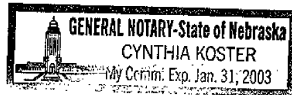
By *Mike Alford*  
Title *V.P.*  
Date *4/1/2002*

STATE OF NEBRASKA     )  
  ) ss.  
COUNTY OF DOUGLAS    )

**CORPORATE SEAL  
REGISTER OF DEEDS**

On this *1st* day of *April*, 2002, before me the undersigned, a Notary Public in and for said County, personally came *Mike Alford, V.P. of Peoples National Bank* to me known to be the person named in and who executed the above documents, and acknowledged the execution thereof to be their voluntary act and deed.

In testimony whereof I have hereunto set my hand and affixed by Notary Seal at Omaha in Douglas County, on the day and date last above written.



*Cynthia Koster*  
NOTARY PUBLIC

My Commission expires *1/31/03*

APPROVED AS TO FORM:

*Robert B. Lee*  
ASSISTANT CITY ATTORNEY