

PREPARED BY AND RETURN TO:
JAY WETTACH, ESQUIRE
ZIMMERMAN, KISER
& SUTCLIFFE, P.A.
Post Office Box 3000
Orlando, Florida 32802

SUBORDINATION AGREEMENT

THIS SUBORDINATION AGREEMENT (the "**Subordination**") is made and entered into as of November ____, 2015, by: CITY OF ORLANDO, a Florida municipal corporation (the "**Junior Mortgagee**") with an address at 400 South Orange Avenue, Orlando, Florida 32801 in favor of VALLEY NATIONAL BANK, a national banking association, (the "**Senior Mortgagee**") having an address of 1700 Palm Beach Boulevard #1000, West Palm Beach, Florida 33401,

RECITALS

- A. The Junior Mortgagee is the owner and holder of that certain Mortgage and Security Agreement dated August 14, 2013, and recorded in Official Records Book 10629 page 1705, of the Public Records of **ORANGE** County, Florida, which secures a \$60,000.00 CDBG Promissory Note (the mortgage and security agreement, and Note secured thereby, other documents executed in conjunction therewith and any modifications or additional documents thereafter executed concerning same are herein collectively referred to as the "**Junior Mortgage**") from THE VILLAGE OF ORLANDO, INC., a Florida not for profit corporation, (the "**Mortgagor**"), which encumbers certain real property (the "**Real Property**") situated in **ORANGE** County, Florida, described as follows: *The property described and set forth in Exhibit "A" attached hereto and made a part hereof.* and,
- B. The Mortgagor has applied, to the Senior Mortgagee for a mortgage loan in the principal amount of TWO MILLION THREE HUNDRED THOUSAND AND 00/100 DOLLARS (\$2,300,000.00) (the "**Loan**"), but the Senior Mortgagee is unwilling to make said Loan to the Mortgagor unless and until the Junior Mortgagee(s) execute and deliver this Subordination; and
- C. The Mortgagor has requested the Junior Mortgagee(s) to subordinate its interest in the Real Property and personal property described in the Junior Mortgage to the Mortgage, Security Agreement, Financing Statement And Assignment of Rents which the Mortgagor will grant to Senior Mortgagee on the Real Property (and personal property described in the Senior Mortgage) in the amount of TWO MILLION THREE HUNDRED THOUSAND AND 00/100 DOLLARS (\$2,300,000.00) to secure the Senior Mortgagee's Loan (the "**Senior Mortgage**"); and
- D. Junior Mortgagee(s) are willing to subordinate the Junior Mortgage to the Senior Mortgage on the express terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises herein contained, the Junior Mortgagee(s) do hereby agree as follows:

1. **Recitals Incorporated.** All of the RECITALS hereinabove set forth are by reference incorporated in and specifically made a part of this Subordination as fully as if set forth herein verbatim.
2. **Ownership of Junior Mortgage** Junior Mortgagee(s) does hereby warrant to and covenant with the Senior Mortgagee that it is the owner and holder of the Junior Mortgage and it has not transferred, assigned or hypothecated any right title or interest in the Junior Mortgage.
3. **Subordination of Junior Mortgage.** Pursuant to the terms and conditions of this Subordination, the Junior Mortgage is hereby made unconditionally subordinate, inferior and junior in every respect to the Senior Mortgage, and any and all amounts heretofore or hereafter advanced thereunder including but not limited to interest thereon, and disbursements made for

payment of taxes, levies or insurance on the Mortgaged Property (as such term is defined in the Senior Mortgage) and other monies, including but not limited to attorneys' fees and costs, expended to protect, enforce or otherwise deal with the security of the Senior Mortgage with interest on such disbursements (collectively the "**Other Advances**"), but not to any other future advances. For purposes of this Subordination, the term "**Senior Mortgage**" shall mean the Mortgage, Security Agreement, Financing Statement And Assignment of Rents to be granted by the Mortgagor to the Senior Mortgagee as described above, together with any and all modifications, amendments, supplements, restatements or assignments thereof at any time made or entered into, including all Other Advances thereunder and the term "**Senior Mortgagee**" shall mean the Senior Mortgagee named herein, its successors and/or assigns.

4. Effect of Subordination. The effect of this Subordination shall be the same as if the Junior Mortgage, together with any and all modifications, amendments, supplements or restatements thereof at any time made or entered into were dated, executed, delivered and recorded after the dating execution, delivery and recording of the Senior Mortgage, together with any and all modifications, amendments, supplements, restatements or assignments thereof at any time made or entered into, including Other Advances thereunder. It is intended by the parties that this Subordination shall serve to subordinate the Junior Mortgage to the Senior Mortgage and/or any Replacement Mortgage, and any and all modifications, amendments, supplements, restatements or assignments thereof for all purposes; however, the Junior Mortgagee(s) hereby agree to execute any further documents, including, but not limited to, acknowledgments and/or subordinations, as may be requested by Senior Mortgagee, its successors and/or assigns.

5. Reliance by Senior Mortgagee, etc. The Senior Mortgagee shall be entitled to rely upon this Subordination in extending credit to the Mortgagor as set forth above and in obtaining a first mortgage and security interest in and to the Real Property (and personal property described in the Senior Mortgage) to secure the Loan. Further the Senior Mortgagee, may at any time hereafter **(a)** renew, extend, modify or replace the Loan in any manner whatsoever, including but not limited to, extend the time for payment of the Loan or any portion thereof, reduce or increase the payments thereon or increase or reduce the interest rate thereon, **(b)** modify, amend, supplement, restate, assign or replace the Senior Mortgage, all without notice to or further consent or agreement by the Junior Mortgagee(s), who hereby waive any such notice and consent and agree to each and all of the foregoing.

6. Subordination is Irrevocable. The subordination effected by this Subordination is unconditional and irrevocable and may not be revoked or otherwise modified without the prior written consent of the Senior Mortgagee.

7. No Marshalling of Assets. The Junior Mortgagee(s) are aware and understand that to secure the Loan, and any and all renewals, extensions, modifications or assignments thereof, or Other Advances under the Senior Mortgage, the Senior Mortgagee may hold certain other collateral in addition to the Senior Mortgage. The Junior Mortgagees do hereby expressly waive any claim or defense which they may have to assert that the Senior Mortgagee marshall assets, and the Senior Mortgagee shall be free in its discretion in the event of a default under any of the foregoing obligations of the Mortgagor to it as to which collateral the Senior Mortgagee may wish to pursue for recovery of said obligations in its absolute discretion.

8. Waiver of Notice of Default. The Junior Mortgagee(s) hereby expressly waive notice of default under the Loan and hereby agree that in the event of any such default, the Senior Mortgagee may pursue any rights it may have under the Senior Mortgage or any other documents executed in connection with the Loan without giving any notice thereof to the Junior Mortgagee(s).

9. Governing Law. This Subordination shall be governed by and construed according to the laws of the State of Florida.

10. Counterparts. This Subordination may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument.

IN WITNESS WHEREOF, the Junior Mortgagee(s) have executed and delivered this Subordination as of the day and year first above written.

Signed, sealed and delivered in the presence of:

“JUNIOR MORTGAGEE”

CITY OF ORLANDO
a Florida municipal corporation

Attest:

By: _____
Print Name: _____
Title: Mayor/Mayor Pro Tem

By: _____
CELESTE T. BROWN, City Clerk

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was sworn to, signed and acknowledged before me this _____, **2015**, by _____ as Mayor/Mayor Pro Tem and CELESTE S. BROWN as City Clerk of **CITY OF ORLANDO a Florida municipal corporation**. He/She/They (check one) is/are personally known to me, or has/have produced a valid driver’s license or _____ as identification.

Notary Public, State and County Aforesaid
Name: _____
My Commission Expires: _____
My Commission Number is: _____