



Department of
Community Investment

Wednesday, June 12, 2019

TO: South Bend Redevelopment Commission
FROM: Kandee Block-Tinkel, South Bend Home Improvement Program Staff
SUBJECT: Root Subordination

Submitted June 13, 2019 South Bend Redevelopment Commission meeting

Shannon Root was approved for a South Bend Home Improvement Program (SBHIP) loan at a regular meeting by the South Bend Redevelopment Commission. Ms. Root received repairs on her home through the SBHIP; repair costs were funded by CDBG funds appropriated to the program by the City of South Bend; Ms. received a \$7,500 grant and the remaining \$3,400 in a due upon sale loan with 0% interest.

Ms. Root is not required to make monthly payments on the City of South Bend loan.

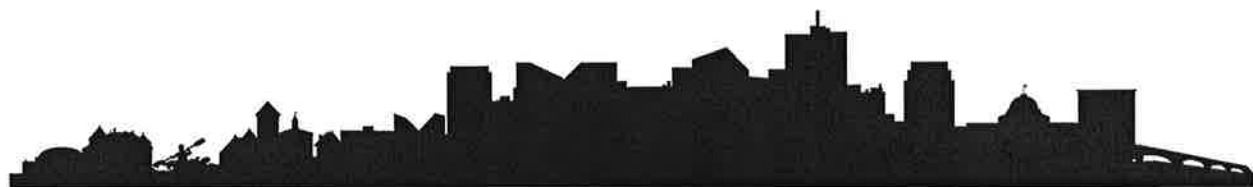
The SBHIP loan was is a second position mortgage, as Ms. Root has a first mortgage in the amount of \$45,900.00. Ms. Root also had a Real Estate Retention Agreement (NIP Grant) in third place that has was released in Record Number 2019-11110 on May 20, 2019.

Ms. Root is in the process of obtaining a HELOC (Home Equity Line Of Credit) loan at 1st Source Bank in the amount of \$5,000; she is asking SBHIP to subordinate their 0% interest loan to third position.

As this is a line of credit there are no closing documents. 1st Source Bank's consumer loan application, Home Equity Line of Credit Terms, Property Owner's Fraud Affidavit and a current property appraisal for the new loan have been reviewed by SBHIP staff.

With respect, SBHIP staff asks that the Subordination be allowed and the agreement signed.

Thank you.



SUBORDINATION AGREEMENT

For value received, receipt of which is hereby acknowledged, the lien of a certain mortgage from City of South Bend for the use and benefit of its' Department of Redevelopment to Shannon L. Root in the original principal amount of \$3,400.00 dated June 28, 2005 and recorded on July 26, 2005 as document number 0533189 in the Office of the Recorder of St. Joseph County, Indiana, is hereby made subordinate, junior and inferior to the lien of home equity line of credit from Shannon L. Root to 1st Source Bank dated _____ in the amount of \$5,000 and recorded in the Office of the Recorder of St. Joseph County on _____ as document number _____.

Property Address is 1026 N Adams Street, South Bend, Indiana 46628

Dated: June 13, 2019

City of South Bend
Redevelopment Commission

STATE OF INDIANA)
) SS:
ST. JOSEPH COUNTY)

Before me a Notary Public, personally appeared _____
_____ and acknowledge execution of the foregoing agreement this _____
day of _____, 2019.

My Commission Expires:

, Notary Public

Residing in St. Joseph County, Indiana