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3139/0018 16 001 Page 1 of 6
2000-08-03 12:10:44
Cook County Recorder 31.50

WHEN RECORDED RETURN TO:
Karen Lennon
SomerCor 504, Inc.
Two East 8th Street
Chicago, Illinois 60605

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Loan Name: Hampton Inn
Loan No. CDC-350,389-40-10-IL

SUBORDINATION AGREEMENT

This document is dated, for reference, as of the 12th day of July, 2000. As an inducement to South Shore Bank ("Lender") to grant a loan to Ambe 5 Hospitality, Inc. d/b/a Hampton Inn ("Borrower"), and in consideration thereof, the United States Small Business Administration, an agency duly created under and by virtue of an Act of Congress, having its principal office in Washington, D.C., and a Commercial Loan Servicing Center at 2719 North Air Fresno Drive, Suite 107, Fresno, California 93727 ("SBA"), agrees to subordinate the lien of its mortgage dated May 5, 2000 and made by Devon Bank, as Trustee under Trust Agreement dated December 15, 1999 and known as Trust Number 6573 and recorded on May 9, 2000 as Document Number 00329627 with the Recorder's Office of the County of Cook, State of Illinois ("SBA Mortgage") to the mortgage lien of Lender, when and if taken, to secure a loan hereafter described, upon the premises described in Exhibit A.

Conditions

1. The Loan from Lender to Borrower, to which this subordination shall apply shall be in an amount not to exceed $2,035,600.00 evidenced by a Mortgage dated 4/5/00 by and between Devon Bank, as Trustee under Trust Agreement dated December 15, 1999 and known as Trust Number 6573 and South Shore Bank of Chicago recorded on May 18, 2000 as document number 00356584.

2. This subordination shall not extend to any other indebtedness from Lender to Borrower now existing or hereafter created, but shall apply only to all amounts justly accruing under the terms of the note executed pursuant to the aforesaid loan. Lender will not make any additional advances under its Mortgage except such disbursements which become necessary to protect its security interest and for which Borrower is liable under Lender's loan documents. Any lien upon the property securing repayment of additional advances or monies due as a result of a default interest rate shall be subordinate to the lien of the SBA mortgage.

3. The lien and indebtedness held by Lender for the aforesaid loan, and subordinated to by SBA herein, shall not, without the prior written consent of SBA, be subordinated to the lien, claim or interest of any other creditor of Borrower now or in the future.

4. Except as expressly provided herein, this agreement shall not operate or be construed to alter the priority of the SBA mortgage with respect to any legal or equitable interest in the property. Borrower and Lender shall hold SBA harmless from any impairment of its lien which is occasioned by this subordination.

5. All proceeds of Lender's loan shall be applied to satisfy debt secured by a lien presently superior to the lien of the SBA mortgage, plus customary closing costs. Any other use of proceeds not described herein shall void this agreement.

6. A default in the obligation secured by the Lender's Mortgage may be cured (including purchase of the property at foreclosure sale) by the SBA via cash, certified funds or a United States Treasury Check, at the option of the SBA. Provisions for a so-called "default rate of interest" or any similar penalty payment that may be contained within the Lender's mortgage are inapplicable to SBA.

7. A breach of any of the foregoing covenants and conditions by Borrower and/or Lender shall, at the option of the SBA, render this agreement void in its entirety. This subordination agreement is also void if not duly executed by Borrower, Lender, SBA, and Guarantor of the SBA loan.

Date: 6/18/00, 2000

Ambe 5 Hospitality, Inc. d/b/a Hampton Inn

By: _____
Rakesh Patel, President

Date: 6/13, 2000

South Shore Bank

By: Douglas Dillon
Name Printed: Douglas F. Dillon
Title: Vice President

Date: July 12, ~~1999~~ 2000

Administrator, United States Small Business Administration, an Agency of the United States

By: _____

The undersigned Guarantors hereby consent to all terms above and acknowledge their liability for the above referenced SBA loan is in no manner diminished by this agreement.

Rakesh Patel, individually

Date: 6/18/00, 2000

_____

Kiran Patel, individually

Date: 6/20/00, 2000

_____

Bipin Patel, individually

Date: 6/20, 2000

_____

Dilip Patel, individually

Date: _____, 2000

_____

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STATE OF ILLINOIS
COUNTY OF COOK

On 6/18/00, 2000, before me, David Frank, a Notary Public, personally appeared Rakesh Patel (President, Ambe 5 Hospitality, Inc.), personally known to me (or proved on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.

Notary Public: _____ (SEAL)

"OFFICIAL SEAL"
David Frank
Notary Public, State of Illinois
My Commission Exp. 10/15/2002

STATE OF ILLINOIS
COUNTY OF COOK

On 6/13, 2000, before me, Milan Maslic, a Notary Public, personally appeared Douglas F. Dillon (Vice President, South Shore Bank), personally known to me (or proved on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.

Notary Public: Milan Maslic (SEAL)

"OFFICIAL SEAL"
MILAN MASLIC
Notary Public, State of Illinois
My Commission Exp. 06/07/2004

STATE OF ILLINOIS
COUNTY OF COOK

On 7/12, 2000, before me, TERESA SIENKIEWICZ a Notary Public, personally appeared DEFRIN J BRUCOMINI, personally known to me (or proved on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.

Notary Public: _____ (SEAL)

"OFFICIAL SEAL"
TERESA SIENKIEWICZ
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 06/13/02

STATE OF ILLINOIS
COUNTY OF COOK

On 6/18, 2000, before me, David Frank, a Notary Public, personally appeared Rakesh Patel, personally known to me (or proved on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.

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Notary Public: _____ (SEAL)

"OFFICIAL SEAL"
David Frank
Notary Public, State of Illinois
My Commission Exp. 10/15/2002

STATE OF ~~ILLINOIS~~ DELAWARE
COUNTY OF ~~COOK~~ NEW CASTLE

On 6/20, 2000, before me, MARGARET M. WRIGHT, a Notary Public, personally appeared Kiran Patel, personally known to me (or proved on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.

Notary Public: Margaret M. Wright (SEAL)

MARGARET M. WRIGHT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission Expires March 27, 2003

STATE OF ~~ILLINOIS~~ DELAWARE
COUNTY OF ~~COOK~~ NEW CASTLE

On 6/20, 2000, before me, MARGARET M. WRIGHT, a Notary Public, personally appeared Bipin Patel, personally known to me (or proved on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.

Notary Public: Margaret M. Wright (SEAL)

MARGARET M. WRIGHT
NOTARY PUBLIC, STATE OF DELAWARE
My Commission Expires March 27, 2003

STATE OF ILLINOIS
COUNTY OF COOK

On 6/18, 2000, before me, David Frank, a Notary Public, personally appeared Dilip Patel, personally known to me (or proved on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.

Notary Public: _____ (SEAL)

"OFFICIAL SEAL"
David Frank
Notary Public, State of Illinois
My Commission Exp. 10/15/2002

EXHIBIT A- LEGAL DESCRIPTION

PARCEL 1: THE WEST 107.16 FEET (EXCEPT THE EAST 52.35 FEET THEREOF) OF THE EAST 208.71 FEET OF THE WEST 1/2 OF THE EAST 1/2 OF THE WEST 1/2 OF THE NORTHWEST 1/4 (EXCEPT THE NORTH 2000 FEET THEREOF) OF SECTION 28, TOWNSHIP 36 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPT THAT PART DEEDED TO THE ILLINOIS STATE TOLL HIGHWAY COMMISSION) IN COOK COUNTY, ILLINOIS.

PARCEL 2: THE WEST 1/2 OF THE EAST 1/2 OF THE WEST 1/2 OF THE NORTHWEST 1/4 (EXCEPT THE NORTH 2000 FEET THEREOF) (EXCEPT THE EAST 208.71 FEET THEREOF) OF SECTION 28, TOWNSHIP 36 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPT THAT PART DEEDED TO THE ILLINOIS STATE TOLL HIGHWAY COMMISSION) IN COOK COUNTY, ILLINOIS.

Common Address: 17345 S. Halsted St.
South Holland, IL 60473
PIN#: 29-28-100-078, VOLUME 216

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5. All proceeds of Lender's loan shall be applied to satisfy debt secured by a lien presently superior to the lien of the SBA mortgage, plus customary closing costs. Any other use of proceeds not described herein shall void this agreement.

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7. A breach of any of the foregoing covenants and conditions by Borrower and/or Lender shall, at the option of the SBA, render this agreement void in its entirety. This subordination agreement is also void if not duly executed by Borrower, Lender, SBA, and Guarantor of the SBA loan.

Date: 6/18/00, 2000

Ambe 5 Hospitality, Inc. d/b/a Hampton Inn

By: _____
Rakesh Patel, President

Date: 6/13, 2000

South Shore Bank

By: Douglas Dillon
Name Printed: Douglas F. Dillon
Title: Vice President

Date: July 12, ~~1999~~ 2000

Administrator, United States Small Business Administration, an Agency of the United States

By: _____

The undersigned Guarantors hereby consent to all terms above and acknowledge their liability for the above referenced SBA loan is in no manner diminished by this agreement.

Rakesh Patel, individually

Date: 6/18/00, 2000

_____

Kiran Patel, individually

Date: 6/20/00, 2000

_____

Bipin Patel, individually

Date: 6/20, 2000

_____

Dilip Patel, individually

Date: 6/18, 2000

_____

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