



SUBORDINATION AGREEMENT

THIS AGREEMENT is executed this 20TH day of March, 2001, by AEGIS MORTGAGE dba NEW AMERICA FINANCIAL ("First Lender"), PHILLIP A. VILLASIN AND GLADYS VILLASIN ("Mortgagor"), and Irwin Union Bank and Trust Company ("Irwin").

WITNESSETH:

First Lender proposes to make a loan to Borrower evidenced by a promissory note in the amount of \$ 166,297.00 ("First Note") secured by a Mortgage dated 4/12/01 (the "Senior Lien"), executed by Mortgagor as security for such note.

The Senior Lien will be an encumbrance against the real property located in COOK County, Illinois, as more fully described on Exhibit A attached hereto and made a part hereof for all purposes, together with the buildings and improvements located thereon (the "Mortgaged Property").

Mortgagor has executed a Mortgage to Irwin dated MAY 22, 2000 (the "Irwin Mortgage" or "Junior Lien"), as security for one or more promissory notes, evidencing a loan in the aggregate principal amount of \$27,500.00. The Senior Lien is to be superior to the Junior Lien.

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As a condition to First Lender's making the Loan secured by of the Senior Lien on the Mortgaged Property, First Lender has required that Mortgagor and Irwin execute this Agreement to confirm the priority of the Senior Lien and to confirm certain other agreements of the parties.

NOW THEREFORE, in consideration of First Lender's granting the new Loan secured by the Senior Lien on the Mortgaged Property, the parties hereto do hereby covenant and agree as follows:

1. The Junior Lien and any and all of the terms, modifications, amendments, renewals, additions, consolidations and extensions of the Junior Lien, and all sums which may be advanced, payable or secured thereunder, shall be subject and subordinate to:

Prepared By & Mail to:

After recording return to:

Irwin Home Equity
Attn: Loan Servicing Dept.
12677 Alcosta Boulevard (Suite 500)
San Ramon, California 94583



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(a) the loan to Mortgagor from First Lender described in the First Note, as actually advanced, and any notes, mortgages, assignments of rents and other assignments, financing statements, security agreements, guarantees, and other instruments at any time evidencing or securing said loan, and to any and all liens and security interests created to secure the First Note;

(b) any and all modifications, amendments, renewals, additions, consolidations and extensions of any of the foregoing (and all sums which may be advanced, payable or secured thereunder), but only to the extent approved in writing by Irwin.

2. Notwithstanding anything to the contrary contained in the Junior Lien:

(a) If any action or proceeding shall be brought to foreclose the Junior Lien, no action will be taken by Irwin with respect to any tenant of any portion of the Mortgaged Property, the effect of which would be to terminate any lease of any portion of the Mortgaged Property without the consent of the holder of the outstanding Senior Lien.

(b) Any assignment of rents or leases contained in the Junior Lien, or in any collateral assignment thereof if separate therefrom, shall be in all respects subject and subordinate to the Senior Lien and any collateral assignment of such rents or leases if separate therefrom.

(c) In no event shall the provisions of the Junior Lien prohibit or restrict Mortgagor from executing, acknowledging and delivering all and every such further acts, deeds, conveyances and instruments that Mortgagor is obligated to deliver under the Senior Lien.

(d) Within twenty (20) days after request from the holder of Senior Lien, the holder of the Junior Lien shall execute and deliver to the former an estoppel certificate stating (i) the outstanding principal balance of the Junior Lien and any accrued but unpaid interest thereon, (ii) the date to which interest and principal has been paid, (iii) that the Junior Lien and any note secured thereby have not been modified or amended except as specified therein and (iv) whether a notice of default has been sent under the Junior Lien or any note secured thereby, which default remains uncured.

3. Notwithstanding anything to the contrary contained in the Senior Lien within twenty (20) days after request from the holder of Junior Lien, the holder of the Senior Lien shall execute and deliver to the former an estoppel certificate stating (i) the outstanding principal balance of the Senior Lien and any accrued but unpaid interest thereon, (ii) the date to which interest and principal has been paid, (iii) that the Senior Lien and any note secured thereby have not been modified or amended except as specified therein, and (iv) whether a notice of default has been sent under the Senior Lien or any note secured thereby, which default remains uncured.

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4. In the event of any conflict between the provisions of this Subordination Agreement and any other provisions of documents creating the Junior Lien or the Senior Lien, the provisions of this Subordination Agreement shall take priority and shall control and apply.

5. This Subordination Agreement expires upon the complete satisfaction and release of either the Senior Lien or the Junior Lien.

6. The terms, covenants and conditions contained herein shall be binding upon and inure to the benefit of the heirs, successors, executors, administrators, and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

Mortgager:

Phillip A. Villasin
PHILLIP A. VILLASIN

Gladys Villasin
GLADYS VILLASIN

First Lender:

AEGIS MORTGAGE dba NEW AMERICA FINANCIAL

By: Jordana B Talsma
JORDANA B TALSMA
Title: OPERATIONS MANAGER

Irwin:

Irwin Union Bank and Trust Company

By: René Dugger
RENE DUGGER

Title: SPU OPERATIONS SUPERVISOR

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STATE OF CALIFORNIA)
) SS
COUNTY OF CONTRA COSTA)

The undersigned, a Notary Public in and for the State and County aforesaid, does hereby certify that RENE DUGGER, SPU OPERATIONS SUPERVISOR of Irwin Union Bank and Trust Company, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that s/he signed and delivered the said instrument as his/her own free and voluntary act and as the free and voluntary act of said Corporation for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal on March 20, 2001
Date

Shelly Damele
Notary Public

My commission expires: July 24, 2004



STATE OF ILLINOIS)
) SS
COUNTY OF _____)

The undersigned, a Notary Public in and for the State and County aforesaid, does hereby certify that Phillip A. Villasin and Gladys Villasin personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that s/he signed and delivered the said instrument this day in person, as his/her own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal on 04/13/01
Date

A. R. Bergante II
Notary Public

My commission expires:

10/08/03



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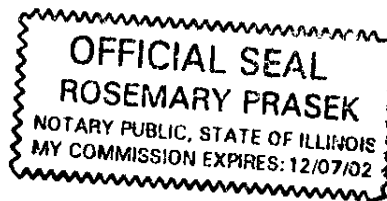
STATE OF ILLINOIS)
) SS
COUNTY OF DePue)

The undersigned, a Notary Public in and for the State and County aforesaid, does hereby certify that Jordana B. Talsma, (Agent) operations manager (Title) of Aegis Mortgage (First Mortgagee) personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that s/he signed and delivered the said instrument this day in person, as his/her own free and voluntary act, and as the free and voluntary act of said _____, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal on 4/12/01
Date

[Signature]
Notary Public

My commission expires:



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EXHIBIT A

Legal Description of the Mortgaged Property

P.I.N.: 12-23-429-090

Address: 3231 N. PANAMA STREET, CHICAGO, IL 60634

THE NORTH 12 FEET OF LOT 27 AND LOT 28 (EXCEPT THE NORTH 7.5 FEET THEREOF) IN BLOCK 5 IN FEUERBORN AND KLODES'S BELMONT TERRACE SUBDIVISION OF THE SOUTHEAST 1/4 SOUTH OF THE INDIAN BOUNDARY LINE OF SECTION 23, TOWNSHIP 40 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Property of Cook County Clerk's Office

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