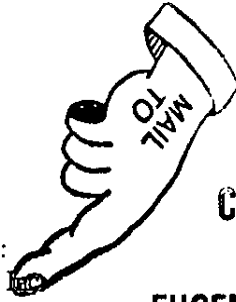


UNOFFICIAL COPY

0020185444

7590/0007 19 005 Page 1 of 4
2002-02-15 08:30:00
Cook County Recorder 27.50



Account Number 0300350261

Prep by
WHEN RECORDED MAIL TO:
Homecomings Financial Network, Inc.
2711 N. Haskell Avenue, Suite 900
Dallas, TX 75204
Attn.: Correspondence Department

COOK COUNTY
RECORDER
EUGENE "GENE" MOORE
ROLLING MEADOWS

THE SUBORDINATION IS NOT VALID FOR RECORDING AFTER NINETY (90) DAYS FROM THE DATE FIRST APPEARING BELOW. ANY CHANGES TO THIS DOCUMENT WITHOUT PRIOR WRITTEN INVESTOR APPROVAL WILL RENDER THIS SUBORDINATION NULL AND VOID.

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Subordination Agreement

THIS SUBORDINATION AGREEMENT ("Agreement") is made this 7 February, 2002, between James Pawlak and Joan O Paulak ("Borrower"), whether one or more, and The Chase Manhattan Bank as Indenture Trustee, Residential Funding Corporation, Attorney in Fact ("Subordinating Lender").

WITNESSETH

0020185443

WHEREAS, Borrower executed a note in the original principal sum of \$55,000.00 dated 5/8/2001, secured by a deed of trust or mortgage of even date therewith in favor of MILLENNIUM BANK N.A. covering property located at 628 Hickory Drive, Buffalo Grove, IL 60089, ("Property") recorded on 6/5/2001, as Instrument Number: 0010481109, in Official Records of said County; and

WHEREAS, the note and deed of trust or mortgage have been assigned to Subordinating Lender; and

WHEREAS, Borrower has executed, or is about to execute, a deed of trust or mortgage and note not to exceed the sum of \$188,500.00 dated 01/05/02, ("New Loan") in favor of First Home Mortgage, ("New Lender"); and

WHEREAS, New Lender is willing to make the New Loan provided the deed of trust or mortgage securing same is a lien or charge upon the Property prior and superior to the lien or charge of the deed of trust held by Subordinating Lender, and provided that Subordinating Lender will specifically and unconditionally subordinate its lien to the lien or charge of the deed of trust or mortgage in favor of New Lender; and

WHEREAS, it is to the mutual benefit of the parties hereto that New Lender make such New Loan to Borrower; and Subordinating Lender is willing that the deed of trust or mortgage securing same shall, when recorded, constitute a lien or charge upon said land which is unconditionally prior and superior to the lien or charge held by Subordinating Lender.

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in order to induce New Lender to make the New Loan, it is hereby declared, understood and agreed as follows:

1. The deed of trust or mortgage securing the New Loan in favor of New Lender, and any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the Property, prior and superior to Subordinating Lender's lien or charge.

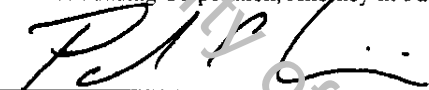
Handwritten initials

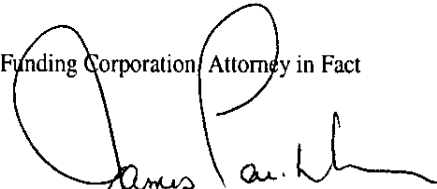
Account Number 0300350261
Borrower Names James Pawlak and Joan O Paulak
Subordination Agreement
Page 2 of 3

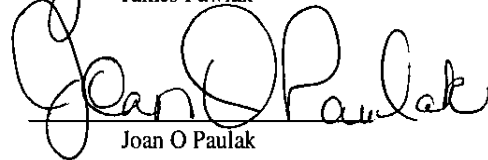
- 2. New Lender would not make its New Loan without this Agreement.
- 3. This Agreement shall be the whole and only agreement with regard to the subordination of the Subordinating Lender's lien or charge to the New Lender's lien or charge.

(ALL SIGNATURES MUST BE ACKNOWLEDGED)
IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THERETO.

The Chase Manhattan Bank as Indenture Trustee, Residential Funding Corporation/ Attorney in Fact
By Residential Funding Corporation, Attorney-in-Fact

By 
Paul A. Williams
Assistant Vice President


James Pawlak


Joan O Paulak

Property of Cook County Clerk's Office

Account Number 0300350261
Borrower Names James Pawlak and Joan O Paulak
Subordination Agreement
Page 3 of 3

ACKNOWLEDGMENT BY SUBORDINATING LENDER

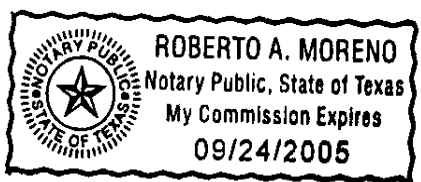
State of TX
County of Dallas

On this, the 7 day of February, 2002, before me, a Notary Public, personally appeared PAULA WILLIAMS, personally known to me (or proved to me 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 her authorized capacity, for the purposes and consideration therein expressed, as the act and deed of said corporation.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

[Signature]

Notary Public



ACKNOWLEDGMENT BY BORROWER

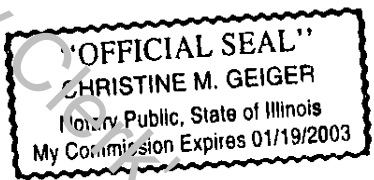
State of IL
County of Cook

On this, the 8th day of Feb, 2002 A Notary Public, personally appeared Joan O. Pawlak, known to me (or proved to me 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 for the purposes and consideration therein expressed.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

[Signature]

Notary Public



ACKNOWLEDGMENT BY BORROWER

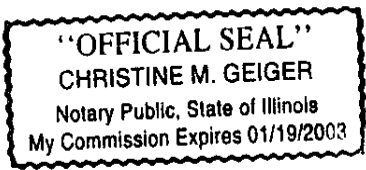
State of IL
County of Cook

On this, the 8th day of Feb, 2002 A Notary Public, personally appeared James Pawlak, known to me (or proved to me 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 for the purposes and consideration therein expressed.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

[Signature]

Notary Public



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0020185444 Page 4 of 4

PROPERTY ADDRESS: 628 HICKORY DRIVE
BUFFALO GROVE, IL 60089

LEGAL DESCRIPTION:

LOT 87 IN BUFFALO GROVE UNIT NO. 6, BEING A SUBDIVISION IN THE EAST
1/2 OF SECTION 5, TOWNSHIP 42 NORTH, RANGE 11 EAST OF THE THIRD
PRINCIPAL MERIDIAN, ALL IN COOK COUNTY, ILLINOIS.

PERMANENT INDEX NO.: 03-05-212-024

Property of Cook County Clerk's Office