

COOK COUNTY
RECORDER
EUGENE "GENE" MOORE
BRIDGEVIEW OFFICE



498907 TICOK

This Instrument Prepared by: Acct: 4458370394017442

And When Recorded Return to:
First Tennessee Bank National Association, Grantor
P.O. Box 17888
Memphis, TN 38187-0888

SUBORDINATION AGREEMENT

This Subordination Agreement (this "Agreement"), is granted on this 17th day of January, 2003, by First Tennessee Bank National Association and its divisions, FIRST HORIZON EQUITY LENDING and FIRST HORIZON MONEY CENTER (collectively, "Grantor") to First Horizon Home Loan Corporation (the "Grantee").

RECITALS:

- A. Grantor has heretofore extended a mortgage loan to Jill Knaack (the "Borrower") pursuant to a Home Equity Line of Credit Agreement or Installment Loan (the "Equity Loan"); and
- B. The Borrower's obligations under the Equity Loan are secured by a Mortgage from the Borrower to Grantor in the sum of \$45,000.00, recorded September 4, 2002 in the Land Records of Cook County, IL, Documents Number 0020969834 (the "Equity Mortgage"), covering real property described below or in Exhibit "A" attached hereto, and having a property street address of:

| | |
|--------------------------------|------------------------------------|
| <i>Property Street Address</i> | <i>122 South Patton Avenue</i> |
| <i>City, State Zip</i> | <i>Arlington Heights, IL 60005</i> |
- C. The Equity Mortgage is subordinate to a prior mortgage in the sum of \$180,897.00, from the Borrower to FT Mortgage Companies, recorded April 14, 1998 in the Land Records of Cook County, IL, Document number 98282579 (the "Original Mortgage"); and
- D. The Grantee proposes to make a loan in the original principal amount \$175,822.00 to the Borrower (the "New Loan"), the proceeds of which will be used to repay in full all of the Borrower's obligations secured by the Original Mortgage, and to obtain a release of the lien created by the Original Mortgage; and
- E. As a condition of making the New Loan, the Grantee has required the Borrower to execute a mortgage on the Property securing repayment of the New Loan (the "New Mortgage"), which, upon execution and recordation of this Agreement, shall have a first lien position on the Property.

AGREEMENTS:

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby agrees as follows:

1. Effective upon the date of recording of a release of the Original Mortgage, Grantor hereby subordinates the lien created by the Equity Mortgage to the lien created by the New Mortgage to the end that the lien of the New Mortgage shall be superior to the lien of the Equity Mortgage.
2. The subordination described in paragraph 1 above shall not apply to any future advance of funds to the Borrower by the Grantee under the New Mortgage, except for advances necessary to protect the security of the New Mortgage.
3. This Agreement shall be binding upon and shall inure to the benefit of Grantor and the Grantee and their respective successors and assigns, and any purchaser at any foreclosure sale instituted pursuant to the Equity Mortgage or the New Mortgage.
4. Nothing in this Agreement shall be deemed to constitute a novation with respect to the debt secured by the Equity Mortgage, nor an extension or modification thereof, nor otherwise affect the rights, remedies or penalties under the Equity Mortgage.
5. This Agreement shall be construed in accordance with the laws of the State of Tennessee.

IN WITNESS WHEREOF, Grantor has caused this Agreement to be executed by its duly authorized representative as of the day and year first above written.

WITNESS:

GRANTOR:
FIRST TENNESSEE BANK
NATIONAL ASSOCIATION

Rachelle Newson

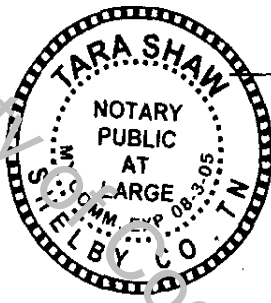
By: Joe M. Contratto [SEAL]
Name: Joe M. Contratto
Title: Limited Vice President
SE

ACKNOWLEDGMENT

STATE OF TENNESSEE)
)
COUNTY OF SHELBY) ss:

Before me, TARA SHAW of the state and county mentioned, personally appeared JOE M. CONTRATTO, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged such person to be the Vice President of First Tennessee Bank National Association, the within named bargainer, a corporation, and that he/she, as such Vice President, executed the foregoing instrument for the purpose therein contained, by personally signing the name of the corporation as Vice President.

WITNESS my hand and official seal on this 22ND day of JANUARY, 2003.



Tara Shaw
Notary Public

My Commission expires:

[INSERT ACKNOWLEDGEMENT FORM REQUIRED BY APPROPRIATE STATE LAW]

Standard Legal

Customer Name: Knaack, Craig F. & Jill A.
To be attached to report number 882430

Schedule "A"

Legal Description:

The following described real estate:

Lot Five (5) in Block Five (5), in Minneci's Arlington Heights Resubdivision of Lots 2, 5, 6, 7, 10, 11, 12, 13, West Half (1/2) of 14, West Half (1/2) of 15, all of Lots 16, 17, 18, 19, 20, 21 and 22, in Campbell Avenue Addition to Arlington Heights, being a Subdivision of parts of Section 30 and 31, Township 42 North, Range 11, East of the Third Principal Meridian, according to Plat thereof Registered in the Office of the Registrar of Titles of Cook County, Illinois, on August 12, 1955, as document 16-137-66.

Known AS: 122 S Patton

Arlington HTS IL 60005

Pin: 03-31-106-024



Office of Cook County Clerk's Office