UNOFFICIAL COPY

PREPARED BY:

R. Bruce Patterson 2401 West White Oaks Drive

Springfield, Illinois 62704

WHEN RECORDED MAIL TO:

R. Bruce Patterson. 2401 West White Oaks Drive Springfield, Illinois 62704

Cook County Recorder of Deeds Date: 04/25/2003 12:14 PM Pg: 1 of 4

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

67037952/a

SUBORDINATION OF MORTGAGE

As an inducement to FIFTH THIRD BANK or grant a loan to JOSEPH ROMANOWSKI as herein described, and in consideration of said loan and the agreement of the SBA borrower and guarantors (see attached exhibit B), the undersigned U.S. SMALL BUSINESS ADMINISTRATION, (herein referred to as "SBA"), a secured lender to JOSEPH ROMANOWSKI, hereby agrees to subordinate the lien of a mortgage dated JUNE 3, 1998 and recorded in COOK County, on JUNE 30, 1998, as document number 98-5:8883 executed by Joseph J. Romanowski, to the Illinois Small Business Growth Corporation as mortgagee and assigned to the SBA by an Assignment of Mortgage dated JUNE 5, 1998 and recorded in COOK County, on JUNE 30, 1998 as document number 98-558884, and its assignment of leases and rents dated JUNE 3, 1998 and recorded in COOK County on JUNE 30, 1998 as document number 98-558885, to the lien of FIFTH THIRD BANK, established by a Mortgage and an Assignment of Leases and Rents, when and if taken, to secure a loan hereafter described, upon the premises legally described as follows, to wit:

SEE ATTACHED EXHIBIT A

FIFTH THIRD BANK agrees that this Subordination Agreement is subject to, and expressly conditioned upon, the following:

- 1. The loan from FIFTH THIRD BANK to JOSEPH ROMANOWSKI to which this sub Revision F. The loan from FIFTH THIRD BANK to JOSEPH ROMANOWSKI to which this sub Revision F. The loan from FIFTH THIRD BANK to JOSEPH ROMANOWSKI to which this sub Revision F. The loan from FIFTH THIRD BANK to JOSEPH ROMANOWSKI to which this sub Revision F. The loan from FIFTH THIRD BANK to JOSEPH ROMANOWSKI to which this sub Revision F. The loan from FIFTH THIRD BANK to JOSEPH ROMANOWSKI to which this sub Revision F. The loan from FIFTH THIRD BANK to JOSEPH ROMANOWSKI to which this sub Revision F. The loan from FIFTH THIRD BANK to JOSEPH ROMANOWSKI to which this sub Revision F. The loan from FIFTH THIRD BANK to JOSEPH ROMANOWSKI to which this sub Revision F. The loan from FIFTH THIRD BANK to JOSEPH ROMANOWSKI to which this sub Revision F. The loan from FIFTH THIRD BANK to JOSEPH ROMANOWSKI to which this sub Revision F. The loan from FIFTH THIRD BANK to JOSEPH ROMANOWSKI to which this sub Revision F. The loan from FIFTH THIRD BANK to JOSEPH ROMANOWSKI to which the loan from FIFTH THIRD BANK to JOSEPH ROMANOWSKI to which the loan from FIFTH THIRD BANK to JOSEPH ROMANOWSKI to which the loan from FIFTH THIRD BANK to JOSEPH ROMANOWSKI to which the loan from FIFTH THIRD BANK to JOSEPH ROMANOWSKI to which the loan from FIFTH THIRD BANK to JOSEPH ROMANOWSKI to which the loan from FIFTH THIRD BANK to JOSEPH ROMANOWSKI to which the loan from FIFTH THIRD BANK to JOSEPH ROMANOWSKI to which the loan from FIFTH THIRD BANK to JOSEPH ROMANOWSKI to which the loan from FIFTH THIRD BANK to JOSEPH ROMANOWSKI to which the loan from FIFTH THIRD BANK to JOSEPH ROMANOWSKI to which the loan from FIFTH THIRD BANK to JOSEPH ROMANOWSKI to which the loan from FIFTH THIRD BANK to JOSEPH ROMANOWSKI to which the loan from FIFTH THIRD BANK to JOSEPH ROMANOWSKI to which the loan from FIFTH THIRD BANK to JOSEPH ROMANOWSKI to which the loan from FIFTH THIRD BANK to JOSEPH ROMANOWSKI THE BANK TH in the amount not to exceed \$602,000 for a term of not less than 5 years. FIFTH THIRD BANK agrees to give written notice within 30 days of any default by borrower of it's obligations under the loan and at least 60 days prior to any foreclosure.
- 2. The use of proceeds of such loan shall be for purposes of payoff existing first mortgage and refinance with better terms.
- 3. This Subordination Agreement shall not extend to any other indebtedness from JOSEPH ROMANOWSKI to FIFTH THIRD BANK 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. Further FIFTH THIRD BANK agrees that this subordination shall not apply to any prepayment penalties, late fees, default interest or other default charges, which may otherwise accrue under the provisions of the loan and mortgage including any future advances by the lender secured by the said mortgage.

0311549112 Page: 2 of 4

UNOFFICIAL COPY

- 4. The lien and indebtedness held by <u>FIFTH THIRD BANK</u> for the aforesaid loan shall not, without the prior written consent of the U.S. Small Business Administration, be subordinated to the lien, claim or interest of the lender or any other creditor of <u>JOSEPH ROMANOWSKI</u> now or in the future. Should SBA choose to cure a default by the borrower or purchase the bank's loan or lien position because of a default <u>FIFTH THIRD BANK</u> agrees to accept payment via cash, certified funds or a U.S. Treasury check, at the option of the U.S. Small Business Administration.
- 5. This subordination shall not remain in effect in the event the lien of <u>FIFTH THIRD BANK</u> is declared invalid as a preference in any proceeding commenced by the filing of a bankruptcy petition by or against the borrower.
- 6. A copy of the properly executed mortgage shall be submitted to the Illinois Small Business Growth Corporation/U.S. Small Business Administration together with the written consent of the guarantors.
- 7. A breach of any of the foregoing covenants by <u>FIFTH THIRD BANK</u> shall, at the option of the U.S. Small Business Administration, requer this agreement null and void in its entirety.

Except as expressly provided herein, this agreement shall not operate or be construed to alter the priority of the SBA Security Instrument with regard to any legal or equitable interest in the property. Owner and Lender shall hold SBA harmless from any impairment or its lien (with regard to any third party) which is occasioned by this subordination.

SBA'S AGREEMENT TO SUBORDINATE ITS LIEN INTEREST TO THAT OF <u>FIFTH THIRD BANK</u> IS EXPRESSLY CONDITIONED UPON THE SBA'S BORROWER AND GUARANTORS EXECUTION OF A CONSENT TO THIS SUBORDINATION AND AGREEMENT TO ITS TERMS AND PROVISIONS. (SEE ATTACHED EXHIBIT B). THIS SUBORDINATION IS NULL AND VOID IF EX HIBIT B IS NOT DULY EXECUTED AND ATTACHED.

IN WITNESS WHEREOF, the SBA has executed this instrument and the <u>FIFTH THIRD BANK</u> has accepted delivery of this instrument and the conditions set forth herein as of the day and year aforesaid.

FIFTH THIRD BANK	
By:	
STATE OF)SS
COUNTY OF)
I,, County in the State aforesaid, DO HEREBY	a Notary Public in and for said CERTIFY, that
	of
personally known to me to be the same personally known to me to be the same personal the foregoing instrument, appeared before acknowledged that it was signed and delivere the uses and purposes therein set forth.	e me this day in person and
GIVEN under my hand and Notarial Seal this	s day of,
NOTARY PUBI	LIC

By: 3/19/03	
Gary A. Wamhof	
S., Loan Specialist	
STATE OF CAL, FRUIA)SS	
COUNTY OF FRESNO	
I, HARY FARMER A Notary Public in and for said County in the State aforesaid, DO HEREBY CLR' 1FY, that	
LARY A. WAM hof of	
U.S. SMALL BUSINESS Administration.	
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 acknowledge that it was signed and delivered as a free and voluntary act for the uses are purposes therein set forth.	
GIVEN under my hand and Notarial Seal this 20 day of Mar. 2003.	
MARY FARMER	
MOTARY PUBLIC CALIFORNIA County of Fresno	
My Comm. Expires May 24, 2003	

Small Business Administration

0311549112 Page: 3 of 4

UNOFFICIAL COPY

EXHIBIT A

LOT 16 IN WOODFIELD BUSINESS CENTER UNIT 7, BEING A RESUBDIVISION OF PARTS OF LOTS 1, 8, 11 AND 12, AND ALL OF LOT 14 IN WOODFIELD BUSINESS CENTER, A SUBDIVISION OF PART OF THE SOUTHWEST 1/4 OF SECTION 11, TOWNSHIP 41 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS;

COMMONLY KNOWN AS 636 EAST STATE PARKWAY, SCHAUMBURG, ILLINOIS; Topology of Coot County Clark's Office PIN: 07-11-300-008-0000.

0311549112 Page: 4 of 4

UNOFFICIAL COPY

EXHIBIT B

CONSENT TO SUBORDINATION AND AGREEMENT TO ITS TERMS

WHEREAS, <u>JOSEPH ROMANOWSKI</u> has sought a loan in the amount of <u>\$602,000</u>, secured by a mortgage on certain real property, from the <u>FIFTH THIRD BANK</u>; and

WHEREAS, the U. S. Small Business Administration (SBA) has been requested to subordinate its mortgage to that of <u>FIFTH THIRD BANK</u> and that to induce the SBA to execute such a subordination it is necessary and appropriate for the borrower and guarantors of the SBA 504 loan, made by the Illinois Small Business Growth Corporation and as supposed to the SBA, to evidence their written consent to the subordination and agreement with the terms thereof.

NOW THEREFORE BE IT KNOWN THAT THE UNDERSIGNED HAVE CONSENTED TO SAID SUBORDINATION AND AGREE TO ITS TERMS AND HAVE AFFIXED THEIR SIGNATURES HERETO AS EVIDENCE OF SAID CONSENT AND AGREEMENT.

Magninery Systems, Inc.

4 3/26/03

y: / m

Fitle: Sn VP & E ()

Date: 25 Msn 03