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RECORDATION REQUESTED BY:
PARKWAY BANK & TRUST
CO.
4800 N. HARLEM AVE.
HARWOOD HEIGHTS, IL
60706



Doc#: 0335711091
Eugene "Gene" Moore Fee: \$38.00
Cook County Recorder of Deeds
Date: 12/23/2003 12:12 PM Pg: 1 of 8

WHEN RECORDED MAIL TO:
PARKWAY BANK & TRUST
CO.
4800 N. HARLEM AVE.
HARWOOD HEIGHTS, IL
60706

SEND TAX NOTICES TO:
Parkway Bank & Trust
Company
4800 N. Harlem Ave.
Harwood Heights, IL 60706

FOR RECORDER'S USE ONLY

2316 6887 / 8175420

This Subordination of Mortgage prepared by:
Parkway Bank & Trust Company
4800 N. Harlem Ave.
Harwood Heights, IL 60706

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NOTICE: THIS SUBORDINATION OF MORTGAGE RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

SUBORDINATION OF MORTGAGE

THIS SUBORDINATION OF MORTGAGE dated October 3, 2003, is made and executed among Arbor Glen Development Company, an Illinois Corporation ("Borrower"); Parkway Bank & Trust Company ("Mortgagee"); and PARKWAY BANK & TRUST CO. ("Lender").

SUBORDINATED INDEBTEDNESS. Mortgagee has extended the following described financial accommodations (the "Subordinated Indebtedness") to George A. Caravelli ("Mortgagor"):

The Promissory Note dated May 6, 2003 in the original principal amount of \$ 878,000.00 from George A. Caravelli to Parkway Bank & Trust Company.

SUBORDINATED MORTGAGE. The Subordinated Indebtedness is secured by a mortgage dated May 6, 2003 from Mortgagor to Mortgagee (the "Subordinated Mortgage") recorded in Cook County, State of Illinois as follows:

The Mortgage and Assignment of Rents dated May 6, 2003 and recorded June 11, 2003 as documents # 0316232031 and 0316232032, respectively, in Cook County, Illinois.

REAL PROPERTY DESCRIPTION. The Subordinated Mortgage covers the following described real property located in Cook County, State of Illinois:

See the exhibit or other description document which is attached to this Subordination and made a part of this Subordination as if fully set forth herein.

The Real Property or its address is commonly known as 5.761 acres vacant land Hillcrest & 190, Schaumburg, IL. The Real Property tax identification number is 07-03-100-006-0000

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BOX 333-CT

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SUBORDINATION OF MORTGAGE

(Continued)

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REQUESTED FINANCIAL ACCOMMODATIONS. Borrower, who may or may not be the same entity as Mortgagor, and Mortgagee each want Lender to provide financial accommodations to Borrower in the form of (A) new credit or loan advances, (B) an extension of time to pay or other compromises regarding all or part of Borrower's present indebtedness to Lender, or (C) other benefits to Borrower. Borrower and Mortgagee each represent and acknowledge to Lender that Mortgagee will benefit as a result of these financial accommodations from Lender to Borrower, and Mortgagee acknowledges receipt of valuable consideration for entering into this Subordination.

LENDER'S LIEN. As a condition to the granting of the requested financial accommodations, Lender has required that Lender's Lien be and remain superior to the Subordinated Mortgage.

NOW THEREFORE THE PARTIES TO THIS SUBORDINATION HEREBY AGREE AS FOLLOWS:

SUBORDINATION. The Subordinated Mortgage and the Subordinated Indebtedness secured by the Subordinated Mortgage is and shall be subordinated in all respects to Lender's Lien and the Superior Indebtedness, and it is agreed that Lender's Lien shall be and remain, at all times, prior and superior to the lien of the Subordinated Mortgage. Mortgagee also subordinates to Lender's Lien all other Security Interests in the Real Property held by Mortgagee whether now existing or hereafter acquired.

MORTGAGEE'S REPRESENTATIONS AND WARRANTIES. Mortgagee represents and warrants to Lender that: (A) no representations or agreements of any kind have been made to Mortgagee which would limit or qualify in any way the terms of this Subordination; (B) this Subordination is executed at Borrower's request and not at the request of Lender; (C) Lender has made no representation to Mortgagee as to the creditworthiness of Borrower; and (D) Mortgagee has established adequate means of obtaining from Borrower on a continuing basis information regarding Borrower's financial condition. Mortgagee agrees to keep adequately informed from such means of any facts, events, or circumstances which might in any way affect Mortgagee's risks under this Subordination, and Mortgagee further agrees that Lender shall have no obligation to disclose to Mortgagee information or material acquired by Lender in the course of its relationship with Borrower.

MORTGAGEE WAIVERS. Mortgagee waives any right to require Lender: (A) to make, extend, renew, or modify any loan to Borrower or to grant any other financial accommodations to Borrower whatsoever; (B) to make any presentment, protest, demand, or notice of any kind, including notice of any nonpayment of any Superior Indebtedness secured by Lender's Lien, or notice of any action or nonaction on the part of Borrower, Lender, any surety, endorser, or other guarantor in connection with the Superior Indebtedness, or in connection with the creation of new or additional indebtedness; (C) to resort for payment or to proceed directly or at once against any person, including Borrower; (D) to proceed directly against or exhaust any collateral held by Lender from Borrower, any other guarantor, or any other person; (E) to give notice of the terms, time, and place of any public or private sale of personal property security held by Lender from Borrower or to comply with any other applicable provisions of the Uniform Commercial Code; (F) to pursue any other remedy within Lender's power; or (G) to commit any act or omission of any kind, at any time, with respect to any matter whatsoever.

LENDER'S RIGHTS. Lender may take or omit any and all actions with respect to Lender's Lien without affecting whatsoever any of Lender's rights under this Subordination. In particular, without limitation, Lender may, without notice of any kind to Mortgagee, (A) make one or more additional secured or unsecured loans to Borrower; (B) repeatedly alter, compromise, renew, extend, accelerate, or otherwise change the time for payment or other terms of the Superior Indebtedness or any part of it, including increases and decreases of the rate of interest on the Superior Indebtedness; extensions may be repeated and may be for longer than the original loan term; (C) take and hold collateral for the payment of the Superior Indebtedness, and exchange, enforce, waive, and release any such collateral, with or without the substitution of new collateral; (D) release, substitute, agree not to sue, or deal with any one or more of Borrower's sureties, endorsers, or guarantors on any terms or manner Lender chooses; (E) determine how, when and what application of payments and credits, shall be made on the Superior Indebtedness; (F) apply such security and direct the order or manner of sale of the security, as Lender in its discretion may determine; and (G) transfer this Subordination to another party.

DEFAULT BY BORROWER. If Borrower becomes insolvent or bankrupt, this Subordination shall remain in full force and effect. In the event of a corporate reorganization or corporate arrangement of Borrower under the

UNOFFICIAL COPY**SUBORDINATION OF MORTGAGE****(Continued)**

: Loan No: 10

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provisions of the Bankruptcy Code, as amended, this Subordination shall remain in full force and effect and the court having jurisdiction over the reorganization or arrangement is hereby authorized to preserve such priority and subordination provided under this Subordination in approving any such plan of reorganization or arrangement. Any default by Borrower under the terms of the Subordinated Indebtedness also shall constitute an event of default under the terms of the Superior Indebtedness in favor of Lender.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Subordination:

Amendments. This Subordination, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Subordination. No alteration or amendment to this Subordination shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Subordination, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees and title insurance, to the extent permitted by applicable law. Mortgagee also will pay any court costs, in addition to all other sums provided by law.

Authority. The person who signs this Subordination as or on behalf of Mortgagee represents and warrants that he or she has authority to execute this Subordination and to subordinate the Subordinated Indebtedness and the Mortgagee's security interests in Borrower's property, if any.

Caption Headings. Caption headings in this Subordination are for convenience purposes only and are not to be used to interpret or define the provisions of this Subordination.

Governing Law. This Subordination will be governed by, construed and enforced in accordance with federal law and the laws of the State of Illinois. This Subordination has been accepted by Lender in the State of Illinois.

Choice of Venue. If there is a lawsuit, Mortgagee agrees upon Lender's request to submit to the jurisdiction of the courts of COOK County, State of Illinois.

Successors. This Subordination shall extend to and bind the respective heirs, personal representatives, successors and assigns of the parties to this Subordination, and the covenants of Borrower and Mortgagee herein in favor of Lender shall extend to, include, and be enforceable by any transferee or endorsee to whom Lender may transfer any or all of the Superior Indebtedness.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Subordination unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Subordination shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Subordination. No prior waiver by Lender, nor any course of dealing between Lender and Mortgagee, shall constitute a waiver of any of Lender's rights or of any of Mortgagee's obligations as to any future transactions. Whenever the consent of Lender is required under this Subordination, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON

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SUBORDINATION OF MORTGAGE (Continued)

Loan No: 10

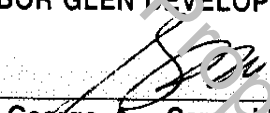
Page 4

OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN, A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND.

EACH PARTY TO THIS SUBORDINATION ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS SUBORDINATION, AND EACH PARTY AGREES TO ITS TERMS. THIS SUBORDINATION IS DATED OCTOBER 3, 2003.

BORROWER:

ARBOR GLEN DEVELOPMENT COMPANY, AN ILLINOIS CORPORATION

By: 
George A. Caraveit, President of Arbor Glen Development
Company, an Illinois Corporation

MORTGAGEE:

PARKWAY BANK & TRUST COMPANY

By: 
Authorized Signer for Parkway Bank & Trust Company

By: 
Authorized Signer for Parkway Bank & Trust Company

LENDER:


Authorized Officer

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SUBORDINATION OF MORTGAGE

(Continued)

Loan No: 10

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CORPORATE ACKNOWLEDGMENT

STATE OF Illinois)
) SS
 COUNTY OF Kane)

On this 9th day of December, 2003 before me, the undersigned Notary Public, personally appeared **George A. Caravelli, President of Arbor Glen Development Company, an Illinois Corporation**, and known to me to be an authorized agent of the corporation that executed the Subordination of Mortgage and acknowledged the Subordination to be the free and voluntary act and deed of the corporation, by authority of its Bylaws or by resolution of its board of directors, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Subordination and in fact executed the Subordination on behalf of the corporation.

By Nancy R Caravelli Residing at Kane CO.

Notary Public in and for the State of Illinois

My commission expires April 24, 2004



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SUBORDINATION OF MORTGAGE (Continued)

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CORPORATE ACKNOWLEDGMENT

STATE OF Illinois)
) SS
COUNTY OF Cook)

On this 18th day of December, 2003 before me, the undersigned Notary Public, personally appeared David P. Hyde, Asst. Vice President and
Herbert L. Wagner, Vice President

, and known to me to be (an) authorized agent(s) of the corporation that executed the and acknowledged the to be the free and voluntary act and deed of the corporation, by authority of its Bylaws or by resolution of its board of directors, for the uses and purposes therein mentioned, and on oath stated that he or she/they is/are authorized to execute this and in fact executed the on behalf of the corporation.

By Sandy Auriemma Residing at _____

Notary Public in and for the State of Ill

My commission expires 10/05/2005



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SUBORDINATION OF MORTGAGE

(Continued)

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LENDER ACKNOWLEDGMENT

STATE OF Illinois)
) SS
 COUNTY OF Cook)

On this 15th day of December, 2003 before me, the undersigned Notary Public, personally appeared David F. [Signature] and known to me to be the Asst. Vice President authorized agent for the Lender that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the said Lender, duly authorized by the Lender through its board of directors or otherwise, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this said instrument and that the seal affixed is the corporate seal of said Lender.

By Sandy Auriemma Residing at _____
 Notary Public in and for the State of Ill.

My commission expires 10/05/2005



Cook County Clerk's Office

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PARCEL 1: THAT PART OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 3, TOWNSHIP 41 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, WHICH LIES SOUTH OF THE SOUTH LINE OF THE NORTHERN ILLINOIS GAS COMPANY PROPERTY, SAID SOUTH LINE BEING 82.50 FEET SOUTHERLY OF AND MEASURED PERPENDICULAR TO THE SOUTHERLY RIGHT OF WAY LINE OF THE ILLINOIS STATE TOLL ROAD AS PER DOCUMENT 16885123 AND AS CORRECTED BY DOCUMENT 17907142, ALL IN COOK COUNTY, ILLINOIS

PARCEL 2: EASEMENT FOR THE BENEFIT OF PARCEL 1 FOR INGRESS AND EGRESS OVER THE NORTHERLY 24 FEET OF LOT 1 IN SCHAUMBURG DEVELOPMENT COMPANY SUBDIVISION OF PART OF THE SOUTHWEST 1/4 OF SECTION 3 AND PART OF THE NORTHWEST 1/4 OF SECTION 10, TOWNSHIP 41 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS AS CREATED BY GRANT FROM SHURGARD INCOME PROPERTIES II, A WASHINGTON STATE LIMITED PARTNERSHIP TO LA SALLE NATIONAL BANK AS TRUSTEE UNDER TRUST AGREEMENT DATED JULY 22, 1968 KNOWN AS TRUST NUMBER 10-15095-08 RECORDED AS DOCUMENT 85133409

PARCEL 3: EASEMENT FOR THE BENEFIT OF PARCEL 1 FOR INGRESS AND EGRESS CREATED BY 2520699 OVER THAT PORTION OF THE FOLLOWING DESCRIBED PARCEL OF LAND AS SELECTED BY GRANTEE EXTENDING BETWEEN HILLCREST BOULEVARD AND THE EASTERLY BOUNDARY OF AN EXISTING EASEMENT OVER PARCEL 2 AFORESAID WHICH PARCEL IS DESCRIBED AS FOLLOWS: THAT PART OF THE SOUTHWEST 1/4 OF SECTION 3, TOWNSHIP 41 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN TOGETHER WITH THAT PART OF THE NORTHWEST 1/4 OF SECTION 10, TOWNSHIP 41 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN TAKEN AS A TRACT, LYING SOUTH OF THE SOUTH LINE OF THE NORTHERN ILLINOIS GAS COMPANY PROPERTY, SAID SOUTH LINE BEING 82.50 FEET SOUTHERLY OF AND MEASURED PERPENDICULAR TO THE SOUTHERLY RIGHT OF WAY LINE OF THE ILLINOIS STATE TOLL ROAD AS PER DOCUMENT 16885123 AND AS CORRECTED BY DOCUMENT 17907142 AND LYING EAST OF THE EAST LINE OF SCHAUMBURG DEVELOPMENT COMPANY SUBDIVISION AS RECORDED OCTOBER 25, 1979 AS DOCUMENT 25206000 AND LYING NORTHERLY OF THE NORTHERLY LINE OF PARCEL A AS PER PLAT OF ANNEXATION RECORDED MAY 31, 1966 AS DOCUMENT 19783367 AND LYING WEST OF A LINE 110 FEET WEST OF, AS MEASURED PERPENDICULAR THE EAST LINE OF THE NORTHWEST 1/4 OF SAID SECTION 10, ALL IN COOK COUNTY, ILLINOIS AS RESERVED IN DEED FROM CENTRAL NATIONAL BANK IN CHICAGO AS TRUSTEE UNDER TRUST AGREEMENT DATED JULY 22, 1968 KNOWN AS TRUST NUMBER 15095 TO THOMAS WOELFLE RECORDED DECEMBER 15, 1980 AS DOCUMENT 25704912