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Eugene "Gene" Moore Fee: \$68.00
Cook County Recorder of Deeds
Date: 08/18/2004 10:59 AM Pg: 1 of 23

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Property of Cook County Clerk's Office

I, THE UNDERSIGNED, HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF THE ORIGINAL

ASSUMPTION AGREEMENT BETWEEN
3445 W FOSTER LLC, Community Bank of RAVENSWOOD AND
DIAGAN KEEMAN, DESAN CUSICK AND NEBOJKA RADWANOVIC FOR THE
PROPERTY LOCATED AT
3445 WEST FOSTER

SIGNATURE MICHAEL P CUSICK

SWORN TO AND SUBSCRIBED
before me this 12th DAY OF
August 2004



Cynthia Ruth Wilson
STATE OF IL
county of COOK

BOX 333

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ASSUMPTION AGREEMENT (WITHOUT RELEASE)

This ASSUMPTION AGREEMENT (WITHOUT RELEASE) ("Agreement") is made this 11th day of August, 2004, by, between and among 3445 W. FOSTER, L.L.C., an Illinois limited liability company ("Borrower"), and DRAGAN KECMAN, ("Kecman"), DEJAN CVEJIC ("Cvejic") and NEBOSJA RADOVANOVIC ("Radovanovic") (collectively "Guarantors") and COMMUNITY BANK OF RAVENSWOOD, an Illinois banking corporation ("Bank").

RECITALS

A. At various times, commencing on or about April 13, 2004, Bank extended to Borrower a loan (the "Loan") in the original principal amount of Seven Hundred Seventy Three Thousand AND NO/100 DOLLARS (\$773,000.00). The Loan was evidenced by a Promissory Note made by Borrower in the original principal amount of \$773,000.00, payable to the order of Bank (the "Note"). The Note was executed pursuant to a Construction Loan Agreement ("Agreement") dated April 13, 2004, between Bank and Borrower. The indebtedness evidenced by the Note is secured, *inter alia*, by a first mortgage lien and security interest evidenced by a Construction Mortgage dated April 13, 2004, made by Borrower in favor of Bank, encumbering certain real estate and improvements commonly known as 3445 West Foster Avenue, Chicago, Illinois, legally described on Exhibit A hereto (the "Property"), which Mortgage was recorded in the Office of the Recorder of Deeds of Cook County, Illinois, on April 21, 2004, as Document No. 0411235029 (the "Mortgage"), and Assignment of Rents recorded in the Office of the Recorder of Deeds of Cook County, Illinois, on April 21, 2004, as Document No. 0411235030 (the "Assignment"). The Agreement, Note, Mortgage, Assignment and related documents

THIS DOCUMENT PREPARED BY AND AFTER RECORDING MAIL TO:

Edward J. Halper
Michael Best & Friedrich, LLC
401 North Michigan Avenue
Suite 1900
Chicago, IL 60611

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(including the Guarantees, as hereinafter defined), executed and/or delivered in connection with any of the foregoing are sometimes collectively referred to as the "Loan Documents."

B. Guarantors, on or about April 13, 2004, executed and delivered their respective Commercial Guarantees and Guaranty of Completion and Performance (collectively the "Guarantees") guaranteeing the construction and completion of the improvements pursuant to the Agreement and the repayment of all indebtedness under the Note and the Loan Documents.

C. As of date hereof, the principal amount due under the Note is \$337,390.89, plus interest accrued on the Note in accordance with its terms.

D. Borrower and Guarantors are desirous to transfer and convey the Property to Kecman, subject to the indebtedness evidenced and secured by the Loan Documents, including without limitation the Mortgage, without seeking a release of any personal liability that Borrower or Guarantors may have under the terms of the Loan Documents respectively executed by them. The Loan Documents prohibit the transfer and conveyance of the Property to Kecman without the express written consent of Bank. Guarantors are the sole members of Borrower.

E. Borrower and Guarantors have requested Bank to consent to the transfer and conveyance of the Property to Kecman, and have further agreed to assume and be personally liable, upon the terms and conditions herein set forth, for the repayment of the indebtedness evidenced and secured by the Loan Documents and the performance of the Borrower's obligations therein contained.

F. Bank is willing to agree to consent to the transfer and conveyance of the Property to Kecman upon the terms requested and as herein set forth.

NOW THEREFORE, in consideration of the foregoing promises, the promises hereinafter set forth and the sum of TEN DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by all the parties hereto, it is agreed as follows:

1. The recitals hereinabove set forth are incorporated herein by reference.
2. Borrowers and/or Guarantors have herewith paid to Bank an assumption fee in the amount of \$7,370.00, and the attorney's fees and costs incurred by Bank in connection herewith, including but not limited to any recording or title insurance charges.

3. Borrower represents and warrants to Bank as follows:

A. Limited Liability Company Existence. The Borrower is an Illinois limited liability company duly organized and in good standing under the laws of the state of its organization, is duly qualified as a foreign corporation and in good standing under the laws of all other states where the nature and extent of the business transacted by it or the ownership of its assets makes such qualification necessary and has the limited liability

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company power and authority to own its assets and to transact the business in which it is now engaged.

B. Limited Liability Company Authority. The execution and delivery by Borrower of this Agreement and the performance of its obligations hereunder: (a) are within its limited liability company powers; (b) are duly authorized by its managers and members; (c) are not in contravention of its articles of organization, operating agreement, or of any indenture, agreement, loan, credit agreement, lease, instrument or other agreement or undertaking to which it is a party or by which it or any of its property is bound; (d) do not require any governmental consent, registration or approval; (e) do not contravene any contractual or governmental restriction binding upon it; and (f) will not, except in favor of Bank, result in the imposition of any lien, charge, security interest or encumbrance upon any of their property under any existing indenture, mortgage, deed of trust, loan or credit agreement or other agreement or instrument to which it is a party or by which it or any of its property may be bound.

C. Binding Effect. This Agreement and all of the other instruments to which Borrower or any Guarantor is a party are the legal, valid and binding obligations of said parties and are enforceable against said parties in accordance with their terms.

4. Guarantors represent and warrant to Bank as follows, each on his own behalf:

A. Illinois Resident. Kecman is an individual residing at 858 W. Lakeside Place B, Chicago, Illinois. Cvejic is an individual residing at 3660 N. Lake Shore Drive #1602, Chicago, Illinois. Radovanovic is an individual residing at 8141 W. Courtland, Norridge, Illinois.

B. Authority. The execution and delivery by Guarantors of this Agreement and the performance of their obligations hereunder: (a) are within their powers; (b) are not in contravention of any indenture, agreement, loan, credit agreement, lease, instrument or other agreement or undertaking to which any of them is a party or by which any of them or any of their property is bound; (c) do not require any governmental consent, registration or approval; (d) do not contravene any contractual or governmental restriction binding upon them; and (e) will not, except in favor of Bank, result in the imposition of any lien, charge, security interest or encumbrance upon any of their property under any existing indenture, mortgage, deed of trust, loan or credit agreement or other agreement or instrument to which any Guarantor is a party or by which any Guarantor or any of their property may be bound.

C. Binding Effect. This Agreement and all of the other instruments to which Guarantors are parties are the legal, valid and binding obligations of said parties and are enforceable against said parties in accordance with their terms.

D. Loan Documents. Guarantors have had the opportunity to review the Loan Documents.

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5. Kecman does hereby agree:

A. To assume and does hereby promise to perform all of the obligations, promises and covenants set forth in the Loan Documents, including but not limited to the timely payment to Bank of all payments due under the Note and the Mortgage, as if Kecman had executed the Loan Documents in his name as Borrower and delivered such executed Loan Documents to Bank.

B. The terms, provisions, conditions and limitations of the Loan Documents are hereby restated and are incorporated herein, as if Kecman had individually executed each of such Loan Documents.

C. Bank has fully performed its obligations, promises and covenants under the Loan Documents and there are no defenses or claims by the Borrower or Kecman thereunder.

6. Cvejic and Radovanovic do hereby agree:

A. To guarantee, pursuant to the terms of the guaranty documents executed by them, to perform all of the obligations, promises and covenants set forth in the Loan Documents, as if Kecman had initially executed the Loan Documents in his name as Borrower, and Kecman's name, as Borrower, was reflected in all guarantees and other Loan Documents executed by Cvejic and Radovanovic.

B. The terms, provisions, conditions and limitations of the Loan Documents are hereby restated and are incorporated herein, as if Kecman had individually executed each of such Loan Documents.

C. Bank has fully performed its obligations, promises and covenants under the Loan Documents and there are no defenses or claims by the Borrower or Cvejic and Radovanovic thereunder.

7. Borrower and Guarantors do agree to further execute and deliver such other documents as Bank may deem reasonably appropriate to effectuate the transactions herein described. Borrower and Guarantors do further acknowledge that they have had the opportunity to and have been counseled and advised by their attorneys, accountants and tax advisors of their choice in reviewing the transactions herein described and in executing this Agreement and have not relied upon Bank or Bank's counsel in that regard.

8. The provisions in the Mortgage and in the Assignment are hereby amended to delete, wherever it occurs, the word "Grantor" and insert therein the words "Grantor and/or Kecman, as defined in the Assumption Agreement (Without Release)."

9. Borrower and Guarantors do hereby acknowledge that their respective obligations under the Loan Documents, respectively executed by them, remain in full force and effect, without modification or limitation by virtue of the execution and delivery of this Agreement, the

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sale and conveyance of the Property to Kecman or any obligations under the Loan Documents, hereby assumed as a direct obligation as Borrower by Kecman.

10. Subject to the satisfaction and performance of all obligations of Borrower and Guarantors hereunder, and to the terms, conditions and limitations herein set forth, Bank does hereby consent to the sale and conveyance of the Property to Kecman.

11. The Loan Documents and Guarantees, except as hereby modified, remain in full force and effect.

12. In addition to the Events of Default set forth in the Loan Documents, the following event shall also constitute an Event of Default under the Loan Documents: any mortgage, lease, assignment, conveyance, grant of a security interest in or other transfer of all or any part of the Property, unless a subordination agreement in the form attached hereto as Exhibit B is executed and delivered to the Bank prior to the consummation of such mortgage, lease, assignment, conveyance, grant of a security interest in or other transfer.

13. No failure by Bank to exercise, or delay by Bank in exercising, any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof, or the exercise of any other right, power or privilege. The rights and remedies provided in this Agreement and in the Loan Documents are cumulative and not exclusive of each other or of any right or remedy provided by law or equity. No notice to or demand on Borrower or any Guarantor in any case shall, in itself, entitle Borrower or a Guarantor to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of Bank to any other or further action in any circumstances without notice or demand.

14. The parties hereto agree that time is of the essence of all of their covenants under this Agreement.

15. Bank may, at its option, sell to qualified lenders participating shares of each advance under the Loan, retain all or any part of the Loan for its portfolio or sell all or any part of the Loan.

16. The captions and headings of various paragraphs of this Agreement are for convenience only and are not to be considered as defining or limiting in any way the scope or intent of the provisions hereof. The preparation of this Agreement has been the subject of discussions among the parties and their respective attorneys; this Agreement shall not be construed, solely as a matter of judicial construction, more severely against one of the parties than the other.

17. In the event of any inconsistency among the terms hereof (including incorporated terms), or between such terms and the terms of any other Loan Documents, Bank may elect which terms shall govern and prevail. If any provision of this Agreement, or any paragraph, sentence, clause, phrase, or word, or the application thereof, in any circumstances, is adjudicated

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by a court of competent jurisdiction to be invalid, the validity of the remainder of this Agreement shall be construed as if such invalid part were never included herein.

18. Any word herein which is expressed in the masculine or neuter gender shall be deemed to include the masculine, feminine and neuter genders. Any word herein which is expressed in the singular or plural number shall be deemed, whenever appropriate in the context, to include the singular and the plural.

19. Any notice, demand or other communication required or permitted hereunder or under the Loan Documents shall be in writing and shall be deemed to have been given if and when personally delivered, or on the second business day after being deposited in United States registered or certified mail, postage prepaid, and addressed to a party at its address set forth in the Loan Documents or to such other address the party to receive such notice may have designated to all other parties by notice in accordance herewith or therewith. Notices to Kechman shall be delivered in care of Borrower.

20. This Agreement has been negotiated, executed and delivered at Chicago, Illinois, and shall be construed and enforced in accordance with the laws of the State of Illinois, without reference to the choice of law or conflicts of law principles of that State and without regard to the drafter hereof, it being acknowledged that all parties were separately represented by the counsel of their choice.

21. **THE BORROWER AND GUARANTORS (A) HEREBY IRREVOCABLY SUBMIT TO THE JURISDICTION OF ANY ILLINOIS STATE OR FEDERAL COURT SITTING IN CHICAGO, ILLINOIS OVER ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, AND THE BORROWER AND GUARANTORS HEREBY IRREVOCABLY AGREE THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH ILLINOIS STATE OR FEDERAL COURT, AND (B) AGREE NOT TO INSTITUTE ANY LEGAL ACTION OR PROCEEDING AGAINST THE BANK OR THE DIRECTORS, OFFICERS, EMPLOYEES OF BANK OR PROPERTY OF THE BANK, ARISING OUT OF OR RELATING TO THIS AGREEMENT, IN ANY COURT OTHER THAN AS HEREINABOVE SPECIFIED IN THIS SECTION. THE BORROWER AND GUARANTORS HEREBY IRREVOCABLY WAIVE ANY OBJECTION THAT ANY OF THEM MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE IN ANY ACTION OR PROCEEDING (WHETHER BROUGHT BY THE BORROWER, ANY GUARANTOR, THE BANK OR OTHERWISE) IN ANY COURT HEREINABOVE SPECIFIED IN THIS SECTION AS WELL AS ANY RIGHT IT MAY NOW OR HEREAFTER HAVE TO REMOVE ANY SUCH ACTION OR PROCEEDING, ONCE COMMENCED, TO ANOTHER COURT ON THE GROUNDS OF FORUM NON CONVENIENS OR OTHERWISE. THE BORROWER AND GUARANTORS AGREE THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW.**

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22. BORROWER AND GUARANTORS AND BANK (BY ITS ACCEPTANCE HEREOF) HEREBY VOLUNTARILY, KNOWINGLY, IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE (WHETHER BASED UPON CONTRACT, TORT OR OTHERWISE) BY, BETWEEN OR AMONG BORROWER, ANY GUARANTOR AND BANK ARISING OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT. THIS PROVISION IS A MATERIAL INDUCEMENT TO BANK TO THE CONSENT DESCRIBED IN THIS AGREEMENT OR IN THE LOAN DOCUMENTS.

23. This Agreement constitutes the entire agreement between the parties, superceding any oral discussions, offers, negotiations or agreements. This Agreement shall not be amended absent writing signed by the party to be charged.

[SIGNATURE PAGE TO FOLLOW]

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IN WITNESS WHEREOF, the parties hereto have set their hands and seals to this instrument the day and year aforesaid.

BORROWER:

3445 W. FOSTER, L.L.C.
an Illinois limited liability company

By: [Signature]
Its: MANAGER

X [Signature]
DRAGAN KEUCMAN, Individually

[Signature]
DEJAN C. VEJIC, Individually

[Signature]
NEBOJKA RADOVANOVIC, Individually

BANK
COMMUNITY BANK OF RAVENSWOOD

By: [Signature]
Its: Assistant Vice President

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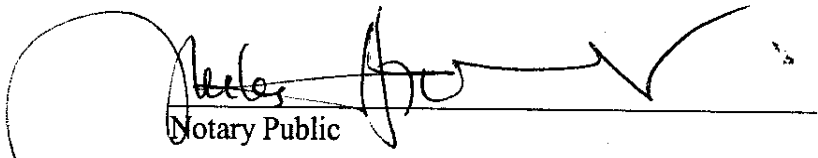
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STATE OF Illinois)
))
COUNTY OF Cook)) SS.

I, MILAN TRIFKOVICH, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY, that DRAGAN KECMAN, 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 he signed and delivered the said instrument as his free and voluntary act for the uses and purposes therein set forth.

GIVEN under my hand and seal this 10th day of AUGUST, 2004.

CONFIRMED AND/OR



Notary Public



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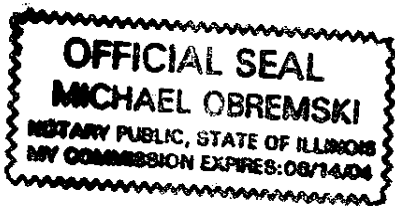
STATE OF ILLINOIS)
)
COUNTY OF COOK) SS.

I, Michael Obremski, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY, that DEJAN CVEJIC, of 3445 W. FOSTER, L.L.C., an Illinois limited liability company, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such MANAGER, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act and as the free and voluntary act of said limited liability company, for the uses and purposes therein set forth.

GIVEN under my hand and seal this 11th day of August, 2004.

Michael Obremski
Notary Public

My Commission Expires: 8-14-04



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STATE OF ILLINOIS)
)
COUNTY OF COOK) SS.

I, Michael Obremski, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY, that DEJAN CVEJIC, 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 he signed and delivered the said instrument as his free and voluntary act for the uses and purposes therein set forth.

GIVEN under my hand and seal this 11th day of August, 2004.

Michael Obremski
Notary Public



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STATE OF ILLINOIS)
)
COUNTY OF Cook) SS.

I, MICHAEL OBREMSKI, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY, that NEBOSJA RADOVANOVIC, 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 he signed and delivered the said instrument as his free and voluntary act for the uses and purposes therein set forth.

GIVEN under my hand and seal this 11th day of August, 2004.



Michael Obremski
Notary Public

STATE OF ILLINOIS)
) SS.
COUNTY OF Cook)

I, the undersigned, a Notary Public, in and for said county in the state aforesaid, do hereby certify that RICHARD ADAMSON of COMMUNITY BANK OF RAVENSWOOD, an Illinois banking corporation, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such ASST. VICE PRES., appeared before me his day in person and acknowledged that he/she signed and delivered the said instrument as his/her own free and voluntary act and as the free and voluntary act of said Bank for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 11th day of August, 2004.



Michael Obremski
Notary Public

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EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

LOT 4 (EXCEPT THE WEST 5 FEET THEREOF) IN AUGUST ERICKSON'S SUBDIVISION OF THE EAST 1/2 OF THE WEST 1/2 OF BLOCKS 7 AND 10 IN JACKSON'S SUBDIVISION OF THE SOUTH EAST 1/4 OF SECTION 11 AND THE SOUTHWEST 1/4 OF SECTION 12, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMON ADDRESS: 3445 W. FOSTER AVENUE, CHICAGO, ILLINOIS, 60625

P.I.N.: 13-11-402-002-0000

UNOFFICIAL COPY**EXHIBIT B****SUBORDINATION AGREEMENT**

THIS INSTRUMENT PREPARED BY
AND AFTER RECORDING RETURN TO:
Edward J. Halper, Esq.
Michael Best & Friedrich LLP
401 North Michigan Avenue
Suite 1900
Chicago, Illinois 60611

SUBORDINATION AGREEMENT

This Subordination Agreement (the "Agreement") is made as of this _____ day of _____, between COMMUNITY BANK OF RAVENSWOOD, an Illinois banking corporation, (the "Senior Lender"), and _____, a(n) _____ (the "Subordinated Lender").

RECITALS:

A. Senior Lender has previously made a loan (the "Loan") to 3445 W. FOSTER, L.L.C., an Illinois limited liability company ("Company") and DRAGAN KECMAN ("Kecman"), (Company and Kecman are referred to as the "Borrower") in the original principal amount of SEVEN HUNDRED SEVENTY-THREE THOUSAND AND NO/100 DOLLARS (\$773,000.00) which is secured by mortgage documents on that certain parcel of real property located in Cook County, Illinois, legally described on Exhibit A attached hereto and made a part hereof (the "Property").

B. To evidence the Loan, Senior Lender is the owner and holder of a certain Promissory Note (the "Senior Note") in the original principal amount of SEVEN HUNDRED SEVENTY-THREE THOUSAND AND NO/100 DOLLARS (\$773,000.00) made by the Company and assumed by Kecman under an Assumption Agreement (Without Release) ("Assumption Agreement") payable to the order of Senior Lender. The indebtedness evidenced by the Senior Note and Assumption Agreement is secured, *inter alia*, by a first mortgage lien and security interest evidenced by a Construction Mortgage dated April 13, 2004, made by Borrower in favor of Senior Lender, encumbering certain real estate and improvements commonly known as 3445 West Foster Avenue, Chicago, Illinois, legally described on Exhibit A hereto (the "Property"), which Mortgage was recorded in the Office of the Recorder of Deeds of Cook County, Illinois, on April 21, 2004, as Document No. 0411235029 (the "Senior Mortgage"), and Assignment of Rents recorded in the Office of the Recorder of Deeds of Cook County, Illinois, on April 21, 2004, as Document No. 0411235030 (the "Senior Assignment"). The Assumption Agreement was recorded in the office of the Recorder of Deeds of Cook County, Illinois on _____, 2004, as Document

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Number _____. The Construction Loan Agreement dated April 13, 2004 ("Agreement"), Senior Note, Assumption Agreement, Senior Mortgage, Senior Assignment, together with all other documents and instruments evidencing and securing the Senior Note, (including the Guarantees, as hereinafter defined) executed and/or delivered in connection with any of the foregoing are sometimes collectively referred to as the "Senior Loan Documents."

C. KECMAN, DEJAN CVEJIC ("Cvejic") and NEBOSJA RADOVANOVIC ("Radovanovic") (collectively "Guarantors"), on or about April 13, 2004, executed and delivered their respective Commercial Guarantees and Guaranty of Completion and Performance (collectively the "Guarantees") guaranteeing the construction and completion of the improvements pursuant to the Agreement and the repayment of all indebtedness under the Note and the Loan Documents. Guarantors are the sole members of Borrower.

D. Kecman desires to transfer a security interest in the Property to Subordinated Lender.

E. Subordinated Lender is the owner and holder of a certain indebtedness (the "Subordinated Debt") in the original principal amount not to exceed _____ DOLLARS (\$) made by Borrower payable to the order of Subordinated Lender.

F. Subordinated Lender is also the owner and holder of the following documents securing _____ the _____ Subordinated _____ Debt: _____ The foregoing documents evidencing and securing the Subordinated Debt are hereinafter collectively referred to as the "Subordinated Loan Documents."

G. All obligations of Borrower to Senior Lender now existing or hereafter arising, due or to become due, under the Senior Note and the Senior Loan Documents are herein called the "Senior Liabilities."

H. All obligations of Borrower to Subordinated Lender now existing or hereafter arising, due or to become due, under the Subordinated Debt and the Subordinated Loan Documents are herein called the "Subordinated Liabilities."

I. Pursuant to the terms of the Assumption Agreement, any mortgage, lease, assignment, conveyance, grant of a security interest in or other transfer of all or any part of the Property shall constitute an Event of Default under the Senior Loan Documents unless such mortgage, lease, assignment, conveyance, grant of a security interest in or other transfer is subject and subordinate to the liens and security interest created by the Senior Loan Documents.

NOW, THEREFORE, in consideration of the foregoing and as an inducement to Senior Lender to make the Senior Loan, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto represent, warrant and agree as follows:

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1. Warranties of Subordinated Lender. Subordinated Lender represents and warrants that true, correct and complete copies of all documents evidencing and securing the Subordinated Liabilities have heretofore been delivered to Senior Lender and are described in Recital paragraph F above.
2. Subordination of Loans and Liens. Subordinated Lender hereby agrees that the loans and liens and security interests created by the Subordinated Loan Documents are and shall be subject and subordinate to the liens and security interests created by the Senior Loan Documents and to any and all amendments, modifications, extensions, replacements or renewals of the Senior Loan Documents, and to any and all advances heretofore made or hereafter to be made under the Senior Loan Documents, as the same may be modified or amended from time to time.
3. Constructive Trust. In the event that Subordinated Lender receives any payment or other distribution of any kind or character from the proceeds or distributions of the sale of the Property or any portion of the Property in respect to any of the Subordinated Liabilities, other than as otherwise expressly permitted by the terms of this Agreement, such payment or other distribution shall be received and shall be held by Subordinated Lender in trust for Senior Lender and promptly turned over by Subordinated Lender to Senior Lender. Each party shall execute such further documents or instruments and take such further action as the other party may reasonably require from time to time to carry out the intent of this Agreement.
4. Waiver by Subordinated Lender. Subordinated Lender hereby waives (a) notice of the existence, creation or nonpayment of all or any of the Senior Liabilities; and (b) all diligence in collection, protection of or realization upon the Senior Liabilities or any security therefor.
5. Covenants of Subordinated Lender. Subordinated Lender shall not, without prior written notice to Senior Lender, modify, amend or consent to any modification or amendment of any document evidencing or securing the Subordinated Liabilities. In addition, Subordinated Lender shall not, without prior written consent of Senior Lender, (a) commence, or join with any other creditor in commencing, any bankruptcy, reorganization or insolvency proceedings with respect to Borrower or the Property; (b) seek to appoint a receiver for (i) the Property, (ii) any part thereof or (iii) Borrower or any of the shareholders of the corporate Borrower, (c) seek to obtain possession of or title to the Property, (d) initiate or continue the prosecution of any suit, complaint or counterclaim seeking to foreclose the Subordinated Mortgage or any of the mortgage or security interests granted under the Subordinated Loan Documents, (e) seek any accounting from Senior Lender in respect to the proceeds of the Property, or (f) take any action affecting any contract or lease relating to the Property in which Senior Lender claims a security interest (including without limitation any action to subordinate any such lease to the Subordinated Loan Documents, or any of them).
6. Bankruptcy of Borrower. In the event of any dissolution, winding-up, liquidation, readjustment, reorganization or other similar proceedings relating to Borrower, or any member of Borrower or any of their creditors, or to Borrower's property (whether voluntary or involuntary, partial or complete, and whether in bankruptcy, insolvency or receivership, or upon an assignment to benefit creditors, or any other marshalling of the assets and liabilities of

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Borrower or any member thereof, or any sale of all or substantially all of the assets of Borrower or any member thereof, or otherwise), the Senior Liabilities shall be paid first in full, with respect to any payment or distribution of proceeds derived from the Property before Subordinated Lender shall be entitled to receive and to retain any payment or distribution of the same with respect to the Subordinated Liabilities.

7. Notices of Default. Subordinated Lender hereby agrees to give Senior Lender, at 2300 West Lawrence Avenue, Chicago, IL 60625, Attn: Michael Obremski, with a copy to: Michael Best & Friedrich LLP, 401 N. Michigan Avenue, Suite 1900, Chicago, IL 60611, Attn: Edward J. Halper, contemporaneously with the giving thereof to the Borrower, copies of any notices given to Borrower regarding any default under the Subordinated Loan Documents or which notice would, following the passage of time and failure to cure, result in the occurrence of a "default" or "event of default" under the Subordinated Loan Documents; provided, however, that failure of Subordinated Lender to give any such notice to Senior Lender shall not adversely affect the validity or enforceability of such notice with respect to Borrower. Subordinated Lender hereby agrees that no remedies under the Subordinated Loan Documents shall be pursued with respect to the Property.

8. Insurance Proceeds and Condemnation Awards. Subordinated Lender agrees that in the event of a casualty to the buildings or improvements constructed on the Property or a condemnation or taking under a power of eminent domain of the Property, the buildings or improvements thereon, or a threat of such a condemnation or taking, all adjustments of insurance claims, condemnation claims and settlements in anticipation of such a condemnation or taking shall be prosecuted, at Senior Lender's election, by Senior Lender and all payments and settlements of insurance claims or condemnation awards or payments in anticipation of condemnation or a taking shall be paid to Senior Lender. Subordinated Lender hereby assigns to Senior Lender all of its interests in any such claims, settlements or awards (collectively, the "Award"). In the event the amount of the Award is in excess of all amounts due under the Senior Liabilities, Senior Lender agrees that such excess Award shall be paid to or held for the benefit of Subordinated Lender or such party as may be legally entitled to such Award.

9. Consent to Easements and Plats of Subdivision. In the event Borrower requests that Senior Lender and all other mortgagees or trustees under trust deeds of record execute any easements or plats of subdivision or similar documents in connection with the construction, development, operation or maintenance of the Property, and Senior Lender executes the same, Subordinated Lender agrees to consent to such documents and instruments as its interests appear, if requested to do so by Senior Lender and Borrower.

10. Acquisition of Fee Title by Senior Lender. Subordinated Lender hereby agrees that an acquisition of fee title to the Property by Senior Lender, its nominee, or any other person or entity through a foreclosure of the Senior Mortgage or through a deed in lieu of foreclosure shall be free and clear of the mortgage interests granted to the Subordinated Lender under the Subordinated Loan Documents or any lien granted to Subordinated Lender under the Subordinated Loan Documents and, in order to effectuate such provision, Subordinated Lender does, upon the completion of any such foreclosure or receipt of title through a deed in lieu of foreclosure, hereby irrevocably constitutes and appoints Senior Lender as its attorney in fact to

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execute such releases of the Subordinated Loan Documents, as may be necessary to induce any title insurance company to not show as a title exception the lien of the Subordinated Loan Documents, and is not a "sale or disposition" and will not constitute an event of default under the Subordinated Loan Documents.

11. Subrogation. Until such time as the Senior Liabilities have been paid in full, Subordinated Lender waives and releases any and all rights of subrogation which it has against the Property and which subrogation would result in Subordinated Lender obtaining a priority equal or superior to the priority of the Senior Loan Documents for any funds which Subordinated Lender may advance either to cure defaults under security instruments or pay liens encumbering the Property or otherwise protect the lien of the Subordinated Loan Documents or any of them.

12. Permitted Actions by Senior Lender. Senior Lender may, from time to time, in its sole discretion and without notice to or consent of Subordinated Lender, take any or all of the following actions: (a) retain or obtain a mortgage or security interest in any property to secure any of the Senior Liabilities; (b) retain or obtain the primary or secondary obligation of any other obligor or obligors with respect to any of the Senior Liabilities; (c) extend or renew for one or more periods of time (whether or not longer than the original period), alter or modify any of the Senior Liabilities, or release or compromise any obligation of any nature of any obligor with respect to any of the Senior Liabilities; (d) release its mortgage or security interest in, or surrender, release or permit any substitution or exchange for all or any part of the property securing any of the Senior Liabilities, or extend or renew for one or more periods of time (whether or not longer than the original period), or release, compromise, alter or modify any obligation of any nature of any obligor with respect to any such property; (e) increase the Senior Liabilities or (f) modify, amend, alter or revise the Senior Loan Documents.

13. Assignment. Senior Lender may, from time to time, without notice to Subordinated Lender, assign or transfer any or all of the Senior Liabilities or any interest therein; and notwithstanding any such assignment or transfer or any subsequent assignment or transfer thereof, such Senior Liabilities shall be and remain Senior Liabilities for the purpose of this Agreement, and every immediate and successive assignee or transferee of any of the Senior Liabilities or of any interest therein shall, to the extent of the interest of such assignee or transferee in the Senior Liabilities, be entitled to the benefits of this Agreement to the same extent as if such assignee or transferee were Senior Lender hereunder, provided that such assignee or transferee shall assume the obligations of Senior Lender which accrue under the Senior Liabilities from and after the date of such assignment or transfer and provided, further, that unless Senior Lender shall otherwise consent in writing, Senior Lender shall have the unimpaired right, prior and superior to that of any such assignee or transferee, to enforce this Agreement for the benefit of Senior Lender as to those of the Senior Liabilities which Senior Lender has not assigned or transferred.

14. Successors and Assigns. This Agreement shall be binding upon Subordinated Lender and its respective successors and assigns whether immediate or remote.

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15. No Waiver by Senior Lender. Senior Lender shall not be prejudiced in its rights under this Agreement by any act or failure to act by Borrower or Subordinated Lender, or any non-compliance of Borrower or Subordinated Lender with any agreement or obligation, regardless of any knowledge thereof which Senior Lender may have or with which Senior Lender may be charged; and no action of Senior Lender permitted hereunder shall in any way affect or impair the rights of Senior Lender and the obligations of Subordinated Lender under this Agreement. No delay on the part of Senior Lender in the exercise of any rights or remedies shall operate as a waiver thereof, and no single or partial exercise by Senior Lender of any right or remedy shall preclude other or further exercise thereof or the exercise of any other right or remedy; nor shall any modification or waiver of any of the provisions of this Agreement be binding upon Senior Lender except as expressly set forth in a writing duly signed and delivered on behalf of Senior Lender.

16. Construction and Interpretation of this Agreement. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois. Wherever possible each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law but if any provision of this Agreement shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

17. Termination. This Agreement shall terminate upon full and final payment of any and all amounts due under the Senior Liabilities, provided that all rights of Subordinated Lender hereunder shall automatically terminate at such time as the Subordinated Liabilities have been paid in full.

18. Third Parties. Neither Borrower nor any other party shall be deemed to be a direct or indirect third party beneficiary of this Agreement.

[SIGNATURE PAGE TO FOLLOW]

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IN WITNESS WHEREOF, the Senior Lender and Subordinated Lender have duly executed this Agreement as of the day and year above written.

By: _____

Its: _____

Attest: _____

Its: _____

COMMUNITY BANK OF RAVENSWOOD, an
Illinois banking corporation

By: _____

Its: _____

Property of Cook County Clerk's Office

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STATE OF ILLINOIS)
) SS.
COUNTY OF _____)

I, the undersigned, a Notary Public, in and for said county in the state aforesaid, do hereby certify that _____ and _____ of _____, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such _____ and _____ respectively, appeared before me his day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary acts 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 this _____ day of _____, 2004.

Notary Public

STATE OF ILLINOIS)
) SS.
COUNTY OF _____)

I, the undersigned, a Notary Public, in and for said county in the state aforesaid, do hereby certify that _____ of COMMUNITY BANK OF RAVENSWOOD, an Illinois banking corporation, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such _____ appeared before me his day in person and acknowledged that he/she signed and delivered the said instrument as his/her own free and voluntary act and as the free and voluntary act of said Bank for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this _____ day of _____, 2004.

Notary Public

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CONSENT AND AGREEMENT

The undersigned hereby acknowledges the terms of and consent to the foregoing Agreement and agrees for itself and its respective successors and assigns, for the benefit of Senior Lender, its successors and assigns, that (i) said Agreement does not constitute a waiver or partial waiver by Senior Lender of any of its rights under the Senior Loan Documents, or in any way release the undersigned from its obligations to comply with the terms and conditions contained in the Senior Loan Documents (including without limitation the obligation to refrain from any further encumbering of the Property without the prior written consent of Senior Lender); and (ii) the undersigned will not take any action contrary to or inconsistent with said Agreement.

3445 W. FOSTER, L.L.C., an Illinois limited liability company

By: _____
Its: _____

DRAGAN KECMAN, individually

DEJAN CVEJIC, individually

NEBOSJA RADOVANOVIC, individually

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