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Doc#: 0615054042 Fee: \$34.00
Eugene "Gene" Moore RHP Fee: \$10.00
Cook County Recorder of Deeds
Date: 05/30/2006 02:28 PM Pg: 1 of 6

THIS INSTRUMENT PREPARED BY:
Bennett L. Cohen
Cohen, Salk & Huvard, P.C.
630 Dundee Road, Suite 120
Northbrook, Illinois 60062

AND AFTER RECORDING MAIL TO:
Puritan Finance Corporation
55 West Monroe Street, Suite 3590
Chicago, Illinois 60603
Attn: William Zimmerman, President

PRAIRIE TITLE INC.
6821 NORTH AVENUE
OAK PARK, IL 60302
TS060401247

MORTGAGE SUBORDINATION AGREEMENT WITH SENIOR CAP

THIS MORTGAGE SUBORDINATION AGREEMENT WITH SENIOR CAP (this "Agreement") is dated as of May 5, 2006, and is between FIRST NATIONS BANK ("Senior Mortgagee"), with an office at 7757 W. Devon Avenue, Chicago, Illinois 60631, and PURITAN FINANCE CORPORATION, an Illinois corporation ("Junior Mortgagee"), with an office at 55 West Monroe Street, Suite 3590, Chicago, Illinois 60603.

The Junior Mortgagee, has made a certain revolving line of credit loan in the principal sum of \$2,500,000.00 to D M D SERVICES, INC., an Illinois corporation ("Borrower") secured in part, by the Junior Mortgage (as hereinafter defined). Mortgagor (as hereinafter defined) desires to place a second priority mortgage on the Property (as hereinafter defined) and to induce Junior Mortgagee to permit said financing by the Senior Mortgagee, has required the execution and delivery of this Agreement.

At the time the Junior Mortgage was executed, the Property was owned by the Trust Mortgagor, and subsequently the Property was conveyed by the Trust Mortgagor to the Mortgagor, subject to the lien of the Junior Mortgage.

In consideration of the premises and of the mutual covenants and agreements of the parties hereafter set forth, the parties hereto agree as follows:

1. **Definitions:**

A. **Junior Indebtedness.** "Junior Indebtedness" as used herein collectively means the \$2,500,000.00 revolving line of credit loan extended by Junior Mortgagee to Borrower evidenced by a certain Promissory Note dated May 6, 2005 in the principal sum of \$2,500,000.00 executed by Borrower in favor of Junior Mortgagee as payee (such note, as modified, amended, refinanced or restated from time to time, the "Junior Note") secured by the Junior Mortgage, and all other indebtedness secured by the Junior Mortgage.

B. **Junior Mortgage.** "Junior Mortgage" as used herein means that certain Junior Mortgage and Assignment of Leases dated as of May 6, 2006 executed by the Trust Mortgagor in favor of the Junior Mortgagee and recorded May 24, 2005 as Document No. 0514418071 in the office of the Recorder of Cook

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County, Illinois, mortgaging and conveying the Property to the Junior Mortgagee to secure the Junior Note and all other Junior Indebtedness.

C. Mortgagor. "Mortgagor" shall collectively mean Dominick J. DiSilvio and Jacqueline J. DiSilvio, his wife.

D. Property. "Property" as used herein means the real estate legally described in Exhibit A attached hereto, and all improvements thereon.

E. Senior Indebtedness. "Senior Indebtedness" as used herein means the \$159,000.00 home equity mortgage loan extended by Senior Mortgagee to Mortgagor and evidenced by a note or credit agreement dated May 5, 2006 in said principal sum executed by Mortgagor in favor of Senior Mortgagee as payee (such note or credit agreement, as extended, renewed, modified, amended, refinanced or restated from time to time, the "Senior Note") secured by the Senior Mortgage, and all other indebtedness now or hereafter secured by the Senior Mortgage.

F. Senior Mortgage. "Senior Mortgage" as used herein means that certain Mortgage dated May 8, 2006 executed by Mortgagor in favor of Senior Mortgagee and recorded _____, 2006 as Document No. _____ in the office of the Recorder of Deeds of Cook County, Illinois, mortgaging and conveying the Property to the Senior Mortgagee to secure the Senior Note and all other Senior Indebtedness.

G. Trust Mortgagor. "Trust Mortgagor" shall mean First Nations Bank f/k/a First National Bank of Wheaton, not personally, but solely as Trustee pursuant to Trust Agreement dated August 9, 1999 and known as Trust No. 1255.

2. Representations and Warranties of the Senior Mortgagee:

A. Senior Mortgagee represents to the Junior Mortgagee that: (i) Senior Mortgagee is the holder of the Senior Note and Senior Mortgage, and (ii) neither the Senior Note or Senior Mortgage has been negotiated, assigned, transferred or delivered to any party by Senior Mortgagee.

B. Senior Mortgagee represents to the Junior Mortgagee that to the best of Senior Mortgagee's knowledge, no default or condition which with the passage of time or giving of notice, or both, would constitute a default, exists under the Senior Note or Senior Mortgage.

C. Senior Mortgagee represents and warrants to the Junior Mortgagee that the Senior Mortgage does not secure any other loans other than the loan evidenced by the Senior Note.

3. Subordination of Junior Mortgage.

A. Subject to the limitation set forth in the following paragraph, the Junior Mortgagee hereby subordinates the lien of the Junior Mortgage to the lien of the Senior Mortgage and agrees that the Junior Mortgage is subordinate, subject, and inferior, in priority, to the Senior Mortgage. Subject to the limitation set forth in the following paragraph, it is the intent of the parties hereto that the lien of the Senior Mortgage shall be superior to the lien of the Junior Mortgage for the purpose of securing: (i) the Senior Note and all other Senior Indebtedness (provided, however, that the aggregate principal balance of the Senior Note shall not exceed \$159,000.00 at any time), and (ii) all advances made by Senior Mortgagee under the Senior Mortgage

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to pay for delinquent taxes (including interest and penalties) on the Property, insurance premiums for the Property, and all other costs expended to protect, perfect, preserve, defend or foreclose the lien of the Senior Mortgage, including legal fees and court costs (all of the foregoing collectively "Protective Advances").

Senior Mortgagee represents to Junior Mortgagee that Senior Mortgagee does not intend to make any future loans or advances to the Mortgagor or any other party which will be secured by the Senior Mortgage or the Property, other than Protective Advances made by Senior Mortgagee in its sole and absolute discretion, and advances from time to time under the Senior Note not to exceed \$159,000 in the aggregate at any time. Any such future loans or advances made by Senior Mortgagee, other than Protective Advances and other than advances from time to time under the Senior Note provided they do not exceed \$159,000.00 in the aggregate at any time, shall be called a "Senior Subordinate Loan" (it being acknowledged by Senior Mortgagee that any principal balance under the Senior Note in excess of \$159,000.00 shall also be deemed a Senior Subordinate Loan). Notwithstanding anything contained in the preceding paragraph or any other provision of this Agreement to the contrary, if for any reason, Senior Mortgagee does make a Senior Subordinate Loan, Senior Mortgagee agrees that the lien of the Senior Mortgage, to the extent it secures repayment of the Senior Subordinate Loan, shall be subordinate to the lien of the Junior Mortgage, to the extent the Junior Mortgage secures the Junior Note and all other Junior Indebtedness.

4. **Continuing Subordination.** This Agreement constitutes a continuing subordination until all Senior Indebtedness or all Junior Indebtedness shall have been fully, finally and indefeasibly paid in cash and discharged.

5. **Notices.** Any notice or other communication required or permitted to be given shall be in writing addressed to the respective party as set forth below and may be personally served, telecopied or sent by overnight courier or U.S. Mail and shall be deemed given: (a) if served in person, when served; (b) if telecopied, on the date of transmission if before 5:00 p.m. (Chicago time) on a Business Day; provided that a hard copy of such notice is also sent pursuant to clause (c) or (d) below; (c) if by overnight courier, on the date of delivery; or (d) if by U.S. Mail, on the third (3rd) day after deposit in the mail, postage prepaid, certified mail, return receipt requested.

If to Junior Mortgagee:

Puritan Finance Corporation
55 West Monroe Street, Suite 3590
Chicago, Illinois 60603
Attn: William Zimmerman
Fax No. 312/372-9694

If to Senior Mortgagee:

First Nations Bank
7757 W. Devon Avenue
Chicago, Illinois 60631
Attn: Jeri Spreeman
Fax No. 773/594-0600

or to either party at such other addresses as such party may designate in a written notice to the other party. "Business Day" shall mean any day when Senior Mortgagee is open for business other than Saturday, Sunday or any other day on which state banks in Chicago, Illinois are not open for business.

6. **Modifications in Writing.** No amendment, modification, supplement, termination, consent or waiver of or to any provision of this Agreement nor any consent to any departure therefrom shall in any

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event be effective unless the same shall be in writing and signed by or on behalf of each of Junior Mortgagee and Senior Mortgagee.

7. **Miscellaneous.** This Agreement shall be interpreted and enforced in accordance with the internal laws of the State of Illinois (excluding conflicts of law rules). The invalidity or unenforceability of any provision hereof shall not affect, modify, or impair the validity and enforceability of all other provisions hereof. This Agreement shall be binding on and shall inure to the benefit of the parties hereto and their representatives, heirs, legatees, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on or as of the date and year first above written.

SENIOR MORTGAGEE:

FIRST NATIONS BANK

By: Jon S. [Signature]
Title: Loan Officer

JUNIOR MORTGAGEE:

PURITAN FINANCE CORPORATION

By: [Signature]
Title: PM

Property of Cook County Clerk's Office

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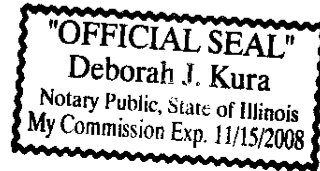
STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Debbie Kura, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Jeri Spreeman, a Loan Officer of FIRST NATIONS BANK, who is 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 severally acknowledged that he signed and delivered the said instrument as such officer, as his 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 8 day of May, 2006.

Deborah J. Kura In Cap.
Notary Public

My Commission Expires: 10/15/08



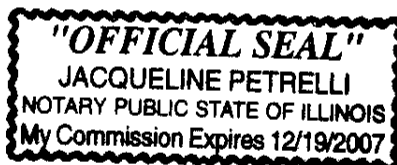
STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, JACQUELINE PETRELLI, a Notary Public in and for said County, in the State aforesaid, do hereby certify that WILLIAM ZIMMERMAN PRESIDENT of PURITAN FINANCE CORPORATION, who is 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 severally acknowledged that he signed and delivered the said instrument as such officer, as his own free and voluntary act 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 8TH day of MAY, 2006.

Jacqueline Petrelli
Notary Public

My Commission Expires: _____



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EXHIBIT A

Legal Description

LOT 124 IN FOREST GLEN SUBDIVISION UNIT NO. 2, BEING A SUBDIVISION OF PART OF THE NORTHWEST ¼ OF SECTION 19, TOWNSHIP 39 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

P.I.N. 15-19-100-142-0000

Street Address: 24 Glenoble Court, Oak Brook, Illinois.

Property of Cook County Clerk's Office