

# UNOFFICIAL COPY



Doc#: 0615955057 Fee: \$36.00  
Eugene "Gene" Moore RHSP Fee: \$10.00  
Cook County Recorder of Deeds  
Date: 06/08/2006 09:24 AM Pg: 1 of 7

## SUBORDINATION AGREEMENT

**THIS SUBORDINATION AGREEMENT** ("Subordination Agreement") is entered into as of the 20th day of March 2006 by and among AMERICAN ENTERPRISE BANK, an Illinois banking corporation (the "Junior Lender"), whose address is 600 N. Buffalo Grove Road, Buffalo Grove, Illinois 60089, JP Morgan, a [national/state banking corporation] (the "Senior Lender"), whose address is 111 E. Wisconsin Avenue, WI-1-2053, Milwaukee, WI 53202, and Walter & Michelle Fawcett, (the "Borrower"), whose address is 310 Macalpin Court, Barrington, IL 60010.

395-746

### RECITALS:

A. The Borrower is indebted to the Junior Lender in the original principal amount of Six Hundred Fifty Thousand and 00/100 Dollars (\$ 650,000.00), as evidenced by that certain Note dated August 6, 2001 (the "Junior Note").

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B. The Junior Note is secured by a Mortgage dated August 6, 2001 ("Junior Mortgage"), made by Borrower in favor of Junior Lender, encumbering the real estate legally described in Exhibit "A," attached hereto and made a part hereof ("Property"), and recorded in the Office of the Recorder of Deeds for Cook County, Illinois on September 25, 2001 as Document Number 0010892813.

C. The Senior Lender and the Borrower are parties to that certain Mortgage dated as of March 20, 2006 (the Senior Mortgage) pursuant to which the Senior Lender has agreed to provide the Borrower a loan in the principal amount of One Million One Hundred Forty One Thousand Five Hundred Twenty Six and 79/100 Dollars (\$1,141,526.79) (the Loan), which Loan is evidenced by a Note dated of even date with the Senior Mortgage (the Senior Note).

\* see 4-28-06 as Doc 0611855058

9X026104

THIS DOCUMENT PREPARED BY AND  
AFTER RECORDING RETURN TO:

American Enterprise Bank  
600 N. Buffalo Grove Road  
Buffalo Grove, Illinois 60089  
Attn: Loan Operations

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D. The Borrower is currently indebted to American Enterprise Bank, a [national/state banking corporation] (the Existing Lender) in the original principal amount of Six Hundred Fifty Thousand and 00/100 Dollars (\$650,000.00), as evidenced by that certain Note dated August 1, 2001 (the Existing Note), which is secured by a Mortgage dated August 1, 2001 (the Existing Mortgage) made by Borrower in favor of the Existing Lender and recorded in the Office of the Recorder of Deeds for Cook County, Illinois on September 17, 2001 as Document Number 0010892813 and encumbers the Property.

E. The Existing Mortgage has priority over the Junior Mortgage.

F. Borrower desires to refinance the Existing Note and the Existing Mortgage with the proceeds of the Loan from the Senior Lender evidenced by the Senior Note and Senior Mortgage.

G. The Senior Lender has conditioned its extension of credit to the Borrower in the amount of the Loan upon the Junior Mortgage being subordinated to the Senior Mortgage.

**NOW, THEREFORE**, in consideration of the extension of credit by the Senior Lender to the Borrower, the Junior Lender, the Senior Lender and the Borrower hereby agree as follows:

1. Subordination. The Junior Lender hereby subordinates its Mortgage, security interests, liens and encumbrances, which secure the payment of the Junior Note (the "Junior Lender's Collateral") to the Senior Mortgage, security interests, liens and encumbrances, which secure the payment of the Senior Note (the "Senior Lender's Collateral").

2. Representations. The Borrower represents and warrants to the Junior Lender that Borrowers request of the Junior Lender to enter into this Subordination Agreement is to enable the Borrower to refinance the Existing Note and the Existing Mortgage in an amount which does not exceed the original principal amount of the Loan.

3. Further Agreements.

3.1 Each of the Recitals are hereby incorporated into and made a part of this Subordination Agreement as though fully set forth herein.

3.2 The Senior Lender covenants and agrees that the Senior Lender will not make any additional or further loans to Borrower secured by the Senior Lenders Collateral, whether by modification, amendment or otherwise to the Senior Note or Senior Mortgage, in excess of the original principal amount of the Loan.

3.3 The Borrower covenants and agrees that the Borrower will not make a loan application or request to the Senior Lender to increase the original principal amount of the Senior Note or the Senior Mortgage in excess of the original principal amount of the Loan.

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3.4 This Subordination Agreement and the subordination by the Junior Lender of the Junior Mortgage to the Senior Mortgage of the Senior Lender is expressly subject to, and conditioned upon, the release of the Existing Mortgage and payment in full of the Existing Note. In the event the Existing Mortgage is not released as an encumbrance against the Property or if the Existing Note is not paid in full, this Subordination Agreement and the subordination by the Junior Lender of the Junior Mortgage shall be deemed null and void and of no force and effect.

3.5 The Junior Mortgage shall be subordinated to, and only to, the Senior Mortgage in the original principal amount set forth in the Senior Note.

3.6 The Borrower and the Senior Lender consent and agree that the Junior Lender has entered into this Subordination Agreement in reliance upon the representations and warranties of the Borrower and upon the observance and performance by the Borrower and the Senior Lender of their respective obligations under this Subordination Agreement.

4. Notices. Any notices, which may be given hereunder, shall be in writing and shall be mailed or delivered to the intended recipient thereof at his, her or its address hereinbelow set forth, or at such other address as such intended recipient may, from time to time, by notice in writing, designate to the sender pursuant hereto. Any such notice shall be deemed to have been delivered on (a) the date of delivery or refusal of delivery after mailing by United States registered or certified mail, return receipt requested, postage prepaid, (b) on the date of personal delivery, or (c) one day after depositing the notice for delivery with a nationally recognized overnight courier, and, in each such case, addressed to a party at its address set forth below or such other address as the parties who receive such notice may have designated to all other parties by notice in accordance herewith.

If to Senior Lender: JP Morgan  
111 E. Wisconsin Avenue, WI-1-2053  
Milwaukee, WI 53202  
Attn: Bonita Jordan

If to Junior Lender: AMERICAN ENTERPRISE BANK  
600 N. Buffalo Grove Road  
Buffalo Grove, Illinois 60089  
Attn: James L. Muchow

If to Borrower: Walter & Michelle Fawcett  
310 Macalpin Court  
Barrington, IL 60010

5. Governing Law. This Subordination Agreement shall be construed in accordance with and governed by the laws of the State of Illinois without regard to its conflicts of laws principles. Whenever possible, each provision of this Subordination Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provisions of this

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Subordination Agreement shall be prohibited by or invalid under such law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement. The captions herein are for purposes of convenience only.

6. Counterparts. This Subordination Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which collectively shall constitute one and the same instrument representing the agreement between the parties, and it shall not be necessary for the proof of this Subordination Agreement that any party produce or account for more than one such counterpart.

IN WITNESS WHEREOF, the Junior Lender, the Senior Lender and the Borrower have executed this Subordination Agreement as of the date set forth above.

JUNIOR LENDER:

SENIOR LENDER:

AMERICAN ENTERPRISE BANK, an  
Illinois banking corporation

JPMorgan Chase Bank, N.A.,  
a national banking association/corporation

By: [Signature]  
Name: James L. Muchow  
Title: Senior Vice President

By: [Signature]  
Name: M. Jean Barreyro  
Title: Assistant Vice President

By: [Signature]  
Name: David G. Schroeder  
Title: President

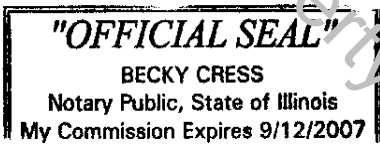
Property of Cook County Clerk's Office

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STATE OF ILLINOIS     )  
  )  
COUNTY OF COOK )

The undersigned, a Notary Public in and for said County, in the State aforesaid DO HEREBY CERTIFY, that James L. Muchow, the Senior Vice President of American Enterprise Bank, and David G. Schroeder, the President of American Enterprise Bank 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/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 20th day of March 2006.



Becky Cress  
Notary Public

My Commission Expires: September 12 2007.

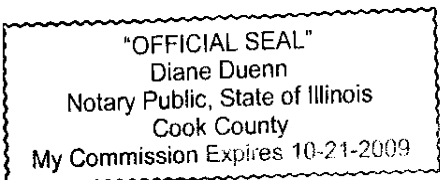
STATE OF ILLINOIS     )  
  )  
COUNTY OF COOK )

The undersigned, a Notary Public in and for said County, in the State aforesaid DO HEREBY CERTIFY, that M. Jean Barreyro, the Assistant Vice Pres of JP Morgan Chase Bank 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/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 24 day of March, 2006.

Diane Duenn  
Notary Public

My Commission Expires: 10-21, 2009.



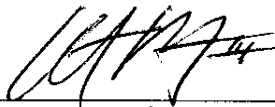
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## BORROWER'S CONSENT

The Borrower hereby consents to the foregoing Subordination Agreement (and the terms thereof) and agrees to abide thereby and to keep, observe and perform the obligations therein intended to be kept, observed and performed by Borrower.

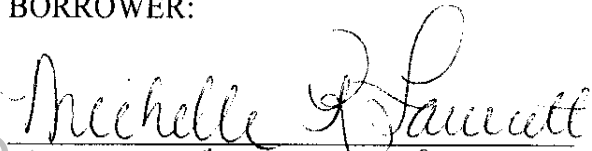
Signed and delivered by the Borrower as of MARCH 23, 2006.

BORROWER:



Print Name: WALTER R. FAWCETT, JR

BORROWER:



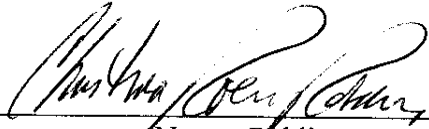
Print Name: MICHELLE R FAWCETT

Property of Cook County Clerks Office

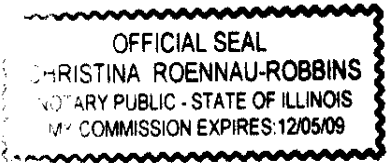
STATE OF ILLINOIS )  
  )  
COUNTY OF COOK )

The undersigned, a Notary Public in and for said County, in the State aforesaid DO HEREBY CERTIFY, that Walter Fawcett and Michelle Fawcett personally known to me to be the same people whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument as his/her own free and voluntary act for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 23<sup>rd</sup> day of March, 2006.



Notary Public



My Commission Expires: Dec 05, 2009.

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## EXHIBIT A

### LEGAL DESCRIPTION OF THE PROPERTY

**LOT 111 IN BRAYMORE HILLS OF INVERNESS UNIT 2, BEING A SUBDIVISION OF PART OF THE NORTH HALF OF SECTION 13, TOWNSHIP 42 NORTH, RANGE 9, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.**

Property of Cook County Clerk's Office

