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2870/0019 11 001 Page 1 of 1  
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Cook County Recorder 43.50

**SUBORDINATION AGREEMENT**



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This Agreement is made and entered on this 20<sup>th</sup> day of October, 1998, by and between **The Mid-City National Bank of Chicago**, the subordinating lender and **AMERICAN HOME FINANCE, INC.**

WHEREAS, **The Mid-City National Bank of Chicago**, is the owner and holder of a note from **Narasimhaiah Byanna and Sharada Byanna** dated **August 9, 1996** in the principal amount of **\$100,000.00**, the repayment of which is secured by a MORTGAGE, and the property described therein, recorded **September 4, 1996** as **Document 96-673832**, recorded in Cook County; legal described as:

LOT 49 IN WATERFORD SUBDIVISION BEING A SUBDIVISION OF PARTS OF SECTION 24, TOWNSHIP 41 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 29, 1988 AS DOCUMENT 88598267 IN COOK COUNTY, ILLINOIS.

**Property Address:** 1493 Sandburg Drive Schaumburg, IL 60173  
**Property Tax I.D. #** 07-24-110-013 Doc# 08019579

\$154,300.00

WHEREAS, **AMERICAN HOME FINANCE, INC.** proposes to make a loan to **Narasimhaiah Byanna and Sharada Byanna** in the principal amount of **\$158,000.00**; and

WHEREAS, **AMERICAN HOME FINANCE, INC.** has agreed to make said loan to the Borrower provided its security interest, evidenced by note and MORTGAGE, shall be superior to the lien, right, title and interest of **The Mid-City National Bank of Chicago** with respect to the property, and **The Mid-City National Bank of Chicago** is willing to subordinate its interest to that of, **AMERICAN HOME FINANCE, INC.** of subject to the terms and conditions provided herein below.

NOW THEREFORE, in consideration of the within premises the parties contract, covenant and agree as follows:

- The Mid-City National Bank of Chicago** shall cause, and does hereby cause, its security interest in the above described property to be subject and subordinate to the security interest of, **AMERICAN HOME FINANCE, INC.** in the amount not to exceed the principal sum of **\$ 158,000.00** together with all earned interest, any advances to pay taxes, insurance or to repair, maintain, or preserve the improvements to the property, and the cost of collection (including attorney's fees). It is further provided that any reduction in the principal amount of the loan subordinated hereto by **The Mid-City National Bank of Chicago** constitutes a commensurate reduction in this subordination to the extent that the subordination applies to document number \_\_\_\_\_.
- AMERICAN HOME FINANCE, INC.** agrees that it shall not accelerate the maturity of the Borrower's note or to initiate any proceedings against the Borrower to foreclose under its MORTGAGE without first furnishing **The Mid-City National Bank of Chicago** with a duplicate copy of the notice of default and acceleration, and further agrees to give **The Mid-City National Bank of Chicago** thirty (30) days notice, from date of acceleration, to cure such defaults.
- In no event shall, **AMERICAN HOME FINANCE, INC.** amend or modify its note and MORTGAGE, subordinated hereto by **The Mid-City National Bank of Chicago** without the prior written consent of **The Mid-City National Bank of Chicago**
- This instrument shall expire and become null and void upon payment in full of the aforementioned NOTE from Borrower to
- This agreement is expressly limited in application to the loan herein described, and priority is retained as against all other instruments or liens. The MORTGAGE held and owned by **The Mid-City National Bank of Chicago** shall remain otherwise in full force and effect.
- This subordination agreement shall supersede and cancel all previous subordinations concerning the above-described loans unless otherwise provided herein.

WITNESS the hand and seal of the undersigned the day and year first above written.

By: John T. Sheahan  
John T. Sheahan, Vice-President

State of **Illinois**  
County of **Cook**

INTERCOUNTY TITLE

The undersigned, a Notary Public is and for said County, in the State aforesaid, do hereby certify that John T. Sheahan personally known to me to be the same person whose name is subscribed in the foregoing instrument appeared before me in person, and acknowledged that he, being duly authorized, signed and delivered said instrument as the free and voluntary act for the uses and purposes set forth.

Given under my hand and notarial seal, the 20<sup>th</sup> day of **October, 1998**

Teresa Blancarte

My commission Expires:

Box 911

