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SUBORDINATION AGREEMENT

Cook County Recorder

51.00

Subordination Agreement made and entered into as of the 13TH day of October, 1998 by and between Alard Home Improvement, an ILLINOIS Corporation (hereinafter referred to as "Mortgagee"), Sterling Savings Bank, an Illinois Corporation (hereinafter referred to as "Sterling") and Eugene Waters and Evonne D. Waters, his wife (hereinafter collectively referred to as "Borrowers").

WITNESSETH

- WHEREAS: Borrowers have requested that Sterling loan them the sum of One Hundred Forty Thousand Six Hundred (\$140,600.00) Dollars, said loan to be evidenced by a Promissory Note and to be collateralized by a First Mortgage Lien on the properties which are more fully described in Exhibit A attached hereto, incorporated by reference herein and made a part hereof; and
- WHEREAS: Sterling has agreed to make the loan requested by Borrowers provided Borrowers are able to satisfy certain conditions precedent, one of which is that Mortgagee agree to subordinate its existing Mortgage Lien (described hereinafter) to the lien to be created by a mortgage to Sterling, which will become a First Lien on the properties described in Exhibit A; and
- WHEREAS: Mortgagee has agreed that the loan to be made by Sterling to Borrowers will provide them with funds required in order to stabilize their financial situation and, therefore, said loan will help insure that Borrowers are better able to continue the mortgage payments due Mortgagee. For that reason, Mortgagee has agreed to subordinate the lien of its mortgage to the lien to be created by the mortgage to be recorded by Sterling.

NOW THEREFORE in consideration of the sum of Ten (\$10.00) Dollars and other valuable consideration in hand received, the parties agree as follows:

1. MORTGAGEE'S LIEN

- 1.1 Borrowers executed a mortgage ("The Alard Mortgage") to Alard Home Improvement ("Mortgagee") on October 31, 1997 to secure a debt of Sixteen Thousand and Nineteen (\$16,019.00) Dollars. The Alard Mortgage was recorded with the Recorder Of Deeds of Cook County, Illinois on November 12, 1997 as Document No. 97867373
- 1.2 Mortgagee has not sold, assigned or transferred The Alard Mortgage.

ADVANTAGE TITLE COMPANY

One TransAm Plaza Drive, Suite 500
Oakbrook Terrace, IL 60181

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2. STERLING'S LIEN

- 2.1 Sterling, when and if it funds the loan to Borrowers, will receive from Borrowers a mortgage securing a Promissory Note in the principal sum of One Hundred Forty Thousand Six Hundred (\$140,600.00) Dollars payable in thirty-six (36) monthly installments amortized over a thirty year term, with the balance payable in full at the end of the thirty-sixth (36th) month and bearing interest at a rate agreed to between Sterling and Borrowers.
- 2.2 Sterling will fund the loan to Borrowers, if at all, within 15 days from and after the execution of this within Subordination Agreement.

3. SUBORDINATION

- 3.1 In consideration of the sum paid and the mutual undertakings of the parties hereto, Mortgagee, representing that it is the sole owner and holder of The Alard Mortgage covenants, stipulates warrants and agrees that the lien of the obligation owed and The Alard Mortgage securing same as described hereinabove shall be and remain at all times a second or junior lien to the obligation of Borrowers to Sterling when and if Sterling funds said loan, and for any advances, fees or other charges incurred by Sterling thereafter, and to the Mortgage Lien securing said obligations to Sterling.
- 3.2 Mortgagee acknowledges that this within Subordination Agreement is being executed at a time when Sterling has not funded its loan to Borrowers. Mortgagee acknowledges and stipulates that when and if Sterling funds said loan and records its Mortgage, it may, but shall not be required to, concurrently record this within Subordination Agreement but that in any event, this Subordination Agreement shall apply to and be in full force and affect regarding Sterling's Mortgage Lien.
- 3.3 Mortgagee will not sell, assign or otherwise transfer its interest in The Alard Mortgage without disclosing the existence of this within Subordination Agreement to its transferee.
- 3.4 In the event that Sterling, for any reason, does not fund its loan to Borrowers by on or before OCTOBER 28, 1938, this within Subordination Agreement shall, without notice or the need for any action on the part of Mortgagee, become null and void.

4. MISCELLANEOUS

- 4.1 The preamble to this within Subordination Agreement is incorporated by reference herein and made a part hereof.
- 4.2 This Subordination Agreement shall be governed by the laws of the State Of Illinois.

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4.3 The parties hereto represent and acknowledge that they and each of them have received good and valuable consideration for their undertakings and covenants herein contained.

IN WITNESS WHEREOF THE PARTIES HERETO HAVE AFFIXED THEIR HANDS AND SEALS THIS 13TH DAY OF OCTOBER, 1998.

Sterling Savings Bank

Alard Home Improvement

BY:

President

BY:

Eugene Waters

Eugene Waters

Evonne D. Waters

Evonne D. Waters

STATE OF ILLINOIS)

) SS

COUNTY OF COOK

I Loretta M. Elliott a Notary Public in and for said County, in the State aforesaid, do hereby certify that Daniel F. Ryan who identified himself to me as President of Alard Home Improvement, and Dan Ryan, who identified himself to me as President of Sterling Savings Bank and Eugene Waters and Evonne D. Waters, who presented to me verification of their personal identification, all appeared before me on the 13th day of October, 1998 and that they and each of them acknowledged that they and each of them signed and delivered this instrument as a free and voluntary act.

Given under my hand and seal this 13th day of October, 1998

STATE OF ILLINOIS)

COUNTY OF COOK

STATE OF ILLINOIS)

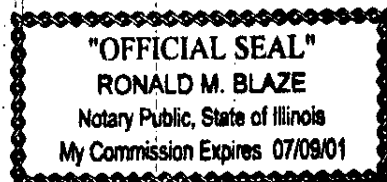
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COOK OF COOK) SS



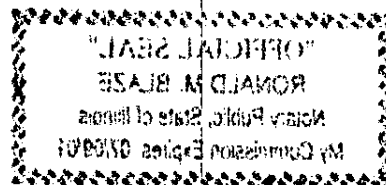
I Ronald M. Blaze a Notary Public in and for said County, in the State aforesaid, do hereby certify that Daniel F. Ryan who identified himself to me as President of Sterling Savings Bank who presented to me verification of his personal identification he appeared before me on the 13th day of October 1998 and that he acknowledged that he signed and delivered this instrument as a free and voluntary act.

Ronald M. Blaze



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UNOFFICIAL COPY**EXHIBIT A**

Attached To And Part Of Subordination Agreement

LEGAL DESCRIPTION:

LOT 315 (EXCEPT THE EAST 28-1/2 FEET THEREOF) IN E.B. SHOGREN AND COMPANY'S JEFFERY HIGHLANDS IN SECTION 36, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN ACCORDING TO THE PLAT FILED AS DOCUMENT NO. LR65981 IN THE REGISTRAR'S OFFICE OF COOK COUNTY, ILLINOIS ON OCTOBER 26, 1916, IN COOK COUNTY, ILLINOIS

P.I.N. NUMBERS:

20-36 408 001

COMMON ADDRESS:2141 E. 84th Street, Chicago, Cook County, Illinois 60617**Mail Recorded Document to:**

Sterling Savings Bank
5920 W. North Avenue
Chicago, Illinois 60639

Document Prepared By:

Howard Harris
7237 N. Lincoln, Suite 283
Lincolnwood, IL 60466
847/674-8750