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Subordination Agreement



Doc#: 1119544010 Fee: \$46.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 07/14/2011 10:21 AM Pg: 1 of 6

For Recorder's Use

THIS SUBORDINATION AGREEMENT, (the "Agreement") is made effective as of this 9th day of June, 2011, from DIAMOND BANK, FSB, with an address at 1051 Perimeter Dr, Schaumburg, IL 60173 (the "Subordinating Party"), **Minal Desai and Jaavid Bharucha**, with an address at **7846 N Lowell Ave, Skokie, IL 60076** (hereinafter collectively referred to as the "Borrowers") in favor of Ally Bank Corp F/K/A GMAC Bank (the "Lender").

RECITALS:

WHEREAS, the Lender as a condition precedent to the origination of a loan to the Borrowers (the "Superior Debt") requires the subordination of the lien held by the Subordinating Party against the property described in Exhibit "A" attached hereto and made a part hereof (the "Property");

WHEREAS, the Subordinating Party agrees to subordinate its lien (the "Subordinated Debt") on the Property identified on the attached Exhibit "A", subject to the terms and conditions of this Agreement;

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NOW, therefore in consideration of Ten Dollars (\$10.00) in hand paid by the Borrowers to the Lender and the Subordinating Party and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Borrowers, the Lender and the Subordinating Party hereby mutually agree as follows:

1. The Superior Debt is more fully described in a Note (the "Note") dated on or about **June 9, 2011** in the original principal sum of **Two Hundred and Fifty Five Thousand, Three Hundred and 00/100 Dollars (\$255,300)** executed by the Borrowers and made payable to Lender, to be secured by a certain Mortgage from Borrowers in favor of Lender dated on or about **June 9, 2011** ("Senior Mortgage"), which Senior Mortgage shall be recorded in the Office of the Recorder of Deeds of **Cook County, Illinois**. The Senior Mortgage, together with all other documents and instruments securing the Superior Debt are hereinafter collectively referred to as the "Superior Loan Documents".

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2. The Subordinated Debt is more fully described in a Note dated **April 20, 2006** in the original principal sum of **Fifty One thousand and 00/100 Dollars (\$51,000)** from the Borrowers in favor of the Subordinating Party and secured by a Mortgage dated the **April 13, 2006**, and recorded with the Office of the Recorder of Deeds of **Cook County, Illinois** on **May 10, 2006** as **Document No. 0613035145** (the "Subordinated Mortgage").
3. The Subordinating Party agrees that subject to the limitations set forth herein, the Subordinated Mortgager, and all rights of Subordinated Party in the Property by virtue of the Subordinated Mortgage are made subordinate, subject and inferior by this Agreement to the Superior Debt and the Superior Loan Documents held by the Lender.
4. The priorities granted the Lender by the Subordinating Party in this Agreement are limited to and shall not exceed the initial amount of the Superior Debt set forth in paragraph 1 above, provided further that the same are in fact advanced by Lender to Borrower and are secured by the Superior Loan Documents recorded on the Property from Borrower to Lender. In addition, the priorities granted Lender by this Agreement are limited to the terms of said Note and any renewals, extensions or modifications, but not any increases thereof.
5. This Agreement constitutes a continuing subordination until the Superior Debt and all money secured thereby is released and a release of the Superior Debt Loan Documents are recorded against the Property. This Agreement is cumulative of all other rights and securities to Lender. No waiver by Lender of any right hereunder or its Note or the Superior Debt Loan Documents shall effect or impair its rights in any manner thereafter occurring. Any forbearance by the Lender shall not be deemed to be a waiver by Lender of any rights that it may have.
6. 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.
7. This Agreement is binding upon and shall inure to the benefit of the heirs, executors, administrators, successors and assigns of each of the parties hereof, but the Subordinating Party covenants that it will not assign the claim of the Subordinating Party or any party thereof, without making the rights and interest of said assignee subject in all respects to the terms of this Agreement.
8. This Agreement shall terminate upon full and final payment of any and all amounts due under the Senior Debt, provided that all rights of Subordinating Party hereunder shall automatically terminate at such time as the Subordinated Debt have been paid in full.

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EXHIBIT A
LEGAL DESCRIPTION

Lot 5 and the North 5 Feet of Lot 6 in Block 4 in Arthur Dunas "L" Extension Subdivision of part of the West ½ of the Northeast ¼ of Section 27, Township 41 North, Range 13 East of the Third Principal Meridian, in Cook County, Illinois.

PIN: 10-27-208-053-0000

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Order No.: **11622429**
Loan No.: 000687746086

Exhibit A

The following described property:

Lot 5 and the North 5 Feet of Lot 6 in Block 4 in Arthur Dunas "L" Extension Subdivision of part of the West 1/2 of the Northeast 1/4 of Section 27, Township 41 North, Range 13 East of the Third Principal Meridian, in Cook County, Illinois.

Assessor's Parcel No: 10-27-208-053-0000

Property of Cook County Clerk's Office