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Cornerstone National Bank
& Trust Company
One West Northwest Highway
Palatine, IL 60067

WHEN RECORDED MAIL TO:
Cornerstone National Bank
& Trust Company
One West Northwest Highway
Palatine, IL 60067



Doc#: 1233908588 Fee: \$48.00
Karen A. Yarbrough RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 12/04/2012 03:04 PM Pg: 1 of 6

H/25 303829

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AGREEMENT CONCERNING SUBORDINATION OF
HOME EQUITY LINE OF CREDIT

This Agreement Concerning Subordination of Home Equity Line of Credit (this "Agreement") is made as of October 24, 2012 (the "Effective Date").

The undersigned Lawrence W. Schmitt and Irene M. Schmitt is the borrower ("Borrower") under a Home Equity Line of Credit ("HELOC") dated September 15, 2005 in which Cornerstone National Bank & Trust Company ("Cornerstone") is the Lender. Borrower's loan number is 30006-50001.

The HELOC is secured by a Mortgage dated September 15, 2005 and recorded on December 12, 2005 as Document No. 0534643055 on the premises located at 824 S. Three Willow Court, Palatine, Cook County, Illinois 60067 (the "Property").

Legal Description:

LOT 120 IN WILLOW WALK UNIT 2, BEING A SUBDIVISION OF PART OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 21 AND PART OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 28, ALL IN TOWNSHIP 42 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO PLAT THEREOF REGISTERED IN THE OFFICE OF THE REGISTRAR OF TITLES OF COOK COUNTY, ILLINOIS ON OCTOBER 17, 1972 AS DOCUMENT NUMBER 2654687, IN COOK COUNTY, ILLINOIS.

PIN# 02-28-107-006-0000

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Borrower desires to obtain a new first mortgage from **Cornerstone National Bank & Trust Company**. (the "*New Lender*"). The New Lender is willing to make a first mortgage loan to Borrower provided that: (1) the mortgage securing said loan is a first mortgage upon and against the Property; (2) the first mortgage is prior and superior to the mortgage that secures the HELOC; and (3) Cornerstone specifically and unconditionally subordinates the mortgage securing the HELOC to the mortgage securing the New Lender's first mortgage.

Borrower has requested that Cornerstone subordinate the mortgage securing the HELOC to the mortgage securing the first mortgage and Cornerstone is willing to do so in consideration of the agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged. Accordingly, Borrower and Cornerstone hereby agree as follows:

Check All Boxes That Apply

X1. Credit Limit. Borrower agrees that the Credit Limit in Borrower's HELOC is hereby amended as set forth below by:

- Increasing Borrower's Credit Limit from \$ to \$.
- Decreasing Borrower's Credit Limit from \$ **170,000.00** to \$ **77,500.00**.
- Borrower's Credit Limit is unchanged.

Borrower understands and agrees that the box checked above is Borrower's New Credit Limit beginning on the Effective Date of this Agreement and shall remain in effect until the Maturity Date of September 15, 2015 on Borrower's HELOC, including any extensions of, modifications of, refinancing's of, substitutions of, consolidations of or renewals thereof to which Cornerstone may agree in its sole discretion. Borrower understands and agrees that Cornerstone is under no obligation to further amend Borrower's Credit Limit pursuant to Borrower's request, but may reduce Borrower's Credit Limit as permitted by law or pursuant to the terms of Borrower's HELOC agreement. Borrower may continue to use Borrower's HELOC to borrow, repay, and re-borrow, subject, however, to Borrower's New Credit Limit.

For the avoidance of all doubt, Borrower and Cornerstone hereby agree that as of the Effective Date, Borrower's HELOC is amended to define Borrower's Credit Limit as the principal amount of **Seventy-Seven Thousand Five Hundred Dollars and 00/100 (\$77,500.00)**.

X 2. Margin. Borrower agrees that the Margin applicable to Borrower's HELOC agreement is hereby amended as set forth below:

- Increasing Borrower's Margin from **-0.250%%** to **0.500%%** .
- Decreasing Borrower's Margin from % to %.
- Borrower's Margin is unchanged.

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We will determine the Periodic Rate and the corresponding **ANNUAL PERCENTAGE RATE** as follows: We start with an independent index which is the highest prime rate as published in the Money Rate section of the Wall Street Journal (the "Index"). We will use the most recent Index value available to us as of the first business day following the closing date of your monthly statement for each billing period for any **ANNUAL PERCENTAGE RATE** adjustment. The Index is not necessarily the lowest rate charged by us on our loans. If the Index becomes unavailable during the term of this Credit Line Account, we may designate a substitute index after notice to you. To determine the Periodic Rate that will apply to your account, we take the value of the Index, round that up to the nearest 0.001%, then divide the rounded value by the number of days in a year (daily). To obtain the **ANNUAL PERCENTAGE RATE** we multiply the Periodic Rate by the number of days in a year (daily). This result is the **ANNUAL PERCENTAGE RATE**. The **ANNUAL PERCENTAGE RATE** includes only interest and no other costs.

The Periodic Rate and the corresponding **ANNUAL PERCENTAGE RATE** on your Credit Line will increase or decrease as the Index increases or decreases from time to time. Adjustments to the Periodic Rate and the corresponding **ANNUAL PERCENTAGE RATE** resulting from changes in the Index take effect monthly. In no event, will the Periodic Rate result in a corresponding **ANNUAL PERCENTAGE RATE** that is less than 0.000% or more than 18.000%, nor will the Periodic Rate or corresponding **ANNUAL PERCENTAGE RATE** exceed the maximum rate allowed by applicable law. Today the Index is 3.25% per annum, and therefore the initial Periodic Rate and the corresponding **ANNUAL PERCENTAGE RATE** on your Credit Line are as stated below:

Range of Balance Or Conditions	Margin Added to Index	ANNUAL PERCENTAGE RATE	Daily Periodic Rate
All Balances	0.500%	3.7500%	0.01027%

Borrower understands and agrees that the box checked above is Borrower's New Margin, which shall be effective beginning on the 1st business day of the next billing period following the Effective Date of this Agreement. Borrower's New Margin shall remain in effect until the Maturity Date of September 15, 2015 on Borrower's HELOC, including any extensions of, modifications of, refinancing's of, substitutions of, consolidations of or renewals thereof to which Cornerstone may agree in its sole discretion, unless Cornerstone in its sole discretion agrees to amend Borrower's New Margin.

X 3. *Rate Floor.* Borrower hereby agrees that notwithstanding anything to the contrary in Borrower's HELOC agreement, Borrower's HELOC agreement is hereby amended to include a Rate Floor, which is the minimum rate that will be charged on Borrower's HELOC even if a lower rate would result from the addition of Borrower's Margin to the Index. Borrower understands and agrees that Borrower's floor rate is **0.000%** and that the minimum rate applicable to Borrower's HELOC will never be lower than the Rate Floor. Borrower's Rate Floor shall be effective beginning on the 1st business day of the next billing period following the Effective Date of this Agreement and shall remain in effect until the Maturity Date of September 15, 2015 on Borrower's HELOC, including any extensions of, modifications of, refinancing's of,

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substitutions of, consolidations of or renewals thereof to which Cornerstone may agree in its sole discretion, unless Cornerstone in its sole discretion agrees to amend Borrower's Rate Floor.

____ 4. *Suspension.* In consideration of Cornerstone's agreement to subordinate its mortgage that secures Borrower's HELOC to Borrower's first mortgage with New Lender, Borrower agrees that as of the Effective Date of this Agreement, Borrower's right to make any future draws against Borrower's HELOC shall be suspended and shall remain suspended until Cornerstone agrees in writing, in its sole discretion, to remove the suspension. Borrower may request that Cornerstone remove the suspension, but Borrower understands and agrees that Cornerstone is under no obligation to agree to remove the suspension.

Borrower further agrees to the following:

1. Effective _____, Borrower will not be able to make any draws on Borrower's HELOC. This includes draws using online banking, access checks, telephone, and in person. Any access checks presented to Cornerstone for payment after the Effective Date of this Agreement will be returned unpaid.

2. Borrower will continue to receive monthly billing statements from Lender and Borrower agrees that Borrower is and remains responsible for making Borrower's minimum monthly payment as indicated on Borrower's monthly statement.

3. If Borrower uses Borrower's HELOC to pay bills automatically, Borrower agrees to notify the payee that Borrower will now be using a different payment method or account.

Conditions Under Which Other Charges May Be Imposed

Borrower(s) agree to pay all the other fees and charges related to your Agreement as set for below:

Subordination Fee: \$000.00

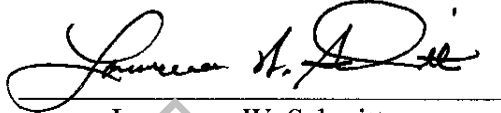
Borrower understands and agrees that this Agreement amends Borrower's HELOC agreement. Except as expressly modified and amended by this Amendment, the terms, conditions, obligations, and requirements of Borrower's HELOC agreement shall remain unchanged and in full force and effect and are legally valid, binding and enforceable in accordance with their respective terms. The provisions of this Amendment shall be binding upon and inure to the benefit of the respective parties and their heirs, executors, administrators, agents, representatives, successors, and assigns. No changes in, additions to, or modifications of this Amendment shall be valid unless set forth in writing executed by all of the parties hereto. If any term of this Amendment is held by a court of competent jurisdiction to be invalid, illegal or contrary to public policy, such term or provision shall be modified to the extent necessary to be valid and enforceable and shall be enforced as modified; provided however, that if no modification is possible, such provision shall be deemed stricken from this Amendment. In any case, the remaining provisions of this Amendment shall not be affected thereby.

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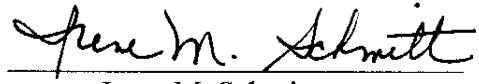
This Amendment shall be governed by applicable federal law and to the extent not preempted, the law of the State of Illinois without regard for its conflict of law provisions.

Borrower(s) acknowledge that they have read this Agreement and agree to the terms and conditions in this Agreement this 24th day of October, 2012.

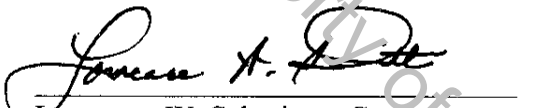
BORROWER:


Lawrence W. Schmitt

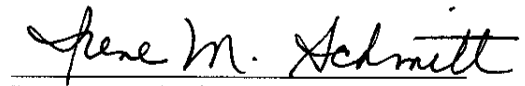
BORROWER

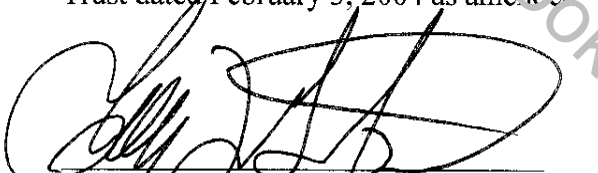

Irene M. Schmitt

GRANTOR


Lawrence W. Schmitt as Co-Trustee
of the Irene M. Schmitt Declaration of
Trust dated February 3, 2004 as amended

GRANTOR


Irene M. Schmitt a Co-Trustee
of the Irene M. Schmitt Declaration
of Trust dated February 3, 2004 as
amended


Cornerstone National Bank & Trust Co.


State of Illinois

County of Lake

I, the undersigned, a Notary Public in and for the said county, in the state aforesaid, do hereby certify, that the above named 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 they signed and delivered the said instrument as their own free and voluntary act for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 24th day of October, 2012.




NOTARY PUBLIC
Residing in Lake County, Illinois

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This Instrument Prepared By: Phillip L. Gutmann

MAIL RECORDED DOCUMENT TO:

Laura Riegel, Credit Operations Officer

Cornerstone National Bank & Trust Company

P.O. Box 1249

Palatine, IL 60078-1249

Property of Cook County Clerk's Office