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AND WHEN RECORDED MAIL TO

NAME Hamilton Financial Corp
ADDRESS 525 Market St 9th Fl
CITY & STATE San Francisco, Ca 94105
93901017

DEPT-01 RECORDING \$25.50
TRAN 4567 11/05/93 14:17:00
#4116 # *93-901017
COOK COUNTY RECORDER

SPACE ABOVE THIS LINE FOR RECORDER'S USE

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

THIS AGREEMENT made this 12th day of OCTOBER, 19 93, by CRAIG CHISHOLM AND KAY CHISHOLM owner of the land hereinafter described and hereinafter referred to as "Owner", and SUBURBAN NATIONAL BANK OF PALATINE present owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "Beneficiary";

WITNESSETH

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THAT WHEREAS, CRAIG CHISHOLM AND KAY CHISHOLM did execute a deed of trust, dated APRIL 7, 1993, to SUBURBAN NATIONAL BANK OF PALATINE, as trustee, covering:

LOT 55 IN PEBBLE CREEK, BEING A SUBDIVISION IN THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 14, TOWNSHIP 42 NORTH, RANGE 10 EAST OF THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED SEPTEMBER 12, 1967 AS DOCUMENT 20257916, IN COOK COUNTY, ILLINOIS.

to secure a note in the sum of \$ 25,000, dated APRIL 7, 1993, in favor of SUBURBAN NATIONAL BANK OF PALATINE, which deed of trust was recorded APRIL 14, 1993, in book 93274524, page Official Records of said county; and

WHEREAS, Owner has executed, or is about to execute, a deed of trust and note in the sum of \$ 182,300.00, dated October 20, 1993, in favor of HAMILTON FINANCIAL CORPORATION, hereinafter referred to as "Lender", payable with interest and upon the terms and conditions described therein, which deed of trust is to be recorded concurrently herewith; and

WHEREAS, it is a condition precedent to obtaining said loan that said deed of trust last above mentioned shall unconditionally be and remain at all times a lien or charge upon the land hereinbefore described, prior and superior to the lien or charge of the deed of trust first above mentioned; and

WHEREAS, Lender is willing to make said loan provided the deed of trust securing the same is a lien or charge upon the above described property prior and superior to the lien or charge of the deed of trust first above mentioned and provided that Beneficiary will specifically and unconditionally subordinate the lien or charge of the deed of trust first above mentioned to the lien or charge of the deed of trust in favor of Lender; and

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WHEREAS, it is to the mutual benefit of the parties hereto that Lender make such loan to Owner; and Beneficiary is willing that the deed of trust securing the same shall, when recorded, constitute a lien or charge upon said land which is unconditionally prior and superior to the lien or charge of the deed of trust first above mentioned.

NOW, THEREFORE,, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce Lender to make the loan above referred to, it is hereby declared, understood and agreed as follows:

- (1) That said deed of trust securing said note in favor of Lender, and any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the property therein described, prior and superior to the lien or charge of the deed of trust first above mentioned.
- (2) That Lender would not make its loan above described without this subordination agreement.
- (3) That this agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the deed of trust first above mentioned to the lien or charge of the deed of trust in favor of Lender above referred to and shall supersede and cancel, but only insofar as would affect the priority between the deeds of trust hereinbefore specifically described, any prior agreements as to such subordination including, but not limited to, those provisions, if any, contained in the deed of trust first above mentioned, which provide for the subordination of the lien or charge thereof to another deed or deeds of trust or to another mortgage or mortgages.

Beneficiary declares, agrees and acknowledges that

- (a) He consents to and approves (i) all provisions of the note and deed of trust in favor of Lender above referred to, and (ii) all agreements, including but not limited to any loan or escrow agreements, between Owner and Lender for the disbursement of the proceeds of Lender's loan;
- (b) Lender in making disbursements pursuant to any such agreement is under no obligation or duty to, nor has Lender represented that it will, see to the application of such proceeds by the person or persons to whom Lender disburses such proceeds and any application or use of such proceeds for purposes other than those provided for in such agreement or agreements shall not defeat the subordination herein made in whole or in part;
- (c) He intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of the deed of trust first above mentioned in favor of the lien or charge upon said land of the deed of trust in favor of Lender above referred to and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination, specific loans and advances are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination; and
- (d) An endorsement has been placed upon the note secured by the deed of trust first above mentioned that said deed of trust has by this instrument been subordinated to the lien or charge of the deed of trust in favor of Lender above referred to.

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NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN, A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND.

[Handwritten Signature]
[Handwritten Signature]
 Beneficiary

X *[Handwritten Signature]*
 X *[Handwritten Signature]*
 Owner

(All signatures must be acknowledged)

[Handwritten Signature]
 -2-

"OFFICIAL SEAL"
 REGINA R. COLLINS
 Notary Public, State of Illinois
 My Commission Expires 4/12/97

This Form Furnished by Fidelity National Title Insurance Company of California

IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THERETO.

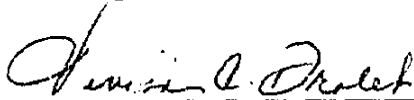
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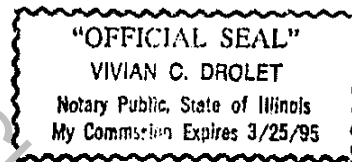
State of Illinois
County of Cook

On October 12, 1993 before me, Vivian C. Drolet, Notary Public, personally appeared Phillip L. Gutmann, Assistant Vice President, and Janice K. Dubell, Vice President, personally known to me to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacity and that by their signatures on the instrument the persons or the entity upon behalf of which the persons acted, executed the instrument.

Witness my hand and official seal.



Notary Public



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