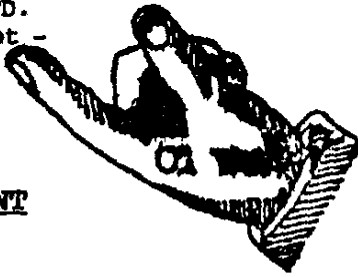


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THIS INSTRUMENT PREPARED BY:
PLEASE RETURN TO:

98703215

ALLEN C. WESOLOWSKI
MARTIN & KARCAZES, LTD.
30 North LaSalle Street -
Suite 4020
Chicago, IL 60602



. DEPT-01 RECORDING \$31.50
. T#0011 TRAN 3217 09/13/96 12:02:00
. #7862 # ER *-96-703215
. COOK COUNTY RECORDER

SUBORDINATION AGREEMENT

This Agreement, made and entered into this 30th day of August, 1996, by and between ARCHER BANK ("Lender"); MICHAEL B. PALLADINO and FRANK B. PALLADINO (hereinafter referred to as "Borrower") and AUTOMOTIVE SOUND SYSTEMS, INC. d/b/a Great Lakes Pacing Company, an Illinois corporation ("Tenant");

RECITALS

3/5/98

WHEREAS, Borrower wishes to borrow \$275,000.00 from Lender and Lender is willing to lend said sum (the "loan"); and

WHEREAS, Borrower is the beneficiary of the land trust of Beverly Trust Company under a Trust Agreement dated August 13, 1991 and known as Trust No. 8-9144, which land trust holds title to the real estate commonly known as 5140 S. Cicero, Chicago, Illinois (hereinafter called the "Property") and legally described on Exhibit "A" attached hereto; and

WHEREAS, in order to induce Lender to make said loan, Borrower wishes to secure this loan with a first mortgage in favor of the Lender upon the Property; and

WHEREAS, Tenant holds a leasehold interest upon the Property and by virtue of a lease dated August 1, 1996 (hereinafter called "Lease"), between Tenant and Borrower as Lessor.

WHEREAS Lender wishes Tenant to subordinate its leasehold interest in the Property in favor of the Lender's Mortgage dated August 30, 1996 which secures a note in the original principal amount of \$275,000.00 (the "mortgage"); and

WHEREAS Tenant is willing to subordinate its leasehold interest in the Property to Lender's mortgage;

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein, the making of the loan, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

1. Tenant acknowledges and agrees that its leasehold interest in the Property is hereby declared to be subject and subordinate to the mortgage, and any other obligations secured thereby, present or future, and any and all amendments, modifications, renewals, or replacements thereof, and shall remain subordinate to the mortgage interest of the Lender as long as any sums advanced by lender and secured by Lender's mortgage remain unpaid.

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2. Lender does hereby agree that the rights of Tenant under the lease shall remain in full force and effect and its possession of the premises thereunder shall remain undisturbed during the term of the lease, provided Tenant shall have performed and shall continue to perform all of the covenants and conditions of the lease to be by it performed and shall not be in default thereunder. However, Lender shall not be liable for any default by Borrower under the lease and in the event Lender, or a third party shall obtain title to the property through foreclosure proceedings or a deed in lieu of foreclosure, the term of the lease shall mature on the date on which Lender or said third party takes title to the property.

3. In the event Lender or any other person, party, or entity becomes the owner of the property as a result of a foreclosure sale or deed in lieu of foreclosure, Tenant shall have no claim against Lender or any such other person, party or entity resulting from any act or omission of, and/or breach of the lease by any prior landlord under the lease, including but not limited to Borrower; and the rights of Lender or any such other person, party or entity in the property and the lease shall not be subject to any right of set-off or defense which Tenant may have against any prior Landlord under the lease, including but not limited to the Borrower, for any matter whatsoever, including but not limited the payment of any security deposit.

4. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto, and their respective heirs, executors, administrators, successors and assigns.

5. Tenant acknowledges that it has not prepaid rent and agrees that it shall not prepay rent to Borrower without the written consent of Lender.

6. Tenant and Borrower acknowledge that Tenant has paid no security deposit under the terms of the lease, and Tenant acknowledges and agrees that Lender shall not be liable to Tenant for any security deposit paid in the future unless the security deposit amount has been tendered to Lender by Borrower.

7. Tenant acknowledges and agrees that as of the date of this Agreement it has performed no leasehold improvements to which it is entitled to a credit pursuant to the terms of the lease and that it will not perform any leasehold improvements for which it will seek a credit under the terms of the lease without the prior written consent of Lender. Tenant acknowledges and agrees that its failure to submit a written request for prior consent to Lender and to obtain that prior written consent from Lender before making any future leasehold improvements shall constitute a waiver of its right to seek a credit from Lender as successor in interest to Borrower under the Lease.

8. This Agreement shall be construed according to the laws of the State of Illinois.

9. This Agreement may be signed in counterpart.

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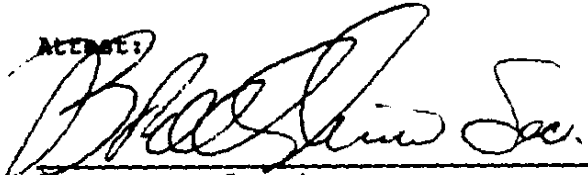
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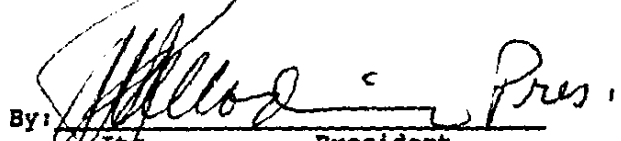
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IN WITNESS WHEREOF the undersigned has hereunto set its hand, on the 30th day of August, 1996.

AUTOMOTIVE SOUND SYSTEMS, INC., d/b/a Great Lakes Paging Company, Tenant

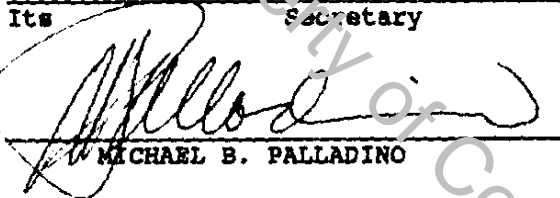
Attest:

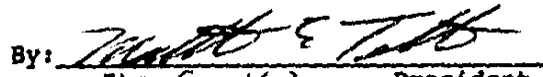
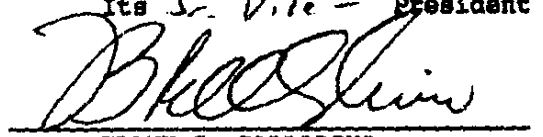

Its Secretary

By: 
Its President

Attest:

ARCHER BANK, Lender


Its Secretary
MICHAEL B. PALLADINO

By: 
Its Sr. Vice - President

FRANK B. PALLADINO

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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, JOHN D. KOZIEL, a Notary Public in and for said County, in the State aforesaid, do hereby certify that on this day personally appeared before me, MICHAEL PALLADINO and FRANK PALLADINO, personally known to me to be the same persons whose names are subscribed to the foregoing instrument and personally known to me to be the PRESIDENT and SECRETARY of AUTOMOTIVE SOUND SYSTEMS, INC., d/b/a Great Lakes Paging Company and acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act and deed, for the uses and purposes therein set forth, and that the seal affixed to the foregoing instrument is the corporate seal and the said instrument was signed, sealed and delivered in the name and in behalf of said corporation as the free and voluntary act of said corporation for the uses and purposes set forth.

Dated: August 20, 1996

John D. Koziel
Notary Public

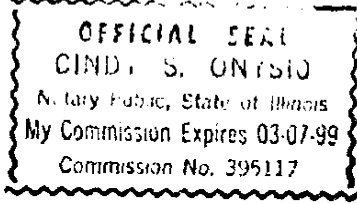


STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, CINDY S ONYSIO, a Notary Public in and for said County, in the State aforesaid, do hereby certify that on this day personally appeared before me, _____ and _____, personally known to me to be the same persons whose names are subscribed to the foregoing instrument and personally known to me to be the _____ and _____ of ARCHER BANK and acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act and deed, for the uses and purposes therein set forth, and that the seal affixed to the foregoing instrument is the corporate seal and the said instrument was signed, sealed and delivered in the name and in behalf of said corporation as the free and voluntary act of said corporation for the uses and purposes set forth.

Dated: August 29, 1996

Cindy S Onysio
Notary Public



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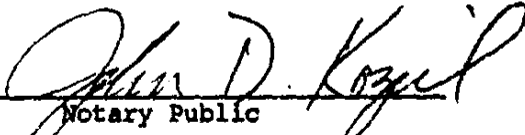
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State of Illinois)
) ss.
County of Cook)

The undersigned, a Notary Public in and for said county, in the aforesaid State, do hereby certify that MICHAEL B. PALLADINO and FRANK B. PALLADINO, known to me to be the same persons whose names are 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.

Dated: August 30, 1996



Notary Public
My Commission expires: 3-12-99



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EXHIBIT A

LEGAL DESCRIPTION FOR 5140 S. CICERO, CHICAGO, ILLINOIS

LOT 13 AND 14 IN BLOCK 68 IN BARTLETT'S CENTRAL CHICAGO, BEING A SUBDIVISION IN THE SOUTHEAST 1/4 OF SECTION 4 AND THE NORTHEAST 1/4 AND THE SOUTHEAST 1/4 OF SECTION 9, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPT THAT PART OF SAID LOT 13 CONDEMNED FOR WIDENING OF CICERO AVENUE AND ARCHER AVENUE ON A PETITION OF THE DEPARTMENT OF PUBLIC WORKS AND BUILDINGS FILED MAY 23, 1962 IN CASE NUMBER 62 S 11168, SUPERIOR COURT OF COOK COUNTY, ILLINOIS, DESCRIBED AS FOLLOWS:

THAT PART OF LOT 13 AFORESAID BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 13; THENCE WESTERLY ALONG THE SOUTHERLY LINE OF SAID LOT 13, A DISTANCE OF 39.40 FEET TO A POINT OF CURVATURE; THENCE NORTHEASTERLY ALONG A CURVED LINE CONCAVE TO THE NORTHWEST, HAVING A RADIUS OF 40.0 FEET AND TANGENT TO THE LAST DESCRIBED COURSE, A DISTANCE OF 55.54 FEET TO A POINT, DISTANCE 5.0 FEET WEST, MEASURED AT RIGHT ANGLES FROM THE EAST LINE OF LOT 13 AND TANGENT TO LAST MENTIONED CURVED LINE, A DISTANCE OF 91.70 FEET TO A POINT IN THE NORTHERLY LINE OF LOT 13; A DISTANCE OF 6.10 FEET TO THE NORTHEAST CORNER OF SAID LOT 13; THENCE SOUTH ALONG SAID EAST LINE OF LOT 13, A DISTANCE OF 125.0 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PIN: 19-09-411-028 and 19-09-411-029

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