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SUBORDINATION AGREEMENT

THIS SUBORDINATION AGREEMENT, (the "Agreement", made this 6th day of June 1997 (the "Agreement Date"), by and between Chase Manhattan Bank, as Trustee FKA Chemical Bank under the pooling and servicing agreement dated 9/1/92, series 1992-4 (the "Creditor") with regard to certain financial obligations of Loan Herman (the "Borrower").

WHEREAS, the Borrower is indebted to the Creditor pursuant to the Borrower's note payable to the order of the Creditor, dated May 26, 1992, in the original principal of Fifty Thousand and 00/100 (\$50,000.00) Dollars (the "Creditor Note"); and Recorded as document number 92372337 and assigned to document number 93249490

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2200

WHEREAS, payment of the Creditor Note is secured pursuant to a Mortgage (the "Creditor Mortgage"), from the Borrower, dated May 26, 1992, and recorded among the Land Records of Cook County encumbering property known as 3245-49 West Marce Street, Chicago, IL 60651 (the "Property"), and more fully described in a deed to the Borrower dated July 2, 1986, from Peter O. Johnson, and recorded among the Land Records of Cook County. All documentation securing and evidencing this loan by the Creditor, including limitation, the Note and Mortgage, shall be referred to as the "Loan Documents"; and

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WHEREAS, the Borrower has requested a loan First National Mortgage Corporation ("Lender") in the original principal amount of Twenty Six Thousand Six Hundred Twenty Nine and 00/100 (\$26,629.00) Dollars (the "Loan") to be evidenced by a promissory Note ("Lender Note") and secured by a Mortgage encumbering said Property, of even date with the Lender Note (the "Lender Mortgage"); and

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WHEREAS, as a condition precedent to making the Loan, the Lender requires that the Lender Mortgage establish a lien on the Property superior to that of the Creditor Mortgage; and

WHEREAS, Creditor has agreed to subordinate the lien of the Creditor Mortgage to the lien of the Lender Mortgage, it is for this purpose that the parties to this Agreement execute, acknowledge and deliver this Agreement.

NOW, THEREFORE, IN CONSIDERATION of the premises which are hereby a substantive part of this Agreement, and One Dollar (\$150.00); and the Borrower's promise to pay a subordination documentation fee of One Hundred Fifty and 00/100 (\$150.00) Dollars, the receipt whereof is hereby acknowledged, and mutual covenants, promises, and agreements hereinafter set forth, the parties do hereby covenant, promise and agree as follows:

1. The Creditor subordinates the lien of the Creditor Mortgage to the lien of the Lender Mortgage.
2. As between the Creditor Mortgage and the Lender Mortgage, the Lender Mortgage shall be a prior lien upon the Property with all of the rights, privileges and remedies of a prior lien incident thereto, including, without limitation, the right to first payment from the net proceeds (the "Liquidation Proceeds") of the sale (the "Liquidation Sale") of the Property is sold by Borrower, Creditor, Lender, their trustees or otherwise, to satisfy their subordinated indebtedness. Said parties further agree that this Agreement is not a suspension of payments due in the ordinary course of business under the Creditor Note. It is the intent of the Lender and

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Property, the Borrower shall continue to pay the Creditor its monthly payments of principal and interest as evidenced by the Creditor Note.

3. This Agreement does not require that, in the ordinary course of business, the Lender Note, be satisfied prior to satisfaction of the Creditor Note, however, if a Liquidation Sale is made, the Liquidation Proceeds shall first be applied to satisfy the Lender Note and second to satisfy the Creditor Note

4. This Agreement in no way affects or impairs the obligation and debt of the Borrower due to the Creditor

5. In the event Lender exercises its rights as a secured party with respect to the Property, Lender agrees to pay to Creditor that portion of such subordinated sums actually received by the Lender, through the exercise of such rights with respect to the Property, in excess of principal, interest and any expense, court costs, legal fees and other related costs (the "Payment"). The Lender shall make the Payment within a reasonable time after receipt by Lender of a written request by a Vice President of the Creditor for the Payment.

6. This Agreement shall only be constructed to determine the rights of the parties hereto with respect to each other and shall not be constructed to provide any benefit to any persons or entity not a party hereto.

7. Nothing herein contained shall obligate either party to grant credit to, or continue any existing financing arrangements with, the Borrower.

8. This Agreement shall be binding upon, and inure to the benefit of, the parties to this Agreement and to their successors and assigns.

9. Any modification of this Agreement shall not be effective unless in writing and signed by party to be charged

10. This Agreement was made in the State of New York and shall be governed by, construed and enforced in accordance with the laws of the jurisdiction in which the Property is located.

11. The recitals contained above shall be incorporated into the terms of this Agreement by this reference

ATTEST

[Signature]
Notary Public

CREDITOR:
Chase Manhattan Bank, as Trustee

BY: *[Signature]*
NAME: ERWIN SORIANO
TITLE: TRUST OFFICER

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4/30/98

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LEGAL DESCRIPTION (62967)

UNIT 2-A TOGETHER WITH ITS UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS IN WATERGATE EAST CONDOMINIUM AS DELINEATED AND DEFINED IN THE DECLARATION RECORDED AS DOCUMENT NUMBER 21607006, IN SECTION 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PIN: 20-12-114-044-1001

PROPERTY ADDRESS: 577 SOUTH HYDE PARK BLVD #2A
CHICAGO, ILLINOIS 60615

DAN HEEMAN



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DEPT-01 RECORDING \$25.50
TR0001 TRAN 9904 07/15/97 03:32:00
1607 RH #-97-509272
COOK COUNTY RECORDER
DEPT-10 PENALTY \$22.00

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