Project No. 93-010

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99122076

SUBORDINATION AGREEMENT

This Subordination Agreement (the "Agreement") is made and entered into this 28th 3
day of January, 1999, by and between   World Wide Financial Services
(the "Lender") and the City of Chicago Heights, Illinois, an Illinois Municipal
Corporation (the "Grantee") as follows:

Lien Claimee

Lien Claimor

1. The City of Chicago Heights is the present legal holder and owner of a certain
~~mortgage~~ dated, August 31   1994 from Veda Tarrant
as ~~Mortgagors~~, (the "Borrowers"), to the City of Chicago Heights , as ~~Mortgagee~~,
recorded in Cook County, Illinois as Document Number 95139223   and concerning
real property in Cook County, Illinois commonly known as 90 W. 25th Street,
Chicago Heights, Illinois, 60411 and which is legally described as follows:

Lot 8 in Block 198 in Chicago Heights, in Section 29, Township 35 North,
Range 14 East of th Third Principal Meridian, in Cook County, Illinois.

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Lien Claim

which ~~mortgage~~ secures the payment of a note in the original principal sum of
Ninetten THousand One Hundred Forty & 75/00 Dollars ($19140.75) plus advances in
the amount of   None   Dollars ($ -0-),
executed by Veda Tarrant   and made payable to the City of
Chicago Heights.

2. a. That the City of Chicago Heights, for good and valuable consideration, the
receipt and sufficiency of which are hereby expressly acknowledged, hereby agrees
to waive the priority of the lien of the mortgage described in paragraph 1. of this
Agreement but only insofar as the following described mortgage is concerned but not
otherwise:

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That certain mortgage dated the 28th day of January, 19 99 and recorded as Document Number _____ in the Cook County Recorder's Office on the ____day of _____,19___, from _____ Veda Tarrant , as Mortgagors, to World Wide Financial , as Mortgagee, which said mortgage secures the payment of a note in the amount of Fifty Eight Thousand One Hundred 00/100 Dollars (58,100) dated the 28th day of January , 1999 (the "Lender's debt").

    b. That the Lender's debt shall be defined to include not only the principal sum of Fifty Eight Thousand One Hundred Dollars (58,100.00) but also any and all interest, late charges, attorney's fees, advances for real estate taxes or insurance made pursuant to the terms of the said mortgage necessary to preserve the Lender's lien. The terms of the note and mortgage are incorporated herein by reference as if fully set out herein.

Lien Claim   Lien Claim

3. The City of Chicago Heights warrants to the Lender as follows:

   a.   That the execution of the note and mortgage to Lender shall not constitute a default of the Borrowers' obligation to the City of Chicago Heights.

   b.   That in the event of a default under the subordinated debt, the City of Chicago Heights agrees to notify the Lender of such default and any actions of the Borrowers which may be required to cure the same.

Lien Claim

4. That the City of Chicago Heights hereby consents that the lien of the mortgage described in paragraph 1. of this Agreement shall be taken as second and inferior to the lien of the mortgage described in paragraph 2. this Agreement:

Lien Claim

5. That the Lender may, in its discretion, and at any time and from time to time, without consent but with notice to the City of Chicago Heights, and, with or without valuable consideration, release any person primarily or secondarily liable on the Lender's debt or may permit substitution, or withdrawals of any security or collateral at any time securing payment of said indebtedness or release any such security or collateral or, renew and extend or accept any partial payments on the Lender's debt or alter in such manner as the Lender shall deem proper, the terms of any instruments evidencing or securing the Lender's debt or any part thereof without in any manner impairing the Lender's rights hereunder. It shall not be necessary for the Lender, in order to enforce its rights hereunder to institute suit or exhaust its remedies against any person obligated to pay the Lender's debt.

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That both the Lender and the City of Chicago Heights agree that nothing in this paragraph shall be construed to affect or limit the rights of the City of Chicago Heights under its mortgage or any of the other City of Chicago Heights documents related to said mortgage.

6. That the Lender, in the event of default by the Borrowers on the Lender's debt, warrants that it will notify the City of Chicago Heights of the default and any actions of the Borrowers which may be required to cure the same.

7. That this Agreement constitutes a continuing subordination until the Lender's debt and any renewal, extension, or other liabilities arising out of said debt or any part thereof is repaid in full. This Agreement is cumulative of all other rights and securities of both the Lender and the City of Chicago Heights and no waiver by the Lender or the City of Chicago Heights of any right hereunder with respect to a particular payment shall affect or impair its rights in any other documents or matters occurring at any time.

8. That this Agreement shall be governed by the laws of the State of Illinois.

9. That this Agreement shall be binding upon and shall inure to the benefit of the heirs, executors, administrators, successors and assigns of each of the parties hereto, but the Lender and the City of Chicago Heights agree that neither shall assign their respective claims or any part thereof, without making the rights and interests of the assignee subject in all respects to the terms of this Agreement.

Dated this 2nd day of February , 1999.
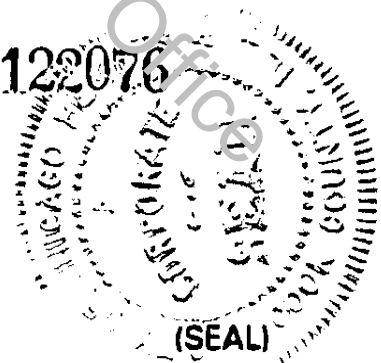
Chicago Heights, ILLINOIS

BY: Angelo N Ciambrone

ATTEST: Rachel M. Vega
Clerk

Prepared by and mail to:

City of Chicago Heights
1601 Chicago Rd.
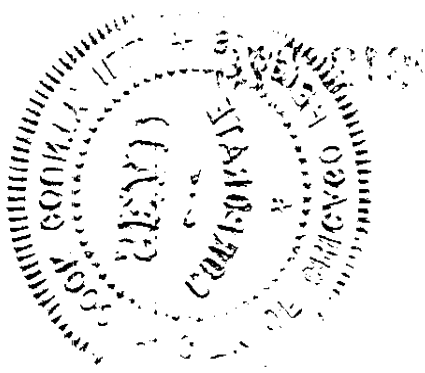Chicago Heights, IL 60411
Office of Corporate Counsel

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