

SUBORDINATION AGREEMENT

UNOFFICIAL COPY

Agreement made this Ninth day of October, 19 98 by and among Chicago Title and Trust Company, a Illinois Corporation ("Existing Mortgagee"), Fredrick R. Harbecke and Kathleen L. Harbecke (collectively "Owner") and Harris Bank Westchester ("New Mortgagee")



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WITNESSETH:

WHEREAS, the Owner owns the entire fee title to certain real property and improvements thereon known as 440 S. Madison St. LaGrange, Illinois more particularly described in Exhibit A attached hereto ("Real Estate"); and

WHEREAS, Existing Mortgagee is a mortgagee pursuant to the terms of Trust Deed ("Existing Mortgage") between Owner and Mortgagee dated August 31, 1987 and recorded on June 7, 1993 as document Number 93428919 in the office of the Cook County Recorder of Deeds (the "Trust Deed"); and

WHEREAS, New Mortgagee has issued its commitment letter to Owner subject to the terms and conditions of which it will lend to Owner the sum of \$30,000.00 to be secured by a mortgage on the Real Estate ("New Mortgagee"), a copy of which has been supplied to Existing Mortgagee, but is unwilling to make the loan or accept the security described unless this Agreement has first been executed and delivered; and

WHEREAS, Existing Mortgagee has agreed to subordinate the Existing Mortgage to the lien of the New Mortgage in a manner satisfactory to Existing Mortgagee.

NOW, THEREFORE, in consideration of the premises, the mutual covenants contained herein, and other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. New Mortgagee and Owner hereby certify as of the date hereof that their status is as aforesaid, that the New Mortgage is in full force and effect and has not been modified, altered or amended from the form supplied to Existing Mortgagee as aforesaid; and that no default exists on the part of the Owner under the New Mortgage or the Note it secures.
2. Neither the Owner nor the New Mortgagee will, without the prior written consent of the Existing Mortgagee, amend, modify, or supplement the New Mortgage or the Note it secures or any extensions or renewals thereof.
3. Except as expressly provided herein, the Existing Mortgage is and shall be subject, subordinate and inferior in all respects to the New Mortgage with the same force and effect as if the New Mortgage has been executed, delivered and recorded prior to the execution, delivery and recordation of the Existing Mortgage.
4. Without limitation of the foregoing:
 - (a) The Owner further agrees that from and after the date hereof, owner shall deliver to Existing Mortgagee or its successors or assigns a copy of any notice or statement by New Mortgagee to Owner under the New Mortgage at the same time such notice or statement is delivered to the Owner.

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Cook County Recorder 51.00

mail to prep by
Harris Bk Central
150 W. Wilson St.
Palatine, IL 60067

BOX 333-CTI

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(b) The New Mortgagee further agrees that in the event of any act or omission by Owner under the New Mortgage (as modified hereby) which would give New Mortgagee the right to accelerate the Note secured by the New Mortgage or to foreclose on the Real Estate, New Mortgagee will not exercise any such right until (i) it has given written notice of such act or omission to Existing Mortgagee or its successors or assigns, and (ii) Existing Mortgagee, or its successors or assigns, shall, following the giving of such notice, have failed with reasonable diligence to remedy such act or omission.

(c) The New Mortgagee further agrees that from and after the date hereof, it shall deliver to Existing Mortgagee or its successors or assigns a copy of any notice or statement given by New Mortgagee to the Owner under the New Mortgage at the same time such notice or statement is delivered to the Owner.

5. No modification amendment, waiver or release of any provision of this Agreement, or of any right, obligation, claim or cause or action arising hereunder shall be valid or binding for any purpose whatsoever unless in writing and duly executed by the party against whom the same is sought to be asserted.

6. All notices, demands and requests given or required to be given hereunder shall be in writing. All such notices, demands and requests by Owner and New Mortgagee to Existing Mortgagee shall be deemed to have been properly given if served in person or if sent by United States registered or certified mail, postage prepaid, addressed to Existing Mortgagee at:

Fred F. Harbecke
430 Yates Ave.
Calumet City, IL 60409

and

or to such other address as Existing Mortgagee may from time to time designate by written notice to Owner and New Mortgagee given as herein required.

7. This Agreement shall inure to the benefit of and be binding on the parties hereto and their respective successors and assigns.

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

IN WITNESS WHEREOF, Existing Mortgagee, New Mortgagee, and Owner have respectively executed this Agreement as of the day and year first above written.

EXISTING MORTGAGEE:

NEW MORTGAGEE

Chicago Title Land Trust Company as
Trustee consenting per direction
note holder:

By: [Signature]
Assistant Vice President

Attest: [Signature]
Assistant Secretary

OWNER: _____



Attest: _____

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STATE OF ILLINOIS)

SS

COUNTY OF COOK)

I, _____, a Notary Public in and for said County and State, do hereby certify that the above named _____ and _____ of Harris Bank Westchester are personally known to me to be the same persons whose names are subscribed to the foregoing instruments as such officers and to be such officers, appeared before me this day in person and, being first duly sworn, said and acknowledged that they are such officers, that they respectively signed, sealed with the corporate seal and delivered said instrument as the free and voluntary act of said Corporation and as their free and voluntary act as _____ and _____ respectively, by authority of the Board of Directors of said corporation for the uses and purposes therein set forth, and that seal affixed to said instruments is the corporate seal of said Corporation.

Given under my hand and Notarial Seal this _____ day of _____, 19____.

Notary Public

My commission expires: _____

STATE OF Illinois)
COUNTY OF Cook) SS

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Wendy Suddler personally known to be the same person whose name(s) are subscribed to the foregoing instrument appeared before me this day in person, and acknowledged that she signed and delivered the said instrument as her free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 22nd day of October, 1998.

Ethel D. Johnson
Notary Public



My commission expires: _____

EXHIBIT "A"
LEGAL DESCRIPTION

LOT 11 IN BLOCK 3 IN LAGRANGE IN THE EAST HALF OF THE SOUTH WEST QUARTER AND PART OF THE NORTH WEST QUARTER OF SECTION 4, TOWNSHIP 38 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

440 S. Madison St., LaGrange, IL 60525

PIN #: 18-04-329-024

Property of Cook County Clerk's Office