

3

8

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

2002 062936

2002 JUL 12 AM 9:36

MORRIS W. CARTER
RECORDER

CDC-404, 025 40 03-IND

CM620023822 (SP)

Subordination Agreement

Chicago Title Insurance Company

THIS AGREEMENT, is dated for reference June 19, 2002, and is between **255 East 90th, LLC**, an Indiana Limited Liability Company, having a principal office at 255 East 90th Drive, Merrillville, Indiana 46410 ("hereinafter Owner"), owner of the land described in the mortgage referenced below and legal description attached in Exhibit "A", and the **Small Business Administration**, an agency duly created under and by virtue of an Act of Congress, having its principal office in Washington, in the District of Columbia, and a District Office at 429 N. Pennsylvania Street, Suite 100, Indianapolis, Indiana 46204 (hereinafter "SBA"), and **Citibank, F.S.B.** (hereinafter "Lender"), with an office located at 25 East Campbell, 2nd Floor, Arlington Heights, IL. 60005

SBA is the present holder and beneficiary of a certain mortgage dated November 28, 2001 and recorded on December 11, 2001 in Lake County Official Records, State of Indiana, as document number 2001-101211 (hereafter "SBA Mortgage") to secure a note in the sum of One Million Dollars (\$1,000,000.00) and a certain Assignment of Leases and Rents dated November 28, 2001 and recorded on December 11, 2001 in Lake County Official Records, State of Indiana, as document number 2001-101213 (hereafter "Assignment of Lease").

Owner has also executed, or is about to execute, a mortgage securing a note in a sum not to exceed One Hundred Fifty Thousand Dollars (\$1,500,000.00) dated June 19, 2002 in favor of Lender (hereafter "Lender's Mortgage").

Lender's Mortgage shall be recorded concurrently herewith. Mortgage recorded July 11, 2002 as Document No. 2002062543.

As a condition precedent to Lender's performance, the SBA Mortgage and Assignment of Lease must be subordinated to the Lender's Mortgage. SBA is willing to subordinate the lien of the SBA Mortgage and Assignment of Lease provided it retains its lien priority with regard to all other legal or equitable interests in the property.

In consideration of the mutual benefits to the parties and to induce Lender to make a loan to Owner, it is hereby agreed as follows:

- (1) Lender's Mortgage, and any renewals or extensions thereof, shall be a lien on the property prior to the lien of the SBA Mortgage and Assignment of Lease.
- (2) Lender would not make its loan without this subordination agreement.

Handwritten initials and signature

- (3) Lender will not make any additional advances under its Mortgage except such disbursements that become necessary to protect its security interest and for which Owner is liable under Lender's Mortgage and related loan documents. Any lien upon the property securing repayment of additional disbursements by Lender shall be subordinate to the lien of the SBA.
- (4) This agreement shall be the whole and only agreement with regard to the subordination of the SBA Mortgage and Assignment of Lease to Lender's Mortgage.
- (5) Except as expressly provided herein, this agreement shall not operate or be construed to alter the priority of the SBA Mortgage and Assignment of Lease with regard to any legal or equitable interest in the property. Owner and Lender shall hold SBA harmless from any impairment of its lien (with regard to any third party), which is occasioned by this subordination.
- (6) All proceeds of the Lender's loan shall be applied to satisfy debt secured by a lien presently superior to the lien of the SBA Mortgage and Assignment of Lease, the following described uses, if any, plus customary closing costs. Any other use of proceeds not described herein shall void this agreement.
- (7) Lender shall provide notice to SBA of any default under the terms of the Lender's Mortgage, which remains uncured for 60 days. A default in the obligation secured by Lender's Mortgage may be cured (including purchase of the property at or prior to foreclosure) by the SBA via cash, certified funds or a United States Treasury check, at SBA's option. Lender will not enforce any default provision in its Mortgage to the detriment of the SBA, including, but not limited to, any provision regarding a default rate of interest.
- (8) SBA's agreement to subordinate its lien interest to that of the Lender is expressly conditioned upon Lender's, Borrower's, co-Borrower's, and Guarantor's execution of this subordination agreement. This subordination agreement is null and void if not duly executed by the foregoing parties.
- (9) By executing this subordination agreement, the SBA does not waive federal immunity from state or local control, penalty, tax or liability. As to the SBA Mortgage, the Owner may not claim or assert against SBA any state or local law to deny any obligation, defeat any claim of SBA or preempt federal law.

Owner:

255 East 90th, LLC


Dr. Mark S. Weinberger, Manager

SBA:

Small Business Administration

F. Dean Edwards

F. Dean Edwards

Lender:

Citibank, F.S.B.

Linda A. Butler
Vice President

The undersigned co-Borrower(s) and Guarantor hereby consent to all terms above and acknowledge their liability for the above referenced SBA loan is in no manner diminished by this agreement.

Mark S. Weinberger, M.D. Professional Corporation, An Indiana Corporation

Mark S. Weinberger

Mark S. Weinberger, President

Mark S. Weinberger

Mark S. Weinberger, Secretary

Mark S. Weinberger, an Individual

Mark S. Weinberger

Mark S. Weinberger, an Individual

Rejuvenating Laser Spa, LLC

Mark S. Weinberger

255 East 90th, LLC, Member by Dr. Mark S. Weinberger

The Nose and Sinus Center, LLC

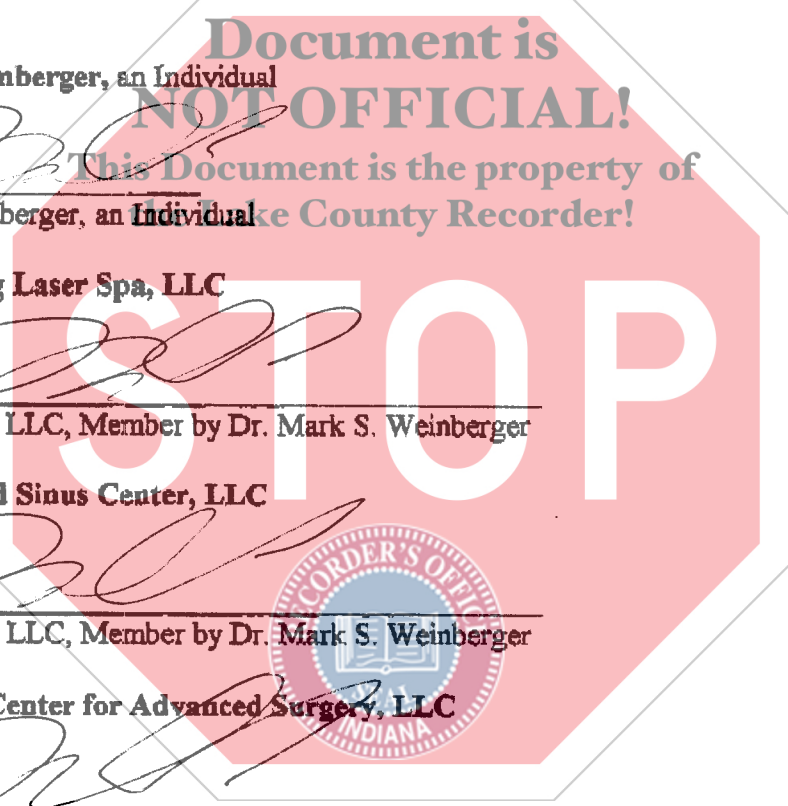
Mark S. Weinberger

255 East 90th, LLC, Member by Dr. Mark S. Weinberger

Merrillville Center for Advanced Surgery, LLC

Mark S. Weinberger

255 East 90th, LLC, Member by Dr. Mark S. Weinberger



State of INDIANA)
)
County of Lake) SS:

On 11/28/02 before me, Stacey Eisenhuff, a Notary Public, personally appeared Dr. Mark S. Weinberger, Manager on behalf of 255 East 90th, LLC, personally known to me (or proved on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.

Stacey Eisenhuff
Notary Public

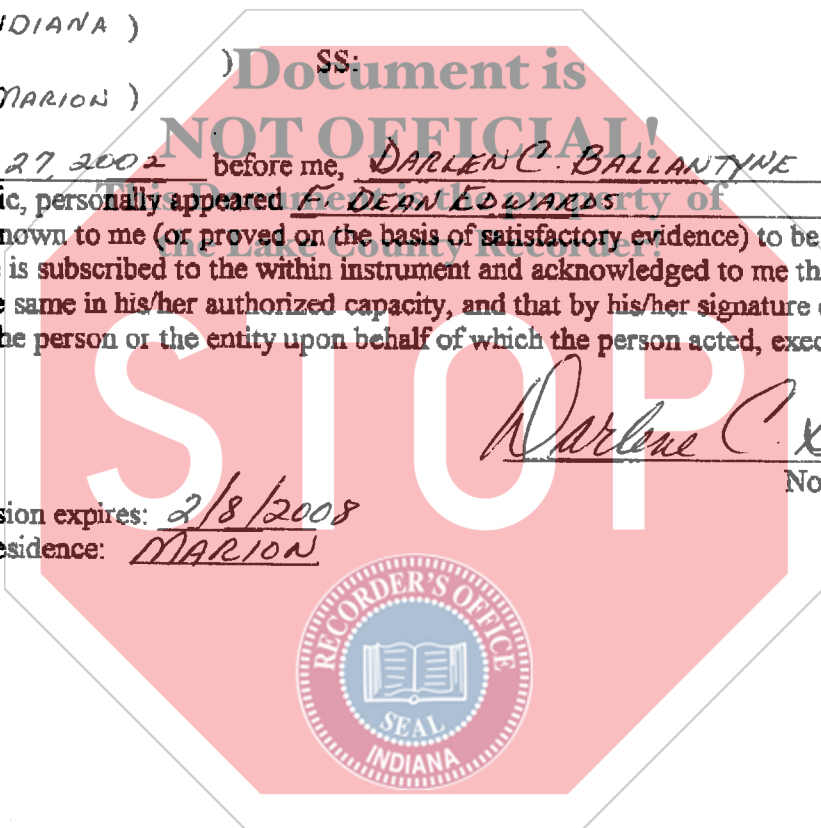
My commission expires: 1-15-08
County of residence: Lake
(SEAL)

State of INDIANA)
)
County of MARION) SS:

On JUNE 27, 2002 before me, DARLENE C. BALLANTYNE, a Notary Public, personally appeared F. DEAN EDWARDS, personally known to me (or proved on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.

Darlene C. Ballantyne
Notary Public

My commission expires: 2/8/2008
County of residence: MARION
(SEAL)

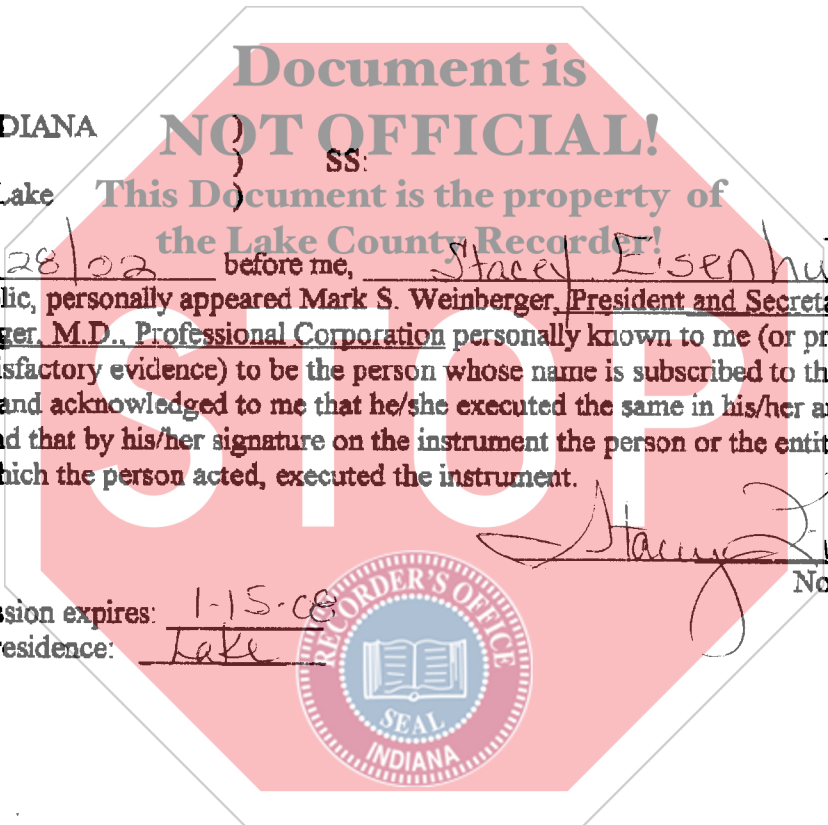


State of IN)
County of Lake) SS:

On 6/28/02 before me, Stacey Eisenhutt, a Notary Public, personally appeared Linda F. Butler, VP on behalf of Citibank F.S.B., personally known to me (or proved on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.

Stacey Eisenhutt
Notary Public

My commission expires: 1-15-08
County of residence: Lake
(SEAL)



State of INDIANA)
County of Lake) SS:

On 6/28/02 before me, Stacey Eisenhutt, a Notary Public, personally appeared Mark S. Weinberger, President and Secretary of Mark S. Weinberger, M.D., Professional Corporation personally known to me (or proved on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.

Stacey Eisenhutt
Notary Public

My commission expires: 1-15-08
County of residence: Lake
(SEAL)

State of INDIANA)
) SS:
County of PORTER)

On 6/28/02 before me, Stacey Eisenhutt, a Notary Public, personally appeared Mark S. Weinberger, an Individual, personally known to me (or proved on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.

Stacey Eisenhutt
Notary Public

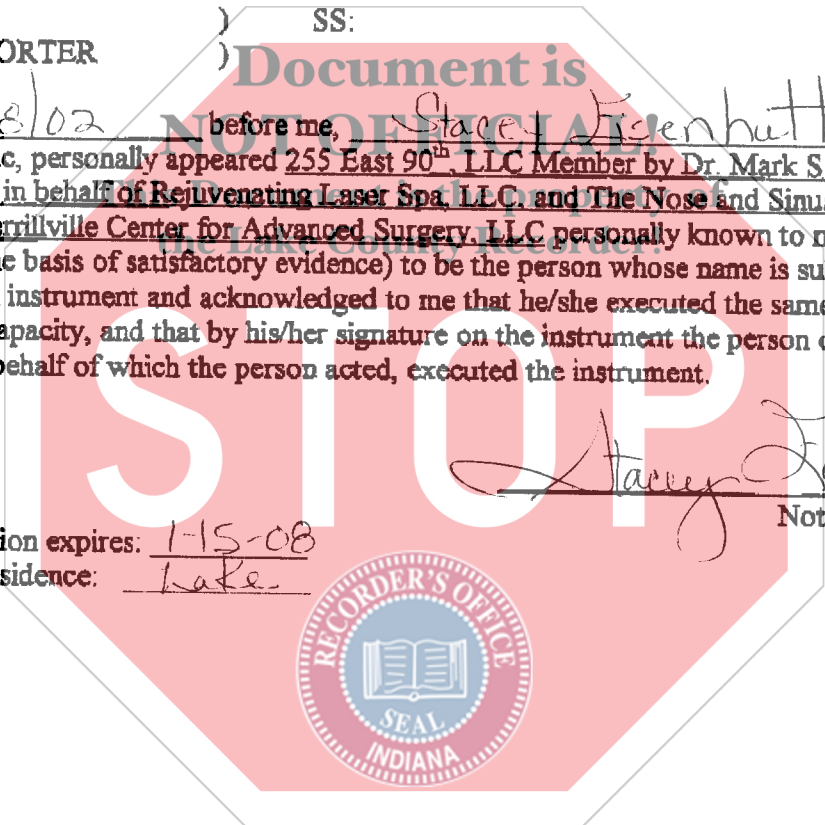
My commission expires: 1-15-08
County of residence: Lake
(SEAL)

State of INDIANA)
) SS:
County of PORTER)

On 6/28/02 before me, Stacey Eisenhutt, a Notary Public, personally appeared 255 East 90th LLC Member by Dr. Mark S. Weinberger, in behalf of Rejuvenating Laser Spa LLC, and The Nose and Sinus Center, LLC and Merrillville Center for Advanced Surgery, LLC personally known to me (or proved on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.

Stacey Eisenhutt
Notary Public

My commission expires: 1-15-08
County of residence: Lake
(SEAL)



Return to: Kristin L. Busch, Northwest Indiana Regional Development Company, 6100 Southport Road, Portage, Indiana 46368

Prepared by: J. Brian Hittinger, HOEPPNER, WAGNER & EVANS, 1000 E. 80th Place, Suite 606 South Tower, Merrillville, Indiana 46410



Exhibit "A"

Part of Tract "G" in Phase One, Broadfield Center, Development Plan, in the Town of Merrillville, as per plat thereof, recorded in Plat Book 48 page 82, in the Office of the Recorder of Lake County, Indiana, and being more particularly described as follows: Beginning at the Southeast corner of Georgia Street (formerly known as Greenfield Drive, 80 feet wide) and Connecticut Avenue (formerly known as Broadfield Drive, 80 feet wide); thence North 52 degrees 00 minutes 00 seconds East along the Southerly right-of-way line of said Georgia Street, a distance of 186.64 feet to a point of curve; thence Northeasterly along said Southerly right-of-way line of Georgia Street, on a curve concave to the Southeast, and having a radius of 885.00 feet (the chord of which bears North 54 degrees 20 minutes 19 seconds East, a chord distance of 72.22 feet), an arc distance of 72.24 feet; thence South 33 degrees 19 minutes 23 seconds East, a distance of 400.00 feet; thence South 88 degrees 47 minutes 42 seconds West, a distance of 352.38 feet, to a point on the Easterly right-of-way line of Connecticut Avenue; thence Northwesterly along said Easterly right-of-way line of Connecticut Avenue, on a curve concave to the Southwest, and having a radius of 490.00 feet (the chord of which bears North 21 degrees 37 minutes 28 seconds West, a chord distance of 195.51 feet), an arc distance of 200.00 feet, to the place of beginning.

