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Prepared by
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161 N. Clark Street - Suite 550
Chicago, IL 60601

2009 031067

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD
2009 MAY 11 AM 10:54
MICHAEL A. BROWN
RECORDER

PLEASE RETURN TO:
Allegiance Community Bank
8001 W. 183rd Street
Tinley Park, Il 60477

SUBORDINATION AGREEMENT

WHEREAS, HIGHWAY 30 DEVELOPMENT CORP., an Indiana corporation (hereinafter called "Borrower") seek to borrow the aggregate sum of \$1,293,000.00 from ALLEGIANCE COMMUNITY BANK (hereinafter called "Lender") and Lender is willing to lend said sum;

WHEREAS, in order to induce Lender to make said loans, Borrower (also hereinafter called "Mortgagor") wishes to secure the loans with a first and second mortgage in favor of the Lender upon the real estate commonly known as 338, 340 and 342 E. US Highway 30, Schererville, Indiana (hereinafter called the "Property") and legally described as follows:

UNITS E, F AND G, BOTH INCLUSIVE, IN FOX RUN PLAZA CONDO, INC. HORIZONTAL PROPERTY REGIME CONDOMINIUM AS DELINEATED AND DEFINED IN THE DECLARATION RECORDED JANUARY 21, 2009, AS DOCUMENT NUMBER 2009 003341, WITH THE RECORDER OF LAKE COUNTY, INDIANA, TOGETHER WITH ITS UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS.

Key No. 45-11-15-326-015.000-036.

WHEREAS, BUDDY & PAL'S III, INC., an Indiana corporation (hereinafter called "Tenant") holds a leasehold interest upon the Property, by virtue of a lease agreement between Tenant and Mortgagor (hereinafter called "Lease").

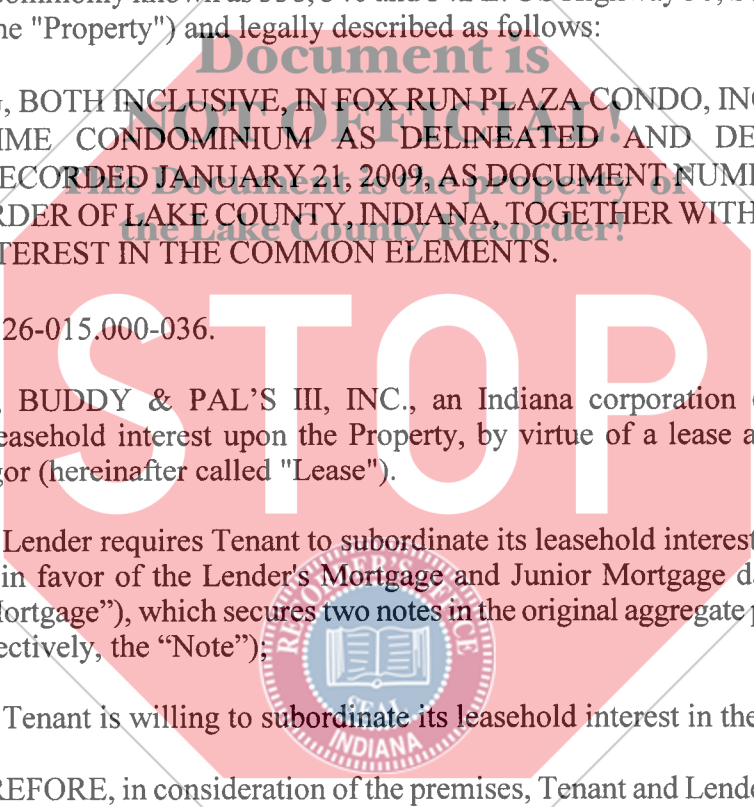
WHEREAS Lender requires Tenant to subordinate its leasehold interest in the Property by virtue of the Lease in favor of the Lender's Mortgage and Junior Mortgage dated April 8, 2009 (collectively, the "Mortgage"), which secures two notes in the original aggregate principal amount of \$1,293,000.00 (collectively, the "Note");

WHEREAS Tenant is willing to subordinate its leasehold interest in the Property;

NOW THEREFORE, in consideration of the premises, Tenant and Lender agree as follows:

1. Tenant acknowledges that its leasehold interest in the Property shall be subordinate to the mortgage interest of Lender given to secure a note and any other obligations secured thereby,

HOLD FOR MERIDIAN TITLE CORP 828382
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present or future, which mortgage and security interest are evidenced by the Mortgage.

2. Tenant further acknowledges that its leasehold interest shall remain subordinate to the mortgage interest of the Lender as long as the note, or any other sums advanced by lender and secured by the Mortgage remain unpaid.

3. Tenant shall not prepay rent to Borrower without the written consent of Lender.

4. In the event Lender shall foreclose the Mortgage and title shall be transferred to Lender, its successors or assigns, Lender, its successors or assigns, shall not be liable to Tenant for any security deposit paid to Borrower under the terms of the Lease.

5. At Lender's sole discretion, the Lender shall have the right to foreclose the Tenant's interests under the Lease through a foreclosure proceeding; however, the Lender is not required to do such but shall have the right to so act if it deems it appropriate without any recourse from the Landlord and/or Tenant.

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

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

8. This Agreement may be executed in two or more counterparts, and it shall not be necessary that the signatures of all parties hereto be contained on any one counterpart hereof; each counterpart shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF the undersigned has hereunto set its hand, on the 8th day of April, 2009.

ALLEGIANCE COMMUNITY BANK,
Lender

By: 

BUDDY & PAL'S III, INC., Tenant

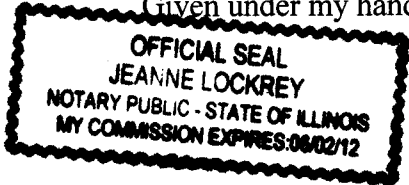
By: 

Its President

STATE OF INDIANA)
) SS.
COUNTY OF LAKE)

I, JEANNE LOCKREY, a Notary Public in and for said County, in the State aforesaid, do hereby certify that on this day personally appeared before me, TONY ROTAC, personally known to me to be the same person whose name is subscribed to the foregoing instrument and personally known to me to be LENDING OFFICER, and an authorized agent, of ALLEGIANCE COMMUNITY BANK and acknowledged that he signed and delivered the said instrument as his free and voluntary act and deed, and as the free and voluntary act of ALLEGIANCE COMMUNITY BANK, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 16 day of April, 2009.

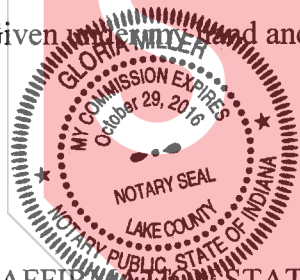


Jeanne Lockrey
Notary Public

STATE OF INDIANA)
) SS.
COUNTY OF LAKE)

I, Gloria Miller, a Notary Public in and for said County, in the State aforesaid, do hereby certify that on this day personally appeared before me, Timothy W. Heidbreder, personally known to me to be the same person whose name is subscribed to the foregoing instrument and personally known to me to be the President of BUDDY & PAL'S III, INC. and acknowledged that he signed and delivered the said instrument as his free and voluntary act and deed, and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 8 day of April, 2009.



Gloria Miller
Notary Public

AFFIRMATION STATEMENT REQUIRED BY IC 36-2-11-15

I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security number in this document unless required by law.

Gloria Miller