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## The Frequency of Subordination Agreements Per Month in McLean County (1998-2009)

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Oral Presentation O3.2

**THE FREQUENCY OF SUBORDINATION AGREEMENTS PER MONTH IN  
MCLEAN COUNTY (1998-2009)**

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This paper studies the impact of business cycles on the frequency of subordination agreements per month in McLean County, Illinois from January 1998 to December 2009. This study examines trends, seasonal components, and autoregressive and moving-average components of the data to forecast this impact in the future. Both autoregressive and moving-average components indicate the influence of previous values on the current value of the data. A subordination agreement is a legal document that establishes the place of priority of mortgages, liens, and claims on the same parcel of land. It is estimated that the frequency of subordination agreements per month is countercyclical, meaning it will increase during a recession and decrease during an expansion. The data shows that during the recession of the early 2000s there was a dramatic increase in the number of subordination agreements per month, but after the housing market collapsed there was only a slight increase in this frequency.