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Cook County Recorder 29.50

Adam P. Silverman, Esq.
Adelman, Gettleman, Merens,
Berish & Carter, Ltd.
53 West Jackson Boulevard, Suite 1050
Chicago, Illinois 60604
Tel. 312-435-1050
Fax 312-435-1059



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**AFFIDAVIT IN SUPPORT OF ENCUMBRANCE AGAINST
UNIT 2N OF 1421 N. STATE PARKWAY, CHICAGO, ILLINOIS**

I, Dennis M. Saletta, an individual, do hereby certify that the statements set forth in this Affidavit are true and correct, except as to matters herein stated to be on information and belief.

1. I am an officer of American National Bank and Trust Company of Chicago (the "Bank").
2. On or about November 2, 1993, 1421 N. State Parkway Tenants Corporation, by and through its president, made, executed and delivered that certain Recognition Agreement (the "Recognition Agreement") covering apartment 2N in the building commonly known as 1421 N. State Parkway, Chicago, Illinois (the "Premises").
3. Attached hereto as exhibit A and incorporated herein by specific reference is, on information and belief, an exact reproduction of the original Recognition Agreement.
4. Attached hereto as exhibit B and incorporated herein by specific reference is the legal description of the Premises, the PIN for which is 17-03-102-011-0000.

Further Affiant Sayeth Not.

DATED: January 23, 2001

Dennis M. Saletta
Dennis M. Saletta

Subscribed to and sworn before me
this 23rd day of January, 2001

Francine Beckert
Notary Public
My commission expires 1/23/01



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7/30/92

RECOGNITION AGREEMENT

Premises:
1421 STATE PARKWAY 2N
CHICAGO, ILLINOIS 60614

1421 N. STATE PARKWAY TENANTS CORPORATION

Ladies and Gentlemen:

We have been asked by VERONICA S. O'NEILL (herein collectively referred to as the "Lessee") for loans in an amount not to exceed \$ 901,250.00 to be secured by a Security Agreement and Assignment of the Proprietary Lease (hereinafter sometimes collectively referred to as the "Security") evidencing the pledge of 1000.51 shares of the capital stock of 1421 N. STATE PARKWAY allocated to Apartment 2N and of the Proprietary Lease (the "Lease") appurtenant thereto (the shares and Lease collectively referred to as the "Apartment").

1. (a) You are an Illinois corporation formed for the purpose of a cooperative ownership and owner in fee of the above premises.
- (b) Your records show that the Lessee is the owner of the Apartment.
- (c) You have duly approved or consented to the creation by the Lessee of the Security, if and to the extent such approval is required by the Lease.
2. (a) You will not consent to any further encumbrances, subletting, termination, cancellation, surrender or modification of the Apartment by the Lessee without our approval, which we will not unreasonably withhold but this provision shall not apply to any modification or termination which, by the terms of the Lease, may be effective against a Lessee when approved by a fixed percentage of other holders of your shares, or which may be effective in the event of condemnation or casualty.
- (b) The Lessee has agreed that, without our written approval, the Lessee will not exercise any right that he may have under the Lease to terminate the Lease so long as any loan or other obligations to us are outstanding. Accordingly you will not consider any attempt to do so effective.
- (c) You will notify us of any notice of intention to terminate the Lease, and
 - (1) if the Lessee's default can be cured by the payment of money, you will also notify us promptly of any default involving an amount equal to or exceeding three (3) months

EXHIBIT A

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maintenance payments and will take no action to terminate the Lease or cancel the shares if the default be cured either by us for the account of the Lessee or by the Lessee within fifteen (15) days after such notice of default or intention to terminate; or

- (2) if the default cannot be so cured, you will institute no action to terminate the Lease or cancel the shares until we have had reasonable notice and opportunity, by action or otherwise, to induce the Lessee to cure the default, such opportunity to be no less than the time provided in the Lease for the Lessee to cure.
- (d) If you shall terminate the Lease and cancel the shares for a default not curable by the payment of money, then, provided we pay you the amounts which are due to you under the Lease (including its deficiency clause) when due, you shall not sell or sublet the Apartment without our approval, unless the net proceeds of such sale or subletting shall equal or exceed the amount owing to us by the Lessee.
- (e) You will accept payment from us on behalf of Lessee of any sum due under the Lease (including its deficiency clause), any payments made by us under the term of this agreement will be deemed so paid, and no payments made in accordance herewith shall be deemed to limit our rights against the Lessee pursuant to law.
- (f) You shall recognize our right as lienor against the Apartment pursuant to the Security, and, if the Lease be terminated and/or shares cancelled against the net proceeds of any sale or subletting of the Apartment, after reimbursement to you of all sums due you under the Lease.
3. (a) Notwithstanding any apparent authority granted to us under agreements with the Lessee, WE SHALL HAVE NO RIGHT OR POWER TO TRANSFER THE APARTMENT UPON FORECLOSURE OR OTHERWISE EITHER TO US OR ANYONE ELSE WITHOUT YOUR APPROVAL AS REQUIRED BY THE LEASE provided, however, that nothing contained herein shall limit any rights we may have to dispossess the Lessee pursuant to law or realize upon our security in accordance herewith.
- (b) If through oversight or negligence you or your agents or employees shall fail to notify us of the Lessee's default prior to the termination of the Lease, we will not seek to hold you or your agents or employees liable for breach of this agreement, provided that you advise us promptly after discovering your failure and:
- (1) if you have already sold or contracted to sell the Apartment, that you pay us the net proceeds of such sale (after reimbursing yourselves for all sums due you), or such lesser sum as shall equal the amount owing to us by the Lessee (the balance being payable to the Lessee); or

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- (2) if you have not contracted to sell the apartment, that the provision of Paragraphs 2(d) and 2(e) hereof shall apply.
- (c) We will indemnify you and your agent against loss, liability or expense incurred in connection with any claim by the Lessee, his successors or assigns against either of you arising out of our representations pursuant hereto or your agreements herein, provided you give us prompt notice of any such claim. We may contest such claim in your name and on your behalf, but at our sole cost and expense, and you will execute such documents and do such things as are reasonably necessary to assist us in such contest.

4. While we have the right but no obligation to cure the Lessee's defaults under the Lease, if we do not do so within the time provided for herein, you shall have no obligation to us, except that in the event of sale or subletting the Apartment, you shall recognize our rights as lienor against the net proceeds of any sale or subletting (after reimbursement to you of all sums which are due to you under the Lease).

Any notice or approval provided for herein shall be deemed valid only if in writing and sent by registered or certified mail, as follows: to you, in care of your Managing Agent, at 1421 N. STATE PARKWAY TENANTS CORP; to us at Two First National Plaza, Mail Suite 0154, Chicago, Illinois 60670.

Either of us may change the address to which notices or approval shall be mailed by notice given as herein provided. This letter and the representations and agreements contained herein shall be deemed made as of the effective date of the Security Agreement and Assignment of Proprietary Lease.

THE FIRST NATIONAL BANK OF CHICAGO

By: [Signature]
 Title: VICET PRESIDENT

AGREED TO: 11/2, 1993

1421 N. STATE PARKWAY TENANTS CORPORATION

By: [Signature]

Title: President

APPROVED: _____, 19____
[Signature]
 _____, Lessee

_____, Lessee

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EXHIBIT B **LEGAL DESCRIPTION**

LOT 31 AND THE NORTH 5 FEET OF LOT 30 IN BLOCK 3 IN CATHOLIC BISHOP OF CHICAGO LAKE SHORE DRIVE ADDITION, BEING A SUBDIVISION OF THE NORTH 18 83/100THS CHAINS OF FRACTIONAL SECTION 3, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN: 17-03-102-011-0000

Property of Cook County Clerk's Office

EXHIBIT B
LEGAL DESCRIPTION