

# UNOFFICIAL COPY



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Eugene "Gene" Moore Fee: \$38.50  
Cook County Recorder of Deeds  
Date: 05/07/2003 04:29 PM Pg: 1 of 8

Y

**PREPARED BY:**

Grant D. Erickson  
Erickson-Papanek-Peterson-  
Erickson  
1625 Shermer Rd.  
Northbrook, Illinois 60062

**WHEN**

**RECORDED MAIL TO:**

MB Financial Bank, N.A.  
Loan Documentation  
1200 N. Ashland  
Chicago, Illinois 60622

LT-33329

## CONDITIONAL SUBORDINATION AGREEMENT

COVENANT VILLAGE OF NORTHBROOK

and

NORTH SUBURBAN YOUNG MEN'S CHRISTIAN ASSOCIATION

and

MB FINANCIAL BANK, N.A.

\*RE-RECORDING TO ADD DOCUMENT NUMBERS TO AGREEMENT

**UNOFFICIAL COPY****CONDITIONAL SUBORDINATION  
AGREEMENT**

MB Financial Bank, N.A.  
 MAIL TO: Loan Documentation  
1200 N. Ashland  
Chicago IL 60622  
 LT-33229

In consideration of the sum of Ten Dollars (\$ 10.00) and other good and valuable consideration, it is hereby agreed by and between Covenant Home, an Illinois non-profit corporation doing business as Covenant Village of Northbrook at 2625 Techy Road, Northbrook, Illinois ("Covenant") and North Suburban Young Men's Christian Association, an Illinois not for profit corporation ("North Suburban") and MB Financial Bank, N.A. and its successor and assigns ("Bank") as follows:

WHEREAS, the Bank is willing to make two loans in the aggregate principal sum of \$1,750,000 (collectively the "Loan"), copies of which are attached hereto as Exhibits A and B, both to be secured by a mortgage on North Suburban property ("Y Property") dated the 1st day of April, 2003, recorded as Document Numbers 1311910090 with the Cook County Recorder, Cook County, Illinois; 0311910091

WHEREAS, Covenant is a successor in interest to a right of reverter of the Y Property pursuant to a document originally executed between North Suburban, Swedish Covenant Hospital, and Covenant Home (now known as Swedish Covenant Hospital), another Illinois not for profit corporation all as more fully set forth in a deed conveying the Y Property dated December 30, 1964 to North Suburban which was recorded as Document No. 19 556 805 in the Cook County Recorder's office;

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WHEREAS, the Bank is unwilling to advance monies pursuant to the Loan unless the Covenant is willing to subordinate its rights of reverter to the lien of the Bank; and

WHEREAS, Covenant is willing to give a conditional subordination of this agreement as more fully set forth herein.

1. Covenant does hereby grant a conditional subordination of its rights as successor in interest to the rights of Swedish Covenant Hospital to the rights of reverter as more fully set forth in the above described Deed only to the Loan described above (or in the case of the \$250,000 Loan due March 7, 2004 any renewal or extension thereof maturing prior to March 8, 2008) on the express condition that in the event of any default under said loan and prior to taking any judicial action to collect on the Loan or to foreclose on any rights it has under the mortgage given to secure the Loan the Bank agrees that it will notify Covenant of the default and give Covenant 90 days after such notice the opportunity to purchase said loan for the then remaining principal balance due thereon plus any accrued and unpaid interest at the original rate stated in the loan documents, together with the "Prepayment Penalty" described in the \$1,500,000 Note (but exclusive of any additional interest that may be due from North Suburban due to the default or delinquency such as the "Late Charge" or "Interest After Default" described in each Note). In the event Covenant elects to purchase the note then upon receipt of payment the Bank will assign, without recourse to the Bank, all of its rights, title and interest in said note and mortgage and all related documents collateralizing said transaction to the Covenant.

2. In the event that the Covenant does not repurchase said note the Bank shall be free to pursue any legal rights and remedies it may have against North Suburban and thereafter all rights of Covenant under said reverter clause in the afore described Deed

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shall be subordinate to the rights and remedies of the Bank under said Loan or any successor in interest to title to the Y property by virtue of any transfer of title of the Y property through foreclosure or otherwise. It is expressly provided, however, that in the event that following a delinquency or default North Suburban cures said default and the property is not foreclosed upon all rights and remedies of Covenant under said reverter clause and the other terms of this agreement shall remain in full force and effect, except for any continuing obligations of Covenant to the Bank under this Conditional Subordination Agreement.

4. The property covered by this reverter is legally described as follows:

The East 289.0 feet of the West 816.0 feet of the South 452.55 feet of the North 485.55 feet of Lot 12 in School Trustees Subdivision of Section 16, Township 2 North, Range 12, East of the Third Principal Meridian, in Cook County, Illinois.

5. It is expressly understood that the Purposes of North Suburban as referred to in the Deed above described from Swedish Covenant Hospital to North Suburban are the purposes set forth in the Articles of Incorporation of North Suburban as issued by the Secretary of State on December 14, 1964 which reads as follows:

The basic objective of the North Suburban Young Men's Christian Association is to promote and aid in the development of Christian standards of living, conduct, and life purpose in its members and constituency. In the attainment of this goal, the Association seeks to promote physical, mental, and spiritual welfare of persons and to emphasize reverence for God, respect for personality, and the application of the Golden Rule in human relations.

7. North Suburban shall furnish Covenant with a copy of its financial statements on an annual basis so long as this agreement is in force and effect and shall also give, upon written request, interim financial statements of North Suburban.

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8. This agreement shall terminate when the loan described above has been paid in full.

WITNESS WHEREOF the parties hereto have caused these documents to be executed by their duly authorized corporate officers effective as of this 1<sup>st</sup> day of April, 2003.

Covenant Home

North Suburban Young Men's Christian Association

By: Richard W. Olson  
Vice President

By: James J. Kurian

Attest: Kathleen A. Jenkins  
Asst. Secretary

Attest: May Orie

Bank MB Financial Bank, N.A.

By: William B. Hecker

Attest: Brian Hecker

This document prepared by:

Grant D. Erickson  
Erickson-Papanek-Peterson-Erickson  
1625 Shermer Road  
Northbrook, IL 60062

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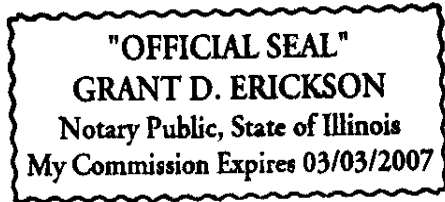
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STATE OF ILLINOIS     )  
  ) SS  
COUNTY OF COOK     )

I, the undersigned, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that, Richard W. Olson, Vice President and Kathleen A. Jenkins, Assistant Secretary of Covenant Home, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary acts, 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 22 day of March, 2003.

Grant D. Erickson  
Notary Public



STATE OF ILLINOIS     )  
  ) SS  
COUNTY OF COOK     )

I, the undersigned, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that, James T. Kucrowski, President and Mary A. Oxis, Vice President of North Suburban Young Men's Christian Association, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary acts, 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 1st day of April, 2003.

[Signature]  
Notary Public

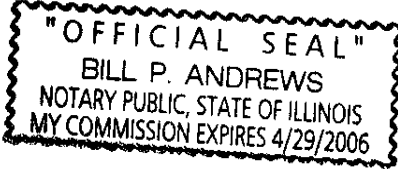
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STATE OF ILLINOIS     )  
  ) SS  
COUNTY OF COOK     )

I, the undersigned, a Notary Public in and for said County in the State aforesaid, DO  
HEREBY CERTIFY that, Brian J. Leahy, Senior Vice President  
and William S. Hansen, Senior Vice Pres of  
MB Financial Bank Bank, personally known to me to be the same persons whose  
names are subscribed to the foregoing instrument, appeared before me this day in person  
and acknowledged that they signed and delivered the said instrument as their own free and  
voluntary acts, 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 15 day of April, 2003.

[Signature]  
Notary Public



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THE EAST 289.0 FEET OF THE WEST 816.0 FEET OF THE SOUTH 452.55 FEET OF THE NORTH 485.55 FEET OF LOT 12 IN SCHOOL TRUSTEES SUBDIVISION OF SECTION 16, TOWNSHIP 42 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN # 04-16-300-008-0000

CKA: 2705 TECHNY ROAD, NORTHBROOK, ILLINOIS 60062

Property of Cook County Clerk's Office