



SUBORDINATION AGREEMENT

THIS AGREEMENT, made and entered into as of the    day of June, 2003, by E&H PROPERTIES, INC., a Pennsylvania corporation (hereinafter referred to as the "Wrap Mortgagee"), and FIRSTRUST BANK, a Pennsylvania savings bank ("Firsttrust") for the benefit of AMERICAN EXPRESS CERTIFICATE COMPANY, a Delaware corporation (hereinafter referred to as the "First Mortgagee").

PRELIMINARY RECITAL:

A. The Wrap Mortgagee is the owner and holder of that certain Wraparound Leasehold Mortgage dated October 20, 1981, in the stated principal amount of Fourteen Million and no/100 Dollars (\$14,000,000.00) made and delivered by Oak Lawn Associates, a New York limited partnership, now known as Oak Lawn Associates, L.P. (hereinafter referred to as the "Borrower"), to Philadelphia Pension Group, a New York limited partnership ("PPG"), predecessor in interest to Main Line Pension Group, L.P., a Delaware limited partnership ("MLPG"), filed in Cook County, Illinois, on December 4, 1981 as Document No. 26077413; as amended by Amendment to Wraparound Leasehold Mortgage dated June 1, 1983, increasing the stated principal amount to Eighteen Million Three Hundred Forty-five Thousand Six and no/100 Dollars (\$18,345,006.00), filed in Cook County, Illinois on May 21, 1984 as Document No. 27093295; and as further amended by Severance and Modification Agreement dated December 31, 1992, decreasing the stated principal amount to Seven Million Seven Hundred Twenty Thousand Six Hundred Eighty-eight and no/100 Dollars (\$7,720,688.00), filed in Cook County, Illinois on May 21, 1999 as Document No. 99495328 (hereinafter collectively referred to as the "Wrap Mortgage"), which constitutes a lien against the real property described on Exhibit "A" attached hereto and made a part hereof (hereinafter referred to as the "Premises").

B. The Wrap Mortgagee is the holder of that certain Collateral Assignment of Leases and Rents made and delivered by Borrower to PPG dated October 20, 1981, filed in Cook County, Illinois on December 4, 1981 as Document No. 26077414 ("Wrap Assignment").

C. PPG transferred the Wrap Mortgage and Wrap Assignment to MLPG by Blanket Assignment of Wraparound Notes, Wraparound Mortgages and Deeds and Collateral Assignments of Rents and Leases dated as of January 1, 1990 and recorded in Cook County, Illinois on May 21, 1999 as Document No. 99495327. MLPG transferred the Wrap Mortgage and the Wrap Assignment to Wrap Mortgagee by Transfer and Assignment of Mortgage Note, Wraparound Mortgage and Collateral Assignment of Rents and Leases dated February 7, 2002 and recorded in Cook County, Illinois on February 7, 2002 as Document No. 0020195654. Wrap Mortgagee collaterally assigned the Wrap Mortgage and the Wrap Assignment to Firsttrust by Collateral Assignment of Mortgage, Assignment of Rents and Leases and Mortgage Note dated May 5, 1999 and recorded in Cook County, Illinois on May 21, 1999 as Document No. 99495326.

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D. The First Mortgagee is the owner and holder of that certain Mortgage and Security Agreement and Fixture Financing Statement with Assignment of Leases and Rents made and delivered by Borrower dated June \_\_\_\_\_, 2003, in the stated principal amount of Two Million and no/100 Dollars (\$2,000,000.00), filed in the office of the County Recorder, Cook County, Illinois, on \_\_\_\_\_, 2003 as Document No. \_\_\_\_\_ (hereinafter referred to as the "First Mortgage"), which constitutes a lien against the Premises.

E. As a condition of the First Mortgagee making the loan evidenced by the First Mortgage (hereinafter referred to as the "First Mortgage Loan"), the First Mortgagee requires that the Wrap Mortgage and Wrap Assignment be subordinated to the First Mortgage.

F. The Borrower has requested the Wrap Mortgagee to subordinate the Wrap Mortgage and Wrap Assignment to the First Mortgage in order to induce the First Mortgagee to make the First Mortgage Loan, and the Wrap Mortgagee is willing to do so.

NOW, THEREFORE, in consideration of the First Mortgage Loan and One and 00/100 Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Wrap Mortgagee hereby agrees as follows:

1. The Wrap Mortgagee does hereby subject and subordinate the Wrap Mortgage, the Wrap Assignment and the liens thereof against the Premises and any other security given to or held by the Wrap Mortgagee as security for payment of the indebtedness secured by the Wrap Mortgage and Wrap Assignment to the First Mortgage and any other security given by the Borrower for repayment of the First Mortgage Loan and to each and every advance made by the First Mortgagee, its successors and assigns, pursuant to the First Mortgage Loan, and to any renewal, extensions or consolidations of the same. Notwithstanding the foregoing, Firstrust and Wrap Mortgagee shall have no obligation to subordinate any guaranty by Edward B. Lipkin they may have to the First Mortgage Loan, and Firstrust and Wrap Mortgagee may exercise any rights or remedies with respect to any such guaranty.

2. The Wrap Mortgagee warrants that it is the owner of the Wrap Mortgage and Wrap Assignment as above described and has all right and title to enter into this Subordination Agreement and acknowledges that but for the execution of this Subordination Agreement, that the First Mortgagee would not enter into the First Mortgage Loan and would not disburse the sums to be secured by the First Mortgage.

3. The Wrap Mortgagee agrees that the First Mortgage Loan, the First Mortgage and any other security given in connection therewith may from time to time be extended, altered, modified and renewed without the consent of the Wrap Mortgagee and without said actions affecting the full and complete subordination of the Wrap Mortgage and Wrap Assignment to the First Mortgage. The Wrap Mortgagee consents to any release of all or any part of the security given for payment of the First Mortgage Loan, any acceptance of additional security of any kind and any release of or resort to any party

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liable for payment thereof, all without affecting the subordination of the Wrap Mortgage and Wrap Assignment to the First Mortgage.

4. The Wrap Mortgagee agrees that it shall not extend or modify the Wrap Mortgage, Wrap Assignment or any documents executed in connection therewith without the First Mortgagee's prior written consent.

5. No waiver or release or relinquishment of the rights of the First Mortgagee under this agreement shall be construed by any action on the part of the First Mortgagee unless said waiver or release is expressly contained in an instrument executed and delivered by the First Mortgagee to the Wrap Mortgagee.

6. This Subordination Agreement and the burdens contained herein shall run with the Wrap Mortgage and Wrap Assignment and shall be binding upon the Wrap Mortgagee, its successors and assigns, including any subsequent holders of the Wrap Mortgage and Wrap Assignment from and after the date hereof. The rights and benefits contained in this Subordination Agreement shall run with the First Mortgage and shall inure to the benefit of the First Mortgagee, its successors and assigns, including any subsequent purchaser of the First Mortgage.

7. Except as specifically permitted in Section 11 below, Wrap Mortgagee agrees that it shall not exercise any foreclosure rights with respect to the Wrap Mortgage while the First Mortgage is a lien on the Premises. Wrap Mortgagee also agrees that it shall not terminate the rights of any tenants at the Premises without obtaining First Mortgagee's prior written consent.

8. The debt secured by the Wrap Mortgage will not mature while the First Mortgage is a lien on the Premises.

9. All payments made to the Wrap Mortgagee for payment of the obligations secured by the Wrap Mortgage shall be tendered to the First Mortgagee by the Wrap Mortgagee for payment of the First Mortgage Loan while the First Mortgage is a lien on the Premises.

10. Wrap Mortgagee agrees that the First Mortgagee shall not be obligated to provide estoppel letters or notices of any kind to the Wrap Mortgagee.

11. Wrap Mortgagee shall provide First Mortgagee with a written notice of any event of default under the Wrap Mortgage together with an opportunity to cure such default, at the sole option of First Mortgagee. First Mortgagee shall be given a ten (10) day grace period beyond any grace period provided to Borrower. Notwithstanding the foregoing, if Wrap Mortgagee or Firstrust intends to commence foreclosure or otherwise exercise their remedies, Wrap Mortgagee and/or Firstrust shall provide First Mortgagee forty-five (45) days' advance written notice prior to commencing such action.

12. The disbursement of any sums secured by the First Mortgage shall constitute reliance by the First Mortgagee upon the terms and provisions of this Subordination Agreement.

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13. Firstrust hereby consents to and agrees to be bound by the terms of this Subordination Agreement.

IN WITNESS WHEREOF, this Subordination Agreement has been executed as of the day and year first above written.

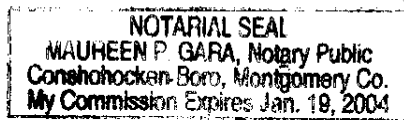
FIRSTTRUST BANK,  
a Pennsylvania savings bank

By: *Bruce A. Gillespie*

Its: BRUCE A. GILLESPIE  
VICE PRESIDENT

STATE OF PENNSYLVANIA )  
 ) ss.  
COUNTY OF PHILADELPHIA )

The foregoing instrument was acknowledged before me this 4<sup>th</sup> day of June, 2003, by Bruce A. Gillespie, the Vice President of Firstrust Bank, a Pennsylvania savings bank, on behalf of the bank.



*Maureen P. Gara*  
Notary Public

E&H PROPERTIES, INC.,  
a Pennsylvania corporation

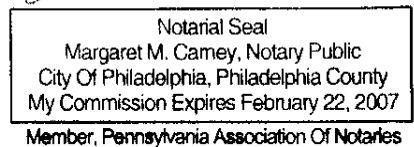
By: *David Simon*

Its: V.P.

STATE OF PENNSYLVANIA )  
 ) ss.  
COUNTY OF PHILADELPHIA )

The foregoing instrument was acknowledged before me this 5<sup>th</sup> day of June, 2003, by David Simon, the Vice President of E&H Properties, Inc., a Pennsylvania corporation, on behalf of the corporation.

*Margaret M. Carney*



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STREET ADDRESS:

CITY:

COUNTY: COOK

TAX NUMBER: 24-03-400-023-0000

## LEGAL DESCRIPTION:

## PARCEL 1:

THAT PART OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 3, TOWNSHIP 37 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTH LINE OF THE NORTH 468.00 FEET OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 3 WITH THE WEST LINE OF CRAWFORD AVENUE PER DOCUMENT NO. 19207514 BEING A LINE 50.00 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF THE SOUTHEAST 1/4 OF SAID SECTION, THENCE SOUTH 00 DEGREES 14 MINUTES 10 SECONDS EAST ALONG SAID WEST LINE OF CRAWFORD AVENUE, 747.288 FEET TO THE POINT OF TANGENCY WITH THE ARC OF A CIRCLE OF 75.00 FEET RADIUS, CONVEX SOUTHEASTERLY, WHOSE CHORD BEARS SOUTH 44 DEGREES 52 MINUTES 55 SECONDS WEST, AND WHOSE TANGENTS ARE THE AFORESAID WEST LINE OF CRAWFORD AVENUE AND THE NORTH LINE OF 95TH STREET PER EASEMENT DOCUMENT NO. 10858729, BEING A LINE 50.00 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF THE SOUTHEAST 1/4 OF SAID SECTION; THENCE SOUTHWESTERLY 118.12 FEET ALONG THE AFORESAID ARC TO THE POINT OF TANGENCY WITH THE AFORESAID NORTH LINE OF 95TH STREET; THENCE WEST, ALONG SAID NORTH LINE, 256.69 FEET TO THE WEST LINE OF THE EAST 382.00 FEET OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION; THENCE NORTH 00 DEGREES 14 MINUTES 10 SECONDS WEST, ALONG SAID WEST LINE, 400.00 FEET TO THE NORTH LINE OF THE SOUTH 450.00 FEET OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION; THENCE WEST ALONG SAID NORTH LINE, 312.00 FEET TO THE WEST LINE OF THE EAST 694.00 FEET OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION; THENCE SOUTH 00 DEGREES 14 MINUTES 10 SECONDS EAST, ALONG SAID WEST LINE, 400.00 FEET TO THE AFORESAID NORTH LINE OF 95TH STREET; THENCE WEST ALONG SAID NORTH LINE, 300.00 FEET TO THE WEST LINE OF THE EAST 994.00 FEET OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION; THENCE NORTH 00 DEGREES 14 MINUTES 10 SECONDS WEST, ALONG SAID WEST LINE, 400.00 FEET TO THE NORTH LINE OF THE SOUTH 450.00 FEET OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION; THENCE WEST, ALONG SAID NORTH LINE, 92.075 FEET TO THE EAST LINE OF THE WEST 241.00 FEET OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION; THENCE NORTH 00 DEGREES 12 MINUTES 27 SECONDS WEST, ALONG SAID EAST LINE, 220.00 FEET; THENCE NORTH 44 DEGREES 37 MINUTES 06 SECONDS EAST, 70.926 FEET TO THE EAST LINE OF THE WEST 291.00 FEET OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION; THENCE NORTH 00 DEGREES 12 MINUTES 27 SECONDS WEST, ALONG SAID EAST LINE, 150.00 FEET TO THE SOUTH LINE OF THE AFORESAID NORTH 468.00 FEET OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION; THENCE NORTH 89 DEGREES 52 MINUTES 39 SECONDS EAST, ALONG SAID SOUTH LINE, 985.859 FEET TO THE HEREINABOVE DESIGNATED POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.

## PARCEL 2:

PERPETUAL, NON-EXCLUSIVE EASEMENTS FOR ACCESS, PARKING AND STORM WATER DRAINAGE FOR THE BENEFIT OF PARCEL 1 AS SET FORTH AND DEFINED IN CROSS ACCESS EASEMENT AGREEMENT MADE BY AND BETWEEN HOME DEPOT U.S.A., INC., OAK LAWN ASSOCIATES, L.P. THE STANDARD BANK AND TRUST COMPANY, AS TRUSTEE UNDER TRUST NUMBER 1227, 95TH & PULASKI, L.L.C., JEWEL FOOD STORES, INC., JACK THOMPSON OLDSMOBILE, INC., AND VILLAGE OF OAK LAWN DATED JUNE 13, 2002 AND RECORDED JUNE 14, 2002 AS DOCUMENT NUMBER 0020669293.

## PARCEL 3:

PERPETUAL, NON-EXCLUSIVE EASEMENTS FOR ACCESS, UTILITIES AND PARKING FOR THE BENEFIT OF PARCEL 1 AS SET FORTH AND DEFINED IN EASEMENT AGREEMENT MADE BY AND BETWEEN THE STANDARD BANK AND TRUST COMPANY, AS TRUSTEE UNDER TRUST NUMBER 1227, OAK LAWN ASSOCIATES, L.P., HOME DEPOT U.S.A., INC., JEWEL FOOD STORES, INC., AND FIFTH THIRD BANK AS TRUSTEE UNDER TRUST NUMBER 11333 DATED JUNE 13, 2002 AND RECORDED JUNE 14, 2002 AS DOCUMENT NUMBER 0020660288.