

# UNOFFICIAL COPY

This Instrument prepared by,  
and after Recording Return to:



Robert J. Katz, PC  
1990 M Street NW, Suite 410  
Washington, DC 20036

Doc#: 0336306201  
Eugene "Gene" Moore Fee: \$38.00  
Cook County Recorder of Deeds  
Date: 12/29/2003 01:55 PM Pg: 1 of 8

## DECLARATION OF SUBORDINATION

**This Declaration of Subordination** made as of December 1, 2003, by ALDEN-NORTHMOOR ASSOCIATES LIMITED PARTNERSHIP, an Illinois limited partnership, whose address is 4200 West Peterson Avenue, Chicago, Illinois 60646 (hereinafter referred to as the "Lessee").

### RECITALS

119261  
**WHEREAS**, LASALLE BANK NATIONAL ASSOCIATION, NOT PERSONALLY BUT SOLELY AS SUCCESSOR TRUSTEE TO AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, UNDER TRUST AGREEMENT DATED AS OF JANUARY 4, 1993 (hereinafter referred to as the "Trust"), AS AMENDED, JUNE 22, 1994, NOVEMBER 16, 1998, FEBRUARY 22, 1997 AND DECEMBER 1, 2003, AND KNOWN AS TRUST NUMBER 116513-04 (hereinafter referred to as the "Mortgagor" or "Lessor", [of which Trust ALDEN-NORTHMOOR ASSOCIATES LIMITED PARTNERSHIP, an Illinois limited partnership, is the Sole Beneficiary, and is hereinafter referred to as the "Beneficiary"]) has entered into with CAMBRIDGE REALTY CAPITAL LTD. OF ILLINOIS, an Illinois corporation (hereinafter referred to as the "Mortgagee"), a First Mortgage Note (hereinafter referred to as the "First Note") dated as of December 1, 2003, in the principal amount of \$9,194,900.00 (hereinafter referred to as the "First Mortgage Loan") secured by a First Mortgage of even date therewith (hereinafter referred to as the "First Mortgage") by and between Mortgagor and Mortgagee which is to be filed for record simultaneously with the recording of this Declaration of Subordination in the Office of the Recorder of Deeds of Cook County, Illinois;

**WHEREAS**, the Mortgagor, the Beneficiary and the Secretary of Housing and Urban Development acting by and through the Federal Housing Commissioner (hereinafter referred to as the "Secretary" or the "Commissioner") have entered into a First Regulatory Agreement for Multifamily Housing Projects (hereinafter referred to as the "First Regulatory Agreement"), dated as of December 1, 2003, which is to be filed for record simultaneously with this Declaration of Subordination in the Office of the Recorder of Deeds of Cook County, Illinois;

**WHEREAS**, Mortgagor has entered into with the Mortgagee, a Second Mortgage Note (hereinafter referred to as the "Second Note") dated as of December 1, 2003, in the principal amount of \$1,941,500.00 (hereinafter referred to as the "Second Mortgage Loan") secured by a Second Mortgage of even date therewith (hereinafter referred to as the "Second Mortgage") by and between Mortgagor and Mortgagee which is to be filed for record simultaneously with the recording of this Declaration of Subordination in the Office of the Recorder of Deeds of Cook County, Illinois;

**WHEREAS**, the Mortgagor, the Beneficiary and the Secretary have entered into a Second Regulatory Agreement for Multifamily Housing Projects (hereinafter referred to as the "Second Regulatory Agreement"), dated as of December 1, 2003, which is to be filed for record simultaneously with this Declaration of Subordination in the Office of the Recorder of Deeds of Cook County, Illinois;

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Box 430

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**WHEREAS**, in order for the Mortgagee to make the: a) First Mortgage Loan; and b) Second Mortgage Loan to the Mortgagor, it is a condition that the First Mortgage Loan and the Second Mortgage Loan be insured by the Commissioner.

**WHEREAS** the First Mortgage Loan is to be insured by the Commissioner in accordance with the terms and conditions of a certain U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FIRM COMMITMENT Section 232 Pursuant to Section 223(a)(7) dated September 30, 2003, as amended, for ALDEN-NORTHMOOR NURSING CENTER (hereinafter referred to as the "Facility"), and which is identified among the records of the Federal Housing Administration (hereinafter referred to as the "FHA") as FHA Project No. 071-43186.

**WHEREAS** the Second Mortgage Loan is to be insured by the Commissioner in accordance with the terms and conditions of a certain U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FEDERAL HOUSING ADMINISTRATION FIRM COMMITMENT Section 223(d), pursuant to Section 223(a)(7) dated September 12, 2003, as amended, for the Facility, and which is identified among the records of the FHA as FHA Project No. 071-15029.

**WHEREAS**, it is a condition precedent to obtaining the insurance of the First Mortgage Loan and the Second Mortgage Loan by the Commissioner that the: (a) Regulatory Agreement Nursing Homes dated as of November 16, 1998, by and between the Lessee and the Commissioner, which was filed for record on November 18, 1998, in the Office of the Recorder of Deeds of Cook County, Illinois, as Document No. 08043943; which Regulatory Agreement Nursing Homes was amended in accordance with the terms and conditions of an Amendment to Regulatory Agreement Nursing Homes dated as of December 1, 2003, by and between the Lessee and the Commissioner, which is to be filed for record simultaneously with this Declaration of Subordination in the Office of the Recorder of Deeds of Cook County, Illinois (hereinafter referred to as the "Regulatory Agreement Nursing Homes"); and (b) Lease dated November 1, 1996, by and between AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, NOT PERSONALLY, BUT SOLELY AS TRUSTEE UNDER TRUST AGREEMENT DATED JANUARY 4, 1993, KNOWN AS TRUST NUMBER 116513-04 (now known as LASALLE BANK NATIONAL ASSOCIATION, NOT PERSONALLY BUT SOLELY AS SUCCESSOR TRUSTEE TO AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, UNDER TRUST AGREEMENT DATED AS OF JANUARY 4, 1993, AS AMENDED, JUNE 22, 1994, NOVEMBER 16, 1998, FEBRUARY 22, 1999 AND DECEMBER 1, 2003, AND KNOWN AS TRUST NUMBER 116513-04, and hereinafter referred to as the "Lessor") and the Lessee (hereinafter referred to as the "Lease"), which Lease was amended in accordance with the terms and conditions of a certain Amendment to Lease dated as of December 1, 2003, by and between the Lessor and the Lessee (hereinafter referred to as the "Amendment to Lease", with the Lease and the Amendment to Lease being hereinafter collectively referred to as the "Lease Agreement"), be subordinate to the: (i) First Mortgage and First Regulatory Agreement; and (ii) Second Mortgage and Second Regulatory Agreement.

**NOW, THEREFORE**, in consideration of the premises and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in order to induce the Mortgagee to make the: a) First Mortgage Loan; and b) Second Mortgage Loan, and the Commissioner to insure said First Mortgage Loan and Second Mortgage Loan, it is hereby declared, understood and agreed as follows:

1. The Lease Agreement (including all of the terms, covenants and provisions thereof) is and shall be subject and subordinate in all respects to the: a) First Mortgage securing the First Note; and b) Second Mortgage securing the Second Note, to the full extent of any and all amounts from time to time secured thereby and interest thereon, all with the same force and effect as if the First Mortgage and Second Mortgage had been executed, delivered and recorded prior to the execution and delivery of the Lease Agreement.
2. Nothing in the Lease Agreement is intended to alter or conflict with the terms, conditions, and provisions of Department of Housing and Urban Development (hereinafter referred to as "HUD") regulations, handbooks, administrative requirements, lender notices or the documents executed by the Mortgagor in connection with the endorsement by the Commissioner of the: a) First Note; and b) Second Note; and to the extent that they do so, in the sole opinion of the Secretary, or his successors, the HUD regulations, administrative requirements, handbooks, lender notices and documents shall control and the Lease Agreement shall be amended or deemed amended so as not to alter or conflict with the aforesaid regulations, documents, administrative requirements, handbooks or notices of the Secretary or his successors, and

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3. Lessee hereby agrees and acknowledges that the Regulatory Agreement Nursing Homes and Lease Agreement are in all respects subject to and subordinate to the: a) First Note, First Mortgage, and First Regulatory Agreement; and b) Second Note, Second Mortgage, and Second Regulatory Agreement, and that, so long as the HUD Mortgage Insurance Contracts are in force between HUD and the holder of the First Mortgage and/or Second Mortgage, and during such further period of time as the Commissioner shall be the owner, holder or reinsurer of the First Mortgage and/or Second Mortgage, or during any time the Commissioner is obligated to insure a mortgage on the mortgaged property, the provisions of such documents and of applicable HUD regulations shall take precedence in the event of any conflict with the provisions of the Regulatory Agreement Nursing Homes and Lease Agreement.

**NO FURTHER TEXT ON THIS PAGE**

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IN WITNESS WHEREOF, this instrument has been duly executed and delivered as of the day, month and year first above written.

**ALDEN-NORTHMOOR REHABILITATION AND HEALTH CARE CENTER, INC., an Illinois corporation**

By: \_\_\_\_\_

Joan Carl, Secretary

STATE OF ILLINOIS )

) SS:

COUNTY OF COOK )

On this 9 day of December 2003, before me personally came Joan Carl, to me known, who being by me duly sworn, did depose and state that she is the Secretary of ALDEN-NORTHMOOR REHABILITATION AND HEALTH CARE CENTER, INC., an Illinois corporation, and did acknowledge that she executed the foregoing instrument as the act and deed of said corporation.

\_\_\_\_\_   
 Notary Public

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DECLARATION

IN WITNESS WHEREOF, the parties have executed this \_\_\_\_\_ / as of the day and year hereinabove first written.

SUBJECT TO THE EXCULPATORY PROVISIONS ATTACHED HERETO AND MADE A PART HEREOF

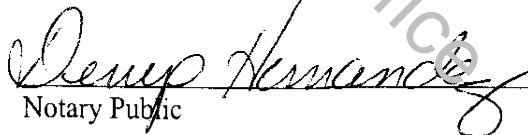
LASALLE BANK NATIONAL ASSOCIATION, NOT PERSONALLY BUT SOLELY AS SUCCESSOR TRUSTEE TO AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, UNDER TRUST AGREEMENT DATED AS OF JANUARY 4, 1993 , AS AMENDED, JUNE 22, 1994, NOVEMBER 16, 1998, FEBRUARY 22, 1999 AND DECEMBER 1, 2003, AND KNOWN AS TRUST NUMBER 116513-04

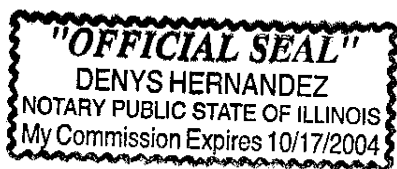
By:    
 Thomas Popovica

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STATE OF ILLINOIS                         )  
  ) SS:  
COUNTY OF COOK                         )

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY THAT ~~Thomas Popovica~~ of LASALLE BANK NATIONAL ASSOCIATION, NOT PERSONALLY BUT SOLELY AS SUCCESSOR TRUSTEE TO AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, UNDER TRUST AGREEMENT DATED AS OF JANUARY 4, 1993 , AS AMENDED, JUNE 22, 1994, NOVEMBER 16, 1998, FEBRUARY 22, 1999 AND DECEMBER 1, 2003, AND KNOWN AS TRUST NUMBER 116513-04, personally known to me to be the ~~ADD~~, of said Bank, as Trustee as aforesaid, and whose name is subscribed to the foregoing instrument appeared before me this day in person and acknowledged that he executed the foregoing instrument and caused the corporate seal of said Bank, as Trustee as aforesaid to be affixed thereto as his free and voluntary act and as the free and voluntary act and deed of said Bank, as Trustee as aforesaid, for the uses and purposes therein set forth.

   
 Notary Public



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**EXCULPATORY PROVISIONS  
FOR ALDEN-NORTHMOOR NURSING CENTER  
FEDERAL HOUSING ADMINISTRATION  
PROJECT NOS. 071-43186 AND 071-15029**

This document is executed by LASALLE BANK NATIONAL ASSOCIATION, NOT PERSONALLY BUT SOLELY AS SUCCESSOR TRUSTEE TO AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, UNDER TRUST AGREEMENT DATED AS OF JANUARY 4, 1993, AS AMENDED, JUNE 22, 1994, NOVEMBER 16, 1998 AND FEBRUARY 22, 1999, AND KNOWN AS TRUST NUMBER 116513-04, in the exercise of the power and authority conferred upon and vested in said Trustee as such, and it is expressly understood and agreed that nothing in this document contained shall be construed as creating any monetary liability on said Trustee personally, to pay any indebtedness occurring thereunder, or any personal monetary liability on said Trustee with respect to the performance of any warranty or covenant, either expressed or implied, in said Agreement (all such personal liability, if any, being expressly waived by the parties hereto and by every person now or hereafter claiming any right or security thereunder), except that the said Trustee shall be liable for funds or property of the Project coming into its hand, which by the First Regulatory Agreement for Multifamily Housing Projects and the Second Regulatory Agreement for Multifamily Housing Projects, it is not entitled to retain.

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**EXHIBIT "A"**  
**LEGAL DESCRIPTION**  
**ALDEN-NORTHMOOR NURSING CENTER**  
**FEDERAL HOUSING ADMINISTRATION**  
**PROJECT NOS. 071-43186 AND 071-15029**

LOT 36 (EXCEPT THE SOUTHEASTERLY 5 FEET THEREOF) AND ALL OF LOTS 37 TO 48 IN BLOCK 8 IN WILSON'S RESUBDIVISION OF BLOCKS 85, 86, 92, 93 AND 94 IN NORWOOD PARK, BEING A PART OF SECTION 6, TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Property Address: 5831-5839 Northwest Highway, City of Chicago, County of Cook, State of Illinois 60631

Permanent Real Estate Index Numbers: 13-06-409-017  
13-06-409-018  
13-06-409-019  
13-06-409-020  
13-06-409-021  
13-06-409-022  
13-06-409-023  
13-06-409-024  
13-06-409-025

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A large, bold, black calligraphic signature or stamp, possibly representing the name 'Robert J. Katz' in a stylized Chinese or Japanese style. The strokes are thick and expressive, with some trailing off at the ends.

**WHEN RECORDED MAIL TO:**

**Robert J. Katz, PC  
1990 M Street NW, Suite 410  
Washington, DC 20036**

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