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Prepared By and After
Recording Return To:

Jeffery Dack
Sidley Austin LLP
One S. Dearborn Street
Chicago, Illinois 60603



Doc#: 0605943295 Fee: \$46.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 02/28/2006 01:55 PM Pg: 1 of 12

INTERCREDITOR AGREEMENT (PARI PASSU)

THIS INTERCREDITOR AGREEMENT (PARI PASSU) (this "Agreement") is made as of February 23, 2006 by and between LOCAL INITIATIVES SUPPORT CORPORATION, an Illinois not for profit corporation ("LISC") and ILLINOIS FACILITIES FUND, an Illinois not for profit corporation ("IFF").

WITNESSETH:

WHEREAS, concurrently herewith, LISC has made a loan ("LISC Loan") to Hyde Park Arts Center, an Illinois not for profit corporation ("Borrower") in the principal amount of One Million and No/100 Dollars (\$1,000,000.00), which LISC Loan is evidenced by that certain Promissory Note dated February 23, 2006 (the "LISC Note") and secured by, among other things, that certain [Leasehold Mortgage] dated of even date herewith (as amended, modified, restated or supplemented from time to time, the "LISC Mortgage"), encumbering Borrower's leasehold interest in that certain lease between Borrower, as lessee, and University of Chicago, as lessor, dated March 14, 2005 (as amended, restated or otherwise modified from time to time, the "Lease"), which Lease covers the real estate described on Exhibit A attached hereto and hereby made a part hereof (the "Property"). The LISC Mortgage was recorded in the Cook County, Illinois Recorder's Office prior to this Agreement. The LISC Note, LISC Mortgage and any other documents and instruments delivered by Borrower in connection therewith (as the same may be amended, restated or otherwise modified from time to time) are hereinafter sometimes collectively referred to as the "LISC Loan Documents";

WHEREAS, concurrently herewith, IFF has made a loan ("IFF Loan") to Borrower, in the principal amount of Seven Hundred Fifty Thousand and No/100 Dollars (\$750,000.00), which IFF Loan is evidenced by that certain Promissory Note dated of even date herewith, from Borrower to IFF (the "IFF Note") and secured by, among other things, that certain Leasehold Mortgage, Security Agreement and Fixture Filing dated of even date therewith, from Borrower as mortgagor in favor of IFF (as amended, modified, restated or supplemented from time to time, the "IFF Mortgage"), which IFF Mortgage encumbers the Lease with respect to the Property. The IFF Mortgage was recorded in the Cook County, Illinois

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Recorder's Office prior to this Agreement. The IFF Note, IFF Mortgage and any other documents and instruments delivered by Borrower in connection therewith (as the same may be amended, restated or otherwise modified from time to time) are hereinafter sometimes collectively referred to as the "IFF Loan Documents"; and

WHEREAS, LISC and IFF have agreed that the liens of the LISC Loan Documents and LISC's right to payment in connection therewith, and the liens of the IFF Loan Documents and IFF's right to payment in connection therewith, are and shall be *pari passu*, of equal priority in accordance with the terms hereof;

NOW, THEREFORE, in consideration of the mutual covenants herein contained and for Ten and No/100 Dollars (\$10.00) and other good and valuable consideration in hand paid, the receipt and sufficiency of which are hereby mutually acknowledged, the parties hereto hereby agree as follows:

1. Equal Priority of LISC Loan and IFF Loan.

(a) Notwithstanding the date, manner or order of execution, grant, attachment, recordation or perfection, the liens created by the LISC Loan Documents, and LISC's right to payment in connection therewith, and the liens created by the IFF Loan Documents and IFF's right to payment in connection therewith, are and shall be *pari passu*, of equal priority. In furtherance of the foregoing, any amounts paid to, recovered by or received by LISC following an event of default under the LISC Loan Documents or the IFF Loan Documents, and any amounts paid to, recovered by or received by IFF following an event of default under the IFF Loan Documents or the LISC Loan Documents, shall be paid to LISC and IFF, *pari passu*, in accordance with LISC's and IFF's Pro Rata Share (as hereinafter defined). Such amounts to be shared between LISC and IFF shall include, without limitation, any amounts received following a foreclosure of either the LISC Mortgage or the IFF Mortgage and/or any amounts received following a casualty or condemnation with respect to the Lease or Property. If either LISC or IFF shall obtain any payment with respect to its loan following the occurrence of an event of default, then such lender shall forward to the other lender such other lender's Pro Rata Share of each amount received. Any and all amounts received by either LISC or IFF following such event of default and prior to the distribution to the other lender of its Pro Rata Share shall be received and held in trust for the benefit of the other lender.

(b) Provided that neither LISC nor IFF has sent to the other lender a notice stating that an event of default beyond applicable cure periods has occurred under the LISC Loan Documents or the IFF Loan Documents, as applicable, then each of LISC and IFF may accept payments of any amounts due and payable to them from time to time under the applicable loan documents, or any prepayments of principal which Borrower may elect to pay thereunder and neither lender shall have any obligation to pay over to the other lender any such amounts.

(c) For purposes hereof, a lender's "Pro Rata Share," at any given time, shall be defined as the amount obtained (expressed as a percentage) by dividing: (i) the outstanding principal amount of such lender's loan at such time, plus all other amounts owed to such lender by Borrower in connection with such loan (including, without limitation, attorneys' fees and expenses, protective advances, accrued interest, and all other amounts added to the principal

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amount of such loan); by (ii) the aggregate outstanding principal amount of both lenders' loans at such time, plus all other amounts owed to such lenders by Borrower in connection with such loans (including, without limitation, attorneys' fees and expenses, protective advances, accrued interest, and all other amounts added to the principal amount of such loans).

2. Notice and Right to Cure; Foreclosure; Marshaling; No Bankruptcy Action. (a) Neither IFF nor LISC shall seek or attempt to exercise any remedy under the IFF Loan Documents or the LISC Loan Documents, as applicable, at law or in equity (including, without limitation foreclosing on its collateral or seeking to obtain a deed-in-lieu of foreclosure), without in each case satisfying the provisions of this Section 3. Upon the default by Borrower under the LISC Loan Documents and/or the IFF Loan Documents, as applicable (and prior to any lender's exercise of any remedies under such loan documents), the applicable lender under whose loan documents Borrower is in default (the "Defaulted Lender") shall give the other lender (the "Non-Defaulted Lender") notice of such default by Borrower by personal delivery or by certified mail, return receipt requested, at the address set forth below its signature, which notice shall be deemed effective upon receipt. The Non-Defaulted Lender shall have sixty (60) days after receipt of such notice of Borrower's default to cure such default on behalf of Borrower, provided that if such default cannot reasonably be cured within such sixty (60) day period and if the Non-Defaulted Lender shall have commenced to remedy such default and is diligently pursuing the cure of such default, then such sixty (60) day period shall be extended to such time as shall reasonably be required to cure such default (the "Cure Period"). The Defaulted Lender agrees not to exercise any of its remedies under the such loan documents, at law or in equity until the expiration of the Cure Period. The Defaulted Lender shall accept cure by the Non-Defaulted Lender of such default as if such cure was made by Borrower, provided such cure is effected within the Cure Period. The foregoing shall apply regardless of whether one or both of the loans is in default.

(b) If the Non-Defaulted Lender does not elect to cure the default of Borrower within the Cure Period, then the Defaulted Lender shall have the right to exercise its remedies under the applicable loan documents, at law or in equity. Such remedy may include foreclosure of the LISC Mortgage or the IFF Mortgage, as applicable. Upon any such foreclosure, the mortgage which is not being foreclosed upon shall automatically, without requirement of further action or agreement, be deemed to be subordinated to the mortgage being foreclosed upon. The provisions of Section 1 hereof, requiring the sharing, pro rata between the lenders, of all proceeds of foreclosure (or amounts received following foreclosure) shall be applicable following such foreclosure of the mortgage. If both lenders elect to foreclosure upon their respective mortgages, then the lender who has filed the foreclosure action first shall be entitled to pursue the foreclosure, and the lender who has filed the foreclosure action second agrees that it will withdraw such action. Upon the filing of any foreclosure action, or the exercise of any other remedy under the applicable loan documents, at law or in equity (any such action, an "Enforcement Action"), such lender shall provide the other lender with copies of any and all material notices, pleadings, agreements, motions and briefs served upon, delivered to or with any party to any Enforcement Action and otherwise keep the other lender reasonably apprised as to the status of any Enforcement Action.

(c) Each lender expressly reserves, and does not waive, any requirement for marshaling of assets thereby in connection with any foreclosure of any security interest or any

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other realization upon collateral in respect of either the LISC Loan or the IFF Loan, as applicable, or any exercise of any rights of set-off or otherwise. Each lender hereunder assumes all responsibility for keeping itself informed as to the condition (financial or otherwise) of Borrower, the condition of the Lease and the Property and all other collateral and other circumstances and, except for notices expressly required by this Agreement, neither lender shall have any duty whatsoever to obtain, advise or deliver information or documents to the other relative to such condition, business, assets and/or operations. Each lender agrees that (except for the obligations expressly provided herein) the other lender owes no fiduciary duty to it, and each such lender agrees not to assert any such claim. No payment or distribution to any lender pursuant to the provisions of this Agreement, and no protective advance (which shall mean any sums advanced for the purpose of payment of real estate taxes, maintenance costs, insurance premiums, rent under the Lease or other items reasonably necessary to protect the Lease or Property from forfeiture, casualty, loss or waste), shall entitle such lender to exercise any right of subrogation in respect thereof prior to the payment in full of the other lender's loan.

(d) Without limitation of any of the provisions of this Agreement, neither IFF nor LISC shall at any time or in any way whatsoever: (i) commence any case proceeding or other action with respect to Borrower under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization or relief of debtors; or (ii) consent to, or acquiesce in, the institution of bankruptcy or insolvency proceedings against Borrower.

3. No Modification of LISC Loan Documents or IFF Loan Documents; No Other Collateral. LISC and IFF agree that neither the LISC Loan Documents nor the IFF Loan Documents shall be modified, amended, restated or extended without the prior written consent of the other lender, which consent may be withheld in such other lender's sole and absolute discretion. LISC and IFF agree that the LISC Mortgage and the IFF Mortgage encumber the only collateral for the LISC Loan and the IFF Loan, and that neither lender has a lien on any other property of Borrower. LISC and IFF agree that in the event either (or both) obtains a lien on, security interest in, or any other interest with respect to, any other property of Borrower (now or hereafter owned by Borrower), then such lien, such collateral and the proceeds of such collateral, shall be subject to the terms of this Agreement (it being the intent hereof that any such additional collateral be shared by the lenders *pari passu*).

4. No Cross Default or Cross Collateralization. Notwithstanding any of the terms or provisions hereof or in the LISC Loan Documents or the IFF Loan Documents, for so long as either the LISC Mortgage or the IFF Mortgage encumbers the Lease and Property: (a) the LISC Mortgage shall secure only the obligations of Borrower to LISC arising as a result of and pursuant to the LISC Note and such additional sums, advances and expenses incurred by LISC for the insuring, preserving or otherwise protecting the Lease and the Property and its value; and (b) the IFF Mortgage shall secure only the obligations of Borrower to IFF arising as a result of and pursuant to the IFF Note and such additional sums, advances and expenses incurred by IFF for the insuring, preserving or otherwise protecting the Property and its value. Neither LISC nor IFF shall cross default its loan documents with any other obligations or liabilities of Borrower.

5. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of each of the parties hereto but does not otherwise create, and shall not be construed as creating, any rights enforceable by any person not

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a party to this Agreement. Notwithstanding the foregoing, neither LISC nor IFF shall have the right to sell, assign, convey, participate or otherwise transfer, directly, indirectly by operation of law or otherwise, its interest in the LISC Loan and the LISC Loan Documents, or its interest in the IFF Loan or the IFF Loan Documents, as applicable, without the prior written consent of the other lender, which consent may be withheld in such other lender's sole and absolute discretion.

6. Modification, Waiver. No modification, waiver, amendment or discharge of this Agreement shall be valid unless the same is in writing and signed by the party against whom the enforcement of such modification, waiver, amendment, discharge or change is sought. No provision hereof shall be modified or limited by course of conduct or usage of trade except by a written agreement executed pursuant hereto.

7. Severability; Conflict; Effectiveness. In the event that any of the covenants, agreements, terms or provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect, the validity of the remaining covenants, agreements, terms and provisions contained herein shall not be in any way affected, prejudiced or disturbed thereby. In the event of a conflict between the terms and conditions of this Agreement and the terms and conditions of the IFF Loan Documents and/or the LISC Loan Documents, the terms and conditions of this Agreement shall control. All rights, interests, agreements and obligations of the lenders under this Agreement shall remain in full force and effect irrespective of: (a) any lack of validity or enforceability of the LISC Loan Documents or the IFF Loan Documents or any other agreement or instrument relating thereto; (b) any taking, exchange, release or non-perfection of any other collateral, or any taking, release or amendment or waiver of or consent to or departure from any guaranty, for all or any portion of the LISC Loan or the IFF Loan; (c) any manner of application of collateral, or proceeds thereof, to all or any portion of the LISC Loan or the IFF Loan; (d) any change, restructuring or termination of the corporate structure or existence of Borrower; or (e) any other circumstance which might otherwise constitute a defense available to, or a discharge of, Borrower or a subordinated creditor subject to the terms hereof. This Agreement shall continue to be effective or be reinstated, as the case may be, if at any time any payment of all or any portion of the LISC Loan or IFF Loan is rescinded or must otherwise be returned by the applicable lender upon the insolvency, bankruptcy or reorganization of Borrower or otherwise, all as though such payment had not been made.

8. Other Business; Set-off. LISC and IFF may lend money to and generally engage in any kind of lending or other business with Borrower or any affiliate of Borrower as if it were not performing the duties specified herein, and may accept fees and other considerations from Borrower or any such affiliate for services in connection with this Agreement and otherwise without having to account for the same to the other party hereto. Neither lender shall exercise any right of set-off, banker's lien or similar right without the consent of the other lender.

9. Relationship of Borrower and lenders. The provisions of this Agreement are intended to be solely for the benefit of LISC and IFF. The terms and conditions of this Agreement do not bind Borrower and do not benefit Borrower.

10. Counterparts; Headings. This Agreement and all acknowledgments and consents hereto may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an

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original and all of which taken together shall constitute but one and the same instrument. The headings used in this Agreement are inserted only as a matter of convenience and for reference, and are not and shall not be deemed to be a part hereof.

11. Due Authorization; Further Assurances. The persons executing this Agreement on behalf of a party hereto represent and warrant to the other party that he or she has been duly authorized by such party to so execute this Agreement. So long as all or any portion of the LISC Loan and the IFF Loan remains unpaid, LISC and IFF will each execute, acknowledge and deliver in recordable form and upon demand of the other, any other instruments or agreements reasonably required in order to carry out the provisions of this Agreement or to effectuate the intent and purposes hereof.

12. Governing Law; Jurisdiction. This Agreement shall be governed by the laws of the State of Illinois, without regard to conflict of laws principles. Any suit brought relating to the rights of LISC or IFF shall be brought in a state or federal court located in the City of Chicago, Illinois.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement pursuant to authority duly given, as of the date first above written.

LISC:

LOCAL INITIATIVES SUPPORT CORPORATION,
an Illinois not for profit corporation

By: *Evelyn M. Brown*

Name: Evelyn M. Brown

Its: Senior Program Vice President

Address for notice:

One North LaSalle Street
Chicago, Illinois 60602

with a copy to:

Laura Tilly
Miner, Barnhill, & Galland, P.C.
14 W. Erie Street
Chicago, Illinois 60610

IFF:

ILLINOIS FACILITIES FUND,
an Illinois not for profit corporation

By: _____

Name: Trinita Logue

Its: President

Address for notice:

One North LaSalle St.,
Chicago, Illinois 60602

with a copy to:

John M. Rafkin
Sidley Austin LLP
One S. Dearborn Street
Chicago, Illinois 60603

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement pursuant to authority duly given, as of the date first above written.

LISC:

LOCAL INITIATIVES SUPPORT CORPORATION,
an Illinois not for profit corporation

By: _____

Name: _____

Its: _____

Address for notice:

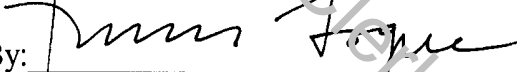
One North LaSalle Street
Chicago, Illinois 60602

with a copy to:

Laura Tilly
Miner, Barnhill, & Galland, P.C.
14 W. Erie Street
Chicago, Illinois 60610

IFF:

ILLINOIS FACILITIES FUND,
an Illinois not for profit corporation

By:  _____

Name: Trinita Logue

Its: President

Address for notice:

One North LaSalle St.,
Chicago, Illinois 60602

with a copy to:

John M. Rafkin
Sidley Austin LLP
One S. Dearborn Street
Chicago, Illinois 60603

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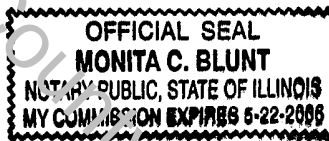
STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY that EVELYN BROWN, personally known to me to be the SR. PROGRAM V.P. of LOCAL INITIATIVES SUPPORT CORPORATION, a [New York] not for profit corporation, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that, pursuant to authority duly given by said EVELYN BROWN she signed and delivered the instrument as such Sr. V.P. of said LOCAL INITIATIVES SUPPORT CORPORATION, as his/her free and voluntary act, and as the free voluntary act of said corporation for the uses and purposes therein set forth.

Given under my hand and official seal, this 23rd day of Feb., 2006.

Monita C. Blunt
Notary Public

Commission expires 5-22-06



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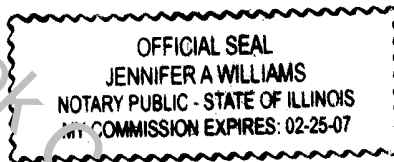
STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Jennifer A. Williams, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY that Trinita Logue, personally known to me to be the President of Illinois Facilities Fund, an Illinois not for profit corporation, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such President, she signed and delivered the said instrument as such President, pursuant to authority, given by the Board of Trustees of said corporation as her free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

Given under my hand and official seal, this 23 day of February, 2006.

Jennifer A. Williams
Notary Public

Commission expires Feb. 25, 2007



CHICAGO TITLE INSURANCE COMPANY
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LOAN POLICY (1992)

EXHIBIT A

SCHEDULE A (CONTINUED)

POLICY NO.: 1401 008289952 D2

5. THE LAND REFERRED TO IN THIS POLICY IS DESCRIBED AS FOLLOWS:

THE ESTATE OR INTEREST IN THE LAND DESCRIBED BELOW AND COVERED HEREIN IS:

THE LEASEHOLD ESTATE (SAID LEASEHOLD ESTATE BEING DEFINED IN PARAGRAPH 1.c. OF THE ALTA LEASEHOLD ENDORSEMENT(S) ATTACHED HERETO), CREATED BY THE INSTRUMENT HEREIN REFERRED TO AS THE LEASE, EXECUTED BY: UNIVERSITY OF CHICAGO, AN ILLINOIS NOT-FOR-PROFIT CORPORATION, AS LESSOR, AND HYDE PARK ART CENTER, AN ILLINOIS NOT-FOR-PROFIT CORPORATION, AS LESSEE, DATED DECEMBER 15, 2005, WHICH MEMORANDUM OF LICENSE AGREEMENT WAS RECORDED ~ AS DOCUMENT ~, WHICH LEASE DEMISES THE FOLLOWING DESCRIBED LAND FOR A TERM OF YEARS BEGINNING MARCH 14, 2005 AND ENDING MARCH 13, 2033.

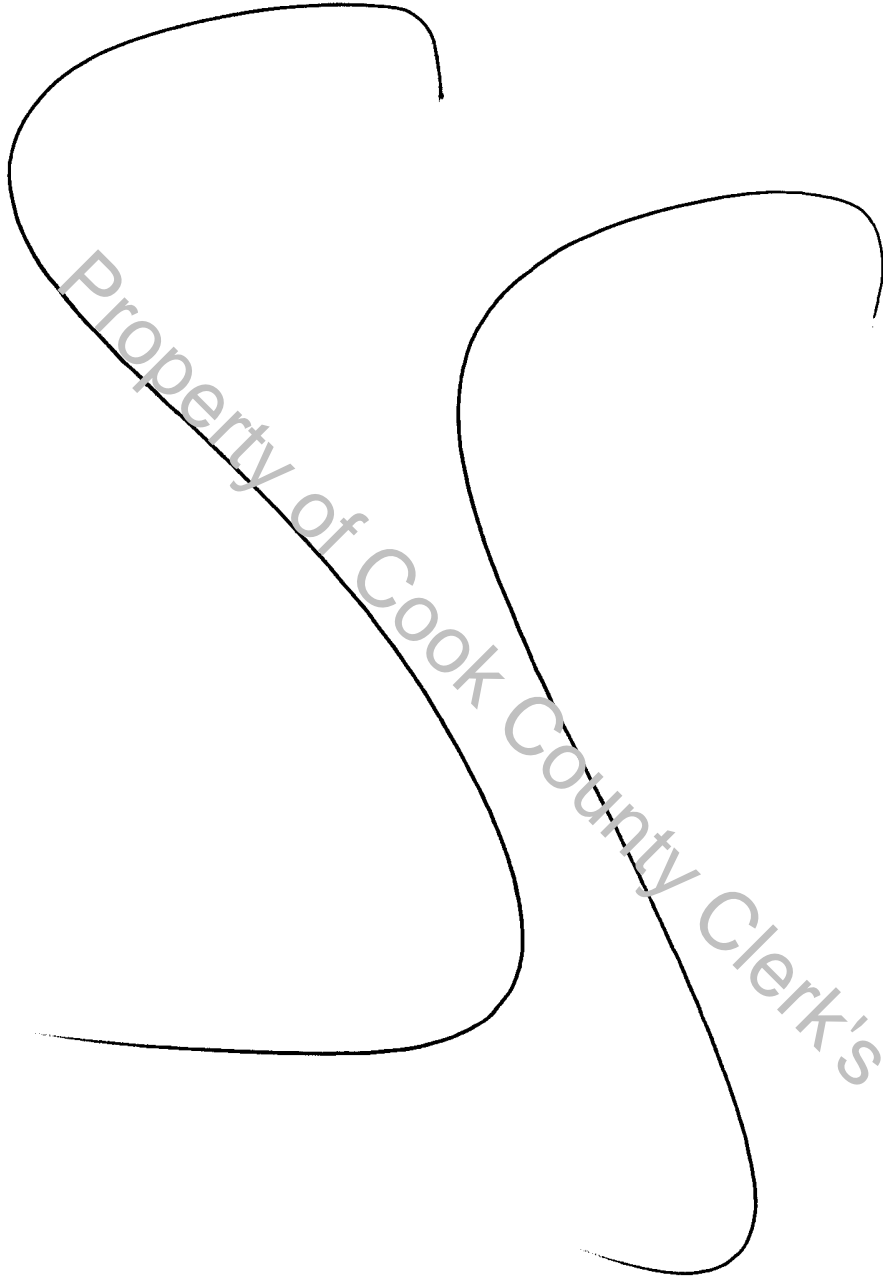
A TRACT OF LAND SITUATED IN THE NW 1/4 OF SECTION 12, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, COOK COUNTY, ILLINOIS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID NW 1/4; THENCE EAST ALONG THE SOUTH LINE OF SAID NW 1/4, 12.00 FEET; THENCE NORTH PARALLEL WITH THE WEST LINE OF SAID NW 1/4, 215.00 FEET TO THE POINT OF BEGINNING; THENCE EAST PARALLEL WITH THE SAID SOUTH LINE, 106.37 FEET; THENCE NORTH PARALLEL WITH THE SAID WEST LINE, 273.30 FEET; THENCE SOUTHEASTERLY 16.55 FEET TO A POINT 481.29 FEET NORTH OF THE SAID SOUTH LINE; THENCE NORTH PARALLEL WITH THE SAID WEST LINE, 34.00 FEET; THENCE SOUTHWESTERLY 16.55 FEET TO A POINT 508.37 FEET NORTH OF SAID SOUTH LINE; THENCE NORTH PARALLEL WITH THE SAID WEST LINE, 14.24 FEET; THENCE WEST PARALLEL WITH THE SAID SOUTH LINE TO A POINT 12.00 FEET EAST OF THE SAID WEST LINE; THENCE SOUTH PARALLEL WITH THE SAID WEST LINE TO A POINT OF BEGINNING.

THIS POLICY VALID ONLY IF SCHEDULE B IS ATTACHED.

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PERM TAX# 20-12-101-012-0000 20-12-101-013-0000 20-12-101-014-0000 20-12-101-018-0000 20-12-101-021-0000
20-12-101-022-0000 20-12-101-023-0000



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