

# UNOFFICIAL COPY



Doc#: 0622322081 Fee: \$32.00  
Eugene "Gene" Moore  
Cook County Recorder of Deeds  
Date: 08/11/2006 01:04 PM Pg: 1 of 5

This instrument prepared by and  
after recording should be returned to:

Arthur Dolinsky  
Senior Counsel  
City of Chicago  
Department of Law, Real Estate Division  
121 North LaSalle Street, Room 600  
Chicago, Illinois 60602

## REDEVELOPMENT SUBORDINATION AGREEMENT

This Redevelopment Subordination Agreement ("Agreement") is executed and delivered as of ~~July 8~~ <sup>August 8</sup>, 2006, by Inland Bank and Trust, an Illinois banking corporation ("Lender"), in favor of the City of Chicago, an Illinois municipal corporation (the "City").

### WITNESSETH:

WHEREAS, South Shore Development VI, LLC, an Illinois limited liability company (the "Developer") and the City, acting by and through its Department of Planning and Development, have entered into that certain Agreement for the Sale and Redevelopment of Land dated as of ~~July 8~~ <sup>August 8</sup>, 2006, and recorded with the Office of the Recorder of Deeds of Cook County, Illinois, on August 11, 2006, as Document No. \* 0622322074 ("Redevelopment Agreement"), pursuant to which the City has agreed to sell and the Developer has agreed to purchase the real property legally described on Exhibit A attached hereto (the "Property"); and

WHEREAS, pursuant to the terms of the Redevelopment Agreement, the Developer has agreed to construct condominiums on the Property (the "Project"); and

WHEREAS, as part of obtaining financing for the Project, the Developer and the Lender have entered into that certain Loan Agreement dated as of ~~July 8~~ <sup>August 8</sup>, 2006 (the "Loan Agreement"), pursuant to which the Lender has agreed to provide a loan in the principal amount of up to Two Million Three Hundred Three Thousand Five Hundred Dollars (\$2,303,500) (the "Loan"), which Loan is evidenced by a Promissory Note (the "Note") in said amount to be executed and delivered by the Developer to the Lender, and the repayment of the Loan is secured by certain liens and encumbrances on the Property pursuant to the Loan Agreement (all such agreements being referred to herein collectively as the "Loan Documents"); and

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**WHEREAS**, pursuant to the Redevelopment Agreement, the Developer has agreed to be bound by certain covenants expressly running with the Property, as set forth in Sections 12, 14, 15 and 16 of the Redevelopment Agreement (the "City Encumbrances"); and

**WHEREAS**, the Redevelopment Agreement requires that the Lender agree to subordinate its liens under the Loan Documents to the City Encumbrances.

**NOW, THEREFORE**, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lender hereby agrees as follows:

1. Subordination. All rights, interests and claims of the Lender in the Property pursuant to the Loan Documents are and shall be subject and subordinate to the City Encumbrances. Nothing herein, however, shall be deemed to limit any of the Lender's other rights or other priorities under the Loan Documents, including, without limitation, the Lender's rights to receive, and the Developer's obligation to make, payments and prepayments of principal and interest on the Note or to exercise the Lender's rights pursuant to the Loan Documents except as provided herein.

2. Notice of Default. The Lender shall use reasonable efforts to give to the City (a) copies of any notices of default which it may give to the Developer with respect to the Project pursuant to the Loan Documents, and (b) copies of waivers, if any, of the Developer's default in connection therewith. Neither the Developer nor any other third party is an intended beneficiary of this Section 2. Failure of the Lender to deliver such notices or waivers shall in no instance alter the rights or remedies of the Lender under the Loan Documents.

3. Waivers. No waiver shall be deemed to be made by the City of any of its rights hereunder unless the same shall be in writing, and each waiver, if any, shall be a waiver only with respect to the specific instance involved and shall in no way impair the rights of the City in any other respect at any other time.

4. Governing Law; Binding Effect. This Agreement shall be interpreted, and the rights and liabilities of the parties hereto determined, in accordance with the internal laws and decisions of the State of Illinois, without regard to its conflict of laws principles, and shall be binding upon and inure to the benefit of the respective successors and assigns of the City and the Lender.

5. Section Titles; Plurals. The section titles contained in this Agreement are and shall be without substantive meaning or content of any kind whatsoever and are not a part of the agreement between the parties hereto. The singular form of any word used in this Agreement shall include the plural form.

6. Notices. Any notice required hereunder shall be in writing and addressed to the parties as set forth below by any of the following means: (a) personal service; (b)

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overnight courier; or (c) registered or certified first class mail, postage prepaid, return receipt requested:

If to the City: City of Chicago  
 Department of Planning and Development  
 121 North LaSalle Street, Room 1000  
 Chicago, Illinois 60602  
 Attn: James Wilson

With a copy to: City of Chicago  
 Department of Law  
 121 North LaSalle Street, Room 600  
 Chicago, Illinois 60602  
 Attn: Real Estate Division


If to the Lender: Inland Bank and Trust  
 2225 South Wolf Road  
 Hillside, Illinois 60162  
 Attn: Mr. Gene Guidici

With a copy to: Scott & Kraus, LLC  
 150 South Wacker Drive, Suite 2900  
 Chicago, Illinois 60606  
 Attention: Drew J. Scott, Esq.

Any notice given pursuant to clause (a) hereof shall be deemed received upon such personal service. Any notice given pursuant to clause (b) shall be deemed received on the day immediately following deposit with the overnight courier. Any notice given pursuant to clause (c) shall be deemed received three (3) business days after mailing. The parties, by notice given hereunder, may designate any further or different addresses to which subsequent notices, demands or communications shall be given.

**IN WITNESS WHEREOF**, Lender has executed this Redevelopment Subordination Agreement as of the date first written above.

Inland Bank and Trust

By:   
 Name: ~~Gene Guidici~~ John F. Kerner  
 Its: Senior Vice President

Attachment: Exhibit A (legal description, PIN and address)

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STATE OF ILLINOIS)

) SS.

COUNTY OF COOK)

JOHN F. KOVACS

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that ~~Gene Guidici~~, the Senior Vice President of Inland Bank and Trust, an Illinois banking corporation, 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, being first duly sworn by me, acknowledged that he signed and delivered the foregoing instrument pursuant to authority given by said corporation, as his 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 notarial seal this 8 day of August, 2006.



*Claudia L. Earles*  
NOTARY PUBLIC

Property of Cook County Clerk's Office

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## Exhibit A

### Legal Description

#### **Colfax Parcel:**

THE SOUTH 10 FEET OF LOT 16, AND ALL OF LOTS 17 AND LOTS 18 IN BLOCK 8 IN SOUTH SHORE PARK, BEING A SUBDIVISION OF THE WEST ½ OF THE SOUTHWEST ¼ (EXCEPT STREETS) OF SECTION 30, TOWNSHIP 38 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 7650-56 SOUTH COLFAX AVENUE  
CHICAGO, ILLINOIS 60649

PERMANENT INDEX NO. 21-30-310-020

#### **Kingston Parcel:**

ALL OF LOT 150 (EXCEPT THE SOUTH 12 FEET) AND LOT 151 (EXCEPT THE NORTH 6 FEET) IN THE SUBDIVISION OF THE 17.177 ACRES LYING SOUTH OF THE BALTIMORE AND OHIO RAILROAD IN THE NORTHWEST ¼ OF THE NORTHWEST ¼ OF SECTION 31, TOWNSHIP 38 NORTH, RANGE 15 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 8036 SOUTH KINGSTON AVENUE  
CHICAGO, ILLINOIS 60649

PERMANENT INDEX NO. 21-31-110-034