

# UNOFFICIAL COPY



Prepared By and After  
Recording Return To:

Doc#: 0706642120 Fee: \$38.00  
Eugene "Gene" Moore RHSP Fee: \$10.00  
Cook County Recorder of Deeds  
Date: 03/07/2007 11:39 AM Pg: 1 of 8

David E. Woods  
Sidley Austin LLP  
One South Dearborn  
Chicago, Illinois 60603

## SUBORDINATION AGREEMENT

THIS SUBORDINATION AGREEMENT ("Agreement") is made as of  
January 11, 2007 by and between BRIDGEVIEW BANK, an Illinois not-for-profit  
corporation ("Senior Lender") and IFF CAPITAL II LLC, an Illinois limited liability company  
("Subordinated Lender").

### WITNESSETH:

WHEREAS, Senior Lender has made a loan ("Term Loan") to Alternatives, Inc.,  
an Illinois not-for-profit corporation ("Borrower") in the principal amount of Seven Hundred  
Forty Five Thousand and no/100 Dollars (\$745,000.00), which Term Loan is evidenced by that  
certain Promissory Note dated December 1, 2003 (the "Term Note") and secured by, among  
other things, that certain Mortgage and Security Agreement on real estate described on Exhibit A  
attached hereto and hereby made a part hereof (the "Property") dated of even date therewith,  
from Borrower in favor of Senior Lender (as amended, modified, restated or supplemented from  
time to time, the "Term Mortgage"), which Senior Mortgage was recorded on December 29,  
2003 in the Cook County Recorder's Office, as Document No. 0336342072. The Term Note,  
Term 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 "Term Loan Documents";

WHEREAS, Senior Lender has made a loan ("Revolving Loan") to Borrower in  
the principal amount of One Hundred Seventy Thousand and no/100 Dollars (\$170,000.00),  
which Revolving Loan is evidenced by that certain Promissory Note dated May 6, 2004 (the  
"Revolving Note") and secured by, among other things, that certain Mortgage and Security  
Agreement on the Property, dated of even date therewith, from Borrower in favor of Senior  
Lender (as amended, modified, restated or supplemented from time to time, the "Revolving  
Mortgage"), which Revolving Mortgage was recorded on June 14, 2004 in the Cook County  
Recorder's Office, as Document No. 0416635010. The Revolving Note, Revolving 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 "Revolving Loan Documents". The Term Note and

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Revolving Note are referred to collectively herein as the "Senior Notes". The Term Mortgage and Revolving Mortgage are referred to collectively herein as the "Senior Mortgages". The Term Loan Documents and the Revolving Loan Documents are collectively referred to herein as the "Senior Loan Documents";

**WHEREAS**, Subordinated Lender shall make a loan ("Subordinated Loan") to Borrower, in the principal amount of Two Hundred Eighty-Five Thousand and No/100 Dollars (\$285,000.00), which Subordinated Loan shall be evidenced by that certain Promissory Note dated February 9, 2007, from Borrower to Subordinated Lender (the "Subordinated Note") and secured by, among other things, that certain Mortgage, Security Agreement and Fixture Filing dated of even date therewith, from Borrower as mortgagor in favor of Subordinated Lender (as amended, modified, restated or supplemented from time to time, the "Subordinated Mortgage"), on the Property, which Subordinated Mortgage shall be recorded in the Cook County Recorder's Office prior to the recordation of this Agreement. The Subordinated Note, Subordinated 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 "Subordinated Loan Documents";

**WHEREAS**, Subordinated Lender has agreed that the lien of the Subordinated Loan Documents and its right to payment in connection therewith is and shall be subordinated to the lien of the Senior Loan Documents and Senior Lender's rights thereunder;

**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. Subordination of Subordinated Loan Documents. Notwithstanding the date, manner or order of grant, attachment, recordation or perfection, the lien evidenced by the Subordinated Mortgage is and at all times shall remain, junior, subject and subordinate to the lien evidenced by the Senior Mortgages.

2. Notice and Right to Cure. Senior Lender agrees that, upon default of Borrower under the Senior Loan Documents, and prior to Senior Lender's exercise of any remedies under such Senior Loan Documents, Senior Lender shall give Subordinated Lender notice thereof 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. Subordinated Lender shall have thirty (30) days after receipt of the notice of Borrower's default to cure such default on behalf of Borrower, provided that if such default cannot reasonably be cured within such ninety (90) day period and Subordinated Lender shall have commenced to remedy such default and is diligently pursuing the cure of such default, then such thirty (30) day period shall be extended to such time as Subordinated Lender shall reasonably require to cure such default, including such time as is necessary to gain possession of the Property (the "Cure Period"). Senior Lender agrees not to exercise any of its remedies under the Senior Loan Documents until expiration of the Cure Period. Senior Lender shall accept cure by Subordinated Lender of such default as if such cure was made by Borrower, provided such cure is effected within the Cure Period.

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3. No Modification of Senior Loan Documents without Consent. Senior Lender agrees that the Senior Loan Documents shall not be modified, amended or extended without the prior written consent of Subordinated Lender, which consent may be withheld in its sole and absolute discretion. Notwithstanding the foregoing, the Revolving Loan may be renewed from time to time so long as Senior Lender provides Subordinated Lender with notice within 5 business days every time the Revolving Loan is renewed.

4. No Cross Default or Cross Collateralization. Notwithstanding any of the terms or provisions hereof or in the Senior Loan Documents, for so long as the Subordinated Mortgage encumbers the Property, the Senior Mortgages shall secure only the obligations of Borrower to Senior Lender arising as a result of and pursuant to the Senior Notes and such additional sums, advances and expenses incurred by Senior Lender for the insuring, preserving or otherwise protecting the Property and its value.

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 a party to this Agreement.

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. 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.

8. Counterparts. 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 original and all of which taken together shall constitute but one and the same instrument.

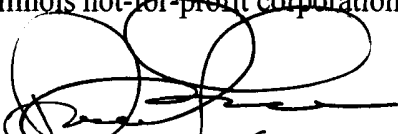
9. Due Authorization. The persons executing this Agreement on behalf of a party hereto represent and warrant to the other party that he or she has been duly authorized by such party to so execute this Agreement.

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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.

**SENIOR LENDER**

BRIDGEVIEW BANK,  
an Illinois not-for-profit corporation

By:   
Name: DAVID GZLEWIA  
Its: SENIOR V. P.

~~**SUBORDINATED LENDER**~~

IFF CAPITAL II LLC,  
an Illinois Limited Liability Corporation

By: \_\_\_\_\_  
Name: Trinita Logue  
Its: Executive Director  
One North LaSalle Street, Suite 700  
Chicago, Illinois 60602

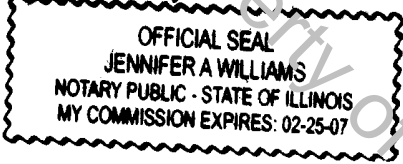
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STATE OF ILLINOIS        )  
  ) SS  
COUNTY OF                )

I, the undersigned, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY that David Grzenia, personally known to me to be the Senior Vice President of BridgeView Bank, 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 Corporation, he signed and delivered the instrument as such V.P. of said 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 22 day of January, 2007.



Jennifer A. Williams  
Notary Public

Commission expires Feb. 25, 2007

Cook County Clerk's Office

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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.

**SENIOR LENDER**

BRIDGEVIEW BANK,  
an Illinois not-for-profit corporation

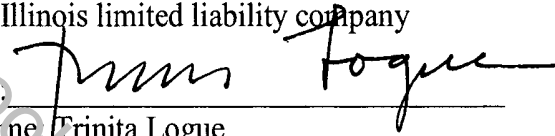
By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

**SUBORDINATED LENDER**

IFF CAPITAL II LLC,  
an Illinois limited liability company

By: 

Name: Trinita Logue

Its: Executive Director

One North LaSalle Street, Suite 700  
Chicago, Illinois 60602

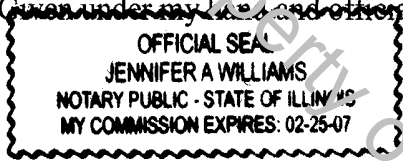
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STATE OF ILLINOIS     )  
  ) SS.  
COUNTY OF COOK     )

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 IFF Capital II LLC, an Illinois limited liability company, 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 January 2007.



Jennifer A. Williams  
Notary Public

Commission expires Feb. 25, 2007

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## EXHIBIT A

### LEGAL DESCRIPTION

LOTS 6 AND 7 IN WILLIAMS DEERING SURRENDEN SUBDIVISION OF THE WEST ½ OF THE NORTHEAST ¼ OF SECTION 17, TOWNSHIP 40 NORTH RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Common Address: 4730 N. Sheridan Road, Chicago, Illinois  
PIN: 14-17-203-014

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