

# UNOFFICIAL COPY



Doc#: 0803160041 Fee: \$42.00  
Eugene "Gene" Moore RHSP Fee: \$10.00  
Cook County Recorder of Deeds  
Date: 01/31/2008 03:59 PM Pg: 1 of 10

RECORDING REQUESTED BY )  
AND WHEN RECORDED MAIL )  
TO: )  
Charity & Associates )  
20 North Clark, Suite 1150 )  
Chicago, Illinois 60602 )  
Attn: Elvin E. Charity, Esq. )

## SUBORDINATION AGREEMENT (TRUST FUND)

THIS SUBORDINATION AGREEMENT ("Subordination Agreement") is made as of January 31, 2008, by SENIOR SUITES CHICAGO MARQUETTE VILLAGE, LLC, an Illinois limited liability company ("Borrower"), the owner of fee simple title to the real property hereinafter described, with a mailing address of, 111 E. Wacker Drive, Suite 2200, Chicago, Illinois 60601, CHICAGO LOW-INCOME HOUSING TRUST FUND, an Illinois not-for-profit corporation ("Junior Lender"), party to the Subordinated Documents (as hereinafter defined), with a mailing address c/o Department of Housing, 33 North LaSalle Street, 11th Floor, Chicago, Illinois 60602 and HARRIS N.A., a national banking association ("Bank"), with a mailing address of 111 West Monroe Street, P.O. Box 755, Chicago, Illinois 60690-0755.

Near North National Title  
222 N. LaSalle  
Chicago, IL 60601



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NO1080001

MAIL TO 100F11-JLW

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## RECITALS

- A. Contemporaneously herewith, Borrower and Junior Lender are entering into a Regulatory Agreement ("**Regulatory Agreement**"), which agreement, among other things, regulates the use and occupancy of certain residential units at the Property. Borrower is also executing contemporaneously herewith a Junior Mortgage, Security Agreement and Financing Statement ("**Subordinate Mortgage**") to secure a promissory note ("**Subordinated Note**" and, which, together with the Regulatory Agreement and the Subordinate Mortgage, are collectively referred to as the "**Subordinated Documents**") in the principal amount of One Million Four Hundred Fifty Thousand and No/100 Dollars (\$1,450,000), in favor of Junior Lender. The Subordinated Documents encumber certain real property located in the City of Chicago, County of Cook, State of Illinois, as more particularly described in Exhibit A attached hereto and made a part hereof ("**Property**").
- B. Junior Lender and Borrower desire that Bank make a loan to Borrower in the maximum principal amount of One Million Four Hundred Fifty Thousand and No/100 Dollars (\$1,450,000) (the "**Loan**"). The Borrower has executed and delivered to Lender a Promissory Note in the principal amount of \$1,450,000 (the "**Note**") of even date herewith, wherein Borrower promises to pay to the order of Lender the maximum aggregate principal amount of the Loans, or so much thereof as may now or hereafter be disbursed by Lender under the Notes, together with interest thereon, in installments as set forth in the Notes. As security for the Note, Borrower has executed or will execute a Construction Mortgage, Personal Property Security Agreement, Assignment of Leases and Rentals and Financing Statement, dated as of the date hereof ("**Senior Mortgage**"), which Senior Mortgage is being recorded concurrently herewith.
- C. It is a condition to Bank's making the Loan to Borrower that the Senior Mortgage unconditionally be and remain at all times a lien, claim and charge upon the Property prior and superior to the liens, claims and charges of the Subordinated Documents.
- D. It is to the mutual benefit of the parties that Bank make the Loan to Borrower, and Junior Lender is willing that the Senior Mortgage constitute a lien, claim and charge upon the Property unconditionally prior and superior to the liens, claims and charges of the Subordinated Documents.
- E. Bank would not make the Loans without this Subordination Agreement.

## AGREEMENTS

1. The Senior Mortgage, and, subject to Paragraph 3 hereof, any and all renewals, modifications, extensions or advances thereunder or secured thereby (including interest thereon), is unconditionally and will remain at all times a lien, claim or charge on the Property prior and superior to the Subordinated Documents.
2. Junior Lender agrees that:
  - (a) Junior Lender consents to (i) all provisions of the Senior Mortgage and Note; and (ii) the Construction Loan Agreement, dated as of the date hereof, between Borrower and Bank providing for the disbursement of the Loan;

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- (b) In making disbursements, Bank is under no obligation or duty to, nor has Bank represented that it will, see to the application of the Loan proceeds;
- (c) Subject to Paragraph 3 hereof, Junior Lender intentionally and unconditionally waives, relinquishes, subjects and subordinates the liens, claims and charges of the Subordinated Documents, and all present and future indebtedness and obligations secured thereby, in favor of the lien, claim and charge upon the Property of the Senior Mortgage and understands that in reliance upon, and in consideration of, this waiver, relinquishment, subjection and subordination, specific loans and advances are being and will be made and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into that would not be made or entered into but for Bank's reliance upon this waiver, relinquishment, subjection and subordination;
- (d) Any waiver or forbearance by the Bank in the exercise of its rights and remedies under the Senior Mortgage shall not impair the priority of the lien of the Senior Mortgage; and
- (e) In the event of a conflict between the provisions and requirements of Senior Mortgage and the Subordinated Documents, the provisions and requirements of the Senior Mortgage shall govern and prevail.

3. Junior Lender expressly agrees that Bank may, at any time or from time to time, renew, extend or increase the amount of the Note or the Senior Mortgage, or alter or modify the terms of the Senior Mortgage or the Note in any way, or waive any of the terms, covenants or conditions of the Senior Mortgage or of the Note in whole or in part, and may release any portion of the Property or any other security, and grant such extensions and indulgences in relation to the indebtedness secured by the Senior Mortgage as Bank may determine, without the consent of Junior Lender and without in any manner affecting the validity or priority of the lien of the Senior Mortgage on all or any part of the Property. Notwithstanding the foregoing, the Bank agrees that advances under the Note and Senior Mortgage shall not exceed in the aggregate One Million Eight Hundred Twelve Thousand Five Hundred and No/100 Dollars (\$1,812,500), plus accrued interest and the aggregate amount of Protective Advances (as defined in the Senior Mortgage).

4. Notwithstanding anything to the contrary contained in the Subordinated Documents, Junior Lender agrees, for so long as the Senior Mortgage continues to encumber the Property, to permit insurance proceeds and the proceeds of condemnation awards to be settled, adjusted, collected and applied pursuant to the terms of the Senior Mortgage.

5. Junior Lender agrees to use best efforts to send Bank a copy of any notice of default under the Regulatory Agreement or the Subordinate Documents which Junior Lender sends to Borrower, and to permit Bank, at its sole option and to the extent possible, to cure any default within the same period that Borrower is entitled to cure a default under the Subordinated Documents or the Regulatory Agreement. Bank agrees to use best efforts to send Junior Lender a copy of any notice of default which Bank sends Borrower and to permit Junior Lender, at its sole option, to cure any default within the same period that Borrower is entitled to cure a default under the Senior Mortgage or the Note.

6. The terms and provisions of the Subordinated Documents may not be amended without the prior written consent of Bank, if the effect of such amendment is (a) to increase the principal indebtedness

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secured thereby to more than \$1,812,500, plus accrued interest and sums expended to cure defaults thereunder, or to protect or preserve the security thereof or to enforce the aforesaid Subordinated Documents, (b) to extend the maturity date of the Subordinated Note, (c) to increase the interest rates above those provided for in the Subordinated Note, (d) to change the amounts or due dates of principal or interest payments under the Subordinated Note, (e) to release any guaranty of the Subordinated Note, (f) to release any collateral other than the Property securing the Subordinated Note.

7. Bank agrees that following the cure of a noticed default by Junior Lender, Bank will not exercise its right to accelerate the amounts due under the Senior Mortgage and Note by reason of the default cured by Junior Lender.

8. This Subordination Agreement is the whole and only agreement with regard to the subordination of the liens, claims and charges of the Subordinated Documents to the Senior Mortgage. This Subordination Agreement is binding on and inures to the benefit of the legal representatives, heirs, successors and assigns of the parties.

9. If any party to this Subordination Agreement brings an action to interpret or enforce its rights under this Subordination Agreement, the prevailing party will be entitled to recover its costs and attorneys' fees as awarded in the action.

10. All notices given under this Subordination Agreement must be in writing and will be served effectively upon delivery, or if mailed, upon the first to occur of receipt or the expiration of forty-eight (48) hours after deposit in certified United States mail, postage prepaid, sent to the party at its address appearing below. Those addresses may be changed by any party by notice to all other parties.

11. This Subordination Agreement is governed by the laws of the State of Illinois, without regard to the choice of law rules of that State.

12. This Subordination Agreement may be executed in counterparts, and all counterparts constitute but one and the same document.

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

**CHICAGO LOW-INCOME HOUSING TRUST FUND,**  
an Illinois not-for-profit corporation

By: [Signature]  
Name: THOMAS J. MEADLEY  
Title: PRESIDENT

Address:  
c/o Department of Housing  
33 North LaSalle Street, 11th Floor  
Chicago, Illinois 60602  
Attn: Executive Director

**SENIOR SUITES CHICAGO MARQUETTE VILLAGE, LLC,**  
an Illinois limited liability company

By: Senior Suites Chicago Corporation, an Illinois corporation,  
its Managing Member

By: [Signature]  
Name: Robert Gawronski  
Title: Assistant Treasurer

Address:  
111 E. Wacker Drive, Suite 2200  
Chicago, Illinois 60601

**HARRIS N.A.,** a national banking association

By: \_\_\_\_\_  
Name: Ailisa Herrera  
Title: Vice President

Address:  
111 West Monroe Street  
P.O. Box 755  
Chicago, Illinois 60690-0755  
Attn: Ailisa Herrera

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

**CHICAGO LOW-INCOME HOUSING TRUST FUND,**  
an Illinois not-for-profit corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Address:  
c/o Department of Housing  
33 North LaSalle Street, 11th Floor  
Chicago, Illinois 60602  
Attn: Executive Director

**SENIOR SUITES CHICAGO MARQUETTE VILLAGE, LLC,**  
an Illinois limited liability company

By: Senior Suites Chicago Corporation, an Illinois corporation,  
its Managing Member

By: \_\_\_\_\_  
Name: Robert Gawronski  
Title: Assistant Treasurer

Address:  
111 E. Wacker Drive, Suite 2200  
Chicago, Illinois 60601

**HARRIS N.A.,** a national banking association

By: Ailisa Herrera  
Name: Ailisa Herrera  
Title: Vice President

Address:  
111 West Monroe Street  
P.O. Box 755  
Chicago, Illinois 60690-0755  
Attn: Ailisa Herrera

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## ALL-PURPOSE ACKNOWLEDGEMENT

State of )

County of )

On Jan. 24, 2008 before me,

personally appeared

NAME, TITLE OF OFFICER, E.G., "JANE DOE, NOTARY PUBLIC"

NAME(S) OF SIGNER(S)

☒ personally known to me - OR - ☐ proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her their signature(s) on the instrument the person(s), or the entity upon behalf of which the persons acted, executed the instrument.

Witness my hand and official seal.

**OFFICIAL SEAL**  
**TERESA D KIRBY**  
 NOTARY PUBLIC - STATE OF ILLINOIS  
 MY COMMISSION EXPIRES: 12/28/10

SIGNATURE OF NOTARY

### CAPACITY CLAIMED BY SIGNER

☐ INDIVIDUAL☒ CORPORATE OFFICER(S)☐ PARTNER(S)☐ LIMITED☐ GENERAL☐ ATTORNEY-IN-FACT☐ TRUSTEE(S)☐ GUARDIAN/CONSERVATOR☐ OTHER:

**SIGNER IS REPRESENTING:**  
 NAME OF PERSON(S) OR ENTITY(IES)

ATTENTION NOTARY: Although the information requested below is OPTIONAL, it could prevent fraudulent attachment of this certificate to an unauthorized document.

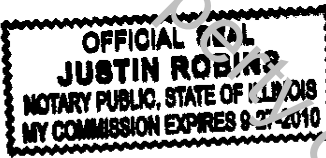
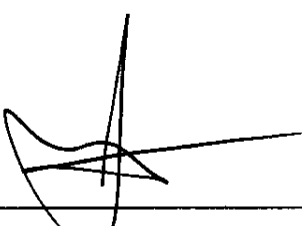
THIS CERTIFICATE Title or Type of Document  
 MUST BE ATTACHED

TO THE DOCUMENT Number of Pages \_\_\_\_\_ Date of Document  
 DESCRIBED AT RIGHT:

Signer(s) Other than Named Above

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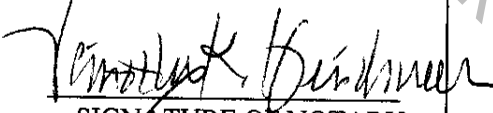
## ALL-PURPOSE ACKNOWLEDGEMENT

State of <u>ILLINOIS</u> ) County of <u>COOK</u> ) On <u>01/30/08</u> before me, <small>DATE</small> personally appeared <u>ROBERT M. GARRANSKI</u> <small>NAME(S) OF SIGNER(S)</small>		<b>CAPACITY CLAIMED BY SIGNER</b> <input type="checkbox"/> INDIVIDUAL <input type="checkbox"/> CORPORATE OFFICER(S) <input type="checkbox"/> PARTNER(S) <input type="checkbox"/> LIMITED <input type="checkbox"/> ATTORNEY-IN-FACT <input type="checkbox"/> TRUSTEE(S) <input type="checkbox"/> GUARDIAN/CONSERVATOR <input type="checkbox"/> OTHER:  <b>SIGNER IS REPRESENTING:</b> NAME OF PERSON(S) OR ENTITY(IES)	
<input checked="" type="checkbox"/> personally known to me - OR - <input type="checkbox"/> proved to me on the basis of satisfactory evidence		to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her their signature(s) on the instrument the person(s), or the entity upon behalf of which the persons acted, executed the instrument.	
		Witness my hand and official seal.	
		SIGNATURE OF NOTARY	
<small>ATTENTION NOTARY: Although the information requested below is OPTIONAL, it could prevent fraudulent attachment of this certificate to an unrecorded document.</small> THIS CERTIFICATE Title or Type of Document MUST BE ATTACHED TO THE DOCUMENT Number of Pages _____ Date of Document DESCRIBED AT RIGHT: Signer(s) Other than Named Above			



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## All-Purpose Acknowledgement

State of Illinois ) ) County of Cook )  On <u>January 31, 2008</u> before me, <u>Timothy K. Hinchman</u> personally appeared <u>Arlisa Herrera</u>	<b>CAPACITY CLAIMED BY SIGNER</b>  <input type="checkbox"/> INDIVIDUAL <input checked="" type="checkbox"/> CORPORATE OFFICER(S) <u>Vice President</u> TITLES(S) <input type="checkbox"/> PARTNER(S) <input type="checkbox"/> LIMITED <input type="checkbox"/> GENERAL  <input type="checkbox"/> ATTORNEY-IN-FACT <input type="checkbox"/> TRUSTEE(S) <input type="checkbox"/> GUARDIAN/CONSERVATOR <input type="checkbox"/> OTHER: _____ _____ _____  <b>SIGNER IS REPRESENTING:</b> NAME OF PERSON(S) OR ENTITY(IES) <u>Harris R. A.</u> _____ _____
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <input checked="" type="checkbox"/> personally known to me -OR-           </div> <div style="width: 50%;"> <input type="checkbox"/> proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her their signature(s) on the instrument the person(s), or the entity upon behalf of which the persons acted, executed the instrument.           </div> </div>	<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;">             OFFICIAL SEAL              TIMOTHY K HINCHMAN              NOTARY PUBLIC - STATE OF ILLINOIS              MY COMMISSION EXPIRES: 01/24/11           </div> <div style="display: flex; align-items: center;"> <div style="flex: 1;">             Witness my hand and official seal.           </div> <div style="flex: 1; text-align: center;">               SIGNATURE OF NOTARY           </div> </div>
<b>ATTENTION NOTARY:</b> Although the information requested below is OPTIONAL, it could prevent fraudulent attachment of this certificate to an unauthorized document.	
THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED AT RIGHT:	Title or Type of Document _____  Number of Pages _____ Date of Document _____  Signer(s) Other than Named Above _____

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## EXHIBIT A LEGAL DESCRIPTION

LOT 140 IN THE FINAL PLAT OF SUBDIVISION MARQUETTE VILLAGE, BEING A SUBDIVISION OF PART OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 25, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT RECORDED APRIL 23, 2007 AS DOCUMENT NUMBER 0711322000 IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 7430 SOUTH ROCKWELL STREET  
CHICAGO, ILLINOIS 60629

PIN: 19-25-125-001  
19-25-125-002

Property of Cook County Clerk's Office