

UNOFFICIAL COPY



This instrument prepared
by ~~and after recording~~
~~returns~~ to:

Doc#: 1126917047 Fee: \$68.00
Eugene "Gene" Moore RHSP Fee:\$10.00
Cook County Recorder of Deeds
Date: 09/26/2011 02:17 PM Pg: 1 of 17

U.S. Bank National Association
U.S. Bancorp Center, BC-MN-H21R
800 Nicollet Mall
Minneapolis, MN 55402
Attention: Thomas A. Pantalione, Esq.

RECORD & RETURN TO 17505
CT LIEN SOLUTIONS
P.O. BOX 2907
Glendale, CA 91209-2071

29880747-IL-Cook County Rec

MORTGAGE SUBORDINATION AGREEMENT

This MORTGAGE SUBORDINATION AGREEMENT ("Agreement"), dated as September 7, 2011, is among U.S. Bank National Association, a national banking association ("Senior Creditor"), successor in interest to Federal Deposit Insurance Corporation, as receiver for Park National Bank ("PNB"), successor to Pullman Bank & Trust ("Pullman"), Virtus III, an Illinois limited liability company ("Subordinated Creditor"), Edward R. Vrdolyak, an individual ("Vrdolyak"), and The Vrdolyak Law Group, LLC, an Illinois limited liability Company (the "Law Group," and together with Vrdolyak, collectively called the "Borrowers"), and Chicago Title and Trust ("Trustee"), as Trustee under Trust Agreement dated February 6, 1990 and known as Trust No. 1095173.

Recitals:

A. Vrdolyak is indebted to Senior Creditor, which is evidenced by that certain Promissory Note dated November 1, 2009 made by Vrdolyak payable to Senior Creditor in the original principal amount of \$1,075,619.11 (said Promissory Note, as the same may be from time to time amended, supplemented, restated or replaced, is hereinafter called the "Senior Note"). The Senior Note is secured by, among other things, that certain (i) Mortgage dated February 12, 2002 made by Trustee, in favor of Pullman, which was recorded in the office of the Cook County Recorder of Deeds on February 19, 2002 as Document No. 0020193285 (said Mortgage, as the same may be from time to time amended, supplemented, restated or replaced, is hereinafter called the "Senior Mortgage"), and (ii) Assignment of Rents dated February 12, 2002 granted by the Trustee in favor of Pullman, which was recorded in the office of the Cook County Recorder of Deeds on February 19, 2002 as Document No. 0020193286 (said Assignment of Rents, as the same may be from time to time amended, supplemented, restated or replaced, is hereinafter called the "Senior Assignment of Rents"). The Senior Mortgage and the Senior Assignment of Rents encumber the real property (the "Project") that is legally described on the Exhibit A attached hereto and made a part hereof.

B. Senior Creditor has assigned to Subordinated Creditor a loan evidenced by that certain Promissory Note dated August 31, 2009 made by the Law Group payable to PNB in the

S 4
P 17
S N
M N
SC 4
E 4
INT 4

UNOFFICIAL COPY

original principal amount of \$800,000.00 (said Promissory Note, as the same may be from time to time amended, supplemented, restated or replaced, is hereinafter called the "Subordinated Note"). The Subordinated Note is secured by, among other things, that certain (i) Mortgage dated December 30, 2004 made by the Trustee in favor of Pullman, which was recorded in the office of the Cook County Recorder of Deeds on January 7, 2005 as Document No. 0500720220 (said Mortgage, as the same may be from time to time amended, supplemented, restated or replaced, is hereinafter called the "Subordinated Mortgage"), and (ii) Assignment of Rents dated December 30, 2004 granted by the Trustee in favor of Pullman, which was recorded in the office of the Cook County Recorder of Deeds on January 7, 2005 as Document No. 0500720221 (said Assignment of Rents, as the same may be from time to time amended, supplemented, restated or replaced, is hereinafter called the "Subordinated Assignment of Rents"). The Subordinated Mortgage and the Subordinated Assignment of Rents cover the Project.

C. To induce Senior Creditor to assign the Subordinated Note to Subordinated Creditor, Subordinated Creditor and the Borrowers have agreed to enter into this Agreement.

NOW, THEREFORE, Senior Creditor, Subordinated Creditor, and Borrowers agree as follows:

1. Definitions. As used in this Agreement, the following capitalized terms have the following meanings:

"Bankruptcy Code" means 11 U.S.C. § 101 *et seq.*, as amended from time to time.

"Collateral" means all real and personal property of the Borrowers or any other Obligor on which Senior Creditor has a lien, mortgage, encumbrance, or other security interest.

"Obligor" means the Borrowers and each other Person obligated to Senior Creditor with respect to any Senior Debt, whether as principal obligor, guarantor, surety, or otherwise.

"Person" means any natural person, corporation, firm, partnership, association, government, governmental agency, or any other entity, whether acting in an individual, fiduciary, or other capacity.

"Proceeding" means any: (a) insolvency, bankruptcy, receivership, custodianship, liquidation, reorganization, readjustment, composition or other similar proceeding relating to any Obligor or any of its respective properties, whether under any bankruptcy, reorganization or insolvency law or laws, federal or state, or any law, federal or state, relating to relief of debtors, readjustment of indebtedness, reorganization, composition or extension; (b) proceedings for any liquidation, liquidating distribution, dissolution or other winding up of any Obligor, voluntary or involuntary, whether or not involving insolvency or bankruptcy proceedings; (c) assignment for the benefit of creditors of any Obligor; or (d) other marshaling of the assets of any Obligor.

"Remedy Blockage Period" means any period during which Section 4 of this Agreement bars Subordinated Creditor from exercising its rights and remedies against the Law Group or any Collateral.

UNOFFICIAL COPY

“Senior Debt” means all monetary and non-monetary obligations of Vrdolyak or any other Obligor under the Senior Debt Loan Documents, including without limitation all principal and interest (including interest at the default rate and interest accrued subsequent to, and interest that would have accrued but for, the commencement of any Proceeding) and other amounts payable under the Senior Debt Loan Documents, in either case whether now or hereafter arising, direct or indirect, primary or secondary, joint, several or joint and several, final or contingent and whether incurred as maker, endorser, guarantor or otherwise and any extensions, renewals or refinancings. Any such monetary obligations constituting Senior Debt shall remain Senior Debt regardless of whether such Senior Debt is disallowed, avoided, or subordinated in any Proceeding.

“Senior Debt Declared Default” means the occurrence of (i) any Senior Debt Event of Default; or (ii) any default under any Senior Loan Document Agreement of which Senior Creditor has given a Senior Debt Default Notice to Vrdolyak, without regard to any then unexpired grace or cure period.

“Senior Debt Default Notice” means any written notice from Senior Creditor to Vrdolyak that a default or Event of Default under any of the Senior Loan Documents has occurred.

“Senior Debt Event of Default” means the occurrence of any “Event of Default”, as that term is defined in any of the Senior Debt Loan Documents.

“Senior Debt Loan Documents” means the Senior Note, the Senior Mortgage, the Senior Assignment of Rents, the Business Loan Agreement dated November 1, 2009 and all other instruments and agreements in favor of Pullman, PNP or Senior Creditor relating to the indebtedness secured by the Senior Note, all as the same may be from time to time amended, supplemented, restated or replaced.

“Subordinated Debt” means all monetary obligations owing by the Law Group to Subordinated Creditor of any kind or nature, present and future, however arising, whether or not evidenced by any note, guaranty or other instrument, whether joint, several or joint and several, direct or indirect, absolute or contingent, due or to become due, and however acquired.

1. Subordination of Subordinated Mortgage. Subordinated Creditor and Trustee hereby agree with and for the benefit of Senior Creditor that:

(i) regardless of any priority otherwise available to Subordinated Creditor by law or by agreement, the liens and terms of the Subordinated Mortgage and the Subordinated Assignment of Rents are, shall be, and shall remain, fully subordinate for all purposes to the Senior Mortgage, the Senior Assignment of Rents and the Senior Debt;

(ii) the priority of the Senior Mortgage, the Senior Assignment of Rents and any other security interest of Senior Creditor in the Project and/or any other Collateral applies irrespective of the time or order of attachment or perfection of Subordinated Creditor’s or Senior Creditor’s respective mortgages and security interests or the time or order of filing of financing statements or the giving or failure to give notice of the acquisition or expected acquisition of any security interests;

UNOFFICIAL COPY

(iii) the priority of Senior Creditor's security interest in the Collateral extends to all now existing or hereafter arising obligations and liabilities of the Borrowers to Senior Creditor;

(iv) Senior Creditor may exercise collection rights, may take possession of, sell or dispose of, and otherwise deal with, the Project and any other Collateral, and may exercise and enforce any right or remedy available to Senior Creditor with respect to the Project and any other Collateral, whether available before or after the occurrence of any default, all without notice to or consent by anyone; and

(v) Subordinated Creditor and Trustee waive any priority available to Subordinated Creditor by law with respect to any security interest it may have in any part of the Project or any other Collateral, waive any and all right to require the marshaling of assets in connection with Senior Creditor's exercise of any remedies against the Project or any other Collateral permitted by applicable law or agreement; and, to the extent permitted by applicable law, waive any and all rights under the Uniform Commercial Code in effect in any relevant jurisdiction that conflict with the terms of this Agreement and further agree that, to the extent permitted by applicable law, the terms of this Agreement shall govern any conflict or inconsistency between the terms of this Agreement and the relevant Uniform Commercial Code.

2. No Payments by Obligor to Subordinated Creditor. The Law Group shall make no payment or distribution of assets of any kind or character, whether in cash, property or securities to Subordinated Creditor, whether with respect to the Subordinated Creditor Loan, the Subordinated Debt, or otherwise, and Subordinated Creditor shall not accept any such payment or distribution from Borrower, unless and until the earliest of the date on which: (a) the Senior Debt has been paid in full in cash or other property satisfactory to Senior Creditor; or (b) Senior Creditor, in its sole and absolute discretion, expressly waives the benefit of this Section 2 in a writing delivered to Subordinated Creditor. If Subordinated Creditor or any other party receives any payment or distribution in violation of this Agreement, the recipient shall hold such payment or distribution in trust for the benefit of Senior Creditor, and shall immediately remit such payment to Senior Creditor as a prepayment of the Senior Debt. Without limiting the generality of the foregoing, the term "payments" shall include any proceeds of the liquidation or disposition of any Collateral. Notwithstanding the foregoing, nothing in this Agreement shall prevent or limit Subordinated Creditor from (a) receiving payments from any person other than an Obligor with respect to the Subordinated Creditor Loan, or (b) exercising any or all of its remedies available under applicable law or pursuant to the Subordinated Mortgage with respect to a default under the Subordinated Creditor Loan or the Subordinated Mortgage against any party other than Borrower and/or with respect to any collateral other than the Collateral.

3. Distributions in Dissolution, Liquidation, and Reorganization. Upon any distribution of assets of the Borrowers in any Proceeding:

(i) Senior Creditor shall be entitled to receive payment in full of the Senior Debt in cash or other property satisfactory to Senior Creditor before Subordinated Creditor is entitled to receive any payment from Borrower or its assets, or out of the proceeds of any of the Collateral;

UNOFFICIAL COPY

(ii) any payment or distribution of assets of Borrower of any kind or character, whether in cash, property or securities to which Subordinated Creditor would be entitled except for the provisions of this Agreement shall be paid by the liquidating trustee or agent or other person making such payment or distribution, whether a trustee in bankruptcy, a receiver or liquidating trustee or otherwise, directly to Senior Creditor to the extent necessary to pay in full all Senior Debt remaining unpaid after giving effect to any concurrent payment or distribution to Senior Creditor on the Senior Debt; and

(iii) if, notwithstanding the foregoing, any payment or distribution of assets of Borrower of any kind or character, whether in cash, property or securities, shall be received by Subordinated Creditor or any interests or participations therein before all Senior Debt is paid in full, such payment or distribution shall be paid over to Senior Creditor until all of the Senior Debt shall have been paid in full, after giving effect to any concurrent payment or distribution to Senior Creditor on the Senior Debt; and prior to being so paid over, shall be held in trust for Senior Creditor.

In any such Proceeding, Senior Creditor is authorized and empowered, at its sole option, but shall be under no duty or obligation, (a) to represent Subordinated Creditor with respect to any claim against Borrower and its interest in all or any of the Collateral, and (b) in its own name or otherwise to make proof of and receive any payments or property allocated or declared for payment or delivery to or on behalf of Subordinated Creditor, whether on account of the Subordinated Creditor Loan, the Subordinated Debt, or otherwise; and for those purposes, Subordinated Creditor agrees, at Senior Creditor's request, to deliver to Senior Creditor a separate instrument of assignment assigning such rights to Senior Creditor. Senior Creditor may file a claim in any such Proceeding on behalf of Subordinated Creditor with respect to Subordinated Creditor's interest in the Collateral or may compel Subordinated Creditor to file such claim.

4. Limitation on Subordinated Creditor's Exercise of Remedies. Subordinated Creditor shall simultaneously deliver to Senior Creditor a copy of any notice of default that it sends to the Law Group, whether under the Subordinated Creditor Loan, the Subordinated Mortgage, or otherwise. Subordinated Creditor and Trustee shall not commence any Proceeding with respect to the Law Group or the Collateral, whether under the Subordinated Mortgage, the Subordinated Assignment of Rents or otherwise, unless and until Subordinated Creditor has given Senior Creditor at least ten days' prior written notice and the earliest of the following has occurred (the "Remedy Blockage Period"):

- (i) the payment of the Senior Debt in; or
- (ii) Subordinated Creditor has fully released all of its liens on the Project and the Collateral.

This Section is subject to the other provisions of this Agreement, and an authorization for Subordinated Creditor to take any action under this Section after the expiration of the Remedy

UNOFFICIAL COPY

Blockage Period shall not authorize Subordinated Creditor to receive or retain any payment from any Obligor in violation of any other provisions of this Agreement.

5. Release of Subordinated Creditor's Lien on the Project. If: (i) a Senior Debt Declared Default has occurred and is continuing; (ii) the Senior Debt is then due and payable (at scheduled maturity, upon acceleration, or otherwise); (iii) Senior Creditor gives Subordinated Creditor notice that Senior Creditor has adopted a course of action to either commence foreclosure proceedings or accept a deed in lieu of foreclosure that will terminate Borrower's ownership interest in the Project; and (iv) Senior Creditor requests that Subordinated Creditor and Trustee release the liens of the Subordinated Mortgage, the Subordinated Assignment of Rents and other liens, if any, on the Project and any other Collateral, then Subordinated Creditor will either (a) purchase the Senior Debt at par at any time within 30 days after receipt of such request from Senior Creditor; or (b) cause Trustee to fully release of record the Subordinated Mortgage, the Subordinated Assignment of Rents and other liens on the Project at the end of such 30 day period. Any purchase of the Senior Debt shall be closed within such 30 day period by Subordinated Creditor delivering cash or other immediately available funds to Senior Creditor in consideration of Senior Creditor's assignment to Subordinated Creditor of the Senior Debt Loan Documents without recourse to, or warranty by, Senior Creditor, except for Senior Creditor's title to such documents, free and clear of all liens, encumbrances and security interests of any kind.

6. No Waiver of Subordination Provisions. No right of Senior Creditor provided in this Agreement shall at any time in any way be prejudiced or impaired by any act or failure to act on by any Obligor or Senior Creditor, or by any non-compliance by Subordinated Creditor or any Obligor with the terms, provisions, and covenants of this Agreement, regardless of any knowledge that Senior Creditor may have or be otherwise charged with. Without in any way limiting the generality of the foregoing sentence, Senior Creditor may, at any time and from time to time, without impairing or releasing any of its rights provided in this Agreement, do any one or more of the following: (a) change the manner, place or terms of payment or extend the time of payment of, or renew or alter, the Senior Debt, or otherwise amend or supplement in any manner the Senior Debt or any instrument evidencing the same or any agreement under which the Senior Debt is outstanding; (b) sell, exchange, release or otherwise deal with any property pledged, mortgaged or otherwise securing the Senior Debt; (c) release any Obligor, and (d) exercise or refrain from exercising any rights against the Borrower and any other Obligor. The rights of Senior Creditor under this Agreement are in addition to and not in lieu of any and all rights to which Senior Creditor is entitled pursuant to Article 9 of the Uniform Commercial Code or other applicable law.

7. Waiver. Subordinated Creditor and Trustee hereby waive: (a) notice of acceptance by Senior Creditor of this Agreement; (b) notice of the existence or creation or non-payment of all or any of the Senior Debt; and (c) all diligence in collection or protection of or realization upon all or any part of the Senior Debt or any security for the Senior Debt. Subordinated Creditor will not convert any of the Subordinated Debt into membership interests or any other interest in Borrower, whether direct or indirect, or commence, or join with any other creditor in commencing, any bankruptcy, reorganization, or insolvency Proceedings with respect to Borrower or any other Obligor.

UNOFFICIAL COPY

8. Reinstatement. Subject to reinstatement in accordance with the following sentence, this Agreement shall in all respects be a continuing agreement and shall remain in full force and effect (notwithstanding, without limitation, the dissolution of the Law Group or Subordinated Creditor) until the Senior Debt has been paid in full. This Agreement shall be automatically reinstated if any payment received by Senior Creditor from any source derived and applied to the Senior Debt is subsequently set aside, recovered, rescinded or required to be returned for any reason (including, without limitation, the bankruptcy, insolvency or reorganization of the Borrowers or any Obligor); the Senior Debt to which such payment was applied shall for the purposes of this Agreement be deemed to have continued in existence, notwithstanding such application, and this Agreement shall be enforceable as to such Senior Debt as fully as if such application had never been made.
9. No Amendment of Subordinated Mortgage or Subordinated Assignment of Rents. Neither the Subordinated Mortgage nor the Subordinated Assignment of Rents shall in any manner be amended, modified or supplemented without Senior Creditor's written consent, which Senior Creditor may withhold in its sole discretion.
10. Adequate Protection. Subordinated Creditor agrees that its right, if any, to adequate protection under Section 367 of the Bankruptcy Code for the Law Group's use of cash collateral constituting collateral subject to Subordinated Creditor's judicial and/or consensual lien, as the case may be, shall be limited to a replacement lien on Borrower's post-petition property that is subordinate to a replacement lien on such property in favor of Senior Creditor on the same terms as set forth in this Agreement and such subordinate replacement lien shall be deemed to constitute adequate protection for Subordinated Creditors regardless of the actual protection provided by such subordinate replacement lien.
11. Transfers by Senior Creditor. Senior Creditor may, from time to time, without notice to Subordinated Creditor, assign or transfer any or all of the Senior Debt or any interest in the Senior Debt; and, notwithstanding any such assignment or transfer or any subsequent assignment or transfer, the Senior Debt shall be and remain Senior Debt for the purposes of this Agreement, and every immediate and successive assignee or transferee of any of the Senior Debt or of any interest therein shall, to the extent of the interest of such assignee or transferee in the Senior Debt, be entitled to the benefits of this Agreement to the same extent as if such assignee or transferee were Senior Creditor, provided that Senior Creditor shall have an unimpaired right, prior and superior to that of any such assignee or transferee, to enforce this Agreement, for the benefit of Senior Creditor, as to those of the Senior Debt that Senior Creditor has not assigned or transferred.
12. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of Senior Creditor and Subordinated Creditor and their respective successors and assigns.
13. Notices. Any notice required or permitted to be given by either party to the other under or in connection with this Agreement, or documents related to this Agreement, shall be in writing and shall be personally delivered or sent by fax, overnight courier or United States

UNOFFICIAL COPY

registered or certified mail, return receipt requested (postage prepaid), addressed to such party at the following addresses:

If to Senior Creditor: U.S. Bank National Association
 MK-IL-7162
 11 W. Madison
 Oak Park, Illinois 60302
 Attention: Mr. Glenn E. Debs
 Fax: (708) 445-3223

If to Subordinated Creditor: Virtus III, LLC
 741 N. Dearborn Street
 Chicago, IL 60654
 Attention: John K. Vrdolyak
 Fax: (312) 482-8026

or at such other address in the United States of America of which such party notifies the other in writing, at least 10 days before the effective date of the change of address. All periods of notice shall be measured from the date of delivery if personally delivered, from the date of sending if sent by facsimile transmission, from the first business day after the date of sending if sent by overnight courier, or from 3 days after the date of mailing if mailed.

14. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which shall together constitute one and the same document.

15. Headings. The headings used in this Agreement are solely for the convenience of the parties and shall not serve to modify or interpret the text of the Section at the beginning of which they appear.

16. Governing Law; Waiver of Jury Trial. This Agreement, and the rights of the parties under this Agreement and the interpretation of this Agreement shall be governed by, and construed in accordance with the internal laws of the state of Illinois in all respects, without giving effect to any conflict of laws principles. Senior Creditor and Subordinated Creditor hereby waive any right to a trial by jury in any action relating to this Agreement.

UNOFFICIAL COPY

IN WITNESS WHEREOF, Senior Creditor, Subordinated Creditor and the Borrowers hereby execute and deliver this Agreement as of the day and year stated in the preamble on the first page.

U.S. BANK NATIONAL ASSOCIATION

By *Kent M. Wheelock*
Kent M. Wheelock, its Senior Vice President

VIRTUS III, LLC

By *John K. Vrdolyak*
Print Name: John K. Vrdolyak
Print Title MANAGING MEMBER

THE VRDOLYAK LAW GROUP, LLC

By *Edward J. Vrdolyak*
Print Name Edward J. Vrdolyak
Print Title Member

Ed Vrdolyak
EDWARD R. VRDOLYAK SEE EXHIBIT B, As Attorney in Fact

CHICAGO TITLE AND TRUST ("Trustee"), as Trustee under Trust Agreement dated February 6, 1990 and known as Trust No. 1095173 and not personally

By *LOURDES MARTINEZ*
Print Name LOURDES MARTINEZ
Print Title ASST. VICE PRESIDENT



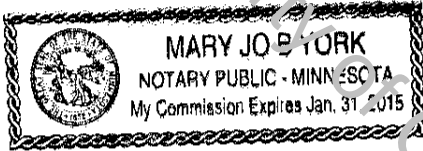
This instrument is executed by the undersigned Land Trustee not personally but solely as Trustee in the exercise of the power and authority conferred upon and vested in it as such Trustee. It is expressly understood and agreed that all the warranties, indemnities, representations, covenants, undertakings and agreements herein made on the part of the Trustee are undertaken by it solely in its capacity as Trustee and not personally. No personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against the Trustee on account of any warranty, indemnity, representation, covenant, undertaking or agreement of the Trustee in this instrument.

UNOFFICIAL COPY

STATE OF MINNESOTA)
) SS
COUNTY OF HENNEPIN)

I, Mary Jo B. York, a Notary Public in and for and residing in said County and State, DO HEREBY CERTIFY THAT Kent M. Wheelock of U.S. BANK NATIONAL ASSOCIATION, successor in interest to Federal Deposit Insurance Corporation, as receiver for Park National Bank, 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 he signed and delivered said instrument as his own free and voluntary act and as the free and voluntary act of said national banking association for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 6th day of September August, 2011.



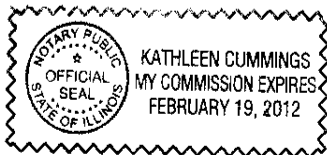
Mary Jo B. York
Notary Public

My Commission Expires:

STATE OF ILLINOIS)
) SS
COUNTY OF Cook)

I, Kathleen Cummings, a Notary Public in and for and residing in said County and State, DO HEREBY CERTIFY THAT John K. Vrdolyak of Virtue III, LLC, a[n] Illinois LLC, 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 he signed and delivered said instrument as his own free and voluntary act and as the free and voluntary act of said Member LLC for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 31st day of August, 2011.



Kathleen Cummings
Notary Public

My Commission Expires: 2/19/12

UNOFFICIAL COPY

STATE OF ILLINOIS)
) SS
COUNTY OF Cook)

I, Kathleen Cummings, a Notary Public in and for and residing in said County and State, DO HEREBY CERTIFY THAT Edward J. Vrdolyak of THE VRDOLYAK LAW GROUP, LLC, an Illinois limited liability company, 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 he signed and delivered said instrument as his own free and voluntary act and as the free and voluntary act of said limited liability company for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 31st day of August, 2011.



Kathleen Cummings
Notary Public

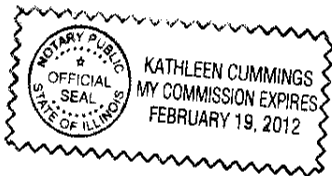
My Commission Expires: 2/19/12

STATE OF ILLINOIS)
) SS
COUNTY OF Cook)

I, Kathleen Cummings, a Notary Public in and for and residing in said County and State, DO HEREBY CERTIFY THAT EDWARD J. VRDOLYAK, an individual, 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 he signed and delivered said instrument as his own free and voluntary act for the uses and purposes therein set forth.

For
Edward J. Vrdolyak

GIVEN under my hand and notarial seal this 31st day of August, 2011.



Kathleen Cummings
Notary Public

My Commission Expires: 2/19/12

UNOFFICIAL COPY

EXHIBIT A

To Mortgage Subordination Agreement

PROPERTY ADDRESS: 741 North Dearborn, Chicago, IL 60654

LEGAL DESCRIPTION: LOT 20 IN OGDEN AND TOOLE'S SUBDIVISION OF BLOCK 33 IN WOLCOTT'S ADDITION TO CHICAGO WITH BLOCK 50 IN KINZIE'S ADDITION TO CHICAGO IN SECTION 9, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PIN: 17-09-206-006

Property of Cook County Clerk's Office

UNOFFICIAL COPY

Illinois Statutory Short Form Power of Attorney for Property

(Notice: The purpose of this Power of Attorney for Property is to give the person you designate (your "agent") broad powers to handle your property, which may include powers to pledge, sell or otherwise dispose of any real or personal property without advance notice to you or approval by you. This form **does not** impose a duty on your agent to exercise granted powers; but when powers are exercised, your agent will have to use due care to act for your benefit and in accordance with this form and keep a record of receipts, disbursements and significant actions taken as agent. A court can take away the powers of your agent if it finds the agent is not acting properly. You may name successor agents under this form but not co-agents.)

Unless you expressly limit the duration of this power in the manner provided below, until you revoke this power or a court acting on your behalf terminates it, your agent may exercise the powers given here throughout your lifetime, even after you become disabled. The powers you give your agent are explained more fully in Section 3-4 of the Illinois "Statutory Short Form Power of Attorney for Property Law" of which this form is a part (see pages 4-7 of this form). That law expressly permits the use of any different form of power of attorney you may desire. If there is anything about this form that you do not understand, you should ask a lawyer to explain it to you.)

POWER OF ATTORNEY made this 12th day of (month) January (year) 2011.

1. I, (insert name of principal) Edward R. Vrdolyak

(insert address of principal) 11455 Avenue J, Chicago, IL

appoint: (insert name of agent) Edward J. Vrdolyak

(insert address of agent) 9618 S. Commercial Ave. Chicago, IL

as my attorney-in-fact (my "agent") to act for me and in my name (in any way I could act in person) with respect to the following powers, as defined in Section 3-4 of the "Statutory Short Form Power of Attorney for Property Law" (including all amendments), but subject to any limitations on or additions to the specified powers inserted in paragraph 2 or 3 below:

(You must strike out any one or more of the following categories of powers you **do not** want your agent to have. Failure to strike the title of any category will cause the powers described in that category to be granted to the agent. To strike out a category, you must draw a line through the title of that category.)

- | | |
|--|---|
| (a) Real estate transactions. | (i) Tax matters. |
| (b) Financial institution transactions. | (j) Claims and litigation. |
| (c) Stock and bond transactions. | (k) Commodity and option transactions. |
| (d) Tangible personal property transactions. | (l) Business operations. |
| (e) Safe deposit box transactions. | (m) Borrowing transactions. |
| (f) Insurance and annuity transactions. | (n) Estate transactions. |
| (g) Retirement plan transactions. | (o) All other property powers and transactions. |
| (h) Social Security, employment and military service benefits. | |

UNOFFICIAL COPY

(Limitations on and additions to the agent's powers may be included in this power of attorney if they are specifically described below.)

2. The powers granted above shall not include the following powers or shall be modified or limited in the following particulars: (here you may include any specific limitations you deem appropriate, such as a prohibition or conditions on the sale of particular stock or real estate or special rules on borrowing by the agent)

3. In addition to the powers granted above, I grant my agent the following powers: (here you may add any other delegable powers including, without limitation, power to make gifts, exercise powers of appointment, name or change beneficiaries or joint tenants or revoke or amend any trust specifically referred to below)

(Your agent will have authority to employ other persons as necessary to enable the agent to properly exercise the powers granted in this form, but your agent will have to make all discretionary decisions. If you want to give your agent the right to delegate discretionary decision-making powers to others, you should keep the next sentence; otherwise it should be struck out.)

4. My agent shall have the right by written instrument to delegate any or all of the foregoing powers involving discretionary decision-making to any person or persons whom my agent may select, but such delegation may be amended or revoked by any agent (including any successor) named by me who is acting under this power of attorney at the time of reference.

(Your agent will be entitled to reimbursement for all reasonable expenses incurred in acting under this power of attorney. Strike out the next sentence if you do not want your agent to also be entitled to reasonable compensation for services as agent.)

5. My agent shall be entitled to reasonable compensation for services rendered as agent under this power of attorney.

(This power of attorney may be amended or revoked by you at any time and in any manner. Absent amendment or revocation, the authority granted in this power of attorney will become effective at the time this power is signed and will continue until your death unless a limitation on the beginning date or duration is made by initialing and completing either (or both) of the following:)

6. () This power of attorney shall become effective on (insert a future date or event during your lifetime, such as court determination of your disability, when you want this power to first take effect) _____

7. () This power of attorney shall terminate on (insert a future date or event, such as court determination of your disability, when you want this power to terminate prior to your death)

UNOFFICIAL COPY

(If you wish to name successor agents, insert the name(s) and address(es) of such successor(s) in the following paragraph.)

8. If any agent named by me shall die, become incompetent, resign or refuse to accept the office of agent, I name the following (each to act alone and successively, in the order named) as successor(s) to such agent:

John K. Vrdolyak

Peter T. Vrdolyak

For purposes of this paragraph 8, a person shall be considered to be incompetent if and while the person is a minor or an adjudicated incompetent or disabled person or the person is unable to give prompt and intelligent consideration to business matters, as certified by a licensed physician.

(If you wish to name your agent as guardian of your estate, in the event a court decides that one should be appointed, you may, but are not required to, do so by retaining the following paragraph. The court will appoint your agent if the court finds that such appointment will serve your best interests and welfare. Strike out paragraph 9 if you do not want your agent to act as guardian.)

9. If a guardian of my estate (my property) is to be appointed, I nominate the agent acting under this power of attorney as such guardian, to serve without bond or security.

10. I am fully informed as to all the contents of this form and understand the full import of this grant of powers to my agent.

Signed (Principal)

Edward K. Vrdolyak

(You may, but are not required to, request your agent and successor agents to provide specimen signatures below. If you include specimen signatures in this power of attorney, you must complete the certification opposite the signatures of the agent and successors.)

Specimen signatures of agent
(and successors)

(Agent) _____

(Successor Agent) _____

(Successor Agent) _____

I certify that the signatures of my agent
(and successors) are correct

(Principal) _____

(Principal) _____

(Principal) _____

UNOFFICIAL COPY

(This power of attorney will not be effective unless it is notarized and signed by at least one additional witness, using the form below. **Note: The requirement of the signature of an additional witness applies only to instruments executed on or after June 9, 2000, the effective date of Public Act 91-790.**)

The undersigned witness certifies that Edward R. Vrdolyak known to me to be the same person whose name is subscribed as principal to the foregoing power of attorney, appeared before me and the notary public and acknowledged signing and delivering the instrument as the free and voluntary act of the principal, for the uses and purposes therein set forth. I believe him or her to be of sound mind and memory.

Dated: January 12, 2011 (SEAL)

Witness: [Signature]

State of Illinois)

County of Cook) SS.

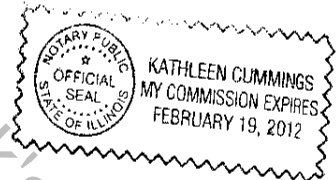
The undersigned, a notary public in and for the above county and state, certifies that

EDWARD R VRDOLYAK, known to me to be the same person whose name is subscribed as principal to the foregoing power of attorney, appeared before me and the additional witness in person and acknowledged signing and delivering the instrument as the free and voluntary act of the principal, for the uses and purposes therein set forth (, and certified to the correctness of the signature(s) of the agent(s)).

Dated: 1-12-11 (SEAL)

(Notary Public) [Signature]

My commission expires 2/19/12



(The name and address of the person preparing this form should be inserted if the agent will have power to convey any interest in real estate.)

This document was prepared by:

(Name) John K. Vrdolyak

(Address) 741 N. Dearborn Street, Chicago, IL 60654