



Doc#: 1136141072 Fee: \$58.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 12/27/2011 11:16 AM Pg: 1 of 10

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**THIS INSTRUMENT WAS PREPARED BY
AND AFTER RECORDING RETURN TO:**

Illinois Housing Development Authority
401 North Michigan Avenue, Suite 700
Chicago, Illinois 60611
Attn: Nicolette L. Sonntag, Esq.

Property Addresses:

2656-58 W. North Avenue
1617-19 N. Washtenaw Avenue
1618-20 N. Talman Avenue
Chicago, Illinois 60647

Property Identification Nos.:
See Attached Exhibit A.

212082

SUBORDINATION AGREEMENT (EUA)

THIS SUBORDINATION AGREEMENT (this "Agreement") is made as of this 22nd day of December, 2011, by and among the **Illinois Housing Development Authority**, a body politic and corporate of the State of Illinois (the "Authority") established pursuant to the Illinois Housing Development Act, 20 ILCS 3805/1 *et seq.*, as amended from time to time (the "Act"), with its principal offices located at 401 North Michigan Avenue, Suite 700, Chicago, Illinois 60611, **North & Talman III Limited Partnership**, an Illinois limited partnership (the "Owner"), with its principal offices located at 325 N. Wells, 8th Floor, Chicago, Illinois 60654 and **Bank of America, N.A.**, a national banking association whose address is 7800 Forsyth Boulevard, Suite 350, Mail Code: MO1-076-03-06, Clayton, St. Louis County, Missouri 63105, and its successors and assigns ("Bank").

RECITALS

A. The Authority has issued a Low Income Housing Tax Credit Extended Use Agreement dated as of December 22, 2011, which was recorded with the Recorder's Office of Cook County, Illinois (the "Recorder's Office") on December 2, 2011 as Document No. 113614072 (the "EUA"), which was executed by (the Owner and which encumbers certain property (the "Real Estate") commonly known as 2656-58 W. North Avenue, 1617-19 N. Washtenaw Avenue and 1618-20 N. Talman Avenue, Chicago, Illinois, and legally described on **Exhibit A** attached to and made a part of this Agreement (the Real Estate and the improvements constructed are referred to in this Agreement as the "Development").

B. Bank is the owner and holder of the following: (i) a certain Promissory Note ("Note") dated as of December 22, 2011, in the original principal amount of Seven Million Two Hundred Fifty-One Thousand Six Hundred Forty and no/100 Dollars (\$7,251,640.00) (the "Construction Loan") made by Owner payable to the order of the Bank; (ii) that certain Construction Loan Agreement between Owner and Bank dated as of December 22, 2011, setting forth the terms of the

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Construction Loan (the "Loan Agreement"); and (iii) the Future Advance Mortgage, Assignment, Security Agreement and Fixture Filing granted by Owner in favor of the Bank dated as of December 22, 2011, and recorded with the Recorder's Office on 12/27, 2011 as Document No. 1136141062 which is a lien against the Development (the "Mortgage") (collectively, the Note, Loan Agreement and Mortgage and all other documents that evidence and secure the Construction Loan are the "Construction Loan Documents");

C. All obligations of the Owner to the Bank now existing or hereafter arising, due or to become due, under the Construction Loan Documents are collectively referred to in this Agreement as the "Subordinated Liabilities;" and

D. The EUA, in order to be in compliance with applicable tax laws, must be superior to any other liens on the Development. Therefore, the parties are executing this Agreement in order to subordinate the Subordinated Liabilities to the EUA, subject to all of the conditions contained in this Agreement.

NOW, THEREFORE, in consideration of the foregoing Recitals and as an inducement to IHDA to issue the EUA, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Bank hereby agrees as follows:

1. **Subordination of Liens.** The Bank hereby agrees that (i) the Subordinated Liabilities are and shall be subordinate to the EUA [to the extent set forth in the EUA], and (ii) the liens and security interests created by the Construction Loan Documents are and shall be subordinate to the liens and security interests created by the EUA. The EUA and the Occupancy Restrictions therein contained shall cease to apply in the event of a foreclosure of the Mortgage, transfer of title by deed in lieu of foreclosure of the Mortgage or similar event, unless (i) at any time subsequent to such event, and during the Term hereof, the Owner or a related person (as defined in the Code) obtains an ownership interest in the Project for federal tax purposes; or (ii) the Service determines that such foreclosure, transfer of title by deed-in-lieu of foreclosure or similar event has occurred pursuant to an arrangement between the Owner and any lender(s) or any other party, a purpose of which is to terminate the Occupancy Restrictions. Notwithstanding the foregoing, if the EUA is terminated prior to the end of the Extended Use Period due to a foreclosure of the Mortgage, transfer of title by deed in lieu of foreclosure of the Mortgage or similar event pursuant to this Section 1, during the three-year period following such termination the Owner shall not (i) evict or terminate the tenancy, other than for good cause, of the tenant of any Low Income Unit, which tenant was in occupancy at the date of such termination; or (ii) increase the rent charged to such tenant of any such Low Income Unit, except as permitted with respect to Units that are Rent Restricted accordance with the requirements of the EUA.

2. **Successors and Assigns.** This Agreement shall be binding upon the Bank and its successors and assigns, whether immediate or remote

3. **Amendment of Agreement.** This Agreement shall not be altered or amended, except in writing signed by the parties hereto.

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4. **Construction and Interpretation of this Agreement.** This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois. Wherever possible each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law but if any provision of this Agreement shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement. CAPITALIZED TERMS NOT OTHERWISE DEFINED HEREIN SHALL HAVE THE MEANINGS ASSIGNED TO SUCH TERMS IN THE EUA.

5. **Counterparts.** This Agreement may be signed in counterparts.

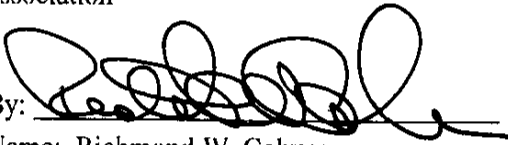
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IN WITNESS WHEREOF, this Agreement has been executed and delivered by the authorized representative of the Bank.

BANK OF AMERICA, N.A., a national banking association

By: 

Name: Richmond W. Coburn

Title: Senior Vice President

AUTHORITY:

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

By: _____
Printed Name: _____
Its: _____

OWNER:

NORTH & TALMAN III LIMITED PARTNERSHIP, an Illinois limited partnership

By: **NORTH AND TALMAN III CORPORATION**, an Illinois corporation
Its General Partner

By: _____
Hipolito Roldan
Its President

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IN WITNESS WHEREOF, this Agreement has been executed and delivered by the authorized representative of the Bank.

BANK OF AMERICA, N.A., a national banking association

By: _____

Name: Richmond W. Coburn

Title: Senior Vice President

AUTHORITY:

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

By: _____ *NLS*

Printed Name: **Bryan Ziser**

Its: **Assistant Executive Director**

OWNER:

NORTH & TALMAN III LIMITED PARTNERSHIP, an Illinois limited partnership

By: **NORTH AND TALMAN III CORPORATION**, an Illinois corporation
Its General Partner

By: *Hipolito Roldan*
Hipolito Roldan
Its President

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STATE OF ~~ILLINOIS~~ *Missouri*)
) :SS
COUNTY OF ~~COOK~~ *St. Louis*)

I, the undersigned, a Notary Public in and for the County and State aforesaid, certify that Richmond W. Coburn, personally known to me to be the Senior Vice President of BANK OF AMERICA, N.A., a national banking association, 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 he/she signed and delivered the said instrument in his capacity as the Senior Vice President of the Bank as his free and voluntary act and deed and as the free and voluntary act and deed of the Bank, for the uses and purposes therein set forth.

Given under my hand and official seal this 16th day of December, 2011.

Jena R. Laub
Notary Public

My Commission Expires: 2-16-2013

JENA R. LAUB
Notary Public - Notary Seal
State of Missouri
Commissioned for St. Louis County
My Commission Expires: Feb. 16, 2013
09408383

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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, certify that Bryan Ziss, personally known to me to be the Assistant Executive Director of ILLINOIS HOUSING DEVELOPMENT AUTHORITY, 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 he/she signed and delivered the said instrument in his/her capacity as the Assistant Executive Director of ILLINOIS HOUSING DEVELOPMENT AUTHORITY as his/her free and voluntary act and deed and as the free and voluntary act and deed of ILLINOIS HOUSING DEVELOPMENT AUTHORITY, for the uses and purposes therein set forth.

Given under my hand and official seal this 7th day of December, 2011.



Margaret A. Vizzini
Notary Public

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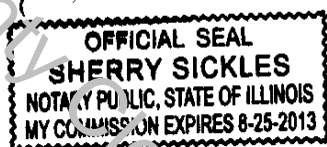
STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, certify that Hipolito Roldan, personally known to me to be the President of **NORTH AND TALMAN III CORPORATION**, an Illinois corporation, the General Partner of **NORTH & TALMAN III LIMITED PARTNERSHIP**, an Illinois limited partnership, 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 he signed and delivered the said instrument in his capacity as President of **NORTH AND TALMAN III CORPORATION**, an Illinois corporation, the General Partner of **NORTH & TALMAN III LIMITED PARTNERSHIP**, an Illinois limited partnership, as his free and voluntary act and deed and as the free and voluntary act and deed of said entities, for the uses and purposes therein set forth.

Given under my hand and official seal this 22nd day of December, 2011.

Sherry Sickles

Notary Public



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EXHIBIT A

LEGAL DESCRIPTION

PARCEL 1A:

LOTS 27 AND 28, (EXCEPT THE NORTH 8 FEET OF EACH OF SAID LOTS TAKEN OR USED FOR ALLEY) IN CHARLES PROEBSTING'S SUBDIVISION OF LOTS 4, 5, 6 AND THE SOUTH 60 FEET OF LOT 7 IN BLOCK 8 OF J. BORDEN'S SUBDIVISION OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 36, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 1B:

THE SOUTH 21.00 FEET OF LOT 9 IN C. BOETTCHER'S SUBDIVISION OF LOTS 8 AND 10 AND THAT PART NORTH OF THE SOUTH 60 FEET OF LOT 7 IN BLOCK 8 IN BORDEN'S SUBDIVISION OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 36, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 1C:

THE SOUTH 18.50 FEET OF LOT 8 (EXCEPT THE EAST 104.00 FEET THEREOF) IN C. BOETTCHER'S SUBDIVISION OF LOTS 8 AND 10 AND THAT PART NORTH OF THE SOUTH 60 FEET OF LOT 7 IN BLOCK 8 IN BORDEN'S SUBDIVISION OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 36, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

LOTS 9 AND 10 (EXCEPT THE SOUTH 21.00 FEET OF SAID LOT 9) IN C. BOETTCHER'S SUBDIVISION OF LOTS 8 AND 10 AND THAT PART NORTH OF THE SOUTH 60 FEET OF LOT 7 IN BLOCK 8 IN BORDEN'S SUBDIVISION OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 36, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

LOT 6 AND THE NORTH 3.27 FEET OF LOT 7 IN C. BOETTCHER'S SUBDIVISION OF LOTS 8 AND 10 AND THAT PART NORTH OF THE SOUTH 60 FEET OF LOT 7 IN BLOCK 8 IN BORDEN'S SUBDIVISION OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 36, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

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PARCEL 4:

LOT 7 (EXCEPT THE NORTH 3.27 FEET THEREOF) AND LOT 8 (EXCEPT THE SOUTH 18.50 FEET THEREOF) IN C. BOETTCHER'S SUBDIVISION OF LOTS 8 AND 10 AND THAT PART NORTH OF THE SOUTH 60 FEET OF LOT 7 IN BLOCK 8 IN BORDEN'S SUBDIVISION OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 36, TOWNSHIP 40 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PROPERTY ADDRESS: 2656-58 W. NORTH AVENUE, 1617-19 N. WASHTENAW AVENUE AND 1618-20 N. TAMMAM AVENUE, CHICAGO, ILLINOIS 60647

PROPERTY IDENTIFICATION NOS.:

- 13-36-427-014 Vol. 531
- 13-36-427-030 Vol. 531
- 13-36-427-031 Vol. 531
- 13-36-427-032 Vol. 531
- 13-36-427-040 Vol. 531 (part of)