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Doc#: 1518241071 Fee: \$58.00  
RHSF Fee: \$9.00 RPRF Fee: \$1.00  
Karen A. Yarbrough  
Cook County Recorder of Deeds  
Date: 07/01/2015 03:18 PM Pg: 1 of 11

This instrument is prepared by:

Gregory C. Whitehead  
Albert, Whitehead, P.C.  
10 N. Dearborn Street, Suite 600  
Chicago, Illinois 60602

and after recording, should be  
returned to:

LaRue Little  
Deputy General Counsel  
Chicago Housing Authority  
Office of the General Counsel  
60 E. Van Buren Street, 12th Fl.  
Chicago, Illinois 60605

SPACE ABOVE FOR RECORDER'S USE

**SUBORDINATION AGREEMENT**  
(Seller Loan)

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN THE LIEN OF A MORTGAGE ON THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

THIS SUBORDINATION AGREEMENT ("Subordination Agreement") is made as of June 1, 2015, among **NEW STERLING PARK LLC**, an Illinois limited liability company, as mortgagor (the "Borrower"), with a mailing address at 120 South LaSalle Street, Suite 1850, Chicago, Illinois 60603, owner of the real property hereinafter described, **STERLING PARK DEVELOPMENT, L.L.C.**, an Illinois limited liability company ("Junior Lienholder"), with a mailing address at 900 West Jackson Boulevard, #8, Chicago, Illinois 60607, owner of the mortgagee's interest in the mortgage and holder of the note described below, and the **CHICAGO HOUSING AUTHORITY**, an Illinois municipal corporation ("CHA"), with a mailing address of 60 East Van Buren Street, Chicago, Illinois 60605, Attn: Chief Executive Officer.

**Factual Background**

A. Junior Lienholder has made or intends to make a loan to Borrower in the principal amount of Five Hundred Nineteen Thousand Six Hundred Nineteen and No/100 Dollars (\$519,619) (the "Subordinated Loan"). The Subordinated Loan is evidenced by a certain Promissory Note dated June 1, 2015 (the "Subordinated Note") executed by Borrower to the order of Junior Lienholder. The Subordinated Loan is secured by a certain Junior Mortgage, Assignment of Rents and Security Agreement dated June 1, 2015 (the "Subordinated Mortgage") to be recorded concurrently herewith encumbering Borrower's fee simple interest in

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certain real property (the "Property") located in the City of Chicago, County of Cook, State of Illinois, more particularly described in Exhibit A attached hereto and made a part hereof.

B. The Subordinated Note and the Subordinated Mortgage, together with all of their exhibits, and all other documents which evidence, guaranty or secure the Subordinated Loan, collectively constitute the "Subordinated Loan Documents."

C. Junior Lienholder and Borrower desire that CHA make a loan (the "Superior Loan") to Borrower. The Superior Loan will be made pursuant to a Chicago Housing Authority Loan Agreement of even date between CHA and Borrower (the "Loan Agreement"), which will be evidenced by a certain Note dated June 1, 2015 (the "Note") in the principal amount of Nineteen Million Seven Hundred Fifteen Thousand Seven Hundred Fifty-Eight and No/100 Dollars (\$19,715,758) in favor of CHA which will be secured by a certain Subordinate Mortgage, Security Agreement and Financing Statement dated June 1, 2015 (the "Superior Mortgage") encumbering the property which is being recorded concurrently herewith. The CHA Note, the Superior Mortgage, the Declaration (as defined in the CHA Loan Agreement), the Regulatory and Operating Agreement (as defined in the CHA Loan Agreement), the Right of First Refusal (as defined in the Construction Loan Agreement), together with all of their exhibits, and all other documents which evidence, guaranty, secure, or otherwise pertain to the Superior Loan, collectively constitute the "Superior Loan Documents."

D. It is a condition to CHA's making the Superior Loan to Borrower that (i) the Superior Mortgage and the other Superior Loan Documents unconditionally be and remain at all times a lien, claim, and charge upon the Property unconditionally prior and superior to the liens, claims, and charges of the Subordinated Mortgage, and (ii) the Subordinated Loan and Subordinated Loan Documents shall, at all times and in all respects, be wholly subordinate and inferior in claim and right to the Superior Loan and Superior Loan Documents.

E. It is to the mutual benefit of the parties that CHA make the Superior Loan to Borrower, and Junior Lienholder is agrees that the Superior Mortgage constitutes a lien, claim, and charge upon the Property unconditionally prior and superior to the liens, claims, and charges of the Subordinated Mortgage, and that the Subordinated Loan and Subordinated Loan Documents shall, at all times and in all respects, be wholly subordinate and inferior in claim and right to the Superior Loan and Superior Loan Documents.

## AGREEMENT

1. **Subordination.** The Superior Mortgage and the Superior Loan Documents, and any and all renewals, modifications, extensions, or advances thereunder or secured thereby (including interest thereon), are unconditionally and will remain at all times, a lien, claim, or charge on the Property prior and superior to the Subordinated Mortgage. The Subordinated Loan and Subordinated Loan Documents shall, at all times and in all respects, be wholly subordinate and inferior in claim and right to the Superior Loan and Superior Loan Documents, and all claims, rights and remedies therefor are hereby subordinated and made subsequent and inferior to the Superior Loan and Superior Loan Documents and any claims, rights, and remedies arising out of, or in connection therewith.

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**2. Acknowledgements and Agreements of Junior Lienholder.** Junior Lienholder declares, acknowledges, and agrees that:

**2.1** CHA would not make the Superior Loan without this Subordination Agreement;

**2.2** Junior Lienholder consents to all provisions of the Superior Mortgage and the Superior Loan Documents;

**2.3** In making disbursements, CHA is under no obligation or duty to, nor has CHA represented that it will, see to the application of the Superior Loan proceeds; and

**2.4** Junior Lienholder intentionally and unconditionally waives, relinquishes, subjects, and subordinates the liens, claims, and charges of the Subordinated Loan Documents including without limitation any rights of Junior Lienholder arising out of a purchase money security interest, and all present and future indebtedness and obligations secured thereby, in favor of the Superior Loan Documents and the lien, claim, and charge upon the Property of the Superior 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 CHA's reliance upon this waiver, relinquishment, subjection, and subordination.

**3. Notices.**

**3.1** CHA and Junior Lienholder agree to give to each other copies of all notices of Events of Default under (and as defined in) their respective loan documents.

**3.2** 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. Any party may change those addresses by notice to all other parties.

**4. Integration; No Waiver.** This Subordination Agreement is the whole and only agreement with regard to the subordination of the liens, claims, and charges of the Subordinated Loan Documents to the Superior Loan Documents. This Subordination Agreement may not be modified or amended except by a written agreement signed by the parties. No waiver shall be deemed to be made by CHA of any of its rights hereunder unless the same shall be in writing signed on behalf of the CHA, and each such waiver, if any, shall be a waiver only with respect to the specific matter or matters to which the waiver relates and shall in no way impair the rights of the CHA or the obligations of Borrower to CHA in any other respect at any other time.

**5. Successors and Assigns.** This Subordination Agreement is binding on and inures to the benefit of the legal representatives, successors, and assigns of the parties. Notice of acceptance of this Subordination Agreement is hereby waived and this Subordination Agreement shall be binding upon the Junior Lienholder, its legal representatives, successors, and assigns, as the case may be, it being understood and agreed, however, that, unless otherwise agreed in

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writing by CHA, no assignment of the Subordinated Loan Documents, or any part thereof, shall be made without the prior written consent of the CHA.

6. **Creditor's Rights.** Junior Lienholder agrees not to commence or join with any other creditor of Borrower in commencing any bankruptcy, reorganization, or insolvency proceedings against the Borrower without the prior written consent of CHA.

7. **Forbearance from Exercise of Remedies.** As long as the Superior Loan has not been paid in full in cash and discharged, Junior Lienholder agrees that it shall not upon the Borrower's default under the Subordinated Loan Documents (a) foreclose upon, or realize upon its security interest in, the Subordinated Mortgage; (b) seek appointment as a mortgagee in possession of any part of the Property or (c) seek the appointment of a receiver for any part to the Property.

8. **Attorneys' Fees and Costs.** 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 reasonable attorneys' fees as awarded in the action.

9. **Governing Law.** This Subordination Agreement is governed by the laws of the State of Illinois, without regard to the choice of law rules of that state.

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

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK/  
SIGNATURE PAGE TO FOLLOW]

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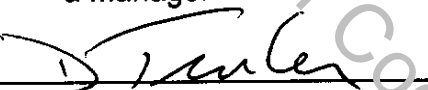
**NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN, A PORTION OF WHICH MAY BE EXPENDED FOR PURPOSES OTHER THAN IMPROVEMENT OF THE PROPERTY.**

**"Junior Lienholder"**

**STERLING PARK DEVELOPMENT, L.L.C.,  
an Illinois limited liability company**

By: Royal Sterling Development, L.L.C.,  
an Illinois limited liability company,  
its Manager

By:   
\_\_\_\_\_  
Mordecai Tessler  
a Manager

By:   
\_\_\_\_\_  
David Tessler  
a Manager

Address:


900 W. Jackson Boulevard  
Eighth Floor  
Chicago, Illinois 60607

**"Borrower"**

**NEW STERLING PARK LLC,  
an Illinois limited liability company**

By: New Sterling Park MM LLC,  
an Illinois limited liability company  
Its managing member

By: Mercy Sterling NFP,  
An Illinois not for profit corporation,  
Its managing member

By:   
\_\_\_\_\_  
Name: MARK A. ANGLINI  
Title: PRESIDENT

Address:

120 South LaSalle Street  
Suite 1850  
Chicago, Illinois 60603

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"CHA"

**CHICAGO HOUSING AUTHORITY**

By:

  
Eugene E. Jones, Jr.  
Acting Chief Executive Officer

Address:

60 East Van Buren Street, 12th Floor  
Chicago, Illinois 60605  
Attn: Chief Executive Officer

Property of Cook County Clerk's Office

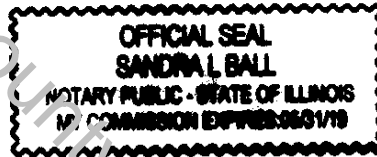
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STATE OF ILLINOIS        )  
   ) SS.  
 COUNTY OF ~~COOK~~       )  
   )  
   ) *Du PAGE*

I, the undersigned, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY, that Mordecai Tessler and David Tessler, the Managers of Royal Sterling Development, L.L.C., an Illinois limited liability company, as Manager of Sterling Park Development, L.L.C., an Illinois limited liability company, personally known to me to be the same person; whose names are subscribed to the foregoing instrument as such Managers, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their 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 Notary Seal, this 25<sup>TH</sup> day of JUNE, 2015.

Sandra K. Ball  
 Notary Public



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STATE OF ILLINOIS )  
 ) ss  
COUNTY OF ~~COOK~~ )  
 Will

I, the undersigned, a Notary Public in and for the county and State aforesaid, do hereby certify that Mark A. Angelini, personally known to me to be the President of Mercy Sterling NFP, an Illinois not for profit corporation, the managing member of New Sterling Park MM LLC, an Illinois limited liability company (the "Managing Member"), the managing member of New Sterling Park LLC, an Illinois limited liability company (the "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 severally acknowledged that as such officer, he signed and delivered the said instrument, on behalf of the managing member of the Managing Member, as the free and voluntary act of such person, and as the free and voluntary act and deed of the Managing Member and the Company, for the uses and purposes therein set forth.

Given under my hand and official seal this 29th day of June, 2015.



D Mendick  
Notary Public

(SEAL)

STATE OF ILLINOIS )  
 ) ss  
COUNTY OF COOK )

~~I, the undersigned, a Notary Public in and for the county and State aforesaid, do hereby certify that \_\_\_\_\_ personally known to me to be the \_\_\_\_\_ of Sterling Park Development, L.L.C., an Illinois limited liability company (the "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 severally acknowledged that as such officer, \_\_\_\_\_ signed and delivered the foregoing instrument, pursuant to authority duly granted as the free and voluntary act of such person, and as the free and voluntary act and deed of the Company, for the uses and purposes therein set forth.~~

~~Given under my hand and official seal this \_\_\_ day of \_\_\_\_\_, 2015.~~

~~\_\_\_\_\_  
Notary Public~~

~~(SEAL)~~



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STATE OF ILLINOIS     )  
  )  
COUNTY OF COOK     )     SS.

I, Rose M. Allen, a Notary Public, in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Eugene E. Jones, Jr., the Acting Chief Executive Officer of the Chicago Housing Authority, a municipal corporation, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Acting Chief Executive Officer, appeared before me this day in person and acknowledged that he or she signed and delivered said instrument as his or her own free and voluntary act and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 29th day of June, 2015.

Rose M. Allen  
Notary Public



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## EXHIBIT "A"

### Legal Description

#### PARCEL 1: (MDL BUILDING PARCEL)

THAT PART OF LOTS 7, 8 AND 9 IN BLOCK 1 IN HENRY E. VANCE'S RE-SUBDIVISION, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 21ST, 1904, AS DOCUMENT NO. 3635041, IN THE SOUTH EAST QUARTER OF SECTION 14, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE 3RD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID BLOCK 1, ALSO BEING THE INTERSECTION OF THE EAST RIGHT-OF-WAY LINE OF SOUTH HOMAN AVENUE AND THE SOUTH RIGHT-OF-WAY LINE OF WEST ARTHINGTON STREET; THENCE SOUTH 89 DEGREES 14 MINUTES 04 SECONDS EAST ALONG THE NORTH LINE OF SAID BLOCK 1, ALSO BEING SAID SOUTH RIGHT-OF-WAY LINE OF WEST ARTHINGTON STREET, A DISTANCE OF 489.02 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING SOUTH 89 DEGREES 14 MINUTES 04 SECONDS EAST ALONG SAID NORTH LINE OF BLOCK 1, ALSO BEING SAID SOUTH RIGHT-OF-WAY LINE OF WEST ARTHINGTON STREET, A DISTANCE OF 108.77 FEET TO THE NORTHEAST CORNER OF LOT 7, ALSO BEING THE INTERSECTION OF SAID SOUTH RIGHT-OF-WAY LINE OF WEST ARTHINGTON STREET AND THE WEST RIGHT-OF-WAY LINE OF VACATED SOUTH SPAULDING AVENUE; THENCE SOUTH 89 DEGREES 26 MINUTES 04 SECONDS WEST ALONG THE EAST LINE OF SAID LOT 7, ALSO BEING SAID WEST RIGHT-OF-WAY LINE OF VACATED SOUTH SPAULDING AVENUE, A DISTANCE OF 337.62 FEET TO THE SOUTHEAST CORNER OF SAID LOT 7 ALSO BEING THE NORTH LINE OF THE B. & O. C.T. RAILROAD (FORMERLY THE CHICAGO AND GREAT WESTERN RAILROAD); THENCE NORTH 89 DEGREES 13 MINUTES 55 SECONDS WEST ALONG SAID SOUTH LINE OF BLOCK 1, ALSO BEING SAID NORTH RIGHT-OF-WAY LINE OF THE B. & O. C.T. RAILROAD, A DISTANCE OF 289.32 FEET; THENCE NORTH 00 DEGREES 40 MINUTES 38 SECONDS EAST, A DISTANCE OF 157.20 FEET TO A POINT ON THE SOUTHERLY FACE OF A ONE STORY BRICK BUILDING AS SAID BRICK BUILDING EXISTED ON SEPTEMBER 15, 1997; THENCE SOUTH 89 DEGREES 40 MINUTES 36 SECONDS EAST ALONG SAID SOUTHERLY BUILDING FACE AND THE EASTERLY EXTENSION THEREOF, A DISTANCE OF 179.12 FEET; THENCE NORTH 00 DEGREES 40 MINUTES 38 SECONDS EAST, A DISTANCE OF 179.02 FEET TO SAID POINT OF BEGINNING; ALL IN COOK COUNTY, ILLINOIS.

#### PARCEL 2:

ALL THAT PART OF SPAULDING AVENUE VACATED PER DOCUMENT NUMBER 0803703000 RECORDED FEBRUARY 6, 2008 AND LYING EAST OF AND ADJOINING PARCEL 2 AFORESAID, LYING SOUTH OF THE SOUTH LINE OF ARTHINGTON STREET AND NORTH OF THE B. & O. C.T. RAILROAD (FORMERLY THE CHICAGO AND GREAT WESTERN RAILROAD), LOCATED IN THE EAST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 14, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

#### PARCEL 3:

PERPETUAL, NON-EXCLUSIVE EASEMENTS FOR THE BENEFIT OF PARCELS 1 AND 2 AS CREATED BY THE AMENDED AND RESTATED CROSS-EASEMENT AGREEMENT RECORDED DECEMBER 19, 2008 AS DOCUMENT 0835422062, FOR RIGHT OF WAY AND RIGHT TO USE AND UTILIZE ALL PRIVATE ROADS, DRIVEWAYS, ALLEYWAYS OR OTHER PAVED OR CONCRETE PATHWAYS FOR VEHICULAR AND PEDESTRIAL INGRESS AND EGRESS TO AND FROM SOUTH HOMAN AVENUE AND WEST ARTHINGTON STREET; CERTAIN WATER EASEMENTS; ACCESS TO SUB-BASEMENT OF THE POWER PLANT BUILDING; MAINTENANCE AND RESTORATION EASEMENTS; AND ELECTRICAL EASEMENTS; OVER AND UPON PORTIONS OF THE LAND

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**MORE PARTICULARLY DESCRIBED ON EXHIBIT 'A' AND AS DEPICTED ON OTHER EXHIBITS ATTACHED THERETO.**

**Property Address: 3301 West Arthington Street, Chicago, Illinois**

*60624*

**PIN: 16-14-417-009-0000 and 16-14-417-011-0000**

Property  
**COOK COUNTY**  
**RECORDER OF DEEDS**  
**SCANNED BY \_\_\_\_\_**  
Cook County Clerk's Office