

88022778

SUBORDINATION OF MANAGEMENT AGREEMENT

This Subordination of Management Agreement made and delivered in Chicago, Illinois as of the 14th day of January, 1988, by COVINGTON MANAGEMENT COMPANY, an Illinois corporation ("Manager"), to and for the benefit of IRVING FEDERAL SAVINGS AND LOAN ASSOCIATION, a corporation organized under the laws of the United States of America ("Lender").

R E C I T A L S :

A. CEDAR VIEW LIMITED PARTNERSHIP, an Illinois limited partnership (the "Partnership"), is the sole beneficiary of LASALLE NATIONAL BANK, not personally but solely as Trustee under a Trust Agreement dated August 3, 1983 and known as Trust No. 106679 (the "Trust"), which Trust owns title to certain land located in Buffalo Grove, Cook County, Illinois and legally described on Exhibit A attached hereto and made a part hereof and all improvements now or hereafter located thereon (collectively, the "Property") (the Partnership and the Trust are hereinafter jointly referred to as the "Borrower").

B. The Partnership and the Manager have entered into a certain Management Agreement dated as of JANUARY 14, 1988 (the "Management Agreement") whereby the Manager has agreed to furnish services for the rental, operation and management of the Property in exchange for certain payments to the Manager for its services and the payment of all expenses incurred by the Manager in connection with the furnishing of its services.

C. Pursuant to Illinois Revised Statutes, Chapter 82, par. 1, as amended on September 20, 1985, property managers have lien rights under the Mechanics' Lien Act for expenses incurred for the management of any structure.

D. Pursuant to that certain Construction Loan Agreement (the "Loan Agreement") dated December 21, 1987 by and among the Trust, the Partnership and Lender, Lender has agreed to make a loan (the "Loan") in an amount not to exceed Two Million Eight Hundred Nine Thousand Seven Hundred Twenty Five and 50/100 Dollars (\$2,809,725.50) to the Trust and the Partnership, which amount includes \$209,725.50 allocable to the Credit as such term is defined in the Loan Agreement). The Loan and a related extension of credit on behalf of the Partnership is evidenced by a certain Mortgage Note (the "Note") dated December 21, 1987 made by the Trust and the Partnership, jointly and severally, to the order of Lender in the principal amount of Two Million Eight Hundred Nine Thousand Seven Hundred Twenty Five and 50/100 Dollars (\$2,809,725.50). The Note is secured, among other things, by a Mortgage (the "Mortgage") dated as of December 21, 1987 made by the Trust granting a lien on the Property and recorded in the Office of the Recorder of Deeds of Cook County, Illinois on JANUARY 14, 1988 as Document 88022776. As additional security for repayment of the Note, the Trust and/or the Partnership are executing and delivering to Lender an Assignment of Rents and Leases, a Combined Security Agreement and Collateral Assignment of Beneficial Interest in Land Trust, a Security Agreement (Chattel Mortgage) and an Assignment of Plans, Specifications, Construction and Service Contracts (the Loan Agreement, the Mortgage and the foregoing security documents are hereinafter collectively referred to as the "Loan Documents").

88022778

UNOFFICIAL COPY

Property of Cook County Clerk's Office

UNOFFICIAL COPY

8 7 7 2 2 0 0 3

E. Lender requires as a condition precedent to its making the Loan, that the indebtedness evidenced by the Note and the lien and security interests of the Mortgage and the Loan Documents be paramount and prior to any and all obligations, expenses and indebtedness owing to the Manager which arise from the Management Agreement (collectively, the "Junior Liabilities") and any and all existing liens or future rights to liens of the Manager or anybody claiming by, through or under the Manager which arise from the Junior Liabilities (collectively, the "Junior Liens").

NOW, THEREFORE, in consideration of the mutual covenants made herein and of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and to induce Lender to make disbursements of proceeds of the Loan, it is hereby agreed as follows:

1. The Junior Liabilities and the Junior Liens are hereby subordinated to each and every one of the Note, the Mortgage, and the Loan Documents and all indebtedness, liabilities and obligations of any kind whatsoever (whether now existing or hereafter arising and regardless of the aggregate amount thereof) owing by Borrower or any partner of the Partnership to Lender with respect to the Property (collectively, the "Senior Liabilities").

2. The payment of all Junior Liabilities shall be subordinated to the payment in full of all Senior Liabilities. No payment in respect of any Junior Liabilities shall be made at any time on or after the date the Manager has been notified by Lender of any default in the payment or performance of any of the Senior Liabilities. In the event the Manager receives any such payment, the same shall be received in trust for Lender and immediately turned over by the Manager to Lender.

3. Any notices which may be given hereunder shall be deemed given if personally delivered or mailed by United States certified or registered mail, return receipt requested, properly addressed as follows:

To the Manager:

Covington Management Company

*200 Park View Towers
Beverly Hills, CA 90210*
Attention: *Mr. G. Allen*

with a copy to:

John Dugan, Esq.
1000 Skokie Boulevard
Wilmette, Illinois 60091

To Lender:

Irving Federal Savings and
Loan Association
770 West Dundee Road
Arlington Heights, Illinois 60004-1598
Attention: Mr. Frank Schwab

88022778

UNOFFICIAL COPY

The undersigned, Clerk of Cook County, Illinois, do hereby certify that the within and foregoing is a true and correct copy of the original as the same appears in the records of the County Clerk's Office.

Witness my hand and the seal of said County at Chicago, Illinois, this _____ day of _____, 19____.

Clerk of Cook County, Illinois

Notary Public in and for the State of Illinois

Notary Public in and for the State of Illinois

Notary Public in and for the State of Illinois

Property of Cook County Clerk's Office

2025/03/18

UNOFFICIAL COPY

with a copy to:

Greenberger, Krauss & Jacobs, Chtd.
180 North LaSalle Street
Suite 2700
Chicago, Illinois 60601
Attention: Merle Teitelbaum Cowin, Esq.

4. This Agreement shall be binding upon the Manager, its successors and assigns.

5. The Manager agrees to execute such further documents or instruments and take such further actions as Lender may reasonably request from time to time to carry out the intent of this Agreement.

6. This Agreement shall be construed in accordance with and governed by the laws of the State of Illinois. Wherever possible each provision of this Agreement shall be interpreted in such 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.

COVINGTON MANAGEMENT COMPANY,
an Illinois corporation

By: [Signature]
Title: [Title]
Attest: [Signature]
Title: [Title]

This Instrument Prepared By and
After Recording Return to:

Merle Teitelbaum Cowin, Esq.
Greenberger, Krauss & Jacobs,
Chartered
180 North LaSalle Street
Suite 2700
Chicago, Illinois 60601

Property Address:

Dundee Road and Golfview Terrace
Buffalo Grove, Illinois

Permanent Real Estate
Tax Index Nos.:

03-08-201-033-0000

88022778

UNOFFICIAL COPY

STATE OF ILLINOIS
COUNTY OF COOK

IN SENATE
JANUARY 11, 1900

REPORT OF THE COMMISSIONERS OF THE LAND OFFICE

IN RESPONSE TO A RESOLUTION PASSED BY THE SENATE
MAY 11, 1899, RELATIVE TO THE LANDS BELONGING TO THE STATE

AND TO A RESOLUTION PASSED BY THE SENATE
MAY 11, 1899, RELATIVE TO THE LANDS BELONGING TO THE STATE
AND TO A RESOLUTION PASSED BY THE SENATE
MAY 11, 1899, RELATIVE TO THE LANDS BELONGING TO THE STATE

REPORT OF THE COMMISSIONERS OF THE LAND OFFICE
IN RESPONSE TO A RESOLUTION PASSED BY THE SENATE

MAY 11, 1899, RELATIVE TO THE LANDS BELONGING TO THE STATE

AND TO A RESOLUTION PASSED BY THE SENATE
MAY 11, 1899, RELATIVE TO THE LANDS BELONGING TO THE STATE

OFFICE

Property of Cook County Clerk's Office

REPORT OF THE COMMISSIONERS OF THE LAND OFFICE

IN RESPONSE TO A RESOLUTION PASSED BY THE SENATE

MAY 11, 1899, RELATIVE TO THE LANDS BELONGING TO THE STATE

AND TO A RESOLUTION PASSED BY THE SENATE

MAY 11, 1899, RELATIVE TO THE LANDS BELONGING TO THE STATE

AND TO A RESOLUTION PASSED BY THE SENATE

MAY 11, 1899, RELATIVE TO THE LANDS BELONGING TO THE STATE

AND TO A RESOLUTION PASSED BY THE SENATE

UNOFFICIAL COPY 8

STATE OF ILLINOIS)
COUNTY OF COOK) SS.

I, MARILYN H. KAMM, a Notary Public, in and for said County, in the State aforesaid, DO HEREBY CERTIFY that DAVID M. HALLER and JOHN C. WIGAN, the PRESIDENT and SECRETARY of Covington Management Company, an Illinois corporation, respectively, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such PRESIDENT and SECRETARY, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their 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 Notarial Seal this 11th day of January, 1988.

Marilyn H. Kamm
Notary Public

" OFFICIAL SEAL "
MARILYN H. KAMM
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 3/22/91

Property of Cook County Clerk's Office

88022778

UNOFFICIAL COPY

Property of Cook County Clerk's Office

08/15/2012

EXHIBIT A

THAT PART OF THE EAST 1/2 OF THE NORTH EAST 1/4 OF SECTION 8, TOWNSHIP 42 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED BY A LINE DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE NORTH LINE OF SAID NORTH EAST 1/4, 100.0 FEET WEST OF THE NORTH EAST CORNER THEREOF; THENCE SOUTH ALONG A LINE 100.0 WEST OF AND PARALLEL WITH THE EAST LINE OF SAID NORTH EAST 1/4, 220.0 FEET; THENCE SOUTHEASTERLY 342.99 FEET TO A POINT ON THE EAST LINE OF SAID NORTH EAST 1/4 WHICH IS 547.09 FEET SOUTH OF THE NORTH EAST CORNER THEREOF; THENCE SOUTH ALONG THE EAST LINE OF SAID QUARTER SECTION, 106.36 FEET TO A POINT 653.45 FEET SOUTH OF THE NORTH EAST CORNER OF SAID NORTH EAST 1/4; THENCE WEST ALONG A LINE PARALLEL WITH THE NORTH LINE OF SAID NORTH EAST 1/4, 440.0 FEET; THENCE NORTH ALONG A LINE PARALLEL WITH THE EAST LINE OF SAID NORTH EAST 1/4, 653.45 FEET TO THE NORTH LINE OF SAID QUARTER SECTION; THENCE EAST ALONG THE NORTH LINE OF THE NORTH EAST 1/4 OF SAID SECTION 8, 340.0 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

Permanent Tax #03-08-201-033 -0000

Common Address: Dundee & Golfview Terrace, Buffalo Grove, IL 60089

Cook County Clerk's Office

88022778

88022778

DEPT-01 RECORDING \$15.4
TRAIL TRAN 2142 9/19/88 15:46:00
#1649 #19 *88-022778
COOK COUNTY RECORDER

15 Mail

Property of Cook County Clerk's Office

20055312

20055312

20055312