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COOK COUNTY ILLINOIS
FILED FOR RECORD

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SUBORDINATION AGREEMENT

This Agreement, made this 30th day of August, 1989, by ILLINOIS CENTER CORPORATION, a Delaware corporation, having an address of Suite 2700, 111 East Wacker Drive, Chicago, Illinois 60601, and METROPOLITAN STRUCTURES, an Illinois general partnership, having an address of Suite 1200, 111 East Wacker Drive, Chicago, Illinois 60601 (herein together called the "Seller") and CITICORP REAL ESTATE, INC., a Delaware corporation, as agent on behalf of THE DAI-ICHI KANGYO BANK LTD.-CHICAGO BRANCH, having an address of 1300 East 9th Street, Bond Court Building, Cleveland, Ohio 44114 (herein called the "Interim Lender").

\$2200

WITNESSETH:

WHEREAS, Seller has entered into a Real Estate Sale Contract dated August 3, 1988, as amended (herein called the "Purchase Agreement") with AMURCON DEVELOPMENT CORPORATION OF CHICAGO, a Michigan corporation, as purchaser, pursuant to which the Seller has contracted to sell certain premises described on the attached Exhibit "A" (herein called the "Premises");

WHEREAS, the interests of Amurcon Development Corporation of Michigan have been assigned to Parkshore Club Apartments Limited Partnership, a Michigan limited partnership (hereinafter called the "Borrower");

WHEREAS, title to the Premises is held by a land trust known as American National Bank and Trust Company of Chicago, not personally but as Trustee under Trust Agreement dated March 31, 1989 and known as Trust Number 107458-00 (herein called the "Land Trust") and the beneficial interest in the Land Trust is being conveyed by Seller to Borrower;

WHEREAS, concurrently herewith Borrower is entering into a \$73,800,000 construction loan transaction with Interim Lender (herein called the "Loan") collateralized, without limitation, by a mortgage lien against the Premises being granted by the Land Trust pursuant to the terms of a Mortgage, Security Agreement, Assignment of Leases and Rents and Financing Statement, dated August 30, 1989 (herein called the "Mortgage");

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WHEREAS, under Paragraph 19 of the Purchase Agreement, a copy of which is attached hereto as Exhibit "B", there are certain conditions under which the Premises may be reconveyed to Seller;

WHEREAS, Interim Lender has requested that any interest of Seller in the Premises pursuant to the terms of Paragraph 19 of the Purchase Agreement be subordinated to its interest under the Mortgage and all other collateral documents evidencing and securing the Loan.

NOW, THEREFORE, in consideration of the mutual terms and conditions herein set forth and other valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Seller hereby subordinates its interest under Paragraph 19 of the Purchase Agreement in and to the Premises and all improvements now or hereafter constructed thereon to the Mortgage and the lien created thereby, and to the lien of all other collateral documents of even date with the Mortgage granted to secure the Loan.

2. Notwithstanding the terms of Paragraph 1 above, it is understood and agreed that this Subordination Agreement shall be effective only to the extent of indebtedness secured by the Mortgage relating to disbursement of the Loan used to pay Approved Project Costs. For purposes hereof, "Approved Project Costs" shall be those budgeted items set forth on Exhibit "D" to the Construction Loan Agreement, dated August 30, 1989, executed by Interim Lender, Borrower and Land Trust with respect to the Loan, a copy of which is attached hereto as Exhibit "C".

3. In consideration of the subordination set forth in Paragraph 1 above, Interim Lender agrees that, within ten (10) days after being furnished written notice from Seller of Borrower's failure to reconvey the Premises within the sixty (60) day period set forth in Paragraph 19 of the Purchase Agreement in accordance with the terms of said Paragraph, Interim Lender will (a) cause construction of the Project (as defined in the Mortgage) to re-commence and thereafter to be diligently pursued or (b) undertake, by written notice to Seller within said ten (10) day period, to foreclose on the lien created by the Mortgage, in which event Interim Lender's notice will contain an undertaking on the part of Interim Lender to (i) diligently proceed with foreclosure proceedings and (ii) take all steps necessary to re-commence construction of the Project upon completion of foreclosure proceedings. If Interim Lender fails to do either of the foregoing within the aforesaid ten (10) day

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period, then, notwithstanding anything to the contrary contained herein, Seller may exercise the remedies provided in Paragraph 19 of the Purchase Agreement.

4. Any liability of Metropolitan Structures hereunder shall be limited solely to the net assets and property of Metropolitan Structures. No partner of Metropolitan Structures shall be personally liable in respect of any claim arising out of or related to this Subordination Agreement and a deficit capital account of any partner of Metropolitan Structures shall not be deemed an asset or property of Metropolitan Structures.

5. Interim Lender agrees that it shall furnish Seller with a copy of all notices of default under the Loan which it furnished to Borrower and shall allow Metropolitan Structures or Illinois Center Corporation or any one of them the right to cure any such default within the applicable cure period.

6. All notices and all other items herein required to be provided or furnished by either party to the other party shall be in writing and shall either be delivered in person, or sent by United States registered or certified mail, postage prepaid, return receipt requested, or sent by overnight courier return receipt requested and addressed to the respective parties at the following addresses:

A. To Seller:

Illinois Center Corporation
Suite 2700
111 East Wacker Drive
Chicago, Illinois 60601

Attention: Wence F. Carne, President

and

Metropolitan Structures
Suite 1200
111 East Wacker Drive
Chicago, Illinois 60601

Attention: Alan Levinson and
David M. Drew

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with a copy to

Metropolitan Life Insurance Company
500 Park Boulevard
Itasca, Illinois 60143

Attention: Associate General Counsel-
Partnership Development
and Management Office

and

Metropolitan Life Insurance Company
One Madison Avenue
Area 5-A
New York, New York 10010

Attention: Senior Vice President
Partnership Development
and Management Office

B. To Interim Lender:

Citicorp Real Estate, Inc.
1300 East Ninth Avenue
18th Floor
Cleveland, Ohio

Attention: Regional Manager

with a copy to:

The Dai-Ichi Kangyo Bank, Ltd.-
Chicago Branch
10 South Wacker Drive
Chicago, Illinois 60606

Any party may change the address to which notices are to be furnished by written notice to the other party in accordance with the provisions hereof. Notices and other such items shall be deemed received (a) on the date they are personally delivered, (b) on the day after they are sent by overnight courier or (c) three days after deposited in the U.S. mails.

7. This Agreement may be executed in one or more counterparts, all of which shall constitute and be one and the same instrument and agreement.

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8. This Agreement shall be binding upon the parties hereto and their respective successors and assigns, and shall inure to the benefit of the parties hereto and their respective successors and assigns. This Agreement shall be governed, construed and enforced in accordance with the laws of the State of Illinois.

In Witness Whereof, the parties hereby have duly executed this Agreement as of the date first above written.

METROPOLITAN STRUCTURES, an Illinois general partnership

BY: Metco Properties, an Illinois limited partnership:

By: *B. J. ... A. ...*
Its: *Partner*

ILLINOIS CENTER CORPORATION, a Delaware corporation

By: *John ...*
Its: *Vice President*

CITICORP REAL ESTATE, INC., as Agent on behalf of Citicorp Real Estate, Inc., and The Dai-Ichi Kangyo Bank Ltd. - Chicago Branch

By: *John ...*
Its: *Vice President*

This instrument prepared by: Mindy L. Wolin, Esq.
Alzheimer & Gray
10 South Wacker Drive
Suite 3800
Chicago, Illinois 60606

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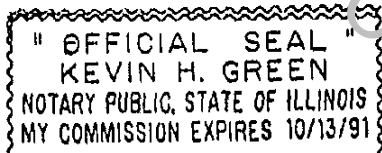
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STATE OF ILLINOIS)
) SS
COUNTY OF C O O K)

I, the undersigned, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY, that the above Benjamin A. Gray, General Partner of METCO PROPERTIES, an Illinois limited partnership, 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 as his free and voluntary act and as the free and voluntary act of said partnership and as a partner of Metropolitan Structures for the uses and purposes therein set forth.

Given under my hand and Notary Seal, this 30th day of August, 1989.



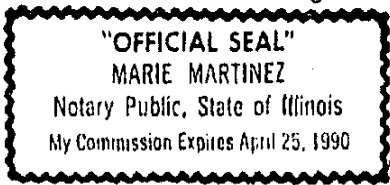
~~STATE OF ILLINOIS)~~
) SS
COUNTY OF C O O K)

[Signature]
Notary Public

I, the undersigned, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY, that the above named John P. Fagan, Vice President of ILLINOIS CENTER CORPORATION, a Delaware corporation, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such President, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his 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 Notary Seal, this 30th day of August, 1989.

[Signature]
Notary Public



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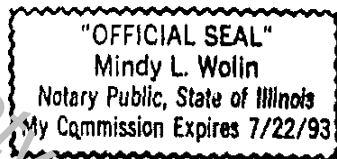
STATE OF ILLINOIS)
) SS
COUNTY OF C O O K)

I, the undersigned, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY, that the above named

John M. Toth
Vice President of CITICORP REAL ESTATE COMPANY, a Delaware corporation, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Vice President, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his 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 Notary Seal, this 31st day of August, 1989.

Mindy L. Wolin
Notary Public



Notary for Cook County Clerk's Office

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JAN 27 1964
Clerk of Cook County
Chicago, Illinois

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EXHIBIT A

THAT PART OF THE LANDS LYING EAST OF AND ADJOINING FORT DEARBORN ADDITION TO CHICAGO, BEING THE WHOLE OF THE SOUTHWEST FRACTIONAL QUARTER OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, BOUNDED AND DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF PARCEL "A" AS LOCATED AND DEFINED IN THE PLAT OF "LAKE FRONT PLAZA" SUBDIVISION (BEING A SUBDIVISION RECORDED IN THE RECORDER'S OFFICE OF COOK COUNTY, ILLINOIS ON THE 30TH DAY OF APRIL, 1962 AS DOCUMENT NO. 18461962) AND RUNNING

THENCE NORTH ALONG A NORTHWARD EXTENSION OF THE EAST LINE OF SAID PARCEL "A" (SAID NORTHWARD EXTENSION BEING ALSO THE WEST LINE OF A STRIP OF LAND, 66.00 FEET WIDE, DEDICATED AND CONVEYED TO THE CITY OF CHICAGO FOR PUBLIC UTILITIES BY PLAT OF DEDICATION RECORDED IN SAID RECORDER'S OFFICE ON THE 14TH DAY OF MARCH, 1979, AS DOCUMENT NO. 24879730) A DISTANCE OF 176.195 FEET;

THENCE EAST ALONG A LINE PERPENDICULAR TO THE LAST DESCRIBED COURSE A DISTANCE OF 235.083 FEET TO THE POINT OF BEGINNING AT THE NORTHWEST CORNER OF THE HEREINAFTER DESCRIBED PARCEL OF LAND;

THENCE CONTINUING ALONG THE LAST DESCRIBED PERPENDICULAR LINE A DISTANCE OF 189.959 FEET TO AN INTERSECTION WITH THE WESTERLY LINE OF N. LAKE SHORE DRIVE, AS SAID N. LAKE SHORE DRIVE WAS DEDICATED BY INSTRUMENT RECORDED IN SAID RECORDER'S OFFICE ON THE 14TH DAY OF MARCH, 1979, AS DOCUMENT NO. 24879733;

THENCE SOUTHWARDLY ALONG SAID WEST LINE OF N. LAKE SHORE DRIVE, A DISTANCE OF 146.790 FEET;

THENCE CONTINUING SOUTHWARDLY ALONG SAID WEST LINE OF N. LAKE SHORE DRIVE, SAID WEST LINE BEING HERE AN ARC OF A CIRCLE, CONCAVE WESTERLY AND HAVING A RADIUS OF 2854.789 FEET, AN ARC DISTANCE OF 85.093 FEET TO THE NORTHEAST CORNER OF BLOCK 2 OF HARBOR POINT UNIT NO. 1, A SUBDIVISION RECORDED IN SAID RECORDER'S OFFICE ON THE 13TH DAY OF DECEMBER, 1974, AS DOCUMENT NO. 22935649;

THENCE WEST ALONG THE NORTH LINE OF SAID BLOCK 2, A DISTANCE OF 169.878 FEET TO AN INTERSECTION WITH A LINE WHICH IS 235.083 FEET EAST OF AND PARALLEL WITH THE NORTHWARD EXTENSION OF THE EAST LINE OF PARCEL "A" IN "LAKE FRONT PLAZA" SUBDIVISION, AFORESAID;

THENCE NORTH ALONG THE LAST DESCRIBED PARALLEL LINE (SAID PARALLEL LINE BEING PERPENDICULAR TO SAID NORTH LINE OF BLOCK 2 IN HARBOR POINT UNIT NO. 1) A DISTANCE OF 231.00 FEET TO THE POINT OF BEGINNING.

CONTAINING 41,672 SQUARE FEET (0.9566 ACRES) OF LAND, MORE OR LESS.

P.I.N 17-10-401-008

Commonly known as 195 North Harbor Drive
Chicago Illinois

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determined by the sworn owner's statements executed in connection

diligently proceed with the Project until it is 20% completed (as within three (3) months after the Date of Closing or (b) continue to

Purchaser fails to (a) commence drilling of caissons for its Project excused because of Purchaser's inability to obtain financing. If

the period of such delay. In no event shall such commencement be time for such commencement shall be extended for a period equal to

reasonable efforts on the part of Purchaser, then in that event the condition or neglect and which could not have been avoided by

beyond the control of Purchaser, not due to its fault, financial government bodies, fires, floods, strikes, lockouts or other causes

drilling of caissons as a result of acts of God, the public enemy or Should Purchaser be delayed in the commencement of

and completed in accordance with the Declaration. (b) Such Project shall be designed, constructed to pursue diligently the completion of such drawings; and

has commenced the preparation of working drawings and continues gives to Seller evidence satisfactory to Seller that Purchaser it within three (3) months after the Date of Closing, Purchaser

be postponed until nine (9) months after the Date of Closing, however, that the commencement of the drilling of caissons may diligently proceed with such Project to completion; provided,

three (3) months after the Date of Closing and thereafter for its Project described in the Declaration ("Project") within (a) Purchaser shall commence drilling of caissons

covenants to Seller as follows: in this paragraph are of the essence of this Agreement. Purchaser

Center. Consequently, Purchaser's covenants as hereinafter provided essential to the orderly development and progress of Illinois

timely development of the Premises as hereinafter provided is Illinois Center (as hereinafter described) and that the Purchaser's

presently developing and is about to develop other property in 19. The parties reciprocally acknowledge that Seller is

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with the construction of the Project) then, at Seller's option, title to the Premises shall be reconveyed to the Seller, subject only to the Permitted Exceptions (and Purchaser shall be responsible for any and all costs and expenses incurred thereby), and Seller shall return to Purchaser the cash paid to it pursuant to Paragraph 14(a) hereof, plus the Earnest Money, less any costs incurred by Seller in connection with the transactions contemplated hereby. Said option shall be exercised by Seller furnishing to Purchaser a written request for said reconveyance within sixty (60) days of said failure to observe the covenants contained herein. If the Premises are to be reconveyed, then, at Seller's option, Purchaser shall furnish Seller with a Title Insurance Policy dated as of the date of said reconveyance. Any monies paid to Purchaser in connection with Seller's exercise of its option hereunder shall be paid to Holder to reduce the outstanding balance of Holder's lien on the Project. Prior to exercising any of its remedies hereunder, Seller agrees to give Holder notice of Purchaser's failure to observe the covenants contained in this Paragraph 19.

The parties reciprocally acknowledge that Seller may be developing property adjacent to or near the Premises, and the parties agree that each will use reasonable efforts to coordinate with the other so as to minimize interference between them.

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*Final
Paul D. Tom*

**PARKSHORE CLUB
HARD, SOFT AND LAND BUDGET**

		TOTAL
LAND:		
PER ORIGINAL PURCHASE AGREEMENT	7,080,000	
AMENDMENT FOR ADDITIONAL FLOOR AREA	299,640	
CHICAGO TRANSFER TAX AT .9%	59,330	
LAND EXTENSION PAYMENTS	212,400	
	-----	7,647,370
CONSTRUCTION:		
CONTRACTOR BWP-COST	54,183,735	
CONTINGENCY	1,314,269	
HAZARD-BUMI FEE	1,300,000	
HAZARD-BUMI FEE- DEFERRAL CITICORP	(300,000)	
	-----	56,500,000
MARKETING		
INCENTIVE COMMISSIONS	100,000	
ADVERTISING	950,000	
MODELS	250,000	
OTHER	100,000	
	-----	1,400,000
ARCHITECTURAL AND ENGINEERING:		
BARANCIK, CONTE AND ASSOCIATES INC.	1,645,000	
BARANCIK, CONTE FEE DEFERRAL CITICORP	(250,000)	
CIVIL AND OTHER CONSULTANTS TO ARCH.	36,500	
INSPECTING ENGINEERS (CIT) AND BECC	68,800	
SOIL TOXIC TESTING	45,000	
MISC. CONSULTING AND REIMBURSABLES	130,974	
REIMBURSABLES	60,000	
	-----	1,736,274
FINANCING , LEGAL AND ACCOUNTING		
GENERAL ELECTRIC- STANDBY COMMITMENT	2.00% 1,500,000	
GENERAL ELECTRIC- BROKER FEE	1.00% 700,000	
CONSTRUCTION LOAN CONSULTANT FEE	250,000	
GENERAL ELECTRIC- BROKER FEE DEFERRAL CITICORP	(250,000)	
CONSTRUCTION LOAN CONSULTANT FEE DEFERRAL CONTINGENCY	(250,000)	
CONSTRUCTION LENDER FEE	0.50% 369,000	
OTHER EQUITY- BROKER FEE	175,000	
LEGAL FEES	400,000	
SURVEY AND TITLE INSURANCE	90,000	
MARKET STUDY AND APPRAISAL COST	40,000	
LETTER OF CREDIT FEES	75,000	
	-----	3,149,000
CONSTRUCTION PERIOD TAXES AND INSURANCE:		
TAXES:		
1989- AT CLOSING	36,106	
1991- PAID BY CONSTRUCTION	115,975	
INSURANCE:		
1989	96,789	
1990	96,789	
1991	30,000	
	-----	379,659

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EXHIBIT C

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Handwritten: P.L.D. 8/30/89

PARKSHORE CLUB
HARD, SOFT AND LAND BUDGET

CONTINGENCY:			
TOTAL CONTINGENCY		3,689,278	
ALLOCATED TO CONSTRUCTION		(1,316,265)	
ALLOCATED TO INTEREST RESERVE		(1,000,000)	
		<u> </u>	1,364,013
DEVELOPMENT FEE:			
BUDGETED		3,200,000	
INTEREST RESERVE HOLDBACK		(1,200,000)	
LESS DEFERRAL CITICORP		(1,314,336)	
		<u> </u>	685,664
CONSTRUCTION PERIOD INTEREST:			
CALCULATED		6,307,664	
FROM CONTINGENCY		1,000,000	
FEE DEFERRAL CITICORP		2,114,336	
		<u> </u>	9,422,000
			<u> </u>
	BRAND TOTAL		82,300,000
	LESS EQUITY		(8,500,000)
			<u> </u>
	CASH BALANCE		73,800,000
			=====

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