

C. Mortgagee has required this Agreement as a condition to disbursement of the proceeds of the loan evidenced by the Note. Accordingly, Mortgagee, Trustee, Owner and Manager desire to confirm hereby, for the benefit of the Mortgagee, their respective

B. Trustee's title to the Premises is encumbered by a MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT of even date herewith (the "Mortgage"), filed for record contemporaneously herewith in the Office of the Recorder of Deeds of Cook County, Illinois as Document No. . The Mortgage was granted by Trustee to Mortgagee to secure a certain PROMISSORY NOTE (the "Note") of Trustee to Mortgagee bearing even date herewith, in the stated principal amount of FIVE MILLION FOUR HUNDRED THOUSAND DOLLARS (\$5,400,000.00), which Note is more fully described in the Mortgage.

A. Trustee is the holder of fee title to the premises (the "Premises") located in Cook County, Illinois legally described in EXHIBIT A attached hereto and made a part hereof. Manager is the manager of the Premises under a Management Agreement dated July 14, 1989 (the "Management Agreement") with Owner thereunder.

Recitals

To and for the benefit of JOHN HANCOCK MUTUAL LIFE INSURANCE COMPANY, a Massachusetts corporation, whose mailing address is John Hancock Place, P.O. Box 111, Boston, Massachusetts 02117 (the "Mortgagee").

Lakewest Equity, Inc., an Illinois corporation (the "Manager"), whose mailing address is 55 E. Monroe Street, Suite 3950, Chicago, Illinois 60603;

-and-

American National Bank and Trust Company of Chicago, not personally but as Trustee under Trust Agreement dated January 4, 1962 and known as Trust Number 17351 (the "Trustee"), whose mailing address is 33 N. LaSalle Street, Chicago, Illinois 60602;

Diversity/Halsted Limited Partnership, a limited partnership organized under the laws of the State of Illinois, and the sole beneficiary of Trust Number 17351 ("Owner");

20. This SUBORDINATION AGREEMENT ("Agreement") is made as of the day of November, 1989 by, between and among:

SUBORDINATION AGREEMENT

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rights and lien priorities and those of their successors and assigns.

Agreements:

NOW, THEREFORE, in consideration of the Recitals and intending to be legally bound hereby, the parties hereto agree for the benefit of the Mortgagee as follows:

1. All right, title and interest, if any, of the Manager and of all persons claiming by, through or under the Manager, in and to the Premises, under the Management Agreement or otherwise, is and shall be and remain subject, junior and subordinate in each and every respect to the lien of the Mortgage and the rights, powers and privileges, options and remedies of the Mortgagee thereunder and to every renewal, modification, substitution, extension and replacement of the Mortgage and to all advances made or to be made by the Mortgagee secured thereby.

2. Without limiting the generality of Paragraph 1:

(a) if there is any conflict between (i) the rights, powers, privileges, options and remedies of the Mortgagee under the Mortgage or (ii) the priority of the lien of the Mortgage with any rights, powers, privileges, options and remedies or the priority of lien rights of any other party hereto, under the Management Agreement or otherwise, the rights, powers, privileges, options and remedies of the Mortgagee under the Mortgage shall be controlling, and the lien of the Mortgage shall be first and paramount; and

(b) Manager, for itself and its subcontractors, successors and assigns and all parties claiming by, through or under the Manager, hereby subordinates to the lien of the Mortgage and every renewal, modification, substitution, extension and replacement thereof, to the maximum extent permitted under applicable law, any and all rights which the Manager may have to claim a mechanic's lien against the Premises arising from its management or operation of the Premises. Without limiting the foregoing, Manager expressly subordinates any right to deduct any compensation due under the Management Agreement from rentals and other collections.

3. The provisions of this Agreement shall bind and benefit the respective successors and assigns and successors in estate and interest of the parties hereto (including the Mortgagee) and those claiming by, through or under any of them, and shall be deemed, as to both benefits and burdens to be covenants running with the

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respective estates and interests of the parties hereto (including the Mortgagee).

4. Upon payment in full of the principal sum, interest and all other indebtedness secured by the Mortgage, this Agreement shall be and become void and of no further effect; but the affidavit, certificate, letter or statement of any officer, agent or attorney of the Mortgagee showing any part of the principal, interest or indebtedness secured by the Mortgage to remain unpaid shall be and constitute conclusive evidence of the validity, effectiveness and continuing force of this Agreement; and every individual and entity may, and is hereby authorized and directed to, rely thereon.

Property of Cook County Clerk's Office

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IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Agreement as of the date first written above.

AMERICAN NATIONAL BANK AND TRUST
COMPANY OF CHICAGO, not personally
but as Trustee aforesaid

ATTEST:

By: [Signature]
Its: (Assistant) Secretary

By: [Signature]
Its: President

(Impress corporate seal here)

DIVERSEY/HALSTED LIMITED PARTNERSHIP,
an Illinois limited partnership,

By: Sarajeon Family Partnership, an
Illinois general partnership, its
General Partner

By: [Signature]
General Partner

-and-

LAKEWEST EQUITY, INC., an Illinois
corporation

By: [Signature]
Its: President

ATTEST:

By: Damon M. Schenckerson
Its: Secretary

(Impress corporate seal here)

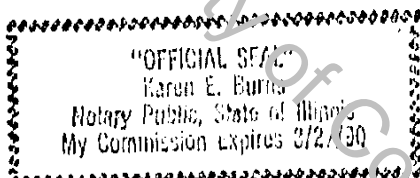
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STATE OF ILLINOIS)
) SS.
COUNTY OF C O O K)

NOV 21 1989

The foregoing instrument was acknowledged before me this _____ day of November, 1989 by J. MICHAEL WHITNEY, as VICE PRESIDENT President of American National Bank and Trust Company of Chicago, on behalf of the corporation, as Trustee under Trust No. 17351.



(Impress Notarial Seal Here)

[Signature]
NOTARY PUBLIC

My commission expires: _____, 19____

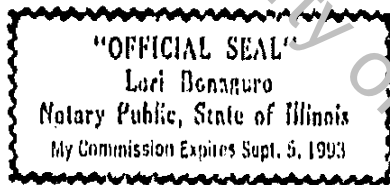
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STATE OF ILLINOIS)
) SS.
COUNTY OF C O O K)

The foregoing instrument was acknowledged before me this 20th day of November, 1989 by David W. Kuthenberg, as the General Partner of Sarajevo Family Partnership, an Illinois general partnership, on behalf of the Diversey/Halsted Limited Partnership, an Illinois limited partnership.



Lari Bonaguro
NOTARY PUBLIC

(Impress Notarial Seal Here)

My commission expires: 9-5, 1993

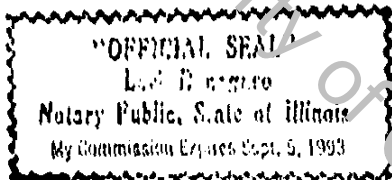
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STATE OF ILLINOIS)
) SS.
COUNTY OF C O O K)

The foregoing instrument was acknowledged before me this 20th day of November, 1989 by Roger F. Kullerby as President of Lakewest Equity, Inc., an Illinois corporation, on behalf of the corporation.



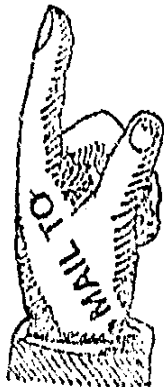
Lori Donagaro
NOTARY PUBLIC

(Impress Notarial Seal Here)

My commission expires: 9-5, 1993

This instrument was prepared by,
and after recording, registration
or filing please return to

BURKE, WILSON & McILVAINE
500 West Madison Street
Suite 3700
Chicago, Illinois 60606
Attention: Michael J. Martin, Esq.
(312) 715-5000



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EXHIBIT A

LEGAL DESCRIPTION

LOTS 5 TO 18, BOTH INCLUSIVE, IN L. S. WARNER'S SUBDIVISION OF LOTS 17 AND 18 IN BICKERDIKE AND STEELE'S SUBDIVISION OF PART OF THE WEST 1/2 OF THE NORTH WEST 1/4 OF SECTION 28, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Property Address: 730-748 West Diversey Parkway, Chicago, Illinois

PIN: 14-28-114-020
14-28-114-021
14-28-114-045
14-28-114-052

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COOK COUNTY RECORDER

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