

**UNOFFICIAL COPY** 89381713

SUBORDINATION OF MANAGEMENT AGREEMENT

**\$16.00**

This Subordination of Management Agreement made and delivered in Chicago, Illinois as of the 7th day of August, 1989, by SPECTRUM MANAGEMENT COMPANY, an Illinois corporation (hereinafter referred to as the "Manager"), to and for the benefit of HELLER FINANCIAL INC., a Delaware corporation ("Lender").

RECITALS:

A. Spectrum-Roosevelt Limited Partnership, an Illinois limited partnership ("Beneficiary") is the sole beneficiary of American National Bank and Trust Company of Chicago, not personally but solely as Trustee under a Trust Agreement dated July 24, 1989 and known as Trust No. 108918-02 (the "Trust"), which Trust owns title to certain land and improvements thereon (collectively, the "Property"), legally described in attached Exhibit A and commonly known as 5000 West Roosevelt Road, Chicago, Illinois (Beneficiary and the Trust are hereinafter jointly referred to as the "Borrower").

B. Beneficiary and the Manager have entered into a certain Management Agreement dated August 7, 1989 (the "Management Agreement") whereby the Manager 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 certain 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. Lender has agreed to make a loan (the "Loan") in an amount not to exceed Eighteen Million Two Hundred Seventy Five Thousand and No/100 Dollars (\$18,275,000) to the Trust and the Beneficiary. The Loan is evidenced by a certain Promissory Note (the "Note") of even date herewith made by the Trust to the order of Lender in the principal amount of Eighteen Million Two Hundred Seventy Five Thousand and No/100 Dollars (\$18,275,000). The Note is secured, among other things, by a Mortgage, Security Agreement and Assignment of Leases and Rents (the "Mortgage") of even date herewith granting a lien on the Property and recorded in the Office of the Recorder of Deeds of Cook County, Illinois as Document No. 89381711. As additional security for repayment of the Note, the Trust and/or Beneficiary have executed and delivered to Lender an Assignment of Leases and Rents, a Combined Security Agreement and Collateral Assignment of Beneficial

72-06-403D1

89381713

UNOFFICIAL COPY

00.318

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

8 9 3 8 1 7 1 3

Interest in Land Trust, a Security Agreement (Chattel Mortgage), an Assignment of Licenses, Permits and Contracts and a Borrower's Certificate (collectively, the "Loan Documents").

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 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 the Trust and/or Beneficiary 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:

Spectrum Management Company  
Suite 1210  
122 South Michigan Avenue  
Chicago, Illinois 60603

89381713

UNOFFICIAL COPY

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

8 7 3 8 1 7 1 3

To Lender:

Heller Financial, Inc.  
9th Floor - Real Estate Division  
200 North LaSalle Street  
Chicago, Illinois 60601  
Attention: Manager, Credit/Loan  
Administration

With a copy to:

Heller Financial, Inc.  
9th Floor - Real Estate Division  
200 North LaSalle Street  
Chicago, Illinois 60601  
Attention: Group General Counsel

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.

SPECTRUM MANAGEMENT COMPANY,  
an Illinois corporation

By: 

Title: President

Attest: 

Title: Secretary

89381713



# UNOFFICIAL COPY

89381713

## EXHIBIT A

PARCEL "A":

THAT PART OF THE EAST 1/2 OF SECTION 16, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTH WEST CORNER OF SOUTH CICERO AVENUE AND WEST ROOSEVELT ROAD, SAID POINT BEING 33 FEET WEST OF THE EAST LINE AND 33 FEET NORTH OF THE SOUTH LINE OF SAID SECTION 16 AND RUNNING THENCE NORTH ALONG THE WEST LINE OF SOUTH CICERO AVENUE AND 33 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF SAID SECTION 16, A DISTANCE OF 539.34 FEET TO THE POINT OF INTERSECTION OF SAID WEST LINE WITH THE SOUTHERLY LINE OF A STRIP OF LAND 300 FEET IN WIDTH LYING SOUTH OF AND ADJOINING THE ABANDONED RIGHT OF WAY OF THE ST. CHARLES AND MISSISSIPPI AIR LINE RAILROAD; THENCE WESTERLY ALONG SAID SOUTHERLY LINE AT AN ANGLE OF 98 DEGREES 00 MINUTES 30 SECONDS WITH SAID WEST LINE OF SOUTH CICERO AVENUE, A DISTANCE OF 1295.51 FEET TO A POINT WHICH IS 1320 FEET EASTERLY (MEASURED ALONG SAID SOUTHERLY LINE) FROM THE POINT OF INTERSECTION OF SAID SOUTHERLY LINE WITH THE ORIGINAL EAST LINE OF SOUTH 52ND AVENUE (NOW SOUTH LARAMIE AVENUE), SAID LINE BEING 40 FEET EAST OF THE NORTH AND SOUTH QUARTER SECTION LINE OF SAID SECTION 16; THENCE SOUTHERLY AT RIGHT ANGLES TO SAID SOUTHERLY LINE, A DISTANCE OF 75 FEET; THENCE WESTERLY PARALLEL TO SAID SOUTHERLY LINE, A DISTANCE OF 1279.13 FEET TO A POINT IN THE EAST LINE OF SOUTH LARAMIE AVENUE, AS WIDENED, SAID LINE BEING 70 FEET EAST OF AND PARALLEL TO THE NORTH AND SOUTH CENTER LINE OF SAID SECTION 16; THENCE SOUTH ON SAID EAST LINE OF SOUTH LARAMIE AVENUE, AS WIDENED, A DISTANCE OF 806.15 FEET TO THE POINT OF INTERSECTION OF SAID EAST LINE WITH THE NORTH LINE OF WEST ROOSEVELT ROAD; THENCE EAST ALONG THE NORTH LINE OF WEST ROOSEVELT ROAD AND 33 FEET NORTH OF AND PARALLEL WITH THE SOUTH LINE OF SAID SECTION 16, A DISTANCE OF 2559.81 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS

EXCEPTING THEREFROM THE FOLLOWING:

THAT PART OF THE EAST 1/2 OF SECTION 16, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTH EAST CORNER OF SOUTH LARAMIE AVENUE AND WEST ROOSEVELT ROAD, SAID POINT BEING 33 FEET NORTH OF THE SOUTH LINE OF SECTION 16 AND 70 FEET EAST OF THE NORTH AND SOUTH CENTER LINE OF SAID SECTION 16 AND RUNNING THENCE NORTH ALONG THE EAST LINE OF SOUTH LARAMIE AVENUE AS WIDENED, SAID LINE BEING 70 FEET EAST OF AND PARALLEL WITH SAID NORTH AND SOUTH CENTER LINE, FOR A DISTANCE OF 806.15 FEET TO THE POINT OF INTERSECTION OF SAID EAST LINE OF SOUTH LARAMIE AVENUE WITH THE SOUTHERLY LINE OF THE RIGHT OF WAY OF THE CHICAGO GREAT WESTERN RAILROAD COMPANY, SAID LINE BEING 375 FEET SOUTHERLY, AT RIGHT ANGLE MEASUREMENT, OF THE SOUTHERLY LINE OF THE RIGHT OF WAY AS LOCATED AND LAID OUT (BUT NOW ABANDONED) OF THE ST. CHARLES AND MISSISSIPPI AIR LINE RAILROAD; THENCE EASTERLY ALONG SAID SOUTHERLY RIGHT OF WAY LINE, SAID LINE FORMING AN ANGLE OF 81 DEGREES 58 MINUTES 30 SECONDS WITH THE EAST LINE OF SOUTH LARAMIE AVENUE, FOR A DISTANCE OF 82.76 FEET TO A POINT; THENCE EASTERLY ON A LINE WHICH FORMS AN ANGLE OF 11 DEGREES 44 MINUTES WITH A PROLONGATION OF SAID LAST DESCRIBED LINE FOR A DISTANCE OF 84.57 FEET TO A POINT OF CURVE; THENCE SOUTHEASTERLY ON A CURVED LINE TANGENT TO SAID LAST DESCRIBED LINE, CONVEX TO THE NORTH EAST AND HAVING A RADIUS OF 330 FEET, FOR A DISTANCE OF 404.56 FEET TO A POINT OF TANGENCY IN A LINE WHICH IS 380 FEET, EAST OF AND PARALLEL WITH THE EAST LINE OF SOUTH LARAMIE AVENUE, AS WIDENED (SAID 380 FEET BEING MEASURED ON THE NORTH LINE OF WEST ROOSEVELT ROAD); THENCE SOUTH ALONG SAID LAST DESCRIBED PARALLEL LINE A DISTANCE OF 458.16 FEET TO SAID

89381713

# UNOFFICIAL COPY

NORTH LINE OF WEST ROOSEVELT ROAD; THENCE WEST ALONG SAID NORTH LINE OF WEST ROOSEVELT ROAD, A DISTANCE OF 380 FEET TO THE PLACE OF BEGINNING, AND EXCEPT THAT PART THEREOF DESCRIBED AS FOLLOWS:  
COMMENCING AT A POINT IN THE NORTH LINE OF WEST ROOSEVELT ROAD, WHICH IS 380 FEET EAST OF THE NORTH EAST CORNER OF SOUTH LARAMIE AVENUE, AS WIDENED, SAID POINT BEING 33 FEET NORTH OF THE SOUTH LINE OF SAID SECTION 16 AND 450 FEET EAST OF THE NORTH AND SOUTH CENTER LINE OF SAID SECTION 16, AND RUNNING THENCE NORTH PARALLEL WITH THE EAST LINE OF SOUTH LARAMIE AVENUE AS WIDENED, A DISTANCE OF 458.16 FEET TO A POINT OF CURVE; THENCE NORTHWESTERLY ON A CURVED LINE TANGENT TO SAID LAST DESCRIBED LINE CONVEX TO THE NORTH EAST, AND HAVING A RADIUS OF 330 FEET, FOR A DISTANCE OF 404.56 FEET TO A POINT OF TANGENCY; THENCE WESTERLY ON A LINE WHICH IS TANGENT TO SAID LAST DESCRIBED CURVED LINE, A DISTANCE OF 84.57 FEET TO A POINT IN THE SOUTHERLY LINE OF THE RIGHT OF WAY OF THE CHICAGO GREAT WESTERN RAILROAD COMPANY, SAID LAST DESCRIBED LINE FORMS AN ANGLE OF 11 DEGREES 44 MINUTES WITH THE SAID SOUTHERLY RIGHT OF WAY LINE, SAID POINT BEING 82.76 FEET EASTERLY OF THE POINT OF INTERSECTION OF SAID EAST LINE OF SOUTH LARAMIE AVENUE, AS WIDENED, WITH THE SAID SOUTHERLY RIGHT OF WAY LINE (MEASURED ALONG SAID RIGHT OF WAY LINE); THENCE EASTERLY ALONG THE SOUTHERLY RIGHT OF WAY LINE, SAID LINE BEING 375 FEET SOUTHERLY, AT RIGHT ANGLE MEASUREMENT OF THE SOUTHERLY LINE OF THE RIGHT OF WAY, AS LOCATED AND LAID OUT (BUT NOW ABANDONED) OF THE ST. CHARLES AND MISSISSIPPI AIR LINE RAILROAD, FOR A DISTANCE OF 298.04 FEET TO A POINT; THENCE EASTERLY ON A LINE WHICH FORMS AN ANGLE OF 7 DEGREES 09 MINUTES 10 SECONDS (MEASURED SOUTHERLY FROM SAID RIGHT OF WAY LINE) A DISTANCE OF 165.10 FEET TO A POINT OF CURVE; THENCE SOUTHEASTERLY ON A CURVED LINE TANGENT TO SAID LAST DESCRIBED LINE, CONVEX TO THE NORTH EAST AND HAVING A RADIUS OF 330 FEET FOR A DISTANCE OF 430.94 FEET TO A POINT OF TANGENCY IN A LINE WHICH IS 780 FEET EAST OF AND PARALLEL WITH THE SAID EAST LINE OF SOUTH LARAMIE AVENUE AS WIDENED, (MEASURED ON THE NORTH LINE OF WEST ROOSEVELT ROAD); THENCE SOUTH ON SAID LAST DESCRIBED PARALLEL LINE, A DISTANCE OF 396.88 FEET TO A POINT IN THE SAID NORTH LINE OF WEST ROOSEVELT ROAD; THENCE WEST ON SAID NORTH LINE OF WEST ROOSEVELT ROAD, A DISTANCE OF 400 FEET TO THE PLACE OF BEGINNING, (EXCEPTING THEREFROM THAT PORTION TAKEN FOR CICERO AVENUE AS CONDEMNED IN CASE NUMBER 88LS0717), IN COOK COUNTY, ILLINOIS

## PARCEL "B":

ALL THAT PART OF THE SOUTH EAST 1/4 OF SECTION 16, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS:  
COMMENCING AT A POINT ON THE NORTHERLY LINE OF A STRIP OF LAND DESCRIBED IN DOCUMENT NUMBER 3049095, SAID POINT BEING 853.317 FEET (AS MEASURED ALONG SAID NORTHERLY LINE) EASTERLY OF THE POINT OF INTERSECTION OF SAID NORTHERLY LINE WITH A LINE DRAWN 40.00 FEET (MEASURED PERPENDICULARLY) EAST OF AND PARALLEL WITH THE WEST LINE OF THE SOUTH EAST 1/4 OF SAID SECTION; THENCE SOUTH 7 DEGREES 36 MINUTES 10 SECONDS WEST ALONG A LINE DRAWN PERPENDICULARLY TO SAID NORTHERLY LINE, 225.00 FEET TO THE POINT OF INTERSECTION WITH THE SOUTHERLY LINE OF A STRIP OF LAND DESCRIBED IN DOCUMENT NUMBER 4133136; THENCE SOUTH 82 DEGREES 23 MINUTES 50 SECONDS EAST ALONG SAID SOUTHERLY LINE 487.837 FEET TO THE POINT OF INTERSECTION WITH THE EASTERLY LINE OF THE AFORESAID STRIP OF LAND DESCRIBED IN SAID DOCUMENT NUMBER 4133136; THENCE NORTH 7 DEGREES 36 MINUTES 10 SECONDS EAST ALONG SAID EASTERLY LINE 75.00 FEET TO THE POINT OF INTERSECTION WITH THE SOUTHERLY LINE OF THE AFORESAID STRIP OF LAND DESCRIBED IN SAID DOCUMENT NUMBER 3049095; THENCE SOUTH 82 DEGREES 23 MINUTES 50 SECONDS EAST ALONG SAID SOUTHERLY LINE 1295.424 FEET TO THE POINT OF INTERSECTION WITH THE WEST LINE OF SOUTH CICERO AVENUE (BEING A LINE 33.00 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF THE SOUTH EAST 1/4 OF SAID SECTION 16); THENCE NORTH 00 DEGREES 22 MINUTES 25 SECONDS WEST ALONG SAID WEST LINE, 151.465 FEET TO THE POINT OF INTERSECTION WITH THE NORTHERLY LINE OF THE AFORESAID STRIP OF LAND DESCRIBED IN DOCUMENT NUMBER 3049095; THENCE NORTH 82 DEGREES 23 MINUTES 50 SECONDS WEST ALONG SAID NORTHERLY LINE, 1762.241 FEET TO THE POINT OF BEGINNING, (EXCEPTING THEREFROM THAT PORTION TAKEN FOR CICERO AVENUE AS CONDEMNED IN CASE NUMBER 88LS0717), ALL IN COOK COUNTY, ILLINOIS.

89381713