

This instrument was prepared by: 93503870

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Siebel, Whipple & Schofield
20 South Clark Street
Suite 800
Chicago, Illinois 60603

After recording return to:
Illinois Housing Development Authority
401 North Michigan Avenue
Suite 900
Chicago, Illinois 60611
Attn: Legal Department

DEPT-01 RECORDING \$39.00
T63333 TRAN 7400 06/30/93 16156100
43812 * -93-503870
COOK COUNTY RECORDER

DECLARATION OF SUBORDINATION

This DECLARATION OF SUBORDINATION made as of June 1, 1993 by the CITY OF CHICAGO, an Illinois municipal corporation (hereinafter referred to as the "City").

RECITALS

American National Bank and Trust Company of Chicago, as Trustee under Trust Agreement dated June 24, 1992 and known as Trust No. 115531-04 (the "Trustee"), has executed a promissory note (the "Lender's Note"), dated June 1, 1993 in the original principal amount of FIVE HUNDRED THOUSAND AND No/100ths DOLLARS (\$500,000.00), with interest and upon the terms and conditions therein described, payable to Illinois Housing Development Authority (the "Lender"), which Lender's Note is secured, *inter alia*, by the following documents all dated as of June 1, 1993 (together hereinafter referred to as the "Lender's Loan Documents") which relate to the real property (the "Property") legally described in Exhibit A attached hereto and made a part hereof: (1) a Junior Mortgage and Security Agreement recorded in the Office of the Recorder of Deeds of Cook County, Illinois as Document No. 93503864; (2) a Junior Assignment of Rents and Leases recorded in the Office of the Recorder of Deeds of Cook County, Illinois as Document No. 93503865; (3) a UCC-1 financing statement filed with the Illinois Secretary of State's Office; and (4) a Regulatory and Land Use Restriction Agreement by and among Trustee, Dorchester Way Limited Partnership, an Illinois limited partnership, and Lender.

B. The Property is subject to certain covenants, conditions and restrictions contained in (i) that certain Quitclaim Deed from the City to City Lands Corporation dated December 8, 1992 and recorded in the Office of the Recorder of Deeds of Cook County, Illinois as Document No. 92943725, (ii) that certain Quitclaim Deed from the City to City Lands Corporation dated December 29, 1992 and recorded in the Office of

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Box 430

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the Recorder of Deeds of Cook County, Illinois as Document No. 92986015 and (iii) that certain Quitclaim Deed from the City to City Lands Corporation dated December 29, 1992 and recorded in the Office of the Recorder of Deeds of Cook County, Illinois as Document No. 92986013 (the foregoing Quitclaim Deeds are hereinafter referred to collectively as the "Deeds").

C. The Deeds provide for the reversion of title in the Property to the City upon the occurrence of a breach or violation of the covenants, conditions and restrictions therein contained.

D. Three (3) trustees deeds (the "Reconveyance Deeds") covering portions of the Property executed by American National Bank and Trust Company of Chicago, as Trustee under Trust Agreement dated June 24, 1992 and known as Trust No. 115531-04 and dated December 30, 1992, in favor of the City are or will be deposited in escrow with Title Services, Inc. to facilitate the enforcement of the rights of reversion contained in the Deeds.

E. It is a condition precedent to obtaining the loan (the "Loan") represented by the Lender's Note that the Lender's Loan Documents shall be and shall remain liens or charges upon the Property prior and superior to the City's rights of reversion contained in the Deeds.

F. Lender is willing to make the Loan, provided the Lender's Loan Documents are liens or charges upon the Property prior and superior to the City's rights of reversion contained in the Deeds and provided that the City will specifically and unconditionally subordinate the aforesaid rights of reversion to the liens or charges of the Lender's Loan Documents.

NOW, THEREFORE, in consideration of the premises and other valuable consideration, receipt and sufficiency of which is hereby acknowledged, and in order to induce Lender to make the Loan, it is hereby declared, understood and agreed as follows:

1. The foregoing recitals are hereby incorporated in and made a part of this Agreement.
2. The rights of reversion contained in the Deeds are hereby declared to be and shall remain in all respects and for all purposes and at all times junior, subject and subordinate to the Lender's Loan Documents, as same may be at any time and from time to time modified, renewed, replaced, extended or consolidated.
3. The City has executed this instrument in order to induce Lender to disburse the Loan, and the City intends that Lender shall rely on same. The City agrees that the disbursement by Lender of the proceeds of all or any part of the Loan shall constitute

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conclusive evidence and reliance by Lender upon this instrument and the provisions hereof and the subordination effected hereby.

4. It is the City's express intent that the lien and security interest created by the Lender's Loan Documents shall survive and be and remain in full force and effect subsequent to any reversion of title in the Property, or any portion thereof, to City due to the enforcement or realization of any right of reverter or reversionary interest contained in any of the Deeds.

5. This instrument and each and every covenant, agreement and other provision herein contained shall be binding upon the City, its successors and assigns. Each owner of the Lender's Loan Documents, including Lender, its successors and assigns, shall have and enjoy all of its rights, privileges, powers and benefits afforded Lender hereby and hereunder, and may enforce all and every of the terms and provisions hereof as fully and to the same extent and with the same effect as if herein by name specifically granted such rights, privileges, powers and benefits.

6. The City acknowledges and agrees that the Reconveyance Deeds have been executed only as a means of facilitating the enforcement of the rights of reversion contained in the Deeds and that the Reconveyance Deeds shall be deposited in escrow with Title Services, Inc. and not delivered to the City.

IN WITNESS WHEREOF, this instrument has been duly executed and delivered as of the day, month and year first above written.

CITY OF CHICAGO

By:

[Handwritten signature]

Its:

[Handwritten signature: First Deputy Commissioner]

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UNOFFICIAL COPY**EXHIBIT A****LEGAL DESCRIPTION**

PARCEL 1: 6800-20 SOUTH DORCHESTER AVENUE, CHICAGO, ILLINOIS

LOTS 1 TO 8 IN BLOCK 2 IN SCAMMON AND DICKEY'S SUBDIVISION OF ALL THAT PART OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 23, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2: 1472-74 EAST 69TH STREET, CHICAGO, ILLINOIS

LOT 5 IN BLOCK 2 IN THOMAS B MARSTON'S SUBDIVISION OF THE SOUTH HALF OF THE SOUTH HALF OF THE NORTH EAST QUARTER OF THE SOUTH EAST QUARTER OF SECTION 23, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 3: 1454-56 EAST 67TH PLACE, CHICAGO, ILLINOIS

THAT PART OF LOTS 40, 41 AND 42 IN BLOCK 4 IN BASS SUBDIVISION OF THE NORTH HALF OF THE NORTH EAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 23, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPT THE EAST 256 FEET THEREOF) DESCRIBED AS FOLLOWS: COMMENCING AT A POINT ON THE SOUTH LINE OF SAID LOT 41 WHICH IS 53.75 FEET EAST OF THE SOUTH WEST CORNER OF SAID LOT 40 AND THENCE NORTH ON A LINE PARALLEL TO THE WEST LINE OF SAID LOT 40, A DISTANCE OF 76 FEET; THENCE IN NORTHWESTERLY DIRECTION 65 FEET MORE OR LESS TO A POINT IN THE NORTH LINE OF SAID LOT 40, WHICH IS 25.63 FEET EAST OF THE NORTHWEST CORNER OF SAID LOT; THENCE EAST ALONG THE NORTH LINE OF SAID LOTS 40, 41 AND 42, A DISTANCE OF 79.44 FEET TO THE NORTH EAST CORNER OF SAID LOT 42; THENCE SOUTH ALONG THE EAST LINE OF SAID LOT 42, 134.38 FEET TO

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**THE SOUTH EAST CORNER OF SAID LOT; THENCE WEST
ALONG THE SOUTH LINE OF SAID LOTS 41 AND 42, A
DISTANCE OF 51.38 FEET TO THE PLACE OF BEGINNING,
IN COOK COUNTY, ILLINOIS.**

**PERMANENT INDEX NOS.: 20-23-412-001 Vol. 261
20-23-407-030 Vol. 261
20-23-402-015 Vol. 261**

Property of Cook County Clerk's Office

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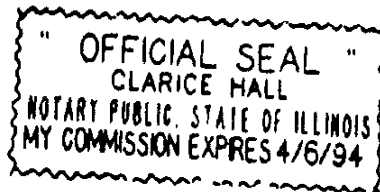
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STATE OF ILLINOIS)

COUNTY OF COOK)

I, Clarice Hall, a Notary Public residing in the county and state aforesaid, do certify that Sergio Melendez, personally known to me to be the 1st Dep Comm. of the City of Chicago, this day appeared before me personally and did acknowledge before me that he did sign, seal and deliver the foregoing instrument of his own accord and for said City of Chicago for the purposes herein named and expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 30th day of June, 1993.



Clarice Hall
Notary Public

6declar.ec
REC/cg

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Cook County Clerk's Office