

UNOFFICIAL COPY

SUBORDINATION AGREEMENT

95002621

C-94-05353
10/1

This Subordination Agreement made this 22 day of December 1994, between New Cities Community Development Corporation, an Illinois Not For Profit Corporation, located at 16333 South Halsted, Harvey, IL, as owner of the property described herein and (hereinafter referred to as Owner); County of Cook, a body politic and corporate of the State of Illinois, located at 118 North Clark Street, Chicago, IL 60601, (hereinafter referred to as County); Calumet Federal Savings and Loan Association of Chicago, located at 1350 East Sibley, Dolton, IL 60419, (hereinafter referred to as Cal Fed); and Pinnacle Bank, located at 174 East 154th Street, Harvey, IL 60429, (hereinafter referred to as Pinnacle) which entity is the present legal holder and owner of a certain Note dated September 12, 1994 in the amount of Four Hundred Seventy Thousand Three Hundred and No/100 Dollars (\$470,300.00) and secured by a Mortgage executed on September 12, 1994 and recorded on October 5, 1994, as document number 94859561 in favor of Pinnacle concerning real property in Cook County, Illinois commonly known as 136 East 155th Street, Harvey, IL and which is legally described as follows:

Lots 11, 12 and the west 4.5 feet of Lot 13 in Block 87 in Harvey, a subdivision of parts Section 8 and 17, Township 36 North, Range 14, East of the Third Principal Meridian, in Cook County, IL.

Permanent Tax No.: 29-17-304-032 Vol. 209

Address: 136 East 155th Street, Harvey, IL

DEPT-01 RECORDING \$27.00
 T17777 TRAN 2671 01/03/95 15:13:00
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 COOK COUNTY RECORDER

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Whereas, Owner also did on September 9, 1994, execute an Affordable Housing Mortgage which was recorded on October 5, 1994, as document number 94859564 covering the property described hereinabove to secure a note in the sum of One Hundred Thousand and No/100 Dollars (\$100,000.00) dated September 9, 1994 in favor of Cal Fed.

Whereas, additionally the Owner has or is about to execute a Loan Agreement together with a Junior Note and Junior Mortgage in the sum of One Million Three Hundred Eighteen Thousand Three Hundred and No/100 Dollars (\$1,318,300.00) dated December 22, 1994 in favor of the County payable upon terms and conditions described herein, which mortgage is to be recorded contemporaneously herewith; and

Whereas, it is a condition precedent to obtaining such loan from the County that the County's Junior Mortgage shall become a lien or charge upon the property hereinabove described prior and superior to the Affordable Housing Mortgage Lien of Cal Fed, hereinabove mentioned and, as to Pinnacle's mortgage lien hereinabove mentioned, it shall become an inferior and subordinate lien and charge upon the property.

Now therefore, in consideration of the premises and other valuable consideration, receipt of which is hereby acknowledged, and in order to induce the County to make the loan referred to above:

RETURN TO BOX 183

[Handwritten signature]

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1. Acknowledgement of Subordination. Cal Fed acknowledges that it hereby waives, relinquishes and subordinates the priority and superiority of the lien or charge of its Mortgage upon such land of the Mortgagor in favor of the County's Junior Mortgage lien, and that it understands that in reliance upon and in consideration of this waiver, relinquishment, and subordination specific loans and advances are being and will be made, as a part and parcel thereof and that specific monetary and other obligations are being and will be entered into with third parties which would not be made or entered into but for such reliance upon this waiver, relinquishment and subordination.

2. Subordination. The Junior Mortgage securing the Junior Note in favor of the County referred to above and any renewals or extensions of such Junior Mortgage and the Junior Note secured thereby shall be and remain at all times a lien or charge on the property herein described, prior and superior to the lien or charge of Cal Fed herein above mentioned, and shall remain at all times a lien or charge on the property herein described inferior and subordinate to the lien of Pinnacle executed by Owner and recorded as first above mentioned.

3. Modification of Lien. That Pinnacle, the County and Cal Fed all agree that nothing in this Agreement shall be construed to affect or limit the rights of Pinnacle under its mortgage or any of the other documents executed on or about September 12, 1994 and related to said mortgage, which includes but shall not be limited to the following: (See attachment A).

4. Notice of Default. That Pinnacle in the event of default by Owner or its debt, warrants that it will notify both the County and Cal Fed of the default and any actions of which may be required of Owner to cure the same.

5. Governing Law. That this Agreement shall be governed by the Laws of the State of Illinois.

6. Binding Effect. That this Agreement shall be binding, upon and shall inure to the benefits of the successors and assigns of each of the parties hereto, and all parties hereto agree that neither shall assign their respective claims or any part thereof, without making the rights and interests of the assignee subject in all respects to the terms of this Agreement.

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Dated this 22nd day of December, 1994.

Pinnacle Bank

By *James O. Conroy*
Its Assistant Vice President

Attest *Joan Meyer*

County of Cook, Illinois

By *Albert White*
Chief Administrative Officer

Attest _____

Attest *David N. [unclear]*
County Clerk

Calumet Federal Savings and Loan
Association of Chicago

By *Lorraine Straka*
Its VICE PRESIDENT

Attest *Joan Meyer*

New Cities Community Development Corp.

By *Walter H. [unclear]*
Its President

Attest *[unclear]*

By *[unclear]*
Its Executive Director

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ATTACHMENT A

PINNACLE BANK

Loan Documents

- 1) Construction Loan Agreement
- 2) Mortgage
- 3) Promissory Note
- 4) Assignment of Rents
- 5) Assignment of Escrow Accounts
- 6) Assignment of Architects Contract
- 7) Flood Insurance
- 8) Agreement to provide Insurance

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