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This document prepared by
and after recording, return
to: Gina Llanas
Illinois Housing Development
Authority
401 N. Michigan Ave. Ste 700
Chicago, Illinois 60611

Doc#: 1336045028 Fee: \$46.00
RHSP Fee: \$9.00 RPRF Fee: \$1.00
Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 12/26/2013 11:42 AM Pg: 1 of 5

Property Identification No.:

See Exhibit A

FIDELITY NATIONAL TITLE 999100738 NL

RS/MHR/HOME-10703

SUBORDINATION OF MANAGEMENT AGREEMENT

THIS SUBORDINATION OF MANAGEMENT AGREEMENT (this "Agreement") is made as of this 19 day of December, 2013, by UPA, LLC ("Manager"), to and for the benefit of the **ILLINOIS HOUSING DEVELOPMENT AUTHORITY**, a body politic and corporate established pursuant to the Illinois Housing Development Act, 20 ILCS 3805/1 *et seq.*, as amended from time to time ("Lender").

RECITALS

11 03 13
WHEREAS, the Lender has agreed to make a loan to **EVERGREEN TOWERS 1, LP**, an Illinois limited partnership ("Borrower") the following loans: (i) a loan (the "RS Loan") under IHDA's Tax-Exempt Bond Program, to be credit enhanced under IHDA's Risk Sharing Program (the "RS Program"); (ii) a loan ("GO Loan") under IHDA's Tax-Exempt Bond Program, to be credit enhanced by IHDA's general obligations ("IHDA GO Program") and secured by a letter of credit provided by Owner and other security as provided for herein; and (iii) a loan ("HOME Loan") from the HOME Program. The RS Loan, the GO Loan and the HOME Loan shall collectively be referred to herein as the "Loans". Each of the Loans are evidenced by a Mortgage Note (collectively, the "Notes"). Proceeds from the Financing shall be utilized along with funds from other sources to finance the acquisition, rehabilitation and permanent financing of a senior housing development containing one hundred (100) dwelling units (the "Units"), located on the real estate (the "Real Estate") at 1333 North Cleveland, Chicago, Illinois. The term "Development", as used in this Letter, shall mean the Real Estate and the improvements to be constructed on it; and

WHEREAS, the Loans are each secured by a mortgage dated as of the date hereof given by Borrower in favor of Lender (the "Mortgages") and certain other documents evidencing, securing and governing the Loans. The Mortgages and such other loan documents are collectively referred to in this Agreement as the "Loan Documents"; and

WHEREAS, Borrower and Manager have entered into a certain Management Agreement (the "Management Agreement"), whereby Manager has agreed to furnish services for the rental,

BOX 15

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operation and management of the Development in exchange for certain payments to Manager for its services and the payment of expenses incurred by Manager in connection with such services; and

WHEREAS, in addition, Borrower executed and delivered an Assignment of Contracts, Licenses and Permits of even date herewith for the benefit of Lender (the "CLP Assignment"), which included an assignment of the Management Agreement; and

WHEREAS, pursuant to the Illinois Mechanics Lien Act, 770 ILCS 60/0.1 *et seq.*, as amended from time to time, managers may have lien rights with respect to unpaid fees, expenses and other costs incurred in connection with the management of real property and improvements; and

WHEREAS, Lender requires, as a condition precedent to its making of the Loan, that (i) the lien and security interests of the Mortgage and the other Loan Documents be paramount, superior and prior to any and all existing liens or future rights to liens of Manager or any person or entity claiming by, through or under Manager which arise from or relate to the Management Agreement or any obligations, expenses and indebtedness arising thereunder or related to the Management Agreement (collectively, the "Junior Liens"); and (ii) Manager consents to the CLP Assignment.

NOW, THEREFORE, in consideration of the mutual covenants made in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, and to induce Lender to make the Loan, it is agreed as follows:

1. The foregoing recitals are incorporated in this Agreement.
2. The Junior Liens are subordinated and made subject to the lien and operation of the Mortgage and other Loan Documents and any indebtedness, liabilities or obligations arising under or secured by such documents.
3. Any notice, demand, request or other communication that any party may desire or may be required to give to any other party under this Agreement shall be given in writing, at the addresses set forth below, by any of the following means: (a) personal service; (b) overnight courier; or (c) certified or registered United States mail, postage prepaid, return receipt requested.

To Manager:
UPA, LLC
6160 N Cicero Suite 620
Chicago, IL 60646
 Attention: William Moorehead

To Lender:

Illinois Housing Development Authority
 401 North Michigan Avenue, Suite 700
 Chicago, Illinois 60611
 Attention: Assistant to the Executive Director for Multifamily Programs

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with a copy to:

Illinois Housing Development Authority
401 North Michigan Avenue, Suite 700
Chicago, Illinois 60611
Attention: General Counsel

Such addresses may be changed by notice to the other party given in the same manner as provided in this Agreement. Any notice, demand, request or other communication sent pursuant to subsection (a) shall be served and effective upon such personal service. Any notice, demand, request or other communication sent pursuant to subsection (b) shall be served and effective one (1) business day after deposit with the overnight courier. Any notice, demand, request or other communication sent pursuant to subsection (c) shall be served and effective three (3) business days after proper deposit with the United States Postal Service.

4. This Agreement shall be binding upon Manager and its successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

5. Manager agrees to execute such further documents or instruments and take such further actions as Lender may reasonably request, at any time and from time to time, to carry out the intent of this Agreement.

6. Notwithstanding anything contained in the Management Agreement to the contrary, at any time following the date on which Lender (or any affiliate or designee of Lender) becomes an owner of any portion of the Development in any manner (including, without limitation, by purchasing the Development at a foreclosure sale or by acceptance of a deed in lieu of foreclosure), Lender shall have the right to terminate the Management Agreement (without penalty or payment of any sum) upon not less than five (5) days' prior written notice to Manager.

7. Manager acknowledges receipt of a copy of, and consents to, the CLP Assignment by Borrower, and agrees to each and all of its terms and conditions.

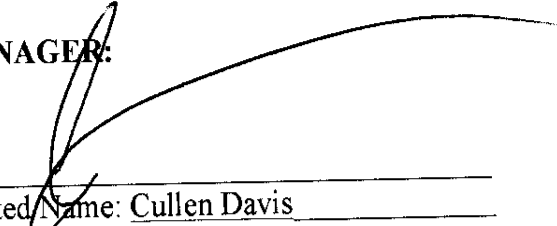
8. This Agreement shall be construed in accordance with and governed by the laws of the State of Illinois. Wherever possible each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited 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.

SIGNATURE PAGE FOLLOWS

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IN WITNESS WHEREOF, the undersigned has caused this Subordination of Management Agreement to be executed by its duly authorized representative.

MANAGER:

By: 
Printed Name: Cullen Davis
Title: CEO

Property of Cook County Clerk's Office

UNOFFICIAL COPY**FIDELITY NATIONAL TITLE INSURANCE COMPANY**

20 N. CLARK, SUITE 220, CHICAGO, ILLINOIS 60602

PHONE: (312) 621-5000
FAX: (312) 621-5062ORDER NUMBER: 2011 999100738 UNC
STREET ADDRESS:CITY: CHICAGO COUNTY: COOK
TAX NUMBER:LEGAL DESCRIPTION:
PARCEL 1:

LOT 2 (EXCEPT THE NORTH 63.37 FEET THEREOF AND THOSE PARTS OF SAID LOT 2 TAKEN FOR STREET AND ALLEY) AND LOTS 3 AND 4 (EXCEPT THAT PART OF SAID LOTS 3 AND 4 TAKEN FOR STREET) IN ASSESSOR'S DIVISION OF PART OF LOT 1 IN BUTTERFIELD'S ADDITION TO CHICAGO IN THE WEST 1/2 OF THE NORTHWEST 1/4 AND THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 4, TOWNSHIP 33 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

LOT 3 (EXCEPT THE EAST 10.70 FEET THEREOF) AND LOT 4 IN S. STRAUSS' SUBDIVISION OF PART OF LOT 1 OF BUTTERFIELD'S ADDITION TO CHICAGO, AFORESAID, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

LOTS 19 TO 24, INCLUSIVE, (EXCEPT THAT PART OF LOT 24 TAKEN FOR STREET) IN THE SUBDIVISION OF LOTS 2, 3 AND 4 IN BUTTERFIELD'S ADDITION TO CHICAGO, AFORESAID, IN COOK COUNTY, ILLINOIS.

PARCEL 4:

EASEMENTS FOR (A) VEHICULAR AND PEDESTRIAN INGRESS AND EGRESS AND PARKING OF MOTOR VEHICLES AND ACCESS TO AND FROM SUCH PARKED MOTOR VEHICLES LOTS 13 TO 18, INCLUSIVE (EXCEPT THAT PART OF LOT 13 TAKEN FOR STREET) IN THE SUBDIVISION OF LOTS 2, 3 AND 4 IN BUTTERFIELD'S ADDITION TO CHICAGO (THE "BURDENED PARCEL") AND (B) VEHICULAR INGRESS AND EGRESS ON, OVER, ACROSS, TO AND FROM ON, OVER, ACROSS, TO AND FROM SAID "BURDENED PARCEL" AS CREATED BY GRANT OF EASEMENT FOR PARKING BY AND BETWEEN EVERGREEN TOWERS I, NFP AND EVERGREEN TOWERS 1, LP, DATED DECEMBER 19, 2013 AND RECORDED DECEMBER , 2013 AS DOCUMENT NUMBER 1336045019

17-04-123-007-0000
17-04-123-015-0000 - 018
17-04-123-025-0000 - 036
17-04-123-038-0000
17-04-123-098-0000