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This document prepared by
and after recording, return
to: Jolyn R. Heun
Illinois Housing Development
Authority
401 N. Michigan Ave. Ste 700
Chicago, Illinois 60611
Property Identification No.:
04-30-201-012-0000
Property Address:
3235 Milwaukee Ave.,
Glenview, Illinois 60025



Doc#: 1514734093 Fee: \$56.00
RHSP Fee: \$9.00 RPRF Fee: \$1.00
Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 05/27/2015 02:06 PM Pg: 1 of 10

HOME & BIBP- 71094

SUBORDINATION OF MANAGEMENT AGREEMENT

THIS SUBORDINATION OF MANAGEMENT AGREEMENT (this "Agreement") is made as of this 15th day of May, 2015, by **HOUSING OPPORTUNITY DEVELOPMENT CORPORATION** ("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:

WHEREAS, the Lender has agreed to make one (1) loan and one (1) grant to HODC Glenview, LLC ("Borrower") as follows: (i) from the HOME Program in an amount not to exceed One Million Nine Hundred Thousand and No/100 Dollars (\$1,900,000.00) (the "HOME Loan") and (ii) a grant from BIBP Funds in an amount not to exceed One Million Six Hundred Forty-Seven Thousand Nine Hundred Thirty-Seven and No/100 Dollars (\$1,647,937.00) (the "BIBP Grant"), to be used with other monies, if any, for the acquisition, construction and permanent financing of a multifamily housing development known as Axley Place (the "Development") to be located on the real estate described on **Exhibit A** attached hereto and made a part hereof. The Owner intends to record that certain Final Plat of Subdivision for the Real Estate prior to construction completion of the Development, subject to the Lender's reasonable approval (the "Plat"). Upon the recordation of the Plat, the Real Estate will be legally described and referred to in this Agreement as set forth in **Exhibit A-2**. The HOME Loan and the BIBP Grant shall collectively be referred to herein as the "Financing." The Financing is secured by two (2) mortgages dated as of the date hereof given by Borrower in favor of Lender (the "Mortgages") and certain other documents evidencing, securing and governing the Financing. The Mortgages and such other HOME Loan and BIBP Grant documents are collectively referred to in this Agreement as the "Financing 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, 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

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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 Financing, that (i) the lien and security interests of the Mortgages and the other Financing 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 Financing, 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 Mortgages and other Financing 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:

Housing Opportunity Development Corporation
2001 Waukegan Road
Techny, Illinois 60082
Attention: Richard Koenig

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.

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

HOUSING OPPORTUNITY DEVELOPMENT CORPORATION

By: 
Printed Name: Richard Koehnig
Title: Executive Director

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EXHIBIT A -1

LEGAL DESCRIPTION PRIOR PLAT RECORDATION:

PARCEL 1:

THAT PART OF THE NORTH 26.25 RODS OF THE NORTHEAST QUARTER OF SECTION 30, TOWNSHIP 42 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EAST OF THE CENTER LINE OF MILWAUKEE AVENUE BOUNDED BY A LINE DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF SAID QUARTER SECTION WITH THE CENTER LINE OF MILWAUKEE AVENUE; THENCE EAST ALONG THE NORTH LINE OF SAID NORTHEAST QUARTER, 346.08 FEET TO A POINT ON SAID NORTH LINE WHICH IS 470.0 FEET EAST OF THE NORTHWEST CORNER OF SAID NORTHEAST QUARTER; THENCE SOUTH AT RIGHT ANGLES TO THE LAST DESCRIBED LINE, 156.84 FEET; THENCE SOUTHWESTERLY 140.66 FEET, MORE OR LESS, TO A POINT ON A LINE 225.0 FEET SOUTH AS MEASURED AT RIGHT ANGLES, AND PARALLEL WITH THE NORTH LINE OF SAID NORTHEAST QUARTER WHICH IS 50.0 FEET NORTHEASTERLY, AS MEASURED AT RIGHT ANGLES, OF THE CENTER LINE OF MILWAUKEE AVENUE; THENCE WEST ALONG SAID LINE 225.00 FEET SOUTH OF AND PARALLEL 61.55 FEET TO THE CENTER LINE OF SAID ROAD; THENCE NORTHWESTERLY ALONG THE CENTER LINE OF MILWAUKEE AVENUE, 276.96 FEET TO THE PLACE OF BEGINNING, (EXCEPT THAT PART TAKEN BY THE DEPARTMENT OF TRANSPORTATION OF THE STATE OF ILLINOIS IN CASE 07L050812, DESCRIBED AS FOLLOWS: THAT PART OF THE NORTH 26 1/4 RODS OF THE NORTHEAST QUARTER OF SECTION 30, TOWNSHIP 42 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EAST OF THE CENTERLINE OF MILWAUKEE AVENUE AND WEST OF THE CENTERLINE OF SANDERS ROAD, DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE CENTERLINE OF ILLINOIS ROUTE 21 AND THE NORTH LINE OF SAID NORTHEAST QUARTER OF SECTION 30; THENCE NORTH 89 DEGREES 48 MINUTES 54 SECONDS EAST, 79.92 FEET ON SAID NORTH LINE OF SECTION 30; THENCE SOUTH 35 DEGREES 58 MINUTES 04 SECONDS EAST, 14.15 FEET; THENCE SOUTH 54 DEGREES 01 MINUTES 56 SECONDS WEST, 10.00 FEET; THENCE SOUTH 35 DEGREES 58 MINUTES 04 SECONDS EAST, 100.00 FEET; THENCE NORTH 54 DEGREES 01 MINUTES 56 SECONDS EAST, 5.00 FEET; THENCE SOUTH 35 DEGREES 58 MINUTES 04 SECONDS EAST, 153.67 FEET; THENCE SOUTH 60 DEGREES 40 MINUTES 59 SECONDS WEST, 9.88 FEET TO A POINT ON A LINE 225 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF SAID NORTHEAST QUARTER OF SECTION 30; THENCE SOUTH 89 DEGREES 48 MINUTES 54 SECONDS WEST ON SAID LINE THAT IS 225 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF SAID NORTHEAST QUARTER OF SECTION 30, 61.64 FEET TO SAID CENTERLINE OF ILLINOIS ROUTE 21; THENCE SOUTH 35 DEGREES 58 MINUTES 11 SECONDS WEST, 277.36 FEET ON SAID CENTERLINE TO SAID NORTH LINE OF NORTHEAST QUARTER OF SECTION 30, SAID POINT ALSO BEING THE POINT OF BEGINNING), IN COOK COUNTY, ILLINOIS.

Continued...

UNOFFICIAL COPY**PARCEL 2:**

PERMANENT NON-EXCLUSIVE WATER LINE EASEMENT FOR THE BENEFIT OF PARCEL 1 AS CREATED BY UTILITIES EASEMENT AGREEMENT RECORDED MAY 27, 2015 AS DOCUMENT NUMBER 1514734082 FOR THE PURPOSE OF AN UNDERLINE PIPE FOR A WATER LINE OVER THE FOLLOWING DESCRIBED LAND:

THAT PART OF THE NORTH 26.25 RODS OF THE NORTHEAST QUARTER OF SECTION 30, TOWNSHIP 42 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EAST OF THE CENTER LINE OF MILWAUKEE AVENUE BOUNDED BY A LINE DESCRIBED AS FOLLOWS, COMMENCING AT THE INTERSECTION OF THE NORTH LINE OF SAID QUARTER SECTION WITH THE CENTER LINE OF MILWAUKEE AVENUE; THENCE NORTH 89 DEGREES 41 MINUTES 56 SECONDS EAST ALONG SAID NORTH LINE 346.08 FEET TO A POINT ON SAID NORTH LINE WHICH IS 470.0 FEET EAST OF THE NORTHWEST CORNER OF SAID NORTHEAST QUARTER; THENCE SOUTH 0 DEGREES 18 MINUTES 4 SECONDS EAST 156.84 FEET; THENCE SOUTH 60 DEGREES 40 MINUTES 59 SECONDS WEST 120.98 FEET TO A PLACE OF BEGINNING; THENCE SOUTH 35 DEGREES 58 MINUTES 04 SECONDS EAST 15.10 FEET; THENCE SOUTH 60 DEGREES 40 MINUTES 59 SECONDS WEST 10.07 FEET TO THE EAST RIGHT-OF-WAY LINE OF MILWAUKEE AVENUE; THENCE NORTH 35 DEGREES 58 MINUTES 4 SECONDS WEST ALONG SAID EAST RIGHT-OF-WAY LINE A DISTANCE OF 15.10 FEET; THENCE NORTH 60 DEGREES 40 MINUTES 59 SECONDS 10.07 FEET TO THE PLACE BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

PERMANENT NON-EXCLUSIVE SEWER LINE EASEMENT FOR THE BENEFIT OF PARCEL 1 AS CREATED BY UTILITIES EASEMENT AGREEMENT RECORDED MAY 27, 2015 AS DOCUMENT NUMBER 1514734082 FOR THE PURPOSE OF AN UNDERLINE PIPE FOR A SEWER LINE OVER THE FOLLOWING DESCRIBED LAND:

THAT PART OF THE NORTH 26.25 RODS OF THE NORTHEAST QUARTER OF SECTION 30, TOWNSHIP 42 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EAST OF THE CENTER LINE OF MILWAUKEE AVENUE BOUNDED BY A LINE DESCRIBED AS FOLLOWS, COMMENCING AT THE INTERSECTION OF THE NORTH LINE OF SAID QUARTER SECTION WITH THE CENTER LINE OF MILWAUKEE AVENUE; THENCE NORTH 89 DEGREES 41 MINUTES 56 SECONDS EAST ALONG SAID NORTH LINE 346.08 FEET TO A POINT ON SAID NORTH LINE WHICH IS 470.0 FEET EAST OF THE NORTHWEST CORNER OF SAID NORTHEAST QUARTER; THENCE SOUTH 0 DEGREES 18 MINUTES 4 SECONDS EAST 156.84 FEET; THENCE SOUTH 60 DEGREES 40 MINUTES 59 SECONDS WEST 21.42 FEET TO A PLACE OF BEGINNING; THENCE SOUTH 18 DEGREES 6 MINUTES 19 SECONDS EAST 15.59 FEET; THENCE SOUTH 71 DEGREES 53 MINUTES 41 SECONDS WEST 10.00 FEET; THENCE NORTH 18 DEGREES 6 MINUTES 19 SECONDS WEST 13.61 FEET; THENCE NORTH 60 DEGREES 40 MINUTES 59 SECONDS EAST 10.19 FEET TO THE PLACE OF BEGINNING, IN COOK COUNTY, ILLINOIS.***

PERMANENT INDEX NUMBER:

04-30-201-012-0000

COMMON STREET ADDRESS:3235 Milwaukee Avenue
Glenview, Illinois

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**EXHIBIT A-2
LEGAL DESCRIPTION OF REAL ESTATE
(UPON RECORDATION OF THE PLAT)**

[REDACTED]

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[REDACTED]

[REDACTED]

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EXHIBIT A-2

LEGAL DESCRIPTION AFTER PLAT RECORDATION:

LOT 1 IN AXLEY PLACE, BEING A SUBDIVISION IN THE NORTHEAST QUARTER OF SECTION 30, TOWNSHIP 42 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PERMANENT INDEX NUMBER: 04-30-201-012-0000

COMMON STREET ADDRESS: 3235 Milwaukee Avenue
Glenview, Illinois

160266v4

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EXHIBIT A LEGAL DESCRIPTION OF REAL ESTATE

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Property of Cook County Clerk's Office