

Doc#: 1526418066 Fee: \$58.00
RHSP Fee: \$9.00 RPRF Fee: \$1.00
Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 09/21/2015 02:48 PM Pg: 1 of 11

01146-35284 2110

**REDEVELOPMENT
CONSENT AND
SUBORDINATION AGREEMENT**

(Above Space for Recorder's Use Only)

This **REDEVELOPMENT CONSENT AND SUBORDINATION AGREEMENT** ("Agreement") is executed and delivered as of September 15, 2015, by and among PNC CDE 57, LP, a Delaware limited partnership, CDF SUBALLOCATEE XXV, LLC, an Illinois limited liability company (each, a "Lender" and collectively, "Lenders") and the CITY OF CHICAGO, an Illinois municipal corporation (the "City").

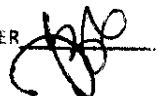
WITNESSETH:

WHEREAS, Englewood Square, LP, an Illinois limited partnership ("Englewood Square") and Englewood Square Development Partners, LP, an Illinois limited partnership ("ESDP" and, collectively with Englewood Square, the "Developer") and the City, acting by and through its Department of Planning and Development, have entered into that certain Agreement for the Sale and Redevelopment of Land dated as of September 15, 2015, and recorded with the Office of the Recorder of Deeds of Cook County, Illinois, on September __, 2015, as Document No. _____ ("Redevelopment Agreement"), pursuant to which the City has agreed to sell and the Developer has agreed to purchase the real property legally described on Exhibit A attached hereto (the "Property"); and

WHEREAS, pursuant to the terms of the Redevelopment Agreement, the Developer has agreed to construct on the Property: (i) a grocery store (Whole Foods Market) containing approximately 18,000 square feet and a multi-tenant retail strip center containing approximately 22,000 square feet with multiple retail spaces on Lot 6; and (ii) a commercial/retail building on Lot 7 with two Tenant Spaces and associated site improvements (collectively, the "Project"); and

WHEREAS, the City has the right to record a Reconveyance Deed (as defined in the Redevelopment Agreement) and revest title to the Property upon the occurrence of an Event of Default (as defined in the Redevelopment Agreement) as more fully set forth in the Redevelopment Agreement (the "Reverter Rights"); and

WHEREAS, as part of obtaining financing for the Project, the Developer and the Lenders have entered into that certain Loan Agreement dated as of even date herewith (the "Loan Agreement"), pursuant to which the Lenders have agreed to provide certain loans in the aggregate principal amount of \$13,290,000.00 (the "Loan"), and the repayment of the Loan is secured by certain liens and encumbrances on the Property pursuant to the Loan Agreement (all such agreements and any other



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documents evidencing or securing the Loan, including the Mortgage (as defined below) being referred to herein collectively as the "Loan Documents"; and

WHEREAS, the repayment of the Loan is secured by, among other things, that certain Mortgage and Security Agreement, Assignment of Leases and Rents, and Fixture Filing given by Developer on or about the date hereof in favor of Lenders encumbering the Property and all improvements thereon or to be constructed thereon (the "Mortgage"); and

WHEREAS, pursuant to the Redevelopment Agreement, the Developer has agreed to be bound by certain covenants expressly running with the Property, as set forth in Section 13 (Commencement and Completion of Project), Section 15 (Restrictions on Use), Section 16 (Prohibition Against Sale or Transfer of Property), Section 17 (Limitation Upon Encumbrance of Property), Section 18 (Real Estate Taxes), and Section 23.4 (Release for Environmental Conditions) of the Redevelopment Agreement (the "City Encumbrances"); and

WHEREAS, the Redevelopment Agreement requires, as a condition to closing, that the Lender agree to subordinate its liens under the Loan Documents to the City Encumbrances.

NOW, THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lenders hereby agree as follows:

1. Subordination. All rights, interests and claims of the Lenders in the Property pursuant to the Loan Documents are and shall be subject and subordinate to the City Encumbrances. Nothing herein, however, shall be deemed to limit any of the Lenders' other rights or other priorities under the Loan Documents, including, without limitation, the Lenders' rights to receive, and the Developer's obligation to make, payments and prepayments of principal and interest on the Note or to exercise the Lenders' rights pursuant to the Loan Documents except as provided herein.

2. Notice of Default. The Lenders shall use reasonable efforts to give to the City (a) copies of any notices of default which they may give to the Developer with respect to the Project pursuant to the Loan Documents, and (b) copies of waivers, if any, of the Developer's default in connection therewith. Neither the Developer nor any other third party is an intended beneficiary of this Section 2. Failure of the Lender to deliver such notices or waivers shall in no instance alter the rights or remedies of the Lender under the Loan Documents.

3. Consent. The City hereby consents to Developer obtaining the Loan from Lenders and executing the Mortgage in favor of Lenders and thereby encumbering the Property, in accordance with the terms of the Redevelopment Agreement. The City hereby acknowledges and agrees that (a) the Loan constitutes "Lender Financing" (as defined in the Redevelopment Agreement); (b) Lenders shall have the benefit of the provisions running to mortgagees under Section 17 of the RDA; (c) in the event of a Nonperformance Foreclosure, neither of the Lenders, nor any of their affiliates, nor any successor of either Lender, nor purchaser or transferee of the Property that qualifies as a Bona Fide Third Party Purchaser following any Nonperformance Foreclosure of the Mortgage, shall be subject to the provisions set forth in Section 26 of the Redevelopment Agreement; and (d) in the event of a Performance Foreclosure, neither of the Lenders, nor any of their affiliates, shall be subject to Section 26 of the Redevelopment Agreement; provided, however, any successor to either Lender following a Performance Foreclosure of the Mortgage shall be subject to the provisions of Section 26 of the Redevelopment Agreement. The execution and recordation of the Mortgage will not constitute a breach of or default under the Redevelopment Agreement. No further consents are required from the City with respect to Developer's execution and delivery of the Mortgage or any future enforcement thereof by Lenders.

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The following terms used in this Section 3 shall have the meanings set forth below:

“Bona Fide Third Party Purchaser” shall mean any purchaser or transferee of the Property at a foreclosure sale or other transfer from Lender that is not in any way related to Developer or any individual or entity which is an owner or member of Developer.

“Nonperformance Foreclosure” shall mean any foreclosure (or deed in lieu of foreclosure) of the Mortgage that is not a Performance Foreclosure.

“Performance Foreclosure” shall mean any foreclosure (or deed in lieu of foreclosure) of the Mortgage caused by the action or inaction of Developer in connection with the maintenance or operation of the Property.

4. City's Approval. The City has approved the Scope Drawings and Plans and Specifications prior to the date hereof in accordance with Section 11 of the Redevelopment Agreement. In accordance with Section 16 of the Redevelopment Agreement, the City has previously reviewed and approved those certain leases of the Property identified on Exhibit B attached hereto

5. Right of Reverter. The City hereby agrees that in no event shall it exercise its Reverter Rights or record the Reconveyance Deed at any time during the term of the Loan.

6. Lenders Notice and Cure Rights. The City hereby agrees to send each Lender a duplicate copy of any notice of default or other notice the City sends under the Redevelopment Agreement (each, a “Notice”) at the same time the City sends such Notice to Developer. Any Lender may cure any default by Developer within the later of: (a) the actual cure period provided under the Redevelopment Agreement or (b) within 90 days after such Lender's receipt of a Notice of such default. If the default cannot be cured by the payment of money and a Lender begins to cure the default within the time period specified in the previous sentence and diligently continues to cure the default such time period will be extended for as long as is reasonably necessary to cure the default. Notwithstanding anything to the contrary in the Redevelopment Agreement, Lenders' rights to notice and cure as set forth herein shall apply to all potential defaults of Developer under the Redevelopment Agreement, including those defaults for which no cure period is granted to Developer under Section 20.3 of the Redevelopment Agreement. The City shall not exercise any rights or remedies under the Redevelopment Agreement following a default without giving each Lender a Notice of such intended action and an opportunity to cure the default in accordance with the Redevelopment Agreement and this Agreement. Notwithstanding anything set forth herein, the City shall have no rights to exercise any remedies under the Redevelopment Agreement to revest title to the Property until such time as the entire principal amount of the Loan and all interest and other amounts due and owing under the Loan have been paid in full to Lenders.

7. Waivers. No waiver shall be deemed to be made by the City of any of its rights hereunder unless the same shall be in writing, and each waiver, if any, shall be a waiver only with respect to the specific instance involved and shall in no way impair the rights of the City in any other respect at any other time.

8. Governing Law; Binding Effect. This Agreement shall be interpreted, and the rights and liabilities of the parties hereto determined, in accordance with the internal laws and decisions of the State of Illinois, without regard to its conflict of laws principles, and shall be binding upon and inure to the benefit of the respective successors and assigns of the City and the Lender.

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9. Section Titles; Plurals. The section titles contained in this Agreement are and shall be without substantive meaning or content of any kind whatsoever and are not a part of the agreement between the parties hereto. The singular form of any word used in this Agreement shall include the plural form.

10. Notices. Any notice required hereunder shall be in writing and addressed to the parties as set forth below by any of the following means: (a) personal service; (b) overnight courier; or (c) registered or certified first class mail, postage prepaid, return receipt requested:

If to the City: City of Chicago
Department of Planning and Development
121 North LaSalle Street, Room 1000
Chicago, Illinois 60602
Attn: Commissioner

With a copy to: City of Chicago
Department of Law
121 North LaSalle Street, Suite 600
Chicago, Illinois 60602
Attn: Real Estate and Land Use Division

If to the Lenders: PNC CDE 57, LP
% PNC Center
Third Floor
20 Stanwix Street
Mailstop P4 P509 03 1
Pittsburgh, PA 15222
Attention: Asset Manager
Facsimile: (412) 644-7664
E-mail: nmtcreporting@pnc.com

With copy to: Kutak Rock LLP
The Omaha Building
1650 Farnam Street
Omaha, NE 68102
Attention: Scott C. Neill, Esq.
Facsimile: (402) 346 1148
E mail: scott.neill@kutakrock.com

and: CDF Suballocatee XXV, LLC
c/o City of Chicago Department of Planning and Development
121 N LaSalle, Room 1000
Chicago, IL 60602
Attention: Commissioner
Fax: (312) 747-9207

With copies to: CDF Management LLC
c/o City of Chicago Department of Planning and Development
121 N LaSalle, Room 1000
Chicago, IL 60602

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Attention: Commissioner
Fax: (312) 747-9207
Attention: Deputy Commissioner for Economic Development
Fax: (312) 744-2324

S.B. Friedman & Company
221 North LaSalle Street, Suite 820
Chicago, IL 60601
Attention: Tony Q. Smith
Fax: (312) 424-4262

Perkins Coie, LLP
131 South Dearborn Street, Suite 1700
Chicago, IL 60603
Attention: Robert D. Stephan
Fax: (312) 324-9626

Any notice given pursuant to clause (a) hereof shall be deemed received upon such personal service. Any notice given pursuant to clause (b) shall be deemed received on the day immediately following deposit with the overnight courier. Any notice given pursuant to clause (c) shall be deemed received three (3) business days after mailing. The parties, by notice given hereunder, may designate any further or different addresses to which subsequent notices, demands or communications shall be given.

[Signatures on following pages]

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IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Consent and Subordination Agreement to be executed as of the day and year first written above.

CDF SUBALLOCATEE XXV, LLC,
an Illinois limited liability company

By: CDF Management, LLC,
an Illinois limited liability company
its managing member

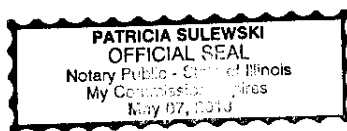
By: *Aarti Kotak*
Aarti Kotak
Vice-President and Secretary-Treasurer

STATE OF ILLINOIS)
COUNTY OF COOK) SS

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that Aarti Kotak, Vice-President and Secretary-Treasurer of CDF Management, LLC, an Illinois limited liability company, managing member of **CDF Suballocatee XXV, LLC**, an Illinois limited liability company, personally known to me to be the same person whose name is subscribed to the foregoing instrument as having executed the same, appeared before me this day in person and acknowledged that she signed, sealed and delivered the said instrument in her capacity as Vice President and Secretary-Treasurer of such limited liability company as her free and voluntary act and deed and as the free and voluntary act and deed of said limited liability company, for the uses and purposes therein set forth.

Given under my hand and official seal this 15th day of SEPTEMBER, 2015.

[NOTARY SEAL]



Patricia Sulewski
Notary Public

[Signature Pages Continue on Next Page]

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IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Consent and Subordination Agreement to be executed as of the day and year first written above.

PNC CDE 57, LP,
a Pennsylvania limited partnership

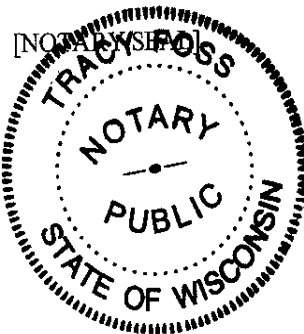
By: PNC Community Partners, Inc.,
a Pennsylvania corporation,
its general partner

By: Michael J. Kwiatkowski
Michael J. Kwiatkowski
Vice President

STATE OF)
COUNTY OF) SS

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that Michael J. Kwiatkowski, Vice President of PNC Community Partners, Inc., a Pennsylvania corporation, general partner of **PNC CDE 57, LP**, a Pennsylvania limited partnership, personally known to me to be the same person whose name is subscribed to the foregoing instrument, as having executed the same, appeared before me this day in person and acknowledged that he signed, sealed and delivered the said instrument in his capacity as Vice President of such corporation as his free and voluntary act and deed and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

Given under my hand and official seal this 9th day of September, 2015.



Tracy Boss
Notary Public
Commission Expires: November 8, 2015

[Signature pages continue on next page]

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IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Consent and Subordination Agreement to be executed as of the day and year first written above.

CITY OF CHICAGO, an Illinois municipal corporation

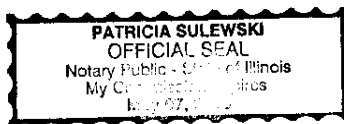
By: *Aarti Kotak*

Aarti Kotak, Managing Deputy Commissioner, Bureau
of Economic Development, Department of Planning
and Development

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Aarti Kotak, the Managing Deputy Commissioner of the Bureau of Economic Development in the Department of Planning and Development ("DPD") of the City of Chicago, an Illinois municipal corporation ("City"), and the authorized designee of the Commissioner of DPD, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and, being first duly sworn by me, acknowledged that, as said Managing Deputy Commissioner, she signed and delivered the foregoing instrument pursuant to authority given by the City as her free and voluntary act and as the free and voluntary act and deed of the City, for the uses and purposes therein set forth.

GIVEN under my notarial seal this 15th day of September, 2015.



Patricia Sulewski
NOTARY PUBLIC

[End of signature pages]

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EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

Lot 6 and Lot 7 in the Plat of Subdivision of Halsted Parkway Resubdivision, being a Resubdivision of part of the Southeast $\frac{1}{4}$ of Section 17, Township 38 North, Range 14, East of the Third Principal Meridian, recorded March 30, 2015 as document number 1508916071, in Cook County, Illinois.

Permanent Index Number: 20-17-430-007, (008), (009), (010), (011), (012), (013), (014), (022), (023), (024), (025), (026), (027), (028), (029), (030), (031) (032), (033), (034), (035)
(Volume Number 424)

Permanent Index Number: 20-17-431-006, (007), (008), (009), (010), (011), (015), (016), (017), (023), (024), (025), (030) (031), (032), (033)
(Volume Number 424)

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Permanent Index Number: 20-17-430-007
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20-17-430-035

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20-17-431-025
20-17-431-030
20-17-431-031
20-17-431-032
20-17-431-033

Volume No 424

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EXHIBIT B

LEASES

Master Lease:

(i) That certain Lease between Englewood Square, LP, as landlord, and Englewood Square Development Partners, LP, as tenant ("Sublandlord") dated as of the date hereof.

Subleases:

(i) That certain Lease by and between Whole Foods Market Group, Inc., as tenant, and Englewood Square, LP, as landlord, dated September 13, 2013, as such lease has been assigned by Englewood Square, LP to Sublandlord and which lease has been amended by those nine (9) certain amendments to lease.

(ii) That certain Shopping Center Lease entered into by and between MW Clothing, Inc., an Illinois corporation, d/b/a "Dress Code", as tenant, and Sublandlord, as landlord, dated as of September 5, 2015.

(iii) That certain Shopping Center Lease entered into by and between Nail Works 773, LTD., an Illinois corporation, as tenant, and Sublandlord, as landlord, dated as of September 5, 2015.

(iv) That certain Shopping Center Lease entered into by and between Oak Street Health MSO, LLC, an Illinois limited liability company, as tenant, and Sublandlord, as landlord, dated as of July 31, 2015.

(v) That certain Shopping Center Lease entered into by and between Sneaker Villa, Inc., a Delaware corporation, as tenant, and Sublandlord, as landlord, dated as of August 14, 2015.