



Doc#: 1605522019 Fee: \$56.00  
RHSP Fee: \$9.00 RPRF Fee: \$1.00  
Karen A. Yarbrough  
Cook County Recorder of Deeds  
Date: 02/24/2016 09:19 AM Pg: 1 of 9

15086033LP 2013 END

This document prepared by and after recording return to:  
Keith A. May, Esq.  
City of Chicago Department of Law  
121 North LaSalle Street  
Room 600  
Chicago, IL 60602

*This space reserved for Recorder's use only.*

**SUBORDINATION AGREEMENT**

This Subordination Agreement (this "Agreement") is made and entered into as of the 18<sup>th</sup> day of February, 2016 between the City of Chicago by and through its Department of Planning and Development (the "City"), and JPMorgan Chase Bank, N.A. ("Chase").

WITNESSETH:

WHEREAS, Bishop Plaza, L.L.C., an Illinois limited liability company (the "Developer"), purchased certain property located within the 47<sup>th</sup>/Ashland Redevelopment Project Area at West 47<sup>th</sup> Street and South Bishop Street, Chicago, Illinois 60609 and legally described on Exhibit A hereto (the "Property"), in order to develop a retail shopping center (the "Facility") thereon (the redevelopment of the Property with the Facility as described above and the related Public Improvements are collectively referred to herein as the "Project");

WHEREAS, as part of obtaining financing for the Project, the Developer executed and delivered to Harris Bank, N.A ("Harris") a Mortgage Note dated April 12, 2006 (the "Original Note"), which Original Note evidences a loan from Harris to the Developer in the original principal amount of \$7,500,000 (the "Original Loan"). The Original Loan is secured by, among other things, certain liens and encumbrances on the Property and other property of the Developer pursuant to, among other documents a Mortgage, Assignment of Leases and Rents and Security Agreement dated as of even date with the Note made by Developer in favor of Harris, which document was recorded with the Cook County, Illinois Recorder of Deeds on April 12, 2006 as Document No. 0610244091 (as amended, restated, supplemented or otherwise modified from time to time, the "Mortgage"). The Note, the Mortgage and all other agreements otherwise relating to the Loan are referred to herein collectively as the "Original Loan Documents";

WHEREAS, Developer entered into a certain Redevelopment Agreement dated as of April 12, 2006 with the City in order to obtain additional financing for the Project, which document was recorded with the Cook County, Illinois Recorder of Deeds on April 12, 2006 as Document No. 0610244090 (the "Redevelopment Agreement," collectively referred to herein along with various other agreements and documents related thereto as the "City Agreements");

WHEREAS, the Developer has executed and delivered to Chase a Mortgage Note of even date with this Agreement (the "Replacement Note") in order to refinance the Original Loan. The Replacement Note evidences a loan from Chase to the Developer in the original principal amount of \$8,325,000 (the "Replacement Loan"). The Replacement Loan is secured by, among other things, certain liens and encumbrances on the Property and other property of the Developer pursuant to, among other documents a Mortgage, Assignment of Leases and Rents and Security

Reisto Box 334 VC 9

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Agreement dated as of even date with the Replacement Note made by Developer in favor of Chase (as amended, restated, supplemented or otherwise modified from time to time, the "Replacement Mortgage"). The Replacement Mortgage is deemed to be a "Permitted Mortgage" as defined in Section 16 of the Redevelopment Agreement. The Replacement Note, the Replacement Mortgage and all other agreements otherwise relating to the Replacement Loan are referred to herein collectively as the "Replacement Loan Documents";

WHEREAS, pursuant to the Redevelopment Agreement, Developer agreed to be bound by certain covenants expressly running with the Property for certain specified time periods, as set forth in Sections 8.02, 8.06 and 8.19 of the Redevelopment Agreement (the "City Encumbrances");

WHEREAS, the City and Chase have agreed to enter into this Agreement which sets forth (a) the City's consent to the execution of the Replacement Mortgage and the other Replacement Loan Documents and the recording thereof (as applicable) against the Property; (b) the agreement of the City to subordinate the Redevelopment Agreement (other than the City Encumbrances) to the Replacement Mortgage and the other Replacement Loan Documents; and (c) the agreement by Chase to subordinate the lien created by the Replacement Loan Documents to the City Encumbrances, in each case subject to the terms and conditions of this Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, Chase and the City agree as hereinafter set forth:

## AGREEMENTS:

1. Subordination. Except as otherwise provided herein, all rights, interests and claims of Chase in the Property pursuant to the Replacement Loan Documents are and shall be subject and subordinate to the City Encumbrances. In all other respects, the Redevelopment Agreement shall be subject and subordinate to the Replacement Loan Documents. Nothing herein, however, shall be deemed to limit Chase's right to receive and Developer's ability to make, payments and prepayments of principal and interest or other amounts due under the Replacement Loan Documents or otherwise perform Developer's obligations under the Replacement Loan Documents, or to exercise Chase's rights pursuant to the Replacement Loan Documents except as provided herein. Without limiting the foregoing, any lien filed, recorded or obtained by the City pursuant to Section 15 of the Redevelopment Agreement shall be subject to and subordinate to the Replacement Mortgage.

2. Notice of Default. Chase shall use reasonable efforts to give to the City, and the City shall use reasonable efforts to give to Chase, (a) copies of any notices of acceleration of the entire unpaid indebtedness of the Replacement Loan, which it may give to Developer with respect to an uncured default by Developer of the Replacement Loan, pursuant to the Replacement Loan Documents or notices of default which the City may give to Developer with respect to the City Agreements, and (b) copies of waivers, if any, of such Developer's default in connection therewith. Under no circumstances shall Developer or any third party be entitled to rely upon the agreement provided for herein. A failure by Chase or the City to furnish the other with copies of such notices and/or waivers shall not invalidate such notice or waiver with respect to the Developer.

3. Waivers. No waiver shall be deemed to be made by the City or Chase of any of their respective 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 or Chase in any other respect at any other time.

4. Governing Law; Binding Effect. This Agreement shall be interpreted, and the rights

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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 Chase.

5. 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.

6. Notices. Any notice required hereunder shall be in writing and addressed to the party to be notified as follows:

If to the City:

City of Chicago  
Department of Planning and  
Development  
121 North LaSalle Street, Room 1000  
Chicago, Illinois 60602

Attention: Commissioner

With Copies To:

City of Chicago  
Department of Law  
121 North LaSalle Street, Room 600  
Chicago, Illinois 60602  
Attention: Finance and Economic  
Development Division

If to Chase:

JPMORGAN CHASE BANK, N.A.  
P.O. Box 9178  
Coppell, Texas 75019-9178  
Attention: Portfolio Administration

If to Developer:

Bishop Plaza, L.L.C.  
c/o Matanky Realty Group  
200 North LaSalle Street, Suite 2350  
Chicago, Illinois 60601  
Attention: James E. Matanky

With Copies To:

Matanky and Matanky, Ltd.  
200 North LaSalle Street, Suite 2350  
Chicago, Illinois 60601  
Attention: Robert W. Matanky

or to such other address as either party may designate for itself by notice. Notice shall be deemed to have been duly given (i) if delivered personally or otherwise actually received, (ii) if sent by overnight delivery service, (iii) if mailed by first class United States mail, postage prepaid, registered or certified, with return receipt requested, or (iv) if sent by facsimile with facsimile confirmation of receipt (with duplicate notice sent by United States mail as provided above). Notice mailed as provided in clause (iii) above shall be effective upon the expiration of three (3) business days after its deposit in the United States mail. Notice given in any other manner described in this paragraph shall be effective upon receipt by the addressee thereof; provided, however, that if any notice is tendered to an addressee and delivery thereof is refused by such addressee, such notice shall be effective upon such tender.

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7. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute one instrument.

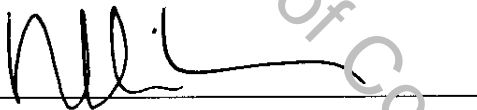
8. Consent.

a. Use of Loan Proceeds. The Developer represents, warrants and covenants that the proceeds of the Replacement Loan will be used solely (a) to repay outstanding amounts due under the Lender Financing, (b) to fund a distribution to Developer, and (c) to pay closing costs and expenses of the Replacement Loan.

b. Consent. Pursuant to Section 16 of the Redevelopment Agreement, the City hereby consents to the making of the Replacement Mortgage and acknowledges that such Replacement Mortgage shall be deemed to be a Permitted Mortgage as that term is used in the Redevelopment Agreement.

IN WITNESS WHEREOF, this Agreement has been signed as of the date first written above.

JPMORGAN CHASE BANK, N.A.

By: 

Its: Naomi Walker  
Authorized Officer

CITY OF CHICAGO

By: \_\_\_\_\_

Its: Commissioner, Department of Planning and  
Development

ACKNOWLEDGED AND AGREED TO THIS  
\_\_\_ DAY OF FEBRUARY, 2016

BISHOP PLAZA, L.L.C., an Illinois  
limited liability company

By: CITRON, L.L.C., an Illinois limited  
liability company and its Sole Member

By: \_\_\_\_\_  
James E. Matanky, its Manager

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JPMORGAN CHASE BANK, N.A.

By: \_\_\_\_\_

Its: \_\_\_\_\_

CITY OF CHICAGO

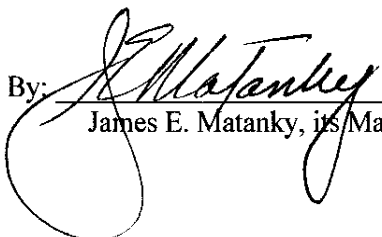
By:  \_\_\_\_\_

Its: Commissioner, Department of Planning and Development

ACKNOWLEDGED AND AGREED TO THIS  
18<sup>th</sup> DAY OF FEBRUARY, 2016

BISHOP PLAZA, L.L.C., an Illinois limited liability company

By: CITRON, L.L.C., an Illinois limited liability company and its Sole Member

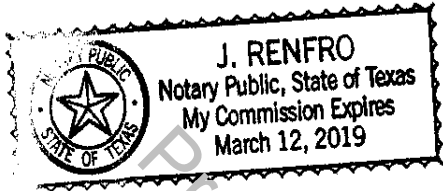
By:  \_\_\_\_\_  
James E. Matanky, its Manager

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State of TEXAS  
County of TARRANT

) ss.  
)

On the 18th day of February in the year 2016, before me, the undersigned, a Notary Public in and for said state, personally appeared **Naomi Walker**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument, and that such individual made such appearance before the undersigned in the city of Fort Worth and the state of Texas.



  
\_\_\_\_\_  
Signature of Notary Public - J. Renfro

Property of Cook County Clerk's Office

# UNOFFICIAL COPY

STATE OF ILLINOIS ) SS  
COUNTY OF COOK )

I, the undersigned, a notary public in and for the County and State aforesaid, DO HEREBY CERTIFY THAT David L. Reifman, personally known to me to be the Commissioner of the Department of Planning and Development of the City of Chicago, Illinois (the "City") 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 acknowledged that as such Commissioner, he signed and delivered the said instrument pursuant to authority, as his free and voluntary act, and as the free and voluntary act and deed of said City, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 18<sup>th</sup> day of February, 2016.

Notary Public

Patricia Sulewski

My Commission Expires: 5/7/18

(SEAL)



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STATE OF ILLINOIS ) SS  
COUNTY OF COOK )

I, the undersigned, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY THAT James E. Matanky, personally known to me to be the Manager of Citron, L.L.C., an Illinois limited liability company and the sole member of Bishop Plaza, L.L.C., an Illinois limited liability company ("Bishop Plaza"), 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 acknowledged that he signed, sealed and delivered said instrument, pursuant to the authority given to him by said limited liability company as the sole member of Bishop Plaza, as his free and voluntary act and as the free and voluntary act of said limited liability company as the sole member of Bishop Plaza, for the uses and purposes therein set forth.

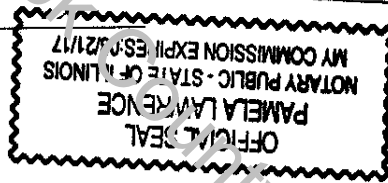
GIVEN under my hand and notarial seal this 18 day of February, 2016.

Notary Public

Pamela Lawrence

My Commission Expires: 8/21/17

(SEAL)





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## EXHIBIT A

### LEGAL DESCRIPTION OF THE PROPERTY

#### PARCEL 1:

THE EAST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, EXCEPTING FROM ABOVE-DESCRIBED PARCEL OF LAND THOSE PARTS THEREOF TAKEN OR USED FOR STREET PURPOSES AS PER DOCUMENT NO. 907217.

#### PARCEL 2:

LOTS 31 THROUGH 38 IN BLOCK 2 IN THE S. E. GROSS SUBDIVISION OF THE SOUTHEAST ¼ OF THE SOUTHWEST ¼ OF THE SOUTHWEST ¼ OF SECTION 5, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

COMMONLY KNOWN AS: 1422 W. 47<sup>TH</sup> STREET, CHICAGO, ILLINOIS  
4628 - 44 S. BISHOP STREET, CHICAGO, ILLINOIS

PINS: 20-05-309-030-0000  
20-05-309-031-0000  
20-05-309-032-0000  
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