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This document prepared by
and after recording, return
to: Jolyn R. Heun
Illinois Housing Development
Authority
111 E. Wacker Drive, Suite 1000
Chicago, Illinois 60601

Property Identification No.:
17-04-132-046
17-04-133-063
17-04-133-064
17-04-134-013
17-04-134-015
17-04-143-059

Property Address:
1310 N. Sedgwick
Chicago, Illinois 60610

FHA Project No. 071-98049

IHDA Loan No. 11242

SUBORDINATION OF MANAGEMENT AGREEMENT

THIS SUBORDINATION OF MANAGEMENT AGREEMENT (this "Agreement") is made as of this 22nd day of November 2016, 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 ("Authority").

RECITALS:

WHEREAS, the Authority has made a loan to New Evergreen Sedgwick, L.P. ("Owner") from the Risk Sharing Program in the maximum amount of Four Million Two Hundred Thirty-Five Thousand Seven Hundred Ninety-Five and No/100 Dollars (\$4,235,795.00) (the "RS Loan" or "Financing") for the permanent financing of a multifamily housing development known as New Evergreen Sedgwick (the "Development") located on the real estate described on **Exhibit A** attached hereto and made a part hereof. The Financing is secured by a mortgage, dated as of the date hereof given by Owner in favor of the Authority (the "Mortgage") and certain other documents evidencing, securing and governing the Financing. The Mortgage and such other documents that evidence, govern or secure the RS Loan are collectively referred to in this Agreement as the "Financing Documents"; and

WHEREAS, Owner and Manager have entered into a certain Management Agreement (the

FIDELITY NATIONAL TITLE

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A

Doc# 1634119095 Fee \$52.00
RHSP FEE:\$9.00 RPRF FEE: \$1.00
KAREN A. YARBROUGH
COOK COUNTY RECORDER OF DEEDS
DATE: 12/06/2016 04:06 PM PG: 1 OF 8

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"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

WHEREAS, in addition, Owner executed and delivered an Assignment of Contracts, Licenses and Permits of even date herewith for the benefit of the Authority (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, the Authority requires, as a condition precedent to its making of the Financing, that (i) the lien and security interests of the Mortgage 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 the Authority 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 Mortgage 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:

UPA LLC
6160 N. Cicero, #620
Chicago, Illinois 60646
Attention: Cullen Davis

To the Authority:

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Illinois Housing Development Authority
111 E. Wacker Drive, Suite 1000
Chicago, Illinois 60601
Attention: Managing Director, Multifamily Financing

with a copy to:

Illinois Housing Development Authority
111 E. Wacker Drive, Suite 1000
Chicago, Illinois 60601
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 the Authority and its successors and assigns.

5. Manager agrees to execute such further documents or instruments and take such further actions as the Authority 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 the Authority (or any affiliate or designee of the Authority) 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), the Authority 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 Owner, 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

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provisions of this Agreement.

[SIGNATURE PAGE TO FOLLOW]

COOK COUNTY
RECORDER OF DEEDS

COOK COUNTY
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RECORDER OF DEEDS

SUBORDINATION OF MANAGEMENT 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.

UPA LLC
An Illinois limited liability company

By: _____
Printed Name: CURTIS J. DAVIS
Title: MANAGER

Property of Cook County Clerk's Office

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EXHIBIT A LEGAL DESCRIPTION OF REAL ESTATE

PARCEL A:

THE NORTH 22.0 FEET OF LOT 1 AND ALL OF THE NORTH AND SOUTH PUBLIC ALLEY, LYING WEST OF AND ADJOINING THE NORTH 22.00 FEET OF LOT 1 ALL IN THE SUBDIVISION OF BLOCK 8 AND A STREET IN BLOCK 9 IN BUTTERFIELD'S ADDITION TO CHICAGO, A SUBDIVISION IN THE WEST 1/2 OF THE NORTHWEST 1/4 OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL B:

LOTS 1 TO 9, BOTH INCLUSIVE IN SULLIVAN'S SUBDIVISION OF BLOCK 6; ALSO THE 10-FOOT NORTH/SOUTH VACATED ALLEY, LYING EAST OF AND ADJOINING LOT 3 IN SAID

SULLIVAN'S SUBDIVISION; ALSO LOTS 1 TO 9, BOTH INCLUSIVE IN HEIN'S SUBDIVISION OF

BLOCKS 7 AND 20, ALL TAKEN AS ONE TRACT, SAID BLOCKS 6, 7 AND 20, BEING IN BUTTERFIELD'S ADDITION TO CHICAGO, A SUBDIVISION IN THE WEST 1/2 OF THE NORTHWEST 1/4 AND IN THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, EXCEPTING FROM THE ABOVE DESCRIBED TRACT THAT PART THEREOF, LYING WEST OF THE FOLLOWING DESCRIBED LINE:

COMMENCING AT A POINT ON THE NORTH LINE OF SAID LOT 9 IN SULLIVAN'S SUBDIVISION, SAID POINT BEING 44.00 FEET EAST OF THE NORTHWEST CORNER OF LOT 10 IN SAID SULLIVAN'S SUBDIVISION; THENCE SOUTHERLY 28.17 FEET ALONG A LINE PARALLEL WITH THE WEST LINE OF SAID LOT 10 TO THE POINT OF CURVATURE; THENCE SOUTHWESTERLY 16.65 FEET ALONG THE ARC OF A CIRCLE HAVING A RADIUS OF 51.00 FEET, CONVEX EASTERLY TO THE POINT OF INTERSECTION WITH A LINE 32.00 FEET EAST OF AND PARALLEL WITH THE WEST LINE OF LOT 10 IN THE AFORESAID HEIN'S SUBDIVISION; THENCE SOUTHERLY 86.92 FEET ALONG SAID PARALLEL LINE TO THE SOUTH LINE OF LOT 9 IN SAID HEIN'S SUBDIVISION ALL IN COOK COUNTY, ILLINOIS.

PARCEL C:

LOTS 1 TO 10, INCLUSIVE (EXCEPT THAT PART OF SAID LOTS TAKEN FOR THE WIDENING OF WEST SULLIVAN STREET) IN ASSESSOR'S DIVISION OF LOT 5 IN BUTTERFIELD'S ADDITION TO CHICAGO, BEING A SUBDIVISION IN THE WEST 1/2 OF THE NORTHWEST 1/4 AND IN THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

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PARCEL D:

THE NORTH 22.00 FEET OF LOTS 2 AND 3 AND THE 40-FOOT PUBLIC STREET ADJACENT TO LOTS 2 AND 3; EXCEPT THAT PART OF LOT 2, LYING WEST OF A LINE DRAWN PERPENDICULAR TO THE NORTH LINE OF SAID LOT 2 THROUGH A POINT 109.75 FEET WEST OF THE NORTHEAST CORNER OF SAID LOT 2 IN OSCAR MAYER'S RESUBDIVISION OF VARIOUS LOTS AND VACATED ALLEYS IN VARIOUS SUBDIVISIONS IN THE WEST 1/2 OF THE NORTHEAST 1/4 AND IN THE EAST 1/2 OF THE NORTHWEST 1/4 OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 21, 1980 AS DOCUMENT 25677341 AND FILED NOVEMBER 21, 1980 AS LR3189994, IN COOK COUNTY, ILLINOIS.

ALSO

THE SOUTH 1/2 OF VACATED GOETHE STREET, LYING NORTH OF AND ADJOINING LOT 2 AND NORTH OF A LINE DRAWN FROM THE NORTHEAST CORNER OF SAID LOT 2 TO THE NORTHWEST CORNER OF LOT 3 ALL IN OSCAR MAYER'S RESUBDIVISION AFORESAID, IN COOK COUNTY, ILLINOIS.

PARCEL E:

NON-EXCLUSIVE EASEMENT IN FAVOR OF PARCELS A, B, C AND D, AS CREATED BY EASEMENT AGREEMENT DATED FEBRUARY 6, 1998 AND RECORDED APRIL 27, 1998 AS DOCUMENT 98334220 MADE BY AND BETWEEN MELK DEVELOPMENT/MCL SCOTT SEDGWICK, L.P. AND AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO AS TRUSTEE UNDER TRUST AGREEMENT DATED JANUARY 1, 1983 KNOWN AS TRUST NUMBER 56090 TO USE THE VEHICLE PARKING AREAS AND RELATED DRIVEWAYS AND SIDEWALKS, LOCATED ON THE PARKING AREA FROM TIME TO TIME, AS DEFINED THEREIN AND DESCRIBED AS FOLLOWS:

THE SOUTH 18.00 FEET OF THE NORTH 159.00 FEET OF LOT 7 IN OSCAR MAYER'S RESUBDIVISION OF VARIOUS LOTS AND VACATED ALLEYS IN VARIOUS SUBDIVISIONS IN THE WEST 1/2 OF THE NORTHEAST 1/4 AND THE EAST 1/2 OF THE NORTHWEST 1/4 OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS