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Doc# 1709729102 Fee \$50.00

RHSP FEE:\$9.00 RPRF FEE: \$1.00

KAREN A. YARBROUGH

COOK COUNTY RECORDER OF DEEDS

DATE: 04/07/2017 03:53 PM PG: 1 OF 7



Prepared by, recording requested by,
and when recorded mail to:

A10 Capital, LLC
Attn: Jackie Cox
800 W. Main Street, Suite 1100
Boise, Idaho 83702

Address of Property: 3535 Commercial Avenue, Northbrook, IL 60062

Permanent Parcel Number(s): 04-05-104-002-0000

ncs-838337
4 of 8 WZ

Loan #AP-IL-KS-17-031-0276-001

SUBORDINATION AGREEMENT

THIS SUBORDINATION AGREEMENT (this "**Agreement**") is entered into as of March 31, 2017, by and among **IMC Property Management, LLC**, a Michigan limited liability company (the "**Manager**"); **Rosfam Capital SPE LLC**, a Michigan limited liability company (the "**Borrower**"); and **A10 Capital, LLC**, a Delaware limited liability company (the "**Lender**").

RECITALS:

A. Lender has made or is about to make a loan to Borrower (the "**Loan**"), which Loan will be evidenced and secured by a Promissory Note (the "**Note**"), a Loan Agreement (the "**Loan Agreement**"), a Mortgage With Assignment of Leases and Rents, Security Agreement and Fixture Filing (the "**Mortgage**") relating to Borrower's fee simple interest in certain real property commonly known as 3535 Commercial Avenue, Northbrook, Illinois 60062, and more particularly described on Exhibit A attached hereto and incorporated herein by this reference (the "**Property**"), and UCC-1 Financing Statements and certain other documents, instruments and agreements, as amended from time to time (together with the Note, the Loan Agreement and Mortgage, collectively referred to herein as the "**Loan Documents**");

B. Manager is a party to that certain Management Agreement dated of even date herewith (the "**Management Agreement**"), providing for the management of the Property;

C. It is a condition precedent to obtaining the Loan that the Mortgage shall unconditionally be and remain at all times an encumbrance or charge upon the Property prior and superior to Manager's rights and interest in the Property arising under the Management Agreement; and

D. It is to the mutual benefit of the parties hereto that Lender extend the Loan to Borrower, and Manager is willing to agree that the Mortgage shall, when recorded, constitute an encumbrance or charge upon the Property which is unconditionally prior and superior to any and

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all rights and interests Manager may have in the Property arising under the Management Agreement.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in order to induce Lender to extend the Loan, it is hereby declared, understood and agreed as follows:

1. The parties acknowledge and agree that the Mortgage, and any amendments, modifications, renewals or extensions thereto, shall unconditionally be and remain at all times an encumbrance or charge on the Property, prior and superior to all rights and interests Manager may have in or may claim in the Property, if any, arising under the Management Agreement (the "**Subordinated Interest**"). Manager intentionally and unconditionally subordinates its Subordinated Interest in the Property to the lien or charge of the Mortgage and Manager hereby expressly acknowledges that in the event of a foreclosure, deed in lieu or other like proceeding by Lender or its assignee or successor, Manager would not have any rights in and to the Property under the Management Agreement or any other agreement, oral or otherwise, unless expressly agreed upon by Lender in writing. This Agreement and the subordination of the Subordinated Interest with respect to the Property pursuant to this Agreement will not be in any way affected by the modification, extension of time or renewal of the Loan, the modification in any manner or the taking or release in whole or in part of any security therefore, or creation or the modification of the obligations of any endorsers, sureties, guarantors or other parties, or the granting of any other indulgences to Borrower under the Loan.

2. Manager further expressly agrees and acknowledges that, upon the occurrence of and during the continuance of an Event of Default (as defined in the Mortgage) under the Loan Documents, Manager shall be deemed to have deferred any and all rights it has under the Management Agreement to receive any fees in connection with its duties under the Management Agreement with respect to the Property until such time, if any, as the Event of Default has been cured. Manager further acknowledges and agrees that it does not have any other agreement, oral or otherwise, to receive payment, directly or indirectly, from Borrower with respect to the Property.

3. Borrower and Manager agree to promptly execute and deliver all further instruments and documents, and take any and all further action, as may be necessary or desirable or that Lender may reasonably require to implement the terms of this Agreement.

4. Borrower and Manager acknowledge and understand that Lender would not extend the Loan to Borrower without this Subordination Agreement.

5. This Subordination Agreement shall be the whole and only agreement with regard to the subordination of the Subordinated Interest to the Mortgage.

6. The parties hereby agree and acknowledge that:

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a. While the Mortgage remains a charge upon the Property, the Manager will not enter into a modification, amendment, novation or termination of the Management Agreement as to the Property without Lender's prior written consent.

b. If any lawsuit, judicial reference or arbitration or bankruptcy or other proceeding is commenced which arises out of or relates to this Subordination Agreement, and in any appeal therefrom, the prevailing party shall be entitled to recover from the non-prevailing party such sums as the court, referee or arbitrator may adjudge to be reasonable attorneys' fees, including the costs for any legal services by in-house counsel, in addition to costs and expenses otherwise allowed by law.

c. This Agreement shall be governed by and construed according to the laws of Illinois. Nothing contained herein shall prevent or delay Lender from seeking, in any court of competent jurisdiction, specific performance or other equitable remedies in the event of any breach or intended breach by Borrower or Manager of their obligations hereunder.

d. This Subordination Agreement and the obligations of Borrower and Manager and the rights and privileges of Lender hereunder shall continue until payment in full of all claims of Lender against Borrower which are secured by the Property or any part thereof.

e. This Agreement and all provisions contained herein shall be binding upon and shall inure to the benefit of the respective successors and assigns of the parties hereto.

f. This Subordination Agreement may be amended or any of its terms modified only by written document duly authorized, executed and delivered by all parties to this Subordination Agreement.

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**EXHIBIT A
TO
SUBORDINATION AGREEMENT**

Property Description

LOT 9 IN NORTHBROOK EDENS INDUSTRIAL PARK SUBDIVISION UNIT NO. 1, A SUBDIVISION OF PART OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 5 AND PART OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 6, ALL IN TOWNSHIP 42 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

Tax Parcel ID: 04-05-104-002-0000

Street Address: 3535 Commercial Avenue, Northbrook, IL 60062