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Doc#: 1719546118 Fee: \$66.00  
Karen A. Yarbrough  
Cook County Recorder of Deeds  
Date: 07/14/2017 12:45 PM Pg: 1 of 10

2017  
This instrument was prepared by and, after recording, please return to:

Michael D. Moriarty, Esq.  
Frost Brown Todd LLC  
201 North Illinois Street, Suite 1900  
P.O. Box 44961  
Indianapolis, Indiana 46244-0961.

8393584

Loan #694002420

## MANAGEMENT SUBORDINATION AND ESTOPPEL AGREEMENT

This MANAGEMENT SUBORDINATION AND ESTOPPEL AGREEMENT (the "Agreement") is made as of July 12, 2017, by and among Comar Properties, Inc., an Illinois corporation ("Manager"), and 4412 South Pulaski Road, LLC, an Illinois limited liability company ("Borrower"), to and for the benefit of RiverSource Life Insurance Company, a Minnesota corporation ("Lender").

### RECITALS

A. Lender is the beneficiary of that certain Mortgage and Security Agreement and Fixture Financing Statement With Assignment of Leases and Rents from Borrower dated December 11, 2007 from Borrower, filed December 13, 2007 in the Office of the Cook County Recorder of Deeds, Cook County, Illinois recorded as Instrument No. 0734733067 (the "Original Mortgage"), as amended by that certain Amendment to Mortgage and Security Agreement and Fixture Financing Statement With Assignment of Leases and Rents and to Assignment of Leases and Rents dated of even date herewith between Borrower and Lender (the "Amendment," the Original Mortgage together with the Amendment, the "Mortgage"), pursuant to which Lender has agreed to make a first mortgage loan to Borrower in the original principal amount of One Million Nine Hundred Fifty Thousand and 00/100 Dollars (\$1,950,000.00) (the "Loan") as evidenced by that certain Amendment and Restatement of Promissory Note from Borrower to Lender in the original principal amount of One Million Nine Hundred Fifty Thousand and 00/100 Dollars (\$1,950,000.00) dated an even date herewith (the "Note").

B. Manager is an affiliate of Borrower and the "Manager" of certain real property and the improvements located thereon in Chicago, Cook County, Illinois, the legal description of which is described on Exhibit "A" attached hereto and by this reference, incorporated herein (the "Premises"), pursuant to that certain Management Agreement dated December 1, 2007, between Borrower and Manager (together with all extensions, amendments, substitutions, consolidations, modifications or renewals thereof, collectively, the "Management Agreement").

C. Borrower and Manager acknowledge and agree that Lender would not make the Loan to Borrower but for the execution and delivery of this Agreement, and Borrower and

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Manager have agreed to execute and deliver this Agreement to induce Lender to make such Loan to Borrower.

## SUBORDINATION

NOW, THEREFORE, in order to induce Lender to make the Loan to Borrower and for other good and valuable consideration, Manager and Borrower covenant and agree with and represent and warrant to Lender as follows:

1. **Definitions.** Any capitalized term used in this Agreement and not otherwise defined herein shall have the meaning ascribed to it in the Mortgage and the Note. For purposes of this Agreement, the terms "Senior Obligations" and "Subordinate Obligations" shall have the following meanings:

(a) "Senior Obligations" shall mean the Loan and any other indebtedness of Borrower pursuant to the Note, the Mortgage, and the other Loan Documents (as defined in the Mortgage), as the same may be amended, modified, extended, renewed, consolidated and substituted for, and any and all other indebtedness and obligations of Borrower to Lender thereunder and under the Mortgage, the Note and other Loan Documents, whether now existing or hereafter created or arising, and the obligations of any and all guarantors and other obligors for the payment and performance thereof, whether now existing or hereafter created or arising.

(b) "Subordinate Obligations" shall mean the obligations of Borrower under the Management Agreement, including without limitation, rights of first refusal, all rights to condemnation awards and casualty proceeds arising from the Premises from any source (other than rights to condemnation awards granted specifically for the loss of the Management Agreement and moving expenses provided such award does not diminish any award otherwise payable to Lender) and any and all other indebtedness and other obligations of Borrower to Manager, whether now existing or hereafter created or arising pursuant to the Management Agreement, and the obligations of any and all guarantors and other obligors for the payment and performance thereof, whether now existing or hereafter created or arising.

2. **Subordination.** Manager acknowledges that the Management Agreement has been collaterally assigned to Lender pursuant to the Mortgage and the other Loan Documents. The payment of the Subordinate Obligations and any and all liens, encumbrances or security interests securing, given to secure, or which may hereafter secure, the payment of the Subordinate Obligations, or any lien created by any judgment therefor, whether now existing or hereafter created or acquired, shall be and hereby are subordinated to the payment of the Senior Obligations and the lien of the Mortgage and the other Loan Documents and any and all other liens, encumbrances and security interests given to secure, or which may hereafter secure, the payment of the Senior Obligations, or any lien created by any judgment therefor, whether now existing or hereafter created or acquired, and to such renewals and extensions thereof as Lender may elect to make from time to time in accordance with Section 8 hereof. Nothing in this Agreement shall constitute Lender's consent to any such lien, encumbrance or security interest in favor of Manager. **MANAGER ACKNOWLEDGES THAT IT HAS BEEN PROVIDED WITH COPIES OF, AND HAS REVIEWED, THE NOTE, THE MORTGAGE AND ALL OF THE OTHER LOAN DOCUMENTS.**

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## 3. Prohibited Actions.

(a) Manager shall not, without the prior written consent of Lender, accept any management fee in connection with the management of the Premises in excess of the fees described in Section 8 of the Management Agreement and shall not, in any case, accept such fees for any period more than thirty (30) days in advance of the due date under the Management Agreement. Anything herein to the contrary notwithstanding, Manager shall not be entitled to receive any management fees or other fees or compensation in connection with the management of the Premises if an Event of Default (as defined in the Mortgage) exists other than a monthly fee in an aggregate amount not to exceed five percent (5%) of the Gross Annual Revenue of the Property, as set forth in Section 8 of the Management Agreement.

(b) If Manager receives any payment of management or other fees or compensation in connection with the management of the Premises (except as permitted hereunder), then Manager will hold in trust and immediately pay to Lender any and all such payments, and, upon receipt thereof, Lender may apply such payment as a prepayment of the Note or other Senior Obligations, or, in Lender's sole discretion, retain such payment as additional security for the payment of the Note or other Senior Obligations.

(c) Manager shall maintain separate line item accounting for funds relating to the Premises.

## 4. Additional Agreements of Manager.

(a) Manager consents to the assignment by Borrower to Lender of the Management Agreement as additional security for the Loan and the other Senior Obligations. Unless and until Lender shall notify Manager and Borrower in writing that it is assuming the rights and obligations of Borrower under the Management Agreement, Lender shall have no liability under or in respect of the Management Agreement, and Manager shall continue to look solely to Borrower for the performance of all of Borrower's obligations under the Management Agreement (including, without limitation, any damages for a termination of the Management Agreement).

(b) Manager and Borrower represent and warrant that, as of the date of this Agreement, the Management Agreement has not been modified, amended or terminated, is in full force and effect, and neither Manager nor Borrower is in default in any of its obligations under the Management Agreement.

(c) Manager shall send to Lender, as and when the same are received or sent by Manager or Borrower, as the case may be, copies of any notice of default sent under the Management Agreement by Manager to Borrower or by Borrower to Manager, and all budgets and financial statements and reports, from or to Borrower.

(d) Manager acknowledges the covenants and restrictions pertaining to the operation of the Premises set forth in the Loan Documents and agrees that, when acting on behalf of the Borrower pursuant to the Management Agreement, it will abide by such covenants and restrictions.

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(e) Upon any termination of the Management Agreement, Manager agrees to cooperate in the assignment to Borrower (or Lender) of all licenses, permits, and bank accounts and any other deposit accounts relating to the operation of the Premises and to otherwise cooperate in all reasonable respects to ensure the availability to Borrower (or Lender) of the benefits of such licenses, permits and accounts. In addition, upon any termination of the Management Agreement, Manager agrees that any money in any bank account or other deposit account operated for the benefit of the Premises will be returned to Borrower (or Lender).

5. Lender's Cure Rights. In addition to other notices that may be required hereunder, Manager shall provide Lender with notice of all events of default under the Management Agreement. Lender shall have the right, but not the obligation, to cure monetary events of default under the Management Agreement within thirty (30) days after receipt of notice from Manager of the same. Lender shall have the right, but not the obligation, to cure non-monetary events of default under the Management Agreement within thirty (30) days after receipt of notice from Manager of the same; provided, however, if such non-monetary event of default is susceptible to cure by Lender, but cannot be cured within such thirty (30) day period, and Lender commences to cure the same within such thirty (30) day period and thereafter diligently proceeds to cure the same, then Lender shall have an additional reasonable period of time in which to cure such event of default.

6. Termination or Continuation of Management Agreement. Manager acknowledges and agrees as follows:

(a) Notwithstanding anything to the contrary contained herein or in the Management Agreement, Lender may terminate the Management Agreement if Borrower fails to terminate the Management Agreement after requested to do so by Lender upon an Event of Default, without liability of any kind to Manager for any sums due and owing thereunder (including, without limitation, any termination fee). If the Management Agreement is terminated by Lender under this Section 6(a), the Manager shall, in addition to its other obligations hereunder, cooperate with Lender to ensure a smooth transition to a new property manager for the Premises.

(b) In the event Lender exercises its rights under the Mortgage and other Loan Documents after an Event of Default (a "Change in Ownership") and does not elect to terminate the Management Agreement, the Management Agreement shall continue in full force and effect according to its terms, and Manager shall be entitled to compensation thereunder provided, however, that neither the Lender nor its successor, assignee, or designee (as applicable) shall be (i) liable for any act or omission of the Borrower under the Management Agreement or be required to cure any continuing defaults of the Borrower under the Management Agreement at the time of the Change in Ownership, (ii) liable for any fees or other sums due to Manager for any period prior to the Change in Ownership or any termination fees or payments under the Management Agreement after the Change in Ownership (including without limitation all those fees described the Management Agreement), (iii) subject to any offsets or defenses which Manager may have had against Borrower prior to the Change in Ownership, (iv) bound by any sums or deposits which Manager may have paid to Borrower unless such sums or deposits were actually paid to and received by Lender, or (v) bound by any amendment or modification of the Management Agreement which was made without Lender's prior written consent.

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Notwithstanding the foregoing, Manager may terminate this Agreement upon thirty (30) days' notice, in accordance with Section 12 of the Management Agreement.

7. **No Modification.** Borrower and Manager shall not modify or amend the Management Agreement without Lender's prior written consent, which consent will not be unreasonably withheld, conditioned, or delayed.

8. **Extensions, Compromises and Additional Loans by Lender.** Manager agrees that Lender may grant extensions of the time of payment or performance of the Note and any other Senior Obligations, make compromises (including, without limitation, releases of collateral and settlements with Borrower), and make any future loan or accommodations to Borrower at any time and from time to time, without the consent of Manager in its capacity under the Management Agreement and without affecting the subordination and agreements hereunder.

9. **Term.** This Agreement shall continue so long as amounts are outstanding on the Note or any other Senior Obligations are owed to Lender by Borrower. Lender will, within ten (10) days after request of Manager therefor, confirm whether or not the conditions specified in this Section for termination of this Agreement have been satisfied.

10. **Successors and Assigns.** This Agreement shall be binding upon the successors and assigns of Manager and Borrower and shall inure to the benefit of Lender and its successors and assigns.

11. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois (without giving effect to principles of conflicts of law).

12. **Notices.** Any notice which any party hereto may be required or may desire to give hereunder shall be delivered personally, or by a nationally recognized overnight express courier, addressed as set forth below:

If to Lender:

RiverSource Life Insurance Company  
c/o Real Estate Loan Investments  
25540 Ameriprise Financial Center  
Minneapolis, Minnesota 55474

If to Manager:

Comar Properties, Inc.  
15660 Midwest Road, Suite 300  
Oakbrook Terrace, Illinois 60181  
Attention: George Kourafas, Vice President

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If to Borrower:

4412 South Pulaski Road, LLC  
 1S660 Midwest Road, Suite 300  
 Oakbrook Terrace, Illinois 60181  
 Attention: Constantine Danos, Managing Member

or at such other addresses or to the attention of such other persons as may from time to time be designated by the party to be addressed by written notice to the others in the manner provided. Notices, demands and requests given in the manner aforesaid shall be deemed sufficiently served or given for all purposes hereunder when received or when delivery is refused or when the same are returned to sender for failure to be called for.

13. Severability. If any term or provision of this Agreement or the application thereof to any person or circumstances shall be held invalid or unenforceable to any extent, the remainder of this Agreement and the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and shall continue to be valid and enforceable to the fullest extent permitted by applicable law.

14. Legal Fees and Disbursements. In any suit, action or proceeding arising out of or in connection with this Agreement, the prevailing party shall be entitled to recover, as part of the judgment, an award of the actual amount of legal fees and disbursements billed to said party in connection therewith, including fees and disbursements on one or more appeals.

15. WAIVER OF JURY TRIAL. BORROWER AND MANAGER EACH HEREBY WAIVES THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, OR RELATED TO, THE SUBJECT MATTER OF THIS AGREEMENT. THIS WAIVER IS KNOWINGLY, INTENTIONALLY, AND VOLUNTARILY MADE BY BORROWER AND MANAGER, AND BORROWER AND MANAGER EACH ACKNOWLEDGES THAT LENDER HAS NOT MADE ANY REPRESENTATIONS OF FACT TO INDUCE THIS WAIVER OF TRIAL BY JURY OR IN ANY WAY TO MODIFY OR NULLIFY ITS EFFECT. NEITHER BORROWER NOR MANAGER SHALL SEEK TO CONSOLIDATE, BY COUNTERCLAIM OR OTHERWISE, ANY ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. BORROWER AND MANAGER EACH FURTHER ACKNOWLEDGES THAT IT HAS BEEN REPRESENTED (OR HAS HAD THE OPPORTUNITY TO BE REPRESENTED) IN THE SIGNING OF THIS AGREEMENT AND IN THE MAKING OF ALL WAIVERS CONTAINED HEREIN BY INDEPENDENT LEGAL COUNSEL, SELECTED BY IT, AND THAT IT HAS HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL. BORROWER AND MANAGER EACH HEREBY AGREES THAT IT WILL NOT ASSERT ANY CLAIM AGAINST LENDER ON ANY THEORY OF LIABILITY FOR SPECIAL, INDIRECT, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES.

16. Consent to Jurisdiction. Borrower and Manager each hereby submits to personal jurisdiction in the State of Illinois, Cook County for the enforcement of the provisions

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of this Agreement and irrevocably waives any and all rights to object to such jurisdiction for the purposes of litigation to enforce any provision of this Agreement. Borrower and Manager each hereby consents to the jurisdiction of and agrees that any action, suit or proceeding to enforce this Agreement may be brought in any state or federal court in the State of Illinois, Cook County. Borrower and Manager each hereby irrevocably waives any objection which it may have to the laying of the venue of any such action, suit, or proceeding in any such court and hereby further irrevocably waives any claim that any such action, suit or proceeding brought in such a court has been brought in an inconvenient forum. Borrower and Manager each hereby consents that service of process in any action, suit or proceeding may be made by service upon its agent for service of process, by personal service upon the party being served, by delivery in accordance with the notice requirements of Section 12 of this Agreement or in such other manner permitted by law.

17. **Authorization.** Borrower hereby authorizes Manager to perform in accordance with the terms of this Agreement, notwithstanding any contrary provision in the Management Agreement or any other agreement between Borrower and Manager, and the Borrower hereby releases and discharges Manager from any liability for actions taken by Manager in accordance with the terms of this Agreement.

18. **Inconsistency.** If any provisions hereof are inconsistent with the Management Agreement, then the provisions hereof shall govern.

19. **Reliance.** Manager recognizes that Lender shall accept the assumption of the Loan by Borrower in reliance upon all the terms and conditions of this Agreement.

20. **Modifications.** This Agreement may not be changed orally, but only by an agreement in writing, signed by Lender, Manager and Borrower.

21. **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same agreement.

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SIGNATURE PAGE FOLLOWS

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IN WITNESS WHEREOF, Manager and Borrower have executed this Agreement as of the date first written above.

**"BORROWER"**

4412 South Pulaski Road, LLC  
an Illinois limited liability company

By: \_\_\_\_\_  
Constantine Danos, Manager

By: \_\_\_\_\_  
Maria Danos, Manager

By: \_\_\_\_\_  
Bessie Pappas, Manager

**"MANAGER"**

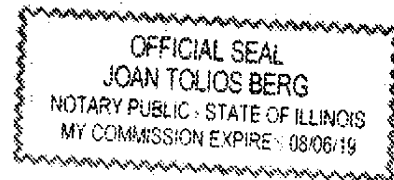
Comar Properties, Inc.,  
an Illinois corporation

By: \_\_\_\_\_  
George Kourafas, Vice President

Property of Cook County Clerk's Office

Submitted and sworn to on this 13<sup>th</sup> day  
of July, 2017.

Joan Tolios Berg  
Notary Public  
State of Illinois  
County of Cook





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Accepted and Acknowledged:

LENDER:

RiverSource Life Insurance Company,  
a Minnesota corporation

By: *John T. Dittrich*  
(Signature), Assistant Vice President

John T Dittrich  
(Printed), Assistant Vice President

and

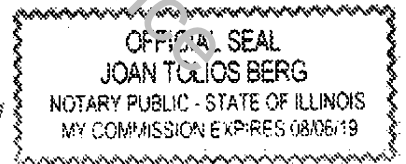
By: *Lisa M Neppi*  
(Signature), Assistant Secretary

Lisa M Neppi  
(Printed), Assistant Secretary

July 12, 2017

*Subscribed and sworn to this 12th  
day of July, 2017.*

*Joan Tolios Berg  
Notary Public  
State of Illinois  
County of Cook*



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## EXHIBIT "A"

### LEGAL DESCRIPTION

Permanent Index Numbers: 19-03-410-030-0000 and 19-03-410-011-0000

Property Address: 4412 South Pulaski Road, Chicago, Illinois 60632

PARCEL 1: LOTS 79 AND 80 (EXCEPT THAT PART TAKEN FOR STREET) IN FREDRICK H. BARTLETT'S 47TH STREET SUBDIVISION OF LOT "C" IN CIRCUIT COURT PARTITION OF THE SOUTH 1/2 OF SECTION 3 AND THAT PART OF THE NORTHWEST 1/4 LYING SOUTH OF THE ILLINOIS MICHIGAN CANAL OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED SEPTEMBER 9, 1910 AS DOCUMENT 4624395, IN COOK COUNTY, ILLINOIS.

PARCEL 2: LOT 81 (EXCEPT THE EAST 17 FEET THEREOF USED FOR HIGHWAY PURPOSES) IN F.H. BARTLETT'S 47TH STREET SUBDIVISION OF LOT "C" IN THE CIRCUIT COURT PARTITION OF THE SOUTH 1/2 OF SECTION 3 AND THAT PART OF THE NORTHWEST 1/4 LYING SOUTH OF THE ILLINOIS AND MICHIGAN CANAL OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED SEPTEMBER 9, 1910 AS DOCUMENT 4624395, IN COOK COUNTY, ILLINOIS.

PARCEL 3: EASEMENT FOR THE BENEFIT OF PARCEL 2 AS CREATED BY GRANT OF EASEMENT FOR INGRESS AND EGRESS RECORDED DECEMBER 15, 1982 AS DOCUMENT 26440461 FOR INGRESS AND EGRESS OVER THE NORTH 10 FEET OF LOT 82 IN F. H. BARTLETT'S 47TH STREET SUBDIVISION OF LOT "C" IN THE CIRCUIT COURT PARTITION OF THE SOUTH 1/2 OF SECTION 3 AND THAT PART OF THE NORTHWEST 1/4 LYING SOUTH OF THE ILLINOIS AND MICHIGAN CANAL OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED SEPTEMBER 9, 1910 AS DOCUMENT 4624395, IN COOK COUNTY, ILLINOIS.