



1727501091

Doc# 1727501091 Fee \$58.00

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

KAREN A. YARBROUGH

COOK COUNTY RECORDER OF DEEDS

DATE: 10/02/2017 10:54 AM PG: 1 OF 11

This document prepared by and after recording, return to: Arieh Flemenbaum Illinois Housing Development Authority 111 E. Wacker Dr., Suite 1000 Chicago, Illinois 60601 Property Identification No.: See Exhibit A

RS-HOME-11231

SUBORDINATION OF MANAGEMENT AGREEMENT

THIS SUBORDINATION OF MANAGEMENT AGREEMENT (this "Agreement") is made as of this 29th day of September, 2017, by RELATED MANAGEMENT COMPANY, L.P., a New York limited partnership ("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 ("Lender").

RECITALS:

WHEREAS, the Lender has agreed to make a two loans to LATHROP HOMES IA, LP, an Illinois limited partnership ("Borrower") as follows: (1) a loan from the HOME Program ("HOME Loan"), and (2) a loan from the Credit Advantage Program insured pursuant to the Risk Share Program (the "RS Loan"; together with the HOME Loan, collectively, the "Loans") to be used with other monies, if any, for the acquisition, rehabilitation, construction and permanent financing of a multifamily housing development known as Lathrop Phase IA (the "Development") to be located on the leasehold estate in the real estate described on Exhibit A attached hereto and made a part hereof. Each of the Loans is secured by a mortgage dated as of the date hereof given by Borrower in favor of Lender (collectively, the "Mortgages") and certain other documents evidencing, securing and governing the Loan. The Mortgages and such other loan documents are collectively referred to in this Agreement as the "Loan Documents"; and

WHEREAS, Borrower and Manager have entered into a certain Management Agreement (HOME- Initial Rent-Up) (the "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, Borrower executed and delivered an Assignment of Contracts, Licenses and Permits of even date herewith for the benefit of Lender (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

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other costs incurred in connection with the management of real property and improvements; and

WHEREAS, Lender requires, as a condition precedent to its making of the Loans, that (i) the lien and security interests of the Mortgages and the other Loan 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 Lender to make the Loans, 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 Mortgages and other Loan 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:
 Related Management Company, L.P.
 2 N LaSalle Street, Suite 2300
 Chicago, Illinois 60602
 Attention: John Kennedy

To Lender:
 Illinois Housing Development Authority
 111 East Wacker Drive, Suite 1000
 Chicago, Illinois 60601
 Attention: Managing Director for Multifamily Financing

with a copy to:
 Illinois Housing Development Authority
 111 East Wacker Drive, Suite 1000
 Chicago, Illinois 60601
 Attention: General Counsel

and a courtesy copy to:

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Lathrop Homes IA, LP
 Lathrop Homes IA GP, LLC
 c/o Related Lathrop LLC
 350 W. Hubbard Street, Suite 300
 Chicago, Illinois 60654-5798
 Attention: Vice President – Affordable Housing

and to:
 Lathrop Homes IA, LP
 Lathrop Homes IA GP, LLC
 c/o Heartland Lathrop, LLC
 208 S. LaSalle Street, Suite 1300
 Chicago, Illinois 60604
 Attention: Executive Director

and to:
 Lathrop Homes IA, LP
 Lathrop Homes IA GP, LLC
 c/o Bickerdike Lathrop, LLC
 2550 W. North Avenue
 Chicago, Illinois 60647
 Attention: Chief Executive Officer

In connection with a courtesy copy, Lender will exercise reasonable efforts to provide copies of any notices given to Manager; however, Lender's failure to furnish copies of such notices shall not limit Lender's exercise of any of its rights and remedies under any document evidencing, securing or governing the loan from Lender to the Manager, or affect the validity of the notice.

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 Lender and its successors and assigns.

5. Manager agrees to execute such further documents or instruments and take such further actions as Lender 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 Lender (or any affiliate or designee of Lender) becomes an owner of any portion of the Development in any manner (including, without limitation, by

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purchasing the Development at a foreclosure sale or by acceptance of a deed in lieu of foreclosure), Lender 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 Borrower, 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 provisions of this Agreement.

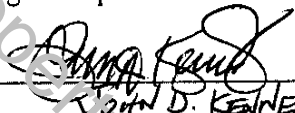
[SIGNATURE PAGE FOLLOWS]

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IN WITNESS WHEREOF, the undersigned has caused this Subordination of Management Agreement to be executed by its duly authorized representative.

RELATED MANAGEMENT COMPANY, L.P.,
A New York limited partnership

By: RCMP MANAGEMENT, INC.,
A Delaware corporation
Its sole general partner

By: 
Name: JOHN D. KENNEDY
Its: SENIOR VICE PRESIDENT

Property of Cook County Clerk's Office

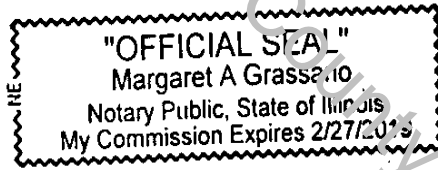
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STATE OF IL)
COUNTY OF Cook) SS

ACKNOWLEDGEMENT

I, the undersigned, a notary public in and for the State and County aforesaid, do certify that John D. Kennedy, the Senior Vice President of RCMP Management, Inc., the sole general partner ("General Partner") of Related Management Company, L.P. ("Partnership"), 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/she signed and delivered the said instrument in his/her capacity as Senior V. P. of the General Partner as his/her free and voluntary act and deed and as the free and voluntary act and deed of the General Partner on behalf of the Partnership for the uses and purposes therein set forth.

Given under my hand and official seal this 28th day of September, 2017.



Margaret A. Grassano
Notary Public

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EXHIBIT A

LEGAL DESCRIPTION OF REAL ESTATE

PERMANENT REAL ESTATE INDEX NUMBER:

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CHICAGO TITLE
COMPANY

EXHIBIT __

LEGAL DESCRIPTION

Order No. 15AC1515908LFE

ESTATE ONE

THE ESTATE OR INTEREST IN THE LAND DESCRIBED BELOW AND COVERED HEREIN IS:

THE LEASEHOLD ESTATE, CREATED BY THE GROUND LEASE EXECUTED BY: CHICAGO HOUSING AUTHORITY, AN ILLINOIS MUNICIPAL CORPORATION, AS LESSOR, AND HEARTLAND HOUSING, INC., AN ILLINOIS NOT-FOR-PROFIT CORPORATION, AND BICKERDIKE REDEVELOPMENT CORPORATION, AN ILLINOIS NOT-FOR-PROFIT CORPORATION, INITIAL TENANT, AND LATHROP HOMES I.A.L.P. AN ILLINOIS LIMITED PARTNERSHIP, AS ASSIGNEE/TENANT BY ASSIGNMENT AND ASSUMPTION AND AMENDMENT OF GROUND LEASE, WHICH GROUND LEASE IS DATED SEPTEMBER 29, 2017 AND WAS RECORDED SEPTEMBER 29, 2017 AS DOCUMENT 1727206032 AND ASSIGNED BY ASSIGNMENT AND ASSUMPTION AND AMENDMENT OF GROUND LEASE DATED SEPTEMBER 29, 2017 WHICH WAS RECORDED SEPTEMBER 29, 2017 AS DOCUMENT 1727206084, WHICH GROUND LEASE DEMISES THE FOLLOWING DESCRIBED LAND FOR A TERM OF 99 YEARS BEGINNING SEPTEMBER 29, 2017 AND ENDING SEPTEMBER 28, 2116:

Lots 1 through 13, both inclusive, in Diversey Clybourn Industrial and Commercial District, being an Owner's Division in the Northwest Quarter of Section 30, Township 40 North, Range 14 East of the Third Principal Meridian, according to the plat thereof recorded May 17, 1929 as Document number 10373658, and also that part of Lot 13 in the Snow Estate Subdivision by the Superior Court of Cook County, Illinois, in Partition of the East Half of the Northwest Quarter of said Section 30, according to the plat thereof recorded January 29, 1873, as Document number 80819 described as follows; Commencing at the intersection of the North line of Diversey Parkway with the South westerly line of Clybourn Ave., (as depicted on said Diversey Clybourn Industrial and Commercial District), and running thence Northwesterly along said Southwesterly line of Clybourn Ave., a distance of 573 feet; thence Southwesterly on a straight line at right angles to said Southwesterly line of Clybourn Ave., a distance of 150 feet; thence Southeasterly on a line parallel to said Southwesterly line of Clybourn Ave., a distance of 422.82 feet to said North line of Diversey Parkway; thence East along said North line of Diversey Parkway, a distance of 212.26 feet to the point of beginning; and also that part West of Lot 10 and South of Lot 12 and East of the West line of Lot 12 in said Diversey Clybourn Industrial and Commercial District Subdivision, North of the Chicago River; Excepting therefrom that part deeded to the City of Chicago for street purposes per document recorded May 25, 1937 as Document number 12002816, ALSO Excepting therefrom that part of said Lots 1, 2 and 3 more particularly described as follows: Commencing at the intersection of the Northeast line of said Lot 1, and the Southwest line of N. Clybourn Ave., as deeded to the City by said Doc. no. 12002816; thence South 1 degree 31 minutes 31 seconds East along the West line of said Lot 1, 326.14 feet to the Point of Beginning; thence North 43 degrees 35 minutes 24 seconds East 73.54 feet; thence South 46 degrees 28 minutes 40 seconds East 136.57 feet; thence South 42 degrees 53 minutes 03 seconds West 0.99 feet; thence North 46 degrees 28 minutes 40 seconds West 2.30 feet; thence South 43 degrees 22 minutes 34 seconds West 38.81

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EXHIBIT ___

LEGAL DESCRIPTION

(continued)

feet; thence South 46 degrees 37 minutes 26 seconds East 22.74 feet; thence South 43 degrees 37 minutes 55 seconds West 20.08 feet; thence North 46 degrees 28 minutes 45 seconds West 1.14 feet; thence South 43 degrees 34 minutes 16 seconds West 34.05 feet; thence South 01 degrees 20 minutes 15 seconds East 32.08 feet; thence South 46 degrees 21 minutes 47 seconds East 53.69 feet; thence South 43 degrees 38 minutes 13 seconds West 12.15 feet; thence South 88 degrees 25 minutes 41 seconds West 44.93 feet; thence South 01 degree 20 minutes 15 seconds East 1.17 feet; thence South 88 degrees 25 minutes 41 seconds West 69.15 feet to the West line of said Lot 3; thence Northerly 78.37 feet along the West line of said Lots 2 and 3, along a curve concave to the East whose radius is 280.89 feet and whose chord bears North 9 degrees 31 minutes 04 seconds West, 78.11 feet; thence North 1 degree 31 minutes 31 seconds West along the West line of said Lots 1 and 2, 127.38 feet to the Point of Beginning, ALSO Excepting therefrom that part of said Lots 3 and 4 more particularly described as follows: Commencing at the intersection of the Northeast line of said Lot 1, and the Southwest line of N. Clybourn Ave., as deeded to the City by said Doc. no. 12002816; thence South 46 degrees 22 minutes 01 seconds East along the Southwest line of said N. Clybourn Ave., 815.63 feet to the Point of Beginning; thence continuing South 46 degrees 22 minutes 01 seconds East along the Southwest line of said N. Clybourn Ave., 132.49 feet; thence South 43 degrees 36 minutes 13 seconds West 152.40 feet; thence North 46 degrees 25 minutes 18 seconds West 6.00 feet; thence South 43 degrees 34 minutes 41 seconds West 15.66 feet; thence North 46 degrees 21 minutes 53 seconds West 168.94 feet; thence North 43 degrees 38 minutes 09 seconds East 15.66 feet; thence North 46 degrees 22 minutes 18 seconds West 6.00 feet; thence North 43 degrees 35 minutes 44 seconds East 32.25 feet; thence South 46 degrees 36 minutes 04 seconds East 76.44 feet; thence North 43 degrees 34 minutes 39 seconds East 58.64 feet; thence North 46 degrees 23 minutes 47 seconds West 27.96 feet; thence North 43 degrees 36 minutes 01 seconds East 61.21 feet to the Southwest line of said N. Clybourn Ave. and the Point of Beginning, in Cook County, Illinois.

legal Description South of Diversey West of Leavitt

That part of Lot 12 lying North and East of the North Branch of the Chicago River, and South and West of that part of said Lot 12 deeded to the City of Chicago for street purposes by document recorded May 25, 1937 as Document number 12002816, in the Snow Estate Subdivision by the Superior Court of Cook County, Illinois, in Partition of the East Half of the Northwest Quarter of Section 30, Township 40 North, Range 14 East of the Third Principal Meridian, according to the plat thereof recorded January 29, 1873 as Document number 80819, in Cook County, Illinois.

legal Description South of Diversey East of Hoyne

That part of Lot 12 in the Snow Estate Subdivision by the Superior Court of Cook County, Illinois, in Partition of the East Half of the Northwest Quarter of Section 30, Township 40 North, Range 14 East of the Third Principal Meridian, according to the plat thereof recorded January 29, 1873, as Document number 80819, lying North and East of the North Branch of the Chicago River; Excepting therefrom that part vacated by Ordinance recorded February 21, 1940 as Document number 12438633; Also Excepting therefrom that part deeded to the City of Chicago for street purposes per document recorded May 25, 1937 as Document number 12002816, more particularly described as follows:
Beginning at the intersection of the East line of N. Hoyne Avenue as Deeded to the City of Chicago May 25, 1937 as Document number 12002816 and the South line of W. Diversey Parkway being 40.00 feet South of the Centerline of said W. Diversey Parkway; thence South 1 degree 47 minutes 55 seconds East along said East Right of Way line of N. Hoyne Ave. 193.74 feet to the Point of Beginning; thence North 88 degrees 21 minutes 55 seconds East 123.69 feet to the West line of North Damen Avenue; thence South 5 degrees 47 minutes 19 seconds West along said West line 262.82 feet; thence North 88 degrees 35 minutes 27 seconds West 88.99 feet to the East line of said N. Hoyne Avenue; thence North 1 degree 47 minutes 55 seconds West 260.27 feet to the Point of Beginning, in Cook County, Illinois.

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EXHIBIT __

LEGAL DESCRIPTION

(continued)

ESTATE TWO:

OWNERSHIP TO ALL BUILDINGS AND IMPROVEMENTS LOCATED, OR TO BE LOCATED AFTER THE DATE OF THE AFORESAID GROUND LEASE, ON THE LEASEHOLD ESTATE HEREINABOVE DESCRIBED AS ESTATE ONE.

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PINS:

North Parcel

- 14-30-123-001-0000 (affects part of the land and other property)
- 14-30-123-002-0000 (affects part of the land and other property)
- 14-30-123-003-0000 (affects remainder of the land and other

property)

South Parcel

- 14-30-302-019-0000 (affects part of the land and other property)

Addresses:

- 2986-92 N. Clybourn Avenue
- 2950-84 N. Clybourn Avenue
- 2942-48 N. Clybourn Avenue
- 2906-40 N. Clybourn Avenue
- 2854-88 N. Clybourn Avenue
- 2846-52 N. Clybourn Avenue
- 2826-44 N. Clybourn Avenue
- 2032-34 W. Diversey Parkway
- 2033-48 W. Diversey Parkway
- 2801-12 N. Leavitt Street
- 2815-27 N. Leavitt Street
- 2810-18 N. Leavitt Street
- 2800-08 N. Leavitt Street
- 2820 N. Leavitt Street
- 2840-50 N. Leavitt Street
- 2000 W Diversey Parkway
- 2737 N. Hoyne Street

THIS DEED DOES NOT CONVEY ANY INTEREST IN SAID LAND

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