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Doc# 1734129119 Fee \$56.00

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

KAREN A. YARBROUGH

COOK COUNTY RECORDER OF DEEDS

DATE: 12/07/2017 03:59 PM PG: 1 OF 10

6 IT 4003461014

This document prepared by and
after recording return to:
Maribel Mata Benedict, Esq.
Assistant Corporation Counsel
Department of Law
121 North LaSalle Street, Room 600
Chicago, IL 60602

SUBORDINATION AGREEMENT

This Subordination Agreement ("Agreement") is made and entered into as of the day of December 6, 2017 between the City of Chicago by and through its Department of Planning and Development (the "City"), and K.L.E.O. Community Family Life Center, an Illinois nonprofit corporation (the "Junior Lender").

WITNESSETH:

WHEREAS, Brin Life Center, LLC, an Illinois limited liability company (the "Developer"), has purchased certain property located within the Washington Park Redevelopment Project Area at 63 East Garfield Boulevard, and 5510 South Michigan Avenue Chicago, Illinois 60609 and legally described on Exhibit A hereto (the "Property"), for the new construction and development of an approximately 68,035 square foot gross area mixed-use building (the "Building") that will include approximately 49 affordable live/work rental units, approximately 9 market rate rental units on the upper floors and approximately 4,824 square feet of commercial space and 1,592 square feet of studio space on the ground floor, and approximately 32 parking spaces adjacent to the building (the "Project"); and

WHEREAS, as part of obtaining financing for the Project, the Junior Lender has agreed to make a loan to the Developer in an amount not to exceed \$6,350,000 comprised of a City grant of Tax Increment Financing funds made to the Junior Lender

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(the "TIF Loan"), which TIF Loan is evidenced by a Note and executed by the Developer in favor of the Junior Lender (the "TIF Note"), and the repayment of the TIF Loan is secured by, among other things, certain liens and encumbrances on the Property and other property of the Developer pursuant to the Subordinate Mortgage, Security Agreement and Financing Statement dated December 6, 2017 (the "TIF Mortgage") and recorded on December 6, 2017 as document number 1734129112 made by the Developer to the Junior Lender; and

WHEREAS, the Junior Lender has agreed to make a loan to the Developer in an amount of \$255,700,000 (the "DTC Loan"), a portion of which is derived from the the proceeds of the sale of certain donation tax credits. The DTC Loan is evidenced by a Note and executed by the Developer in favor of the Junior Lender (the "DTC Note"), and the repayment of the DTC Loan is secured by, among other things, certain liens and encumbrances on the Property and other property of the Developer pursuant to the Subordinate Mortgage, Security Agreement and Assignment of Rents and Leases dated December 6, 2017 (the "DTC Mortgage") and recorded on December 6, 2017 as document number 1734129113 made by the Developer to the Junior Lender ; and

WHEREAS, the Junior Lender has also agreed to make a loan to the Developer in an amount of \$540,000 (the "Seller's Loan"), comprised of debt owed by the Developer to Junior Lender in connection with the sale of a parcel of the Property owned by the Junior Lender. The Seller's Loan is evidenced by a Note and executed by the Developer in favor of the Junior Lender (the "Seller's Note"), and the repayment of the Seller's Loan is secured by, among other things, certain liens and encumbrances on the Property and other property of the Developer pursuant to the Subordinate Mortgage, Security Agreement and Assignment of Rents and Leases dated December 6, 2017 (the "Seller's Mortgage") and recorded on December 6, 2017 as document number 1734129114 made by the Developer to the Junior Lender ; and

WHEREAS, all such agreements referred to above and otherwise relating to the TIF Loan, The DTC Loan and the Seller's Loan referred to herein collectively as the "Junior Loan Documents"; and

WHEREAS, the Developer and the Junior Lender desire to enter into a certain Redevelopment Agreement dated the date hereof with the City in order to obtain additional financing for the Project (the "Redevelopment Agreement," referred to herein along with various other agreements and documents related thereto as the "City Agreements");

WHEREAS, pursuant to the Redevelopment Agreement, the Developer and the Junior Lender will agree to be bound by certain covenants expressly running with the Property, as set forth in Sections 8.02, 8.06, 8.19 and 8.22 of the Redevelopment Agreement (the "City Encumbrances");

WHEREAS, the City has agreed to enter into the Redevelopment Agreement with the Developer as of the date hereof, subject, among other things, to (a) the

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execution by the Developer of the Redevelopment Agreement and the recording thereof as an encumbrance against the Property; and (b) the agreement by the Lender to subordinate their respective liens under the Junior Loan Documents to the City Encumbrances; and

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

1. Subordination. All rights, interests and claims of the Junior Lender in the Property pursuant to the Junior 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 Junior Loan Documents. Nothing herein, however, shall be deemed to limit the Lender's right to receive, and the Developer's ability to make, payments and prepayments of principal and interest on the Note, or to exercise its rights pursuant to the Junior Loan Documents except as provided herein.

2. Notice of Default. The Junior Lender shall use reasonable efforts to give to the City, and the City shall use reasonable efforts to give to the Lender, (a) copies of any notices of default which it may give to the Developer with respect to the Project pursuant to the Junior Loan Documents or the City Agreements, respectively, and (b) copies of waivers, if any, of the Developer's default in connection therewith. Under no circumstances shall the Developer or any third party be entitled to rely upon the agreement provided for herein.

3. Waivers. No waiver shall be deemed to be made by the City or the Junior Lender 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 the Junior Lender in any other respect at any other time.

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

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:

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If to the City: City of Chicago Department of Planning and
Development
121 North LaSalle Street, Room 1000
Chicago, Illinois 60602
Attention: Commissioner

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

If to the Junior Lender: K.L.E.O. Family Life Center, Inc.
119 East Garfield Boulevard
Chicago, Illinois 60637
Attention: Torrey L. Barrett

with a copy to: Applegate Thorne-Thomsen, P.C.
440 S. LaSalle St. Suite 1900
Chicago, Illinois 60605
Attention: Bennett Applegate

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

K.L.E.O. COMMUNITY FAMILY LIFE CENTER,
an Illinois nonprofit corporation

By: 

Name: Torrey L. Barrett
Its: President

CITY OF CHICAGO

By: _____

David L. Reifman
Commissioner
Department of Planning and Development

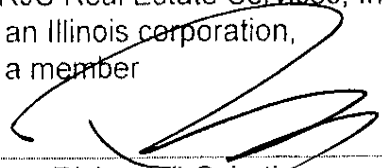
ACKNOWLEDGED AND AGREED TO THIS
___ DAY OF _____, 2017

BRIN LIFE CENTER, LLC,
an Illinois limited liability company

By: Brin Life Center Manager, LLC,
an Illinois limited liability company
its managing member

By: Brinshore Development, L.L.C.,
an Illinois limited liability company
its managing member

By: RJS Real Estate Services, Inc.,
an Illinois corporation,
a member

By: 

Name: Richard J. Sciortino
Title: President

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

K.L.E.O. COMMUNITY FAMILY LIFE CENTER,
an Illinois nonprofit corporation

By: _____

Name: Torrey L. Barrett
Its: President

CITY OF CHICAGO

By: _____

David L. Reifman
Commissioner
Department of Planning and Development

ACKNOWLEDGED AND AGREED TO THIS
___ DAY OF _____, 2017

BRIN LIFE CENTER, LLC,
an Illinois limited liability company

By: Brin Life Center Manager, LLC,
an Illinois limited liability company
its managing member

By: Brinshore Development, L.L.C.,
an Illinois limited liability company
its managing member

By: RJS Real Estate Services, Inc.,
an Illinois corporation,
a member

By: _____

Name: Richard J. Sciortino
Title: President

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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/her 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 6 day of Dec,
20 17.

Dionisia Leal
Notary Public

(SEAL)



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EXHIBIT A

LEGAL DESCRIPTION OF CITY PROPERTY

(Subject to final title commitment and survey):

Lot 6, except that part taken from Garfield Boulevard) and all of lots 7 to 10, in Block 2, in J. Mulvey's Subdivision of the North Half of the Northwest Quarter of the Northwest Quarter of Section 15, Township 38 North, Range 14 East of the Third Principal Meridian according to the plat thereof recorded June 20, 1868 as Document number 173164, Cook County, Illinois.

Said Parcel containing 0.428 acres (18,659 sq. ft.), more or less.

P.I.N. 20-15-101-008

Commonly known as: 63 East Garfield Boulevard, Chicago, Illinois 60609

Lots 11 and 12, in Block 2, in J. Mulvey's Subdivision of the North Half of the Northwest Quarter of the Northwest Quarter of Section 15, Township 38 North, Range 14 East of the Third Principal Meridian according to the plat thereof recorded June 20, 1868 as Document number 173164, Cook County, Illinois.

Said Parcel containing 0.185 acres (8,042 sq. ft.), more or less.

P.I.N. 20-15-101-009

Commonly known as: 5510 South Michigan Avenue, Chicago, Illinois 60609

LEGAL DESCRIPTION OF DEVELOPER PROPERTY

(Subject to final title commitment and survey):

Lots 13 and 14, in Block 2, in J. Mulvey's Subdivision of the North Half of the Northwest Quarter of the Northwest Quarter of Section 15, Township 38 North, Range 14 East of the Third Principal Meridian according to the plat thereof recorded June 20, 1868 as Document number 173164, Cook County, Illinois.

Said Parcel containing 0.185 acres (8,042 sq. ft.), more or less.

P.I.N.: 20-15-101-010

Lots 15 and 16, in Block 2, in J. Mulvey's Subdivision of the North Half of the Northwest Quarter of the Northwest Quarter of Section 15, Township 38 North, Range 14 East of the Third Principal Meridian according to the plat thereof recorded June 20, 1868 as Document number 173164, Cook County, Illinois.

Said Parcel containing 0.185 acres (8,042 sq. ft.), more or less.

Commonly known as: 5522 South Michigan Avenue, Chicago, Illinois 60609

P.I.N.: 20-15-101-011