

# UNOFFICIAL COPY

PREPARED BY AND WHEN RECORDED  
RETURN TO:

Pamela Cash  
Senior Assistant General Counsel  
Chicago Housing Authority  
60 East Van Buren Street  
12<sup>th</sup> Floor  
Chicago, Illinois 60605



Doc# 2001719095 Fee \$88.00

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

EDWARD M. MOODY

COOK COUNTY RECORDER OF DEEDS

DATE: 01/17/2020 02:38 PM PG: 1 OF 8

41044527

Recorder's Stamp

## AGREEMENT TO SUBORDINATE TO RENTAL ASSISTANCE DEMONSTRATION USE AGREEMENT

### SOUTHBRIDGE PHASE IA

This Agreement to Subordinate to Rental Assistance Demonstration Use Agreements (this "Subordination") is entered into this January 16, 2020, by 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 (the "Agency"), Southbridge 4 Master Owner LLC, an Illinois limited liability company (the "Owner"), Southbridge 1-4 Housing LLC, an Illinois limited liability company (the "Tenant") collectively, the "Parties."

WHEREAS, Owner executed that certain Leasehold Mortgage, Security Agreement and Assignment of Rents and Leases (Risk Share Loan) dated Jan 16, 2020 and recorded on Jan 17, 2020 in the Office of the Cook County Recorder of Deeds as document number 2001719076 (the "Risk Share Mortgage"); and

WHEREAS, the Owner and Agency executed that certain Regulatory Agreement (Risk Share Loan-Phase 1A) dated Jan 16, 2020 and recorded on Jan 17, 2020 in the Office of the Cook County Recorder of Deeds as document number 2001718075 (the "Risk Share Regulatory Agreement"); and

WHEREAS, the Parties executed that certain Low Income Housing Tax Credits Extended Use Agreement dated Jan 16, 2020 and recorded on Jan 17, 2020 in the Office of the Cook County Recorder of Deeds as document number 2001799062 (the "LIHTC Extended Use Agreement"); and

WHEREAS, Owner executed that certain Junior Leasehold Mortgage, Security Agreement and Assignment of Rents and Leases (Trust Fund Loan) dated Jan 16, 2020 and recorded on Jan 17, 2020 in the Office of the Cook County Recorder of Deeds as document number 2001719082 (the "Trust Fund Mortgage"); and

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WHEREAS, the Owner and Agency executed that certain Regulatory and Land Use Restriction Agreement (Trust Fund Loan) dated Jan 16, 2020 and recorded on Jan 17, 2020 in the Office of the Cook County Recorder of Deeds as document number 2001719083 (the "Trust Fund Regulatory Agreement"); and

WHEREAS, the Parties executed that certain IHDA Regulatory Agreement dated Jan 16, 2020 for Illinois Affordable Housing Tax Credits and recorded on Jan 17, 2020 in the Office of the Cook County Recorder of Deeds as document number 2001719084 (the "IAHTC Regulatory Agreement")

WHEREAS, the Parties executed that certain Use Agreement for Projects Assisted Under the Section 811 Project Rental Assistance Demonstration Program  
 \_\_\_\_\_ (the "811 Use Agreement")

WHEREAS, the Parties executed those certain Risk Share loan documents, including the Loan Agreement, Mortgage Note (Perm Loan), Limited Guaranty of Payment, Environmental Indemnity and Subordination Agreement and those certain Trust Fund loan documents, including the Mortgage Note, Guaranty of Completion and Payment, Subordination of Management Agreement, General Contractor Agreement and Consent and Architect Agreement and Consent (together with the Risk Share Mortgage, Risk Share Regulatory Agreement, LIHTC Extended Use Agreement, Trust Fund Mortgage Trust Fund Regulatory Agreement, IAHTC Regulatory Agreement and 811 Use Agreement (the "Subordinate Documents"); and

WHEREAS, HUD has authorized the construction of Southbridge Phase 1A (the "Project") on a portion of land that was previously used for the Harold Ickes Homes public housing development and located upon the real property described on Exhibit "A" attached hereto. The new development will receive Section 8 assistance under the Rental Assistance Demonstration ("RAD") program, pursuant to Public Law 112-55 using transfer of RAD Assistance from Altgeld Gardens 1; and

WHEREAS, as a condition of the RAD conversion, the Owner executed a Rental Assistance Demonstration Use Agreement dated and recorded as of substantially even date herewith (the "RAD Use Agreement") for the benefit of HUD; and

WHEREAS, HUD requires as a condition of the RAD conversion that the Parties agree to subordinate the Subordinate Documents to the RAD Use Agreement;

NOW THEREFORE, let it be known to all interested parties, that for good and valuable consideration, the receipt of which is hereby acknowledged, the undersigned do hereby agree:

1. So long as the RAD Use Agreement, and all extensions thereto, be in effect, the Subordinate Documents shall in all respects be subordinate to the RAD Use Agreement.

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2. This Subordination extends to and continues in effect with respect to any future amendment, extension, renewal, or any other modification of the RAD Use Agreement or the Subordinate Documents.
3. In the event of conflict between/among the Subordinate Documents and the RAD Use Agreement, the RAD Use Agreement controls.
4. The following amendments to the Subordinate Documents require the prior written consent of HUD: Any amendment to any HUD-required provisions in the Subordinate Documents, an increase in the interest rate, an increase of the total indebtedness, an acceleration of the amortization or payment schedule, and any changes that would preclude or impair a reasonable opportunity to cure any defaults by the Project Owner under the Subordinate Documents.
5. This Subordination will survive bankruptcy and foreclosure.
6. This Subordination may be signed in counterparts.
7. The invalidity, in whole or in part, of any of the provisions set forth in this Subordination, shall not affect or invalidate any remaining provisions.
8. This Subordination and every covenant hereof shall be binding upon the Parties and their respective successors and assigns. This Subordination shall not be modified or amended except by a written instrument executed by all Parties hereto and approved in writing by HUD.

[SIGNATURE PAGE(S) TO FOLLOW]

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In witness whereof, the parties have executed this Subordination as of the date first written above.

**Agency**

**ILLINOIS HOUSING DEVELOPMENT AUTHORITY,** <sup>AI<sup>2</sup></sup>  
a body politic and corporate

By: Debra Olson  
Name: Debra Olson  
Its: Assistant Executive Director

STATE OF ILLINOIS     )  
  )     SS  
COUNTY OF COOK     )

I, the undersigned, a Notary Public in and for the County and State aforesaid, certify that **Debra Olson**, personally known to me to be the Assistant Executive Director of the **ILLINOIS HOUSING DEVELOPMENT AUTHORITY**, 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 she signed and delivered the said instrument in her capacity as Assistant Executive Director of the **ILLINOIS HOUSING DEVELOPMENT AUTHORITY** as her free and voluntary act and deed and as the free and voluntary act and deed of the **ILLINOIS HOUSING DEVELOPMENT AUTHORITY** for the uses and purposes therein set forth.

Given under my hand and official seal this 13<sup>th</sup> day of December 2019.



Tanika King  
Notary Public

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**Owner**

**SOUTHBRIDGE 4 MASTER OWNER LLC,**  
an Illinois limited liability company

By: Ickes Master Developer JV, LLC,  
its sole member

By: The Community Builders, Inc.,  
its managing member

By: \_\_\_\_\_  
William Woodley  
Its Authorized Agent

STATE OF ILLINOIS        )  
  )        SS  
COUNTY OF COOK        )

I, the undersigned, a Notary Public in and for the county and State aforesaid, do certify that William Woodley, personally known to me to be the Authorized Agent of The Community Builders, Inc., the managing member of Ickes Master Developer JV, LLC, (the "Managing Member"), the sole and managing member of Southbridge 4 Master Owner LLC, 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 severally acknowledged that as such Authorized Agent, s/he signed and delivered the said instrument, pursuant to authority given by the members of the Managing Member as the free and voluntary act of such person, and as the free and voluntary act and deed of the Managing Member and Southbridge 4 Master Owner LLC, for the uses and purposes therein set forth.

Given under my hand and official seal this 16<sup>th</sup> day of January, 2020.

(Seal)



*Sonja Pearl*

(Notary Public)

My commission expires April 29, 20 20.

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## SOUTHBRIDGE 1-4 HOUSING LLC

By: Southbridge 1 Housing MM LLC, its managing member

By: \_\_\_\_\_  
 Name: William Woodley  
 Title: Authorized Agent

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 William Woodley personally known to me to be an authorized agent of Southbridge 1 Housing MM LLC, an Illinois limited liability company (the "Managing Member") and the managing member of Southbridge 1-4 Housing LLC, an Illinois limited liability company, 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 severally acknowledged that as such authorized agent, he signed and delivered the said instrument, as an authorized representative of the Managing Member, as the free and voluntary act of such person, and as the free and voluntary act and deed of the Managing Member and Southbridge 1-4 Housing LLC, for the uses and purposes therein set forth.

GIVEN UNDER MY HAND and seal of office, this the 16<sup>th</sup> day of January, 2020.



*Sonja Pearl* (Notary Public)

My commission expires April 29, 20 22.

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## EXHIBIT A

### LEGAL DESCRIPTION FOR SOUTHBRIDGE PHASE 1A

#### PARCEL 1:

THE LEASEHOLD ESTATE CREATED BY THE INSTRUMENT HEREIN REFERRED TO AS THE GROUND LEASE, EXECUTED BY CHICAGO HOUSING AUTHORITY, AN ILLINOIS MUNICIPAL CORPORATION, AS LANDLORD, AND TCB DEVELOPMENT SERVICES LLC, AN ILLINOIS LIMITED LIABILITY COMPANY, AS TENANT, DATED AS OF JANUARY 16, 2020, WHICH LEASE WAS RECORDED JANUARY 17, 2020, AS DOCUMENT NUMBER 2001719057 ASSIGNED BY THE ASSIGNMENT AND ASSUMPTION AND AMENDMENT OF GROUND LEASE, DATED AS OF JANUARY 16, 2020, BETWEEN SAID TCB DEVELOPMENT SERVICES LLC, AND SOUTHBRIDGE 4 MASTER OWNER LLC, AN ILLINOIS LIMITED LIABILITY COMPANY, WHICH ASSIGNMENT AND ASSUMPTION AND AMENDMENT OF GROUND LEASE WAS RECORDED JANUARY 17, 2020, AS DOCUMENT NUMBER 2001719058 WHICH LEASE DEMISES THE FOLLOWING DESCRIBED PROPERTY FOR A TERM OF 99 YEARS ENDING JANUARY 15, 2119:

THAT PART OF LOTS 1 THROUGH 12 (BOTH INCLUSIVE), THAT PART OF LOTS 40 THROUGH 46 (BOTH INCLUSIVE), AND THAT PART OF THE NORTH-SOUTH 15 FOOT WIDE PUBLIC ALLEY VACATED PER DOCUMENT NUMBER 15805877, RECORDED JANUARY 6, 1954, ALL IN BLOCK 10, IN UHLICH AND MUHLKE'S ADDITION TO CHICAGO, A SUBDIVISION OF THE EAST HALF OF THE NORTHEAST QUARTER (EXCEPT THE SOUTH HALF OF THE SOUTH HALF THEREOF) IN SECTION 28, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID LOT 1; THENCE SOUTH 01 DEGREES 31 MINUTES 56 SECONDS EAST, ALONG AN ASSUMED BEARING, BEING THE EAST LINE OF SAID LOTS 1 THROUGH 12, ALSO BEING THE WEST LINE OF STATE STREET, 289.70 FEET; THENCE SOUTH 88 DEGREES 29 MINUTES 48 SECONDS WEST 116.21 FEET; THENCE NORTH 01 DEGREES 31 MINUTES 56 SECONDS WEST 74.55 FEET; THENCE SOUTH 88 DEGREES 28 MINUTES 04 SECONDS WEST 35.00 FEET; THENCE NORTH 01 DEGREE 31 MINUTES 56 SECONDS WEST 151.00 FEET; THENCE NORTH 88 DEGREES 28 MINUTES 04 SECONDS EAST 37.00 FEET; THENCE NORTH 01 DEGREE 31 MINUTES 56 SECONDS WEST 64.15 FEET TO A POINT ON THE NORTH LINE OF SAID LOT 1; THENCE NORTH 88 DEGREES 29 MINUTES 48 SECONDS EAST ALONG SAID NORTH LINE, ALSO BEING THE SOUTH LINE OF W. 23RD STREET 114.21 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

EXCEPTING THEREFROM ALL BUILDINGS AND IMPROVEMENTS LOCATED, OR TO BE LOCATED AFTER THE DATE OF THE AFORESAID GROUND LEASE, THEREON.

#### PARCEL 2:

FEE SIMPLE TITLE 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 PARCEL 1.

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SAID PARCEL CONTAINS 38,823 SQUARE FEET OR 0.891 ACRES, MORE OR LESS.

Common Addresses: 2302-2322 S. State Street, Chicago IL 60616  
Residential Address: 2310 S. State Street, Chicago IL 60616  
Retail Addresses: 2302 S. State Street, Chicago IL 60616;  
2306 S. State Street, Chicago IL 60616;  
2318 S. State Street, Chicago IL 60616;  
2322 S. State Street, Chicago IL 60616

## PROPERTY PINS

Property Pins: 17-28-218-028 (affects part of the land and other property);  
17-28-218-029 (affects part of the land and other property); and  
17-28-218-030 (affects part of the land and other property)

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