



2036619037

PREPARED BY, RECORDING
REQUESTED BY, AND AFTER
RECORDING RETURN TO:

Thompson Coburn LLP
55 East Monroe Street
37th Floor
Chicago, Illinois 60603
Attn: Justin Newman, Esq.

Doc# 2036619037 Fee \$88.00

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

KAREN A. YARBROUGH

COOK COUNTY CLERK

DATE: 12/31/2020 01:49 PM PG: 1 OF 8

CHI 2002230LD
NH 6 of 6

SUBORDINATION OF MANAGEMENT AGREEMENT

THIS SUBORDINATION OF MANAGEMENT AGREEMENT (as amended and/or amended and restated from time to time this "Subordination") is executed effective as of December 30, 2020, by SFLKE Group, LLC, a Florida limited liability company ("Manager"), and 164 GRAND LLC, a Delaware limited liability company (individually and collectively referred to herein as "Owner"), to NORTHBROOK BANK & TRUST COMPANY, N.A. whose address is 100 West North Avenue, Chicago, Illinois 60610 Attention: Adam Vishny ("Lender").

WITNESSETH:

WHEREAS, Owner is the owner of certain real property described in Exhibit A attached hereto and incorporated by reference for all purposes, and the improvements and appurtenances thereto (collectively, the "Property") located in the City of Chicago, Cook County, Illinois; and

WHEREAS, Owner and Manager have executed a Management Agreement ("Management Agreement"), providing for Manager's management of the Property; and

WHEREAS, Owner has requested Lender to lend Owner the amount of Three Million Four Hundred Thousand and 00/100 Dollars (\$3,400,000.00) ("Loan"), which will be evidenced by a Note from Owner to Lender in the amount of the Loan (as amended and/or amended and restated from time to time the "Note") and secured by a Mortgage (as amended and/or amended and restated from time to time the "Security Instrument") from Owner to Lender, covering the Property; and

WHEREAS, Lender is unwilling to make the Loan to Owner unless Manager subordinates its right under the Management Agreement to Lender's rights under said Security Instrument and all other documents evidencing, securing or pertaining to the Loan (collectively, the "Security Documents").

NOW, THEREFORE, for and in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, Manager and Owner agree as follows:

Handwritten initials "JNW"

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1. Benefit. That Lender's making of the Loan provides direct benefits to Manager, as the managing agent of the Property.

2. Termination. Upon the occurrence of an Event of Default (as defined in the Security Instrument) under the terms of any of the Security Documents and Lender providing notice of said Event of Default to Manager, Lender shall have the unfettered right to immediately terminate the Management Agreement as to the Property and all management rights of Manager thereunder as to the Property, including (without limitation) the right to demand or receive after such termination, any payment for management services or the like performed after such termination (with Manager entitled to receive payment for management services or the like performed prior to such termination)

3. Lien; Subordination. Manager hereby acknowledges and agrees that it has no liens, security interest or any right, title or interest in and to the Property by virtue of the Management Agreement, its past, present or future activities and performance of services to or for the benefit of the Property, or otherwise. If and to the extent that Manager does, or may in the future, have any such liens, security interests, rights, titles or interests in and to the Property, then Manager does hereby expressly subordinate and make second, junior and inferior any and all rights, titles and interests of Manager in and to the Property to all liens, security interests, rights, titles and interests of the Security Documents, and Manager agrees that all liens, security interests, rights, titles and interests of the Security Documents shall be unconditionally first, prior and superior to any and all liens, security interests, rights, titles and interests of Manager in and to the Property. Manager further agrees that any and all liens, security interests, rights, title and interests of Manager in and to the Property shall be and remain expressly subject and subordinate to the liens, security interests, right, titles and interests of the Security Documents and any renewal, extension or refinancing thereof.

4. Subordination of Payment. Manager does hereby, to the extent and in the manner set forth herein, expressly subordinate and make junior and inferior its rights to receive payments under the Management Agreement with respect to the Property, to the full and complete repayment of the Note and Loan and all obligations secured by the Security Documents, provided Manager shall be entitled to receive all such payments earned by Manager prior to termination hereunder and to retain all such payments received by Manager prior to termination hereunder.

5. Receipt of Payment. In the event Manager shall receive any payment on account of the Management Agreement which Manager is not entitled to receive under the provisions of this Subordination, Manager will hold any amount so received in trust for Lender and will forthwith turn over such payment to Lender to be applied on the Note and Loan. In the event Lender demands that such sums shall be paid to Lender and applied on the Note and Loan, Owner hereby agrees that such sums so paid to Manager shall not be deemed to have been a payment under the Management Agreement, and the obligations under the Management Agreement shall not have been reduced or discharged, in whole or in part, by the initial payment of such sum by Owner to, or receipt of such sum by, Manager.

6. Amendment. Manager agrees not to amend, terminate or substitute, in any manner, the Management Agreement without the prior written consent of the Lender, which consent shall not be unreasonably withheld, conditioned or delayed.

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7. Assignment. Owner does hereby collaterally assign to Lender all of Owner's rights under the Management Agreement as concern the Property. Upon any Event of Default not timely cured by Owner under the Note or Security Documents, Lender may elect to take over, as of any date subsequent to such Event of Default, Owner's rights under the Management Agreement as concern the Property subject to any provisions regarding notice of default and opportunity to cure contained in the Note or Security Documents. If Lender elects to take over Owner's rights under the Management Agreement, then Lender agrees that the terms and conditions of the Management Agreement shall continue unmodified as between the Lender and the Manager, and the Manager agrees to act for Lender as the Owner under such Management Agreement; provided, however, (a) Manager agrees that Lender shall not be liable for any of Owner's obligations or liabilities under the Management Agreement prior to the time that Lender takes over Owner's rights thereunder, and (b) Manager shall be compensated by Lender in accordance with the terms of the Management Agreement subsequent to the time that Lender takes over Owner's rights thereunder.

8. Notices. All notices hereunder shall be given at the following addresses:

If to Manager: SFLRE Group, LLC
 Attention: Steven Thompson
 1555 SE 17th Street
 Suite #105
 Fort Lauderdale, FL 33316

With a copy to: Jeffrey C. Roth, Esq.
 Roth & Scholl
 866 South Dixie Highway
 Coral Gables, FL 33146

If to Owner: 164 Grand LLC
 Attention: René Gerdom, Manager
 1323 East 34th St
 Tulsa, OK 74105

With a copy to: Jeffrey C. Roth, Esq.
 Roth & Scholl
 866 South Dixie Highway
 Coral Gables, FL 33146

If to Lender: Northbrook Bank & Trust Company, N.A.
 100 West North Avenue
 Chicago, IL 60610
 Attention: Adam Vishny

Any party may change its address for notice hereunder to any other location within the continental United States by giving not less than thirty (30) days prior notice thereof to the other parties in accordance with this paragraph. All notices given hereunder shall be in writing and shall be

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considered properly given if mailed by first class United States Mail, postage prepaid, certified with return receipt requested, or by delivering the same in person to the intended addressee, or by delivery by a third party commercial delivery service with evidence of receipt. Any notice mailed as above provided shall be effective on the date of delivery or refusal of delivery; notices given by personal delivery shall be effective upon receipt by the addressee; and notice given by commercial delivery service shall be effective upon receipt thereof at the office of the addressee.

9. WAIVER OF JURY TRIAL. MANAGER AND OWNER, AND LENDER (BY ITS ACCEPTANCE HEREOF) WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO WHICH MANAGER OR OWNER AND LENDER MAY BE PARTIES, ARISING OUT OF, IN CONNECTION WITH OR IN ANY WAY PERTAINING TO, THIS SUBORDINATION. IT IS AGREED AND UNDERSTOOD THAT THIS WAIVER CONSTITUTES A WAIVER OF TRIAL BY JURY OF ALL CLAIMS AGAINST ALL PARTIES TO SUCH ACTIONS OR PROCEEDINGS, INCLUDING CLAIMS AGAINST PARTIES WHO ARE NOT PARTIES TO THIS SUBORDINATION, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE. THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY MADE BY OWNER AND MANAGER, AND OWNER AND MANAGER HEREBY REPRESENT THAT NO REPRESENTATIONS OF FACT OR OPINION HAVE BEEN MADE BY ANY INDIVIDUAL TO INDUCE THIS WAIVER OF TRIAL BY JURY OR TO IN ANY WAY MODIFY OR NULLIFY ITS EFFECT. OWNER AND MANAGER FURTHER REPRESENT AND WARRANT THAT THEY HAVE BEEN REPRESENTED IN THE SIGNING OF THIS SUBORDINATION AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL, OR HAVE HAD THE OPPORTUNITY TO BE REPRESENTED BY INDEPENDENT LEGAL COUNSEL, AND THAT THEY HAVE HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL. OWNER AND MANAGER AND LENDER AGREE AND CONSENT THAT ANY OF THEM MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS DOCUMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF EACH OF THEM TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

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EXECUTED as of the date first above written.

MANAGER:

SFLRE GROUP, LLC, a Florida limited liability company

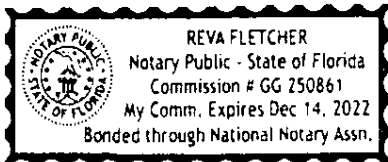
By: [Signature]
Steven Hudson, Manager Member

STATE OF Florida)
) SS.
COUNTY OF Broward)

The undersigned, a Notary Public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that **Steven Hudson**, the Manager Member of **SFLRE GROUP, LLC, a Florida limited liability company**, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Steven Hudson appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument as his/her own free and voluntary act and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 2nd day of December, 2020.

[Signature]
Notary Public



My Commission Expires: 12/14/22


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OWNER:

164 GRAND LLC, a Delaware limited liability company

By: RF Holding Corp., a Nevada corporation, Manager

By: 
René Gerdom, Vice President

Property of Cook County Clerk's Office

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File No. 1996 /2020 H

I, the undersigned Notary Public, residing in Cologne, certify as true and authentic the signatures given in my presence by Mr. René, Alexander Daniel Philipp Gerdom, born 11th of December 1982, Lindenallee 51, 50968 Cologne, personally known to me.

Cologne, this 15th of December 2020


Notary Public



APOSTILLE

(Convention de La Haye du 5 octobre 1961)

1. Land: Bundesrepublik Deutschland


Diese öffentliche Urkunde

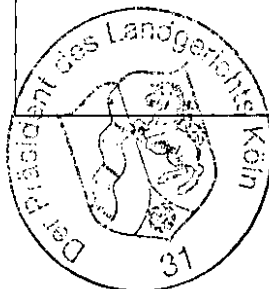
- 2. ist unterschrieben von Dr. Stefan Heinze
- 3. in seiner Eigenschaft als Notar
- 4. sie ist versehen mit dem Siegel des Notars Dr. Stefan Heinze in Köln

Bestätigt

- 5. in Köln
- 6. am 17.12.2020
- 7. durch die Vizepräsidentin des Landgerichts
- 8. unter Nr.: A 5439/2020
- 9. Stempel:

10. Unterschrift:


Dr. Meincke



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EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

PARCEL 1:

LOT 4 IN ASSESSOR'S DIVISION OF THE SOUTH 1/2 AND THE EAST 100 FEET OF THE NORTH 1/2 OF BLOCK 21 OF KINZIE'S ADDITION TO CHICAGO BEING A SUBDIVISION OF THE NORTH FRACTIONAL 1/2 OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

LOT 3 IN ASSESSOR'S DIVISION OF THE SOUTH 1/2 AND THE EAST 100 FEET OF THE NORTH 1/2 OF BLOCK 21 OF KINZIE'S ADDITION TO CHICAGO BEING A SUBDIVISION OF THE NORTH FRACTIONAL 1/2 OF SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Address of Property:

164 E. Grand Avenue
Chicago, IL 60611

Permanent Index Nos.:

17-10-122-016-0000
17-10-122-017-0000