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This document prepared by and after recording return to:

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Senior Counsel
City of Chicago
Department of Law
121 North LaSalle Street
Room 600
Chicago, IL 60602

Doc# 2114622027 Fee \$69.00

IRHSP FEE:\$9.00 RPRF FEE: \$1.00

KAREN A. YARBROUGH

COOK COUNTY CLERK

DATE: 05/26/2021 02:41 PM PG: 1 OF 10

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SUBORDINATION AGREEMENT

21134093
2025

This Subordination Agreement ("Agreement") is made and entered into as of the 25th day of May, 2021 between the City of Chicago by and through its Department of Planning and Development (the "City"), and MWC 49 Holdings, LLC, a Delaware limited liability company (or its assignee pursuant to the Loan Documents (defined below), from time to time, the "Lender").

WITNESSETH:

WHEREAS, Montrose and Clarendon LLC, an Illinois limited liability company (the "Developer"), is the owner and developer of certain property generally located at the northwest corner and northeast corner of West Montrose Avenue and North Clarendon Avenue, commonly known as 811 West Agatite Avenue and 4401 North Clarendon Avenue, as legally described on Exhibit A attached hereto (the "Property"), located within the Montrose/Clarendon Redevelopment Project Area, in order to undertake construction of (a) a 27-story mixed-use tower containing approximately 381 residential rental units and approximately 30,511 square feet of grocery/retail space on the first and second floors and (b) an approximately 5,900 square foot single-story building of commercial/retail space (collectively, the "Project"); and

WHEREAS, as part of obtaining refinancing for the Project, Developer (hereinafter, "Borrower") has, concurrently with the execution of this Agreement, entered into a certain Loan Agreement dated as of the date hereof with the Lender pursuant to which the Lender has agreed to make a loan to Borrower in an amount not to exceed \$82,500,000 (the "Loan"), which Loan is evidenced by a Promissory Note Secured by Mortgage and executed by the Borrower in favor of the Lender (the "Note"), and the repayment of the Loan is secured by, among other things, certain liens and encumbrances on the Property and other property of the Borrower pursuant to the Mortgage, Assignment of Rents, Security Agreement and Fixture Filing encumbering the Property made by the Borrower in favor of Lender as of the date hereof (the "Mortgage") (all such agreements referred to above and otherwise relating to the Loan referred to herein collectively as the "Loan Documents");

WHEREAS, Developer previously entered into that certain Montrose Clarendon Apartments Redevelopment Agreement, dated as of October 31, 2016, by and among the City, Montrose Clarendon Partners LLC ("Partners"), and Borrower, recorded on November 2, 2016 with the Cook County Recorder of Deeds as Document Number 1630734033 (as amended or

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modified, the "Apartments RDA,") and that certain Montrose Clarendon Park Redevelopment Agreement, dated as of October 31, 2016, by and among the City, Partners, and Borrower (as amended or modified, the "Park RDA"; the Apartments RDA and the Park RDA are referred to herein along with various other agreements and documents related thereto as the "City Agreements");

WHEREAS, pursuant to the Apartments RDA, Developer agreed to be bound by certain covenants, as set forth in Sections 8.01(j) (permitted transfers), 8.01(k) (Permitted Liens), 8.01(q), 8.02 (Covenant to Redevelop), 8.06 (Operating Covenant), 8.19 (Real Estate Provisions), 8.20 (Annual Reports), 8.24 (Affordable Housing Covenant), 8.28 (Survival of Covenants), 16 (Mortgaging of the Project), 18.14 (Assignment), and 18.21 (Restrictions on Transfer of the City Note); and

WHEREAS, pursuant to the Park RDA, Developer agreed to be bound by certain covenants, as set forth in Section 8.01(q), 8.19 (Real Estate Provisions), 8.20 (Annual Reports); 8.28 (Survival of Covenants), 18.14 (Assignment), and 18.21 (Restrictions on Transfer);

WHEREAS, the City agreed to enter into the Apartments RDA and the Park RDA with Developer, subject, among other things, to the requirement that Developer obtain the City's prior written consent to any collateral assignment of the Apartments RDA or the Park RDA, or the City Note(s) issued thereunder;

WHEREAS, the City agreed to enter into the Apartments RDA with Developer, subject, among other things, to the further requirement that Developer obtain the City's written consent prior to executing a New Mortgage (as defined under the Apartments RDA);

WHEREAS, previously, the Property was subject to that certain Construction Mortgage, Assignment of Rents and Leases, Security Agreement and Fixture Filing dated October 31, 2016 (as modified or amended, the "Chase Mortgage"), which was recorded with the Recorder of Deeds of Cook County, Illinois on November 2, 2016, as Document No. 1630734034 in favor of the JP Morgan Chase Bank ("Chase"), which was an Existing Mortgage under the Apartments RDA. Concurrently with the issuance of the Loan by Lender, the Chase Mortgage will be released and the collateral assignment to Chase of the Developer's rights under the City Agreements will be terminated.

WHEREAS, the City is willing to consent to (a) the Mortgage securing the Loan, and to categorizing the Mortgage as a Permitted Mortgage under Section 16 of the Apartments RDA, and (b) the collateral assignment by Borrower of the City Note(s) issued under the Apartments RDA and the Park RDA to Lender as further security for the Loan; 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. The Mortgage shall constitute a Permitted Lien under Apartments RDA Section 8.01(k) and a Permitted Mortgage under Apartments RDA Section 16, and the Apartments RDA shall be subject and subordinate to the Mortgage. Nothing herein shall be deemed to limit the Lender's right to receive, and Borrower's ability to make, payments and prepayments of principal and interest on the Note, or to exercise its rights pursuant to the Loan Documents except as provided herein. Nothing herein shall be deemed to modify or amend any of Developer's obligations or the City's rights under the Apartments RDA.

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2. Consent to Collateral Assignments. The City hereby consents to the collateral assignment by Borrower unto Lender of all of Borrower's rights under (i) the Apartments RDA, including the right to receive City Funds (as defined in the Apartments RDA) under that certain Tax Increment Allocation Revenue Note (Montrose-Clarendon Redevelopment Project) Taxable Series B, of the City of Chicago, Cook County, Illinois, to be issued by the City of Chicago to Borrower in the maximum amount of \$11,280,000; and (ii) the Park RDA, including the right to receive City Funds (as defined in the Park RDA) under that certain Tax Increment Allocation Revenue Note (Montrose-Clarendon Redevelopment Project), Tax-Exempt Series A, of the City of Chicago, Cook County, Illinois, to be issued by the City of Chicago to Borrower in the maximum amount of \$4,600,000.

3. Notice of Default. The 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 either of both may give to Borrower with respect to the Project pursuant to the Loan Documents or the City Agreements, respectively, and (b) copies of waivers, if any, of Borrower's default in connection therewith. Under no circumstances shall Borrower, Developer or any third party be entitled to rely upon the agreement provided for in this Section 3.

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

5. 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 Lender.

6. 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 or any word used in this Agreement shall include the plural form.

7. Notices. Any notice required hereunder shall be in writing and addressed to the party to be notified as follows:

<p>If to the City:</p> <p>City of Chicago Department of Planning and Development 121 North LaSalle Street, Room 1000 Chicago, Illinois 60602 Attention: Commissioner</p>	<p>If to Lender:</p> <p>MWC 49 Holdings, LLC c/o Mesa West Capital, LLC 11755 Wilshire Boulevard, Suite 2100 Los Angeles, California 90025 Attention: Ronnie Gul</p>
<p>With Copies To:</p> <p>City of Chicago Department of Law 121 North LaSalle Street, Room 600 Chicago, Illinois 60602</p>	<p>With Copies To:</p> <p>Willkie Farr & Gallagher LLP 787 Seventh Avenue New York NY, 10019-6099 Attention: Noah Bilenker, Esq.</p>

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Attention: Finance and Economic Development Division	
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or to such other address as either party may designate for itself by notice. Notice shall be deemed to have been duly given (i) if delivered personally or otherwise actually received, (ii) if sent by overnight delivery service, (iii) if mailed by first class United States mail, postage prepaid, registered or certified, with return receipt requested, or (iv) if sent by facsimile with facsimile confirmation of receipt (with duplicate notice sent by United States mail as provided above). Notice mailed as provided in clause (iii) above shall be effective upon the expiration of three (3) business days after its deposit in the United States mail. Notice given in any other manner described in this paragraph shall be effective upon receipt by the addressee thereof; provided, however, that if any notice is tendered to an addressee and delivery thereof is refused by such addressee, such notice shall be effective upon such tender.

8. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute one instrument.

[Signature Pages Follow]

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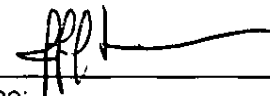
IN WITNESS WHEREOF, this Subordination Agreement has been signed as of the date first written above.

MWC 49 HOLDINGS, LLC,
a Delaware limited liability company

By: MWC 49, L.P., its sole member

By: MWC 49 GP, LLC, its general partner

By: Mesa West Capital, LLC, its sole member

By: 
Name: Jeff Friedman
Title: President

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ACKNOWLEDGMENT


A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

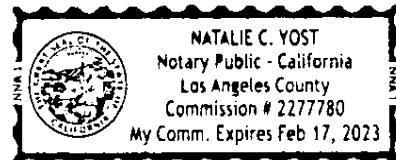
State of California)
County of Los Angeles)

On May 18, 2021 before me, Natalie C. Yost, a Notary Public, personally appeared Jeff Friedman, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

 (Seal)
Signature of Notary Public



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EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

PARCEL 2:

LOT 1 AND ALL OF LOTS 2, 3 AND 4 IN LYDSTON' RESUBDIVISION OF LOTS 3 TO 7 IN BLOCK 1 IN JOHN N. YOUNG'S SUBDIVISION OF LOT 1 IN SUPERIOR COURT PARTITION OF THE SOUTH 10 ACRES OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

LOTS 1 AND 2 (EXCEPT THE NORTH 105 FEET OF THE EAST 85 FEET OF SAID LOTS) IN BLOCK 1 IN JOHN N. YOUNG'S SUBDIVISION OF LOT 1 IN SUPERIOR COURT PARTITION OF THE SOUTH 10 ACRES OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 4:

THAT PART OF THE NORTH 1/2 OF THE EAST AND WEST 16 FOOT VACATED PUBLIC ALLEY, LYING WEST OF THE WEST LINE OF CLARENDON AVENUE, LYING EAST OF A LINE 18 FEET EAST OF AND PARALLEL TO THE WEST LINE OF LOT 1 AND SAID WEST LINE PRODUCED SOUTH 16 FEET IN LYDSTON'S RESUBDIVISION OF LOTS 3 TO 7 OF BLOCK 1 AFORESAID, SAID VACATED ALLEY LYING SOUTH AND ADJOINING PARCELS 2 AND 3, IN COOK COUNTY, ILLINOIS

PARCEL 5:

LOT 18 (EXCEPT THE WEST 18 FEET THEREOF DEDICATED FOR PUBLIC ALLEY, BY INSTRUMENT RECORDED AUGUST 20, 1992 AS DOCUMENT 92618869) AND LOTS 19 AND 20 IN BLOCK 1 IN JOHN N. YOUNG'S SUBDIVISION OF LOT 1 IN SUPERIOR COURT PARTITION OF THE SOUTH 10 ACRES OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 6:

LOTS 1 TO 4, BOTH INCLUSIVE, IN THE SUBDIVISION OF LOT 2 IN SUPERIOR COURT PARTITION OF THE SOUTH 10 ACRES OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

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PARCEL 7:

THAT PART OF THE SOUTH 1/2 OF THE EAST AND WEST 16 FOOT VACATED PUBLIC ALLEY, LYING WEST OF THE WEST LINE OF CLARENDON AVENUE, LYING EAST OF A LINE 18 FEET EAST OF AND PARALLEL TO THE WEST LINE OF LOT 1 AND SAID WEST LINE PRODUCED SOUTH 16 FEET IN LYDSTON'S RESUBDIVISION OF LOTS 3 TO 7 OF BLOCK 1 AFORESAID, SAID VACATED ALLEY LYING NORTH AND ADJOINING PARCELS 4 AND 5 AFORESAID, IN COOK COUNTY, ILLINOIS.

PARCEL 8:

THE WEST 103 FEET OF THE SOUTH 147 FEET (EXCEPT THE NORTH 14 FEET OF THE EAST 51.5 FEET THEREOF) OF LOT 4 IN SCHOOL TRUSTEE'S SUBDIVISION OF SECTION 16, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 9:

THE NORTH 105 FEET OF THE EAST 85 FEET OF LOTS 1 AND 2 IN JOHN N. YOUNG'S SUBDIVISION OF LOT 1 IN SUPERIOR COURT PARTITION OF THE SOUTH 10 ACRES OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 17, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ADDRESS: 750-810 West Montrose Avenue, Chicago, Illinois 60613

PINs: 14-17-229-008
14-17-229-014
14-17-229-015
14-17-229-016
14-17-229-017
14-17-229-018
14-17-229-019
14-16-103-006