



2119322014

THIS INSTRUMENT PREPARED BY:

Lindsay J. Anderson, Esq.
90 Discovery
Irvine, California 92618

WHEN RECORDED, RETURN TO:

Avatar REIT 1 LLC
1200 Westlake Avenue North, Suite 1006
Seattle, Washington 98109

Doc# 2119322014 Fee \$88.00

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

KAREN A. YARBROUGH

COOK COUNTY CLERK

DATE: 07/12/2021 10:08 AM PG: 1 OF 11

Property ID No. 06-01-200-017-0000

**SUBORDINATION AGREEMENT
(Lien Subordination)**

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

THIS SUBORDINATION AGREEMENT ("Agreement") is entered into as of July 6, 2021, by and between Anitej Hotel Corp., an Illinois Corporation ("Owner"), and Millenium Investment Group, LLC, a Georgia limited liability company ("Subordinate Lender"), in favor of Avatar REIT 1 LLC, a Delaware limited liability company ("Senior Lender").

RECITALS

A. Owner has executed that certain Mortgage dated February 26, 2020, executed by Owner, in favor of Subordinate Lender, and recorded on March 17, 2020 as Instrument Number 2007741103 in the official records of the County of Cook, State of Illinois ("Subordinate Lender's Security Instrument"), granting to Subordinate Lender a security interest in and to the property described in Exhibit "A" attached hereto and incorporated herein commonly known as 2280 Barrington Road, Hoffman Estates, Illinois 60010 (which property, together with all improvements now or hereafter located on the property, is hereinafter referred to as the "Property"), and securing, among other things, a promissory note ("Subordinate Note") dated February 26, 2020, in favor of Subordinate Lender, in the principal sum of One Million One Hundred Thousand and 00/100 Dollars (\$1,100,000.00) ("Subordinated Debt"). The Subordinate Lender's Security Instrument, Subordinate Note, and attendant loan documents executed in connection with the Subordinated Debt are collectively referred to herein as the "Subordinate Loan Documents."

B. Owner has executed or will execute a Mortgage, Assignment of Leases and Rents, Fixture Filing, and Security Agreement ("Senior Lender's Security Instrument"), granting to Senior Lender a security interest in and to the Property, and securing, among other things, a Loan and Security Agreement between Owner and Lender dated July 6, 2021 (the "Senior Loan Agreement") and the Secured Note (the "Senior Note") dated July 6, 2021, in favor of Senior Lender, in the principal sum of Two Million Eight Hundred Fifty Thousand and 00/100 Dollars (\$2,850,000.00) (the "Senior Debt"). Senior Lender's Security Instrument is being recorded in the official records of Cook County concurrently herewith. The Senior Loan Agreement, Senior Note, Senior Security Instrument and all attendant loan documents executed in connection with the Senior Debt are collectively referred to herein as the "Senior Loan Documents."

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C. As a condition to Senior Lender making the Senior Debt, Senior Lender requires that Senior Lender's Security Instrument be unconditionally and at all times remain a lien or charge upon the Property, prior and superior to all the rights of Subordinate Lender under the Subordinate Lender's Security Instrument and that Subordinate Lender specifically and unconditionally subordinates Subordinate Lender's Security Instrument to the lien or charge of Senior Lender's Security Instrument.

D. Subordinate Lender and Owner agree to the subordination in favor of Senior Lender.

NOW THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, and to induce Senior Lender to make the Senior Debt, Owner and Subordinate Lender hereby agree for the benefit of Senior Lender as follows:

1. **Subordination.** Senior Lender's Security Instrument securing the Senior Note in favor of Senior Lender, and any modifications, additional advances, renewals or extensions thereof, shall unconditionally be and at all times remain a lien or charge on the Property prior and superior to Subordinate Lender's Security Instrument.

2. **Entire Agreement.** This Agreement shall be the whole agreement with regard to the subordination of Subordinate Lender's Security Instrument to the lien or charge of Senior Lender's Security Instrument, and shall supersede and cancel, but only insofar as would affect the priority of Senior Lender's Security Instrument, any prior agreements as to such subordination, including, without limitation, those provisions, if any, contained in Subordinate Lender's Security Instrument which provide for the subordination of the Subordinate Lender's Security Instrument to a deed or deeds of trust or to a mortgage or mortgages.

3. **Lien Subordination.** Subordinate Lender intentionally and unconditionally waives, relinquishes and subordinates all of Subordinate Lender's right, title and interest in and to the Property to the lien or charge of Senior Lender's Security Instrument, upon the Property and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination, specific loans and advances are being and will be made by Senior Lender and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination.

4. **Payment Subordination.** Except as expressly provided in Section 4 herein, the payment of any and all of the Subordinated Debt is hereby expressly made subordinate and junior in right of payment to the payment of the principal amount of, and all interest on, and all other amounts in respect of, the Senior Debt, to the extent and in the manner set forth herein. Notwithstanding any provision contained herein to the contrary, as long as no Event of Default under the Senior Debt has occurred and is continuing, Subordinate Lender may receive and retain monthly payments payable pursuant to the Subordinate Loan Documents with Owner.

5. **Rights Upon Insolvency.** In the event of (1) any insolvency, bankruptcy, receivership, liquidation, reorganization, arrangement, assignment for the benefit of creditors, or other similar proceeding relative to Owner, its creditors or its property (as defined in the Senior Loan Documents), or (2) any proceeding for the voluntary or involuntary liquidation, dissolution or other winding up of Owner whether or not involving insolvency or bankruptcy proceedings, then and in any such event:

- (a) the principal amount of, and all interest on, and all other amounts in respect of, the Senior Debt (including interest thereon accruing after the commencement of any such proceeding, whether or not such interest shall be allowed in such proceeding) shall be paid in full before

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any payment or distribution of any character, whether in cash, securities or other property, shall be made in respect of the Subordinated Debt; and

- (b) any payment or distribution of any character, whether in cash, securities or other property, which would otherwise (but for the terms hereof) be payable or deliverable in respect of Subordinated Debt (including any payment or distribution in respect of the Subordinated Debt by reason of any other indebtedness of Owner being subordinated to the Subordinated Debt), shall be paid or delivered directly to Senior Lender, or its representatives, until the principal amount of, and all interest and premium on, and all other amounts in respect of, the Senior Debt shall have been paid in full and Subordinate Lender or any other holder of the Subordinated Debt irrevocably authorizes, empowers and directs all receivers, trustees, liquidators, conservators and others having authority in the premises to effect all such payments and deliveries.

6. **Rights Upon Senior Event of Default.** At any time that Senior Lender notifies Subordinate Lender that an Event of Default is outstanding under the Senior Debt, Owner shall not make, and the Subordinate Lender shall not receive, accept or retain, any payments of principal or interest or other amount on account of the Subordinated Debt.

7. **Owner Obligations.** Owner agrees that, in the event that any note or other obligation of Owner not evidencing Senior Debt, or any portion thereof ("Other Obligation"), shall become due and payable before its expressed maturity for any reason, Owner shall give prompt notice (but in no event more than three (3) business days after the Other Obligation becomes due and payable), in writing, of such occurrence to Lender.

8. **Rights of Lender.**

- (a) Subordinate Lender further declares, agrees and acknowledges for the benefit of Senior Lender, that Senior Lender, in making disbursements pursuant to the Senior Loan Documents, or any such other agreement (whether obligatory or optional), is under no obligation or duty to, nor has Senior Lender represented that it will, see to the application of such proceeds by the person or persons to whom Senior Lender disburses such proceeds; and any application or use of such proceeds for purposes other than those provided for in such agreement or agreements shall not defeat the subordination herein made in whole or in part.
- (b) Except as otherwise provided herein, so long as any of the Senior Debt shall remain unpaid: Senior Lender may at all times exercise any and all powers and rights which it now has or may hereafter acquire with respect to (i) the Senior Loan Documents, and any other security instrument, including, but not limited to a deed of trust or mortgage, a collateral security agreement, or a membership interest pledge agreement (collectively, "Security Document"), or(ii) any of the collateral subject to the Senior Loan Documents or any other Security Document; without having to obtain any consent or approval of Subordinate Lender and without any accountability to Subordinate Lender. Furthermore, Senior Lender shall not be liable to Subordinate Lender for any action taken or failure to act with respect to this Agreement, the Senior Loan Documents, any other Security Document or the aforesaid collateral.

9. **Constructive Trust.** If, notwithstanding the provisions of this Agreement, any payment or distribution of any character (whether in cash, securities or other property) shall be received by Subordinate Lender in contravention of the terms of this Agreement, such payment or distribution shall

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not be commingled with any asset of Subordinate Lender, but shall be held in trust for the benefit of, and shall be paid over or delivered and transferred to, Senior Lender, or its representatives or agents, for application to the payment of all Senior Debt remaining unpaid, until the principal amount of, and all interest and premium (including interest thereon accruing after the commencement of any proceedings described herein) on, and all other amounts in respect of, the Senior Debt shall have been paid in full.

10. Successors and Assigns. This Agreement, without further reference, shall pass to and may be relied on and enforced by any transferee or subsequent holder of the Senior Debt and the Subordinated Debt.

11. Modification. The terms of this Agreement, the subordination effectuated hereby, and the rights of Senior Lender and the obligations of Subordinate Lender arising hereunder, shall not be affected, modified or impaired in any manner or to any extent by: (i) any amendment or modification of or supplement to the Senior Loan Documents, any other Security Document or any other instrument or document executed or delivered pursuant thereto, (ii) the lack of validity, legality or enforceability of any of such documents; (iii) any exercise or non-exercise of any right, power or remedy under or in respect of the Senior Debt or any of such instruments or documents referred to in clause (i) above or arising at law; or (iv) any waiver, consent, release, indulgence, extension, renewal, modification, delay or other action, in action or omission in respect of the Senior Debt or any of the instruments or documents referred to in clause (i) above, whether or not Subordinate Lender shall have had notice or knowledge of any of the foregoing and whether or not it shall have consented thereto.

12. Notices. All notice, consent, approvals, requests, demands, instruments or other communications to be made, given or furnished pursuant to, under or by virtue of their Agreement (each, a "Notice") shall be in writing and shall be deemed given or furnished if addressed to the party intended to receive the same at the address or such party as set forth below (i) upon receipt when personally delivered at such address, (ii) three (3) business days after the same is deposited in the United States mail as first class registered or certified mail, return receipt requested, postage prepaid, or (iii) one (1) business day after the date of delivery of such notice to a nationwide, reputable commercial courier service:

Senior Lender:	Avatar REIT I LLC 1200 Westlake Avenue North, Suite 1006 Seattle, Washington 98109
Subordinate Lender:	Millenium Investment Group, LLC, a Georgia limited liability company 1849 Peeler Road, Unit D Dunwoody, Georgia 30338
Owner:	Anitej Hotel Corp., an Illinois Corporation 308 Castle Drive Elk Grove Village, Illinois 60007-4220

Any party may change the address to which any notice is to be delivered to any other address within the United States of America by furnishing written notice of such change at least fifteen (15) days prior to the effective date of such change to the other parties in the manner set forth above, but no such notice of change shall be effective unless and until received by such other parties. Notices may be given on behalf of any party by its attorneys.

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13. **Miscellaneous.** This Agreement may not be amended or modified orally but may be amended or modified only in writing, signed by all parties hereto. No waiver of any term or provision of this Agreement shall be effective unless it is in writing, making specific reference to this Agreement and signed by the party against whom such waiver is sought to be enforced. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof. This Agreement shall be binding upon the parties hereto and their respective heirs, legal representatives, successors and assigns. This Agreement shall be governed by and construed in accordance with the laws of the State in which the Property is located.

14. **Definitions.** Terms used in this Agreement and not defined herein shall have the respective meanings ascribed to them in the Senior Loan Documents. The recitals hereto shall be a part of this Agreement.

15. **Termination.** This Agreement shall terminate upon the final and indefeasible payment in full of the principal amount of, and all interest and premium on, and all other amounts in respect of, the Senior Debt.

16. **Counterparts.** This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original and all of which together shall constitute and be construed as one and the same instrument.

NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND.

IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT HERETO.

[SIGNATURES FOLLOW]

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the date hereof.

OWNER:

ANITEJ HOTEL CORP., AN ILLINOIS CORPORATION

By: *Vipul Patel*
Vipul Patel, President and Secretary

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 Illinois)

County of DuPage)

On July 7, 2021 before me, Elizabeth Alvarado, Notary Public
Date Here Insert Name of the Officer

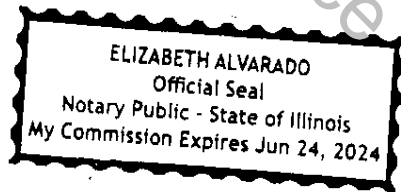
Personally Appeared Vipul Patel
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.


Signature *Elizabeth Alvarado*
Signature of Notary Public



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SUBORDINATE LENDER:

MILLENIUM INVESTMENT GROUP, LLC, A GEORGIA LIMITED LIABILITY COMPANY

By: 
 Name: Amit Shah
 Title: Member

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 Georgia)
 County of Cobb)

On JULY 6, 2021 before me, PRAKASH PARMAR, Notary Public
Date Here Insert Name of the Officer

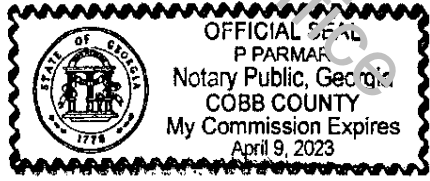
Personally Appeared AMIT SHAH
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature 
Signature of Notary Public



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SENIOR LENDER:

AVATAR REIT I LLC, A DELAWARE LIMITED LIABILITY COMPANY

BY: TR
NAME: TR Hazelrigg IV
TITLE: Manager

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 Washington)

County of King)

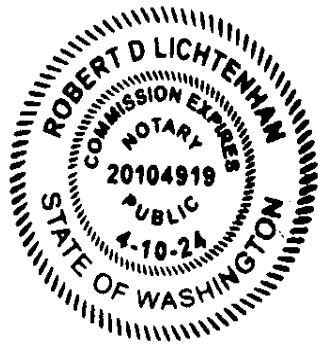
On 7/7/2021 before me, Robert D. Lichtenhan, Notary Public
Date Here Insert Name of the Officer

Personally Appeared TR Hazelrigg IV
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.



Signature Robert D. Lichtenhan
Signature of Notary Public

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Exhibit "A" Property Description

COOK COUNTY CLERK OFFICE
RECORDING DIVISION
118 N. CLARK ST. ROOM 120
CHICAGO, IL 60602-1387

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CHICAGO, IL 60602-1387

Property of Cook County Clerk's Office

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EXHIBIT B Legal Description

For APN/Parcel ID(s): 06-01-200-017-0000

Parcel 1:

Lot 3 in Barrington Pointe Subdivision in the East 1/2 of Fractional Section 1, Township 41 North, Range 9, East of the Third Principal Meridian, in Cook County, Illinois.

Parcel 2:

Easement for the benefit of parcel 1 as created by sign easement agreement recorded February 24, 1987 as document 87106392 and re-recorded September 28, 1988 as document 88446130, and shown on Plat document number 86106425 by and between LaSalle National Bank, as trustee under trust number 109437 by document executed by LaSalle National Bank, as trustee, under trust agreement dated August 22, 1985 and known as trust number 110224 and La Quinta Motor Inns, Inc., on that part of the East 1/2 of the East 1/2 of Fractional Section 1, Township 41 North Range 9, East of the Third Principal Meridian, described as follows: commencing at the intersection of the Northeasterly line of Higgins road as dedicated by instrument recorded March 27TH, 1941 as Document No. 12647603, with the West Line of Barrington road as dedicated by instrument recorded July 8TH, 1932 as document number 1113016; thence North 00 degrees 03 minutes 13 seconds West along said Westerly line of Barrington road, being a line 50.00 feet, as measured at right angles, West of and parallel with the East Line of Said Fractional Section 1, 446.91 feet to an intersection with the South Line of perpetual easement for highway purposes as per warranty deed dated May 31, 1957 and recorded June 10, 1957 as Document No. 16926933; thence South 89 degrees 16 minutes 47 seconds West along said last described line, being a line at right angles to said West Line of Barrington Road, 30.00 feet to the West Line of said perpetual easement; thence North 00 degrees 03 minutes 13 seconds West along said last described line, being a line 80.00 feet, as measured at right angles, West of and parallel with the East Line of Said Fractional Section 1, 259.60 feet to a point for a place of beginning; thence South 89 degrees 56 minutes 47 seconds West at right angles to said last described parallel line 10.00 feet; thence North 00 degrees 03 minutes 13 seconds West 6.00 feet to a point, thence North 89 degrees 56 minutes 47 seconds, East 10.00 feet to a point; thence South 00 degrees 03 minutes 13 seconds East 6.00 feet to the place of beginning.

Parcel 3:

Easement for the benefit of parcel 1 as depicted on the Plat of Subdivision of Barrington Pointe Subdivision, recorded as document 87106425 and as additionally set out in the declaration of easements, dated February 19, 1987, executed by LaSalle National Bank as Trustee under Trust No. 109437 and LaSalle National Bank as Trustee under Trust No. 110224, recorded as document 87106425, for passageway over: The area described as easement for driveway, ingress and egress and utility easement, 28 feet in total width along the common border with LOTS 4 and 5 in Barrington Pointe Subdivision in the East 1/2 of Fractional Section 1, Township 41 North, Range 9, East of the Third Principal Meridian, in Cook County, Illinois, recorded February 24, 1987 as document 87106425.

Parcel 4:

Easement for the benefit of Parcel 1, as depicted on the Plat of Subdivision of Barrington Pointe recorded as document number 87106425 and as additionally set out in the declaration of easements, dated February 19, 1987, and recorded as document number 87106425, executed by LaSalle National Bank, as trustee, under trust number 109437 and LaSalle National Bank, as trustee under trust number 110224, for passageway over that portion of Lot 2 following between the boundaries of Lots 1, 3 and 5, 54 Feet Wide at the East Line and 144.54 Feet along the South Line.

Parcel 5:

Easement for the benefit of parcel 1 as depicted on the Plat of Subdivision recorded as document number 87106425 of

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EXHIBIT B Legal Description

Barrington Pointe Subdivision and as additionally set out in the declaration of easements, dated February 19, 1987 and recorded as document 87106425, executed by LaSalle National Bank, as trustee, under trust number 109437 and LaSalle National Bank, as trustee, under trust number 110224, for passageway over: Lot 2 along its common border with Lot 3, being 12 Feet Wide along the Southeasterly Line of Lot 2, adjoining Lot 3.

Parcel 6:

Easement for the benefit of Parcel 1 as delineated on the Plat of Subdivision of the Barrington Pointe Subdivision recorded as document number 87106425 and as additionally set out in the declaration of easements, dated February 19, 1987 recorded as document number 87106425, executed by LaSalle National Bank, as trustee, under trust number 109437 and LaSalle National Bank, as trustee, under trust number 110224, for detention/retention, at the Northwest Corner of Lot 2.

Parcel 7:

Easement for the benefit of Parcel 1, as depicted on the Plat of Subdivision of Barrington Pointe Subdivision recorded as document number 87106425 and as additionally set out in the declaration of easements, dated February 19, 1987 recorded as document number 87106425, executed by LaSalle National Bank, as trustee, under trust number 109437 and LaSalle National Bank, as trustee, under trust number 110224, for storm sewer, within that portion of Lot 2 described on the Plat as "Utility Easement".

Parcel 8:

Easement for the benefit of Parcel 1, as depicted on the Plat of Barrington Pointe Subdivision recorded as document number 87106425 and as additionally set out in the declaration of easements recorded as document number 87106425, dated February 19, 1987, executed by LaSalle National Bank, as trustee, under trust number 109437 and LaSalle National Bank, as trustee, under trust number 110224 for temporary easement for lighting, Landscaping, construction and slope location upon Lot 2 adjacent to the easement for driveway, ingress and egress and utility easement location on Lot 2 along its common border with Lot 3 for the purpose of installing and maintaining lights and Landscaping, said easement area over the Southeasterly 5 feet of Lot 2 lying Northwesterly and adjoining the Southeasterly 12 foot driveway easement of Lot 2.

Property Address: 2280 Barrington Road, Hoffman Estates, IL 60010