



Doc# 2125308010 Fee \$88.00

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

KAREN A. YARBROUGH

COOK COUNTY CLERK

DATE: 09/10/2021 09:56 AM PG: 1 OF 7

This document prepared by
and after recording, return
to: Arieh Flemenbaum
Illinois Housing Development
Authority
111 E. Wacker Drive, Suite 1000
Chicago, Illinois 60601
Property Identification No.:
See attached Exhibit A
4060969 (11 OF 15)

HOME - 11914

SUBORDINATION OF MANAGEMENT AGREEMENT

THIS SUBORDINATION OF MANAGEMENT AGREEMENT (this "Agreement") is made as of this 8th day of September, 2021, by TRP REALTY, LLC, an Illinois limited liability company ("Manager"), to and for the benefit of 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 ("Lender").

RECITALS:

WHEREAS, the Lender has agreed to make a loan to CASA DURANGO LP ("Borrower") as follows: (i) from the HOME Program in an amount not to exceed Two Million Six Hundred Fifty Thousand and No/100 Dollars (\$2,650,000.00) (the "HOME Loan"), to be used with other monies, if any, for the acquisition, construction and permanent financing of a multifamily housing development known as Casa Durango (the "Development") to be located on the real estate described on Exhibit A attached hereto and made a part hereof. The HOME Loan is sometimes also referred to herein as the "Loan". The Loan is secured by a mortgage dated as of the date hereof given by Borrower in favor of Lender (the "Mortgage") and certain other documents evidencing, securing and governing the Loan. The Mortgage and such other loan documents are collectively referred to in this Agreement as the "Loan Documents"; and

WHEREAS, Borrower and Manager have entered into a certain Management Agreement (the "Management Agreement"), whereby Manager has agreed to furnish services for the rental, operation and management of the Development in exchange for certain payments to Manager for its services and the payment of expenses incurred by Manager in connection with such services; and

WHEREAS, in addition, Borrower executed and delivered an Assignment of Contracts, Licenses and Permits of even date herewith for the benefit of Lender (the "CLP Assignment"), which included an assignment of the Management Agreement; and

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P 7
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WHEREAS, pursuant to the Illinois Mechanics Lien Act, 770 ILCS 60/0.1 *et seq.*, as amended from time to time, managers may have lien rights with respect to unpaid fees, expenses and other costs incurred in connection with the management of real property and improvements; and

WHEREAS, Lender requires, as a condition precedent to its making of the Loan, that (i) the lien and security interests of the Mortgages and the other Loan Documents be paramount, superior and prior to any and all existing liens or future rights to liens of Manager or any person or entity claiming by, through or under Manager which arise from or relate to the Management Agreement or any obligations, expenses and indebtedness arising thereunder or related to the Management Agreement (collectively, the "Junior Liens"); and (ii) Manager consents to the CLP Assignment.

NOW, THEREFORE, in consideration of the mutual covenants made in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, and to induce Lender to make the Loan, it is agreed as follows:

1. The foregoing recitals are incorporated in this Agreement.
2. The Junior Liens are subordinated and made subject to the lien and operation of the Mortgages and other Loan Documents and any indebtedness, liabilities or obligations arising under or secured by such documents.
3. Any notice, demand, request or other communication that any party may desire or may be required to give to any other party under this Agreement shall be given in writing, at the addresses set forth below, by any of the following means: (a) personal service; (b) overnight courier; or (c) certified or registered United States mail, postage prepaid, return receipt requested.

To Manager:
 TRP Realty, LLC
 1805 S Paulina Street
 Chicago, Illinois 60608
 Attention: Chief Real Estate Development Officer

with courtesy copies to:

Applegate & Thorne-Thomsen, P.C.
 425 S Financial Place, Suite 1900
 Chicago, Illinois 60605
 Attention: Nicholas J. Brunick

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To Lender:

Illinois Housing Development Authority
111 E. Wacker Drive, Suite 1000
Chicago, Illinois 60601
Attention: Managing Director Multifamily Financing

with a copy to:

Illinois Housing Development Authority
111 E. Wacker Drive, Suite 1000
Chicago, Illinois 60601
Attention: General Counsel

In connection with a courtesy copy, Lender will exercise reasonable efforts to provide copies of any notices given to Manager; however, Lender's failure to furnish copies of such notices shall not limit Lender's exercise of any of its rights and remedies under any document evidencing, securing or governing the Loan from Lender to the Borrower, or affect the validity of the notice.

Such addresses may be changed by notice to the other party given in the same manner as provided in this Agreement. Any notice, demand, request or other communication sent pursuant to subsection (a) shall be served and effective upon such personal service. Any notice, demand, request or other communication sent pursuant to subsection (b) shall be served and effective one (1) business day after deposit with the overnight courier. Any notice, demand, request or other communication sent pursuant to subsection (c) shall be served and effective three (3) business days after proper deposit with the United States Postal Service.

4. This Agreement shall be binding upon Manager and its successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

5. Manager agrees to execute such further documents or instruments and take such further actions as Lender may reasonably request, at any time and from time to time, to carry out the intent of this Agreement.

6. Notwithstanding anything contained in the Management Agreement to the contrary, at any time following the date on which Lender (or any affiliate or designee of Lender) becomes an owner of any portion of the Development in any manner (including, without limitation, by purchasing the Development at a foreclosure sale or by acceptance of a deed in lieu of foreclosure), Lender shall have the right to terminate the Management Agreement (without penalty or payment of any sum) upon not less than five (5) days' prior written notice to Manager.

7. Manager acknowledges receipt of a copy of, and consents to, the CLP Assignment by Borrower, and agrees to each and all of its terms and conditions.

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8. This Agreement shall be construed in accordance with and governed by the laws of the State of Illinois. Wherever possible each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

[SIGNATURE PAGE TO FOLLOW]

Property of Cook County Clerk's Office

COOK COUNTY CLERK OFFICE
RECORDING DIVISION
118 N. CLARK ST. ROOM 120
CHICAGO, IL 60602-2387

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EXHIBIT A

LEGAL DESCRIPTION OF REAL ESTATE

See Attached.

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

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EXHIBIT "A"

PARCEL 1:

LOTS 20, 21, 22, 23, AND 24 IN SAMUEL S. WHITE'S SUBDIVISION OF BLOCK 8 IN JOHNSTON AND LEE'S SUBDIVISION OF THE SOUTHWEST 1/4 OF SECTION 20, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

FOR INFORMATIONAL PURPOSES ONLY THE PROPERTY IS COMMONLY KNOWN AS: 1850-1854 SOUTH RACINE AVENUE, CHICAGO, IL 60608; PINS: 17-20-316-043, 17-20-316-044 AND 17-20-316-045.

PARCEL 2:

LOTS 6, 7 AND 8 IN RESUBDIVISION OF LOTS 1 TO 11 AND 48 AND 49 IN STINSON'S SUBDIVISION OF THE SOUTH 1/2 OF BLOCK 49 IN THE SUBDIVISION OF SECTION 19, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

FOR INFORMATIONAL PURPOSES ONLY THE PROPERTY IS COMMONLY KNOWN AS: 2008-12 SOUTH ASHLAND AVENUE, CHICAGO, IL 60608; PIN: 17-19-421-038

Property address: 1850-1854 South Racine Avenue, Chicago, IL 60608
Tax Number: 17-20-316-043-0000

Property address: 1850-1854 South Racine Avenue, Chicago, IL 60608
Tax Number: 17-20-316-044-0000

Property address: 1850-1854 South Racine Avenue, Chicago, IL 60608
Tax Number: 17-20-316-045-0000

Property address: 2008-12 South Ashland Avenue, Chicago, IL 60608
Tax Number: 17-19-421-038-0000