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Doc# 2203110030 Fee \$88.00

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

KAREN A. YARBROUGH

COOK COUNTY CLERK

DATE: 01/31/2022 12:03 PM PG: 1 OF 12

Prepared By:

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL  
TO:

CITY OF CHICAGO  
DEPARTMENT OF LAW  
121 NORTH LASALLE STREET  
ROOM 600  
CHICAGO, ILLINOIS 60602  
ATTN: RANDALL JOHNSON

SUBORDINATION AGREEMENT

THIS SUBORDINATION AGREEMENT ("Subordination Agreement") is made as of November 5th, 2021, by Community Investment Corporation, an Illinois not-for-profit corporation ("Senior Lender"), with principal offices at, and mailing address of, 222 S. Riverside Plaza, Suite 380, Chicago, IL 60606, the CITY OF CHICAGO, ILLINOIS, an Illinois municipal corporation (the "City"), acting through its Department of Housing ("DOH"), with a mailing address of 121 North LaSalle Street, Suite 1000, Chicago, Illinois 60602 ("Junior Lender"), and Progressive Square Limited Partnership Phase I, an Illinois limited partnership, with principal offices at, and mailing address of, c/o CMHDC/Progressive, NFP, 225 W. Wacker Drive, Suite 1550, Chicago, IL 60606 ("Partnership"), and CMHDC/Progressive, NFP, an Illinois not-for-profit corporation with a mailing address of 225 W. Wacker Drive, Suite 1550, Chicago, IL 60606 (the "Current General Partner").

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## RECITALS

A. On August 24, 1999 (the "**Junior Loan Closing Date**"), pursuant to that certain Housing Loan Agreement between Junior Lender and the Partnership dated as of the Junior Loan Closing Date (the "**Junior Loan Agreement**"), the Junior Lender made a loan to National Progressive Institute for Community Development, an Illinois not-for-profit corporation (the "**Original Borrower**") in the amount of \$762,180 ("**Junior Loan**"), the proceeds of which Original Borrower made available to the Partnership pursuant to a loan (the "**Borrower Loan**"; also referenced in the Junior Loan Agreement) made pursuant to the Borrower Loan Documents (as defined in the Junior Loan Agreement) as referenced in the Junior Loan Agreement to be used for the construction of the Property (defined herein), of which the Partnership is the fee simple owner. Original Borrower made the proceeds of the Junior Loan available to the Partnership pursuant to that certain Note dated as of the Junior Loan Closing Date ("**Junior Note**") in the principal amount of the Junior Loan, in favor of the Original Borrower which Junior Note is secured by that certain mortgage dated as of the Junior Loan Closing Date and recorded on the Junior Loan Closing Date in the Office of the Recorder of Deeds of Cook County, Illinois (the "**Recorder's Office**") as Document No. 99808370 ("**Junior Mortgage**") which, together with the Junior Loan Agreement, the Junior Note and any other documents evidencing or securing the Junior Loan, are collectively referred to as the "**Junior Loan Documents**"). The Junior Loan Documents were assigned to the Junior Lender pursuant to that certain Assignment of Mortgage and Documents filed with the Recorder's Office on the Junior Loan Closing Date as document No. 99808371. The obligations evidenced by the Junior Loan Documents are hereinafter referred to as the "**Junior Liabilities**". The Junior Loan Documents encumber certain real property in the City of Chicago, County of Cook, State of Illinois, more particularly described in Exhibit A attached hereto and made a part hereof ("**Property**").

B. Junior Lender and Partnership acknowledge that Chicago Metropolitan Housing Development Corporation, an Illinois not-for-profit corporation ("**CMHDC**") made a mortgage loan to the Partnership in the amount of \$500,000 ("**2006 Loan**"). The Partnership executed a mortgage (the "**2006 Mortgage**") and a promissory note (the "**2006 Note**") in the amount of the 2006 Loan in favor of CMHDC, each dated as of November 21, 2006 (the "**2006 Loan Closing Date**"). The 2006 Mortgage secures the 2006 Note and was recorded on November 28, 2006 as document number 0633215052 concurrently with that certain subordination agreement by and between the City, CMHDC, the Partnership and the Original Borrower recorded on November 28, 2006 as Document No. 0633215054. The 2006 Note and 2006 Mortgage and any other documents evidencing and securing the 2006 Loan evidenced by the 2006 Note are hereinafter collectively referred to as the "**2006 Loan Documents**." Pursuant to the 2006 Loan Documents, the Current General Partner assumed the obligations of the Original Borrower under the Junior Loan Documents. The obligations evidenced by the 2006 Loan Documents are referred to as the "**2006 Liabilities**." The proceeds of the 2006 Loan were used to, among other things, pay transaction costs for the 2006 Loan and make repairs on the Property.

C. Junior Lender and the Partnership acknowledge that Senior Lender made a mortgage loan to the Partnership in the amount of \$500,000 (the "**2009 Loan**"). The Partnership as the Beneficiary of Chicago Title Land Trust Company ("**CTLT-Co.**") Trust No. 8002352404

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(“the **“Property Trust”**”) directed CTLT-Co. to execute a mortgage dated as of April 13, 2009 (the **“2009 Loan Closing Date”**) and recorded in the Recorder’s Office on April 14, 2009 as Document No. 0910422056 (the **“2009 Mortgage”**), and Partnership executed a promissory note (the **“2009 Note”**) in the amount of the 2009 Loan in favor of Senior Lender. The 2009 Note and 2009 Mortgage and any other documents evidencing and securing the 2009 Loan evidenced by the 2009 Note are hereinafter collectively referred to as the **“2009 Loan Documents.”** The obligations evidenced by the 2009 Loan Documents are referred to as the **“2009 Liabilities.”**

D. Junior Lender and the Partnership desire that Senior Lender make a mortgage loan to the Partnership in the amount of \$690,000 (the **“Senior Loan”**). The Partnership as the Beneficiary of Chicago Title Land Trust Company Trust No. 8002352404 has executed or will execute a mortgage, dated as of the date hereof (**“Senior Mortgage”**), and Partnership has executed or will execute a promissory note (**“Senior Note”**) in the amount of the Senior Loan in favor of Senior Lender. The Senior Mortgage secures the Senior Note and is being recorded concurrently herewith. The Senior Note and Senior Mortgage and any other documents evidencing and securing the Senior Loan evidenced by the Senior Note are hereinafter collectively referred to as the **“Senior Loan Documents.”** The obligations evidenced by the Senior Loan Documents are referred to as the **“Senior Liabilities.”** The proceeds of the Senior Loan and, if needed, additional funds from Partnership shall be used to repay the 2009 Loan, pay transaction costs for the Senior Loan (including a fee to Senior Lender of up to \$12,304) and perform repairs on the property in the amount of approximately \$285,938.

E. It is a condition to Senior Lender’s making the Senior Loan to the Partnership that the Senior Mortgage, unconditionally, be and remain at all times a lien, claim and charge upon the Property prior and superior to the liens, claims and charges of the Junior Loan Documents.

F. It is a condition to Junior Lender entering into this Subordination Agreement that the proceeds of the Senior Loan be used to (i) repay the 2009 Loan, (ii) cover transaction costs of the Senior Loan (including a fee to the Senior Lender of up to, but not to exceed, twelve thousand three hundred four and no/100 dollars [\$12,304 and no/100]) and (iii) perform repairs to the Property in the amount of approximately \$285,938.

G. Senior Lender would not make the Senior Loan without this Subordination Agreement.

## AGREEMENTS

1. The above Recitals are incorporated herein and made a part hereof by reference.
2. The Senior Mortgage, and any and all renewals, modifications, extensions or advances thereunder or secured thereby (including interest thereon), unconditionally and will remain at all times a lien, claim or charge on the Property prior and superior to the Junior Mortgage and the Junior Loan Documents. The maximum amount of indebtedness secured by the Senior Mortgage is \$690,000 plus interest, plus any disbursements for the payment of taxes and insurance

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on the Property, plus interest thereon, plus any other sums advanced in accordance with the terms thereof or any of the other Senior Loan Documents to protect the security of the Senior Mortgage or any of the other Senior Loan Documents, including, without limitation any Protective Advances (as defined in the Senior Mortgage), plus interest thereon so long as said total amount is not more than one-hundred fifty percent (150%) of the principal amount of the Senior Loan.

3. The Junior Lender agrees that: (a) Junior Lender intentionally and unconditionally: (i) consents to the liens, claims and charges upon the Property of the Senior Mortgage, and (ii) subjects and subordinates the liens, claims and charges of the Junior Loan Documents in favor of the liens, claims and charges upon the Property of the Senior Mortgage and understands that in reliance upon, and in consideration of, this subsection and subordination, specific loans and advances are being and will be made and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into that would not be made or entered into but for Senior Lender's reliance upon this subsection and subordination; (b) any waiver or forbearance by the Senior Lender in the exercise of its rights and remedies under the Senior Mortgage shall not impair the priority of the lien of the Senior Mortgage; (c) the Junior Liabilities secured by the Junior Mortgage as of the date hereof is Seven Hundred Sixty Two Thousand One Hundred Eighty Dollars (\$762,180); and (d) if a notice of default or any other notice is sent by the junior Lender, a copy of such notice shall be given to the Senior Lender within three (3) days of the date of such notice.

4. The Senior Lender agrees to promptly provide the City with: (a) a copy of a "HUD-1" or similar settlement statement evidencing that no proceeds of the Senior Loan have been paid to the Partnership; and (b) a copy of the title insurance commitment insuring the lien of the Senior Mortgage, which also shows the continued existence and relevant priority of the Junior Mortgage. The Senior Lender, the Partnership and the Borrower agree and acknowledge that (i) the Senior Loan Documents and this Subordination Agreement do not constitute a novation of the existing indebtedness under the Junior Loan and (ii) except as may be specifically set forth in this Subordination Agreement, (A) the provisions of the Junior Loan Documents remain in full force and effect and are hereby ratified and confirmed and (B) the Junior Mortgage shall continue to secure repayment of all amounts due under the Junior Note without loss of priority.

5. This Subordination Agreement is the whole and only agreement with regards to the subordination of the liens, claims and charges of the Junior Loan Documents to the Senior Mortgage. This Subordination Agreement is binding on and inures to the benefit of the legal representatives, heirs, successors and assigns of the parties.

6. If any party to this Subordination Agreement brings an action to interpret or enforce its rights under this Subordination Agreement, the prevailing party will be entitled to recover its costs and attorneys' fees as awarded in the action.

7. All notices given under this Subordination Agreement must be in writing and will be served effectively upon delivery, or if mailed, upon the first to occur of receipt or the expiration of three (3) business days after deposit in certified United States mail, postage prepaid, sent to the

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party at its address appearing above. Those addresses may be changed by any party by notice to all other parties.

8. This Subordination Agreement is governed by the laws of the State of Illinois, without regard to the choice of law rules of that State.

9. This Subordination Agreement may be executed in counterparts, and all counterparts constitute but one and the same document.

**[BALANCE OF THE PAGE LEFT BLANK—EXECUTION PAGE IMMEDIATELY FOLLOWS]**

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IN WITNESS WHEREOF, this Subordination Agreement is executed as of the day and year above written.

THE COMMUNITY INVESTMENT CORPORATION, an Illinois not-for-profit corporation

By: Stacie Young  
Name: Stacie Young  
Its: President

CITY OF CHICAGO, by and through its Department of Housing

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_ Commissioner

PROGRESSIVE SQUARE LIMITED PARTNERSHIP PHASE I, an Illinois limited partnership

By: CMHDC/PROGRESSIVE, NFP, an Illinois not-for-profit corporation and its general partner

By: \_\_\_\_\_  
Name: Rafael Leon  
Its: President

Property of Cook County Clerk's Office



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IN WITNESS WHEREOF, this Subordination Agreement is executed as of the day and year above written.

THE COMMUNITY INVESTMENT CORPORATION, an Illinois not-for-profit corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

CITY OF CHICAGO, by and through its Department of Housing

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_ Commissioner

PROGRESSIVE SQUARE LIMITED PARTNERSHIP PHASE I, an Illinois limited partnership

By: CMHDC/PROGRESSIVE, NFP, an Illinois not-for-profit corporation and its general partner

By: 

Name: Rafael Leon

Its: President

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STATE OF ILLINOIS)  
  ) SS  
COUNTY OF COOK )

I, the undersigned, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT Stacie Young, personally know to me to be the President of THE COMMUNITY INVESTMENT CORPORATION, an Illinois not-for-profit corporation ("Senior Lender"), 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 as such Vivian Bouza (s)he signed and delivered the said instrument, pursuant to authority duly given by said Senior Lender as his/her free and voluntary act and as the free and voluntary act of Senior Lender for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 2 day of November, 2021.

Vivian Bouza  
Notary Public  
[Seal]

My Commission expires:  
10/8/2023



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## EXHIBIT A

### LEGAL DESCRIPTION

SUBJECT TO FINAL TITLE & SURVEY

#### LEGAL DESCRIPTION:

LOTS 10, 11 AND 12 IN BLOCK 3 IN ANNA PRICE'S SUBDIVISION OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPT THAT PART TAKEN FOR STREET), IN COOK COUNTY, ILLINOIS.

#### ADDRESS COMMONLY KNOWN AS:

4746-52 South Wabash Avenue  
Chicago, Illinois 60615

#### PERMANENT INDEX NOS:

20-10-100-034  
20-10-100-035  
20-10-100-036