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Doc# 2223501014 Fee \$93.00

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

KAREN A. YARBROUGH

COOK COUNTY CLERK

DATE: 08/23/2022 10:13 AM PG: 1 OF 22

213043

Prepared by, and after recording
return to:

Robert A. Kearbey, Esq.
Tiber Hudson LLC
7910 Woodmont Ave, Suite 750
Bethesda, MD 20814

SUBORDINATION AGREEMENT

FOR SUBORDINATE LOAN NOT SECURED
BY MORTGAGED PROPERTY

(Revised 10-1-2018)

AFTER RECORDING, RETURN TO:

TITLE SERVICES, INC.
810 E. ROOSEVELT ROAD
SUITE 201
WHEATON, IL 60187

22995

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Freddie Mac Loan Number: 508801257
Property Name: Oasis Senior Living 2021

SUBORDINATION AGREEMENT

FOR SUBORDINATE LOAN NOT SECURED BY MORTGAGED PROPERTY

(Revised 10-1-2018)

THIS SUBORDINATION AGREEMENT (“**Agreement**”) is entered into this 19th day of August, 2022, by and between **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, as Fiscal Agent for the Funding Loan (“**Senior Lender**”) and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, a national banking association, as Series C Bond Trustee, and **EMBRACE LIVING DEVELOPMENT**, an Illinois not for profit corporation (individually and collectively, “**Subordinate Lender**”).

RECITALS

- A. OASIS SENIOR LIVING 2021 LP, a limited partnership organized under the laws of the State of Illinois (“**Borrower**”) is the owner of certain land located in Cook County, Illinois, described in Exhibit A (“**Land**”). The Land is improved with certain multifamily rental housing projects (“**Improvements**”).
- B. Illinois Housing Development Authority (“**Governmental Lender**”), the original holder of the Senior Note, has made a loan to Borrower in the original principal amount of \$18,400,000 (“**Senior Loan**”) upon the terms and conditions of a Project Loan Agreement dated as of August 1, 2022 among Governmental Lender, Senior Lender (in its capacity as Fiscal Agent under the Funding Loan Agreement (defined below)) and Borrower in connection with the Mortgaged Property. The Senior Loan is secured by a Multifamily Mortgage, Assignment of Rents and Security Agreement dated as of August 19, 2022 (“**Senior Mortgage**”) encumbering the Land, the Improvements and related personal and other property described and defined in the Senior Mortgage as the “**Mortgaged Property**.”
- C. Illinois Housing Development Authority (the “**Series C Bond Issuer**”), has issued and sold its Multifamily Housing Subordinate Revenue Bonds, Series 2022C (Oasis Senior Living) in the original aggregate principal amount of \$2,000,000 (the “**Series C Bonds**”) pursuant to a Subordinate Trust Indenture dated as of the date hereof (the “**Series C Bond Indenture**”) among the Series C Bond Issuer, The Bank of New York Mellon

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Trust Company, N.A., as trustee (the “**Series C Bond Trustee**”), Borrower and Embrace Living Development (the “**Series C Bondholder**”). The Series C Bonds will be purchased by the Series C Bondholder. Proceeds of the Series C Bonds (the “**Subordinate Loan**”) are being loaned by the Issuer to the Borrower and evidenced by a Subordinate Note dated as of the date hereof made by the Borrower (the “**Series C Note**”) to the Series C Bond Issuer and the Series C Bondholder, and assigned to the Series C Bond Trustee.

- D. The Senior Mortgage will be recorded the official records of Cook County, Illinois (“**Recording Office**”).
- E. The Senior Note was assigned by the Governmental Lender to Senior Lender as security for the loan made by the Funding Lender to the Governmental Lender pursuant to the Funding Loan Agreement (the “**Funding Loan**”). The Senior Mortgage was assigned by the Governmental Lender to Senior Lender as security for the Funding Loan pursuant to an Assignment of Security Instrument dated as of the date hereof to be recorded in the Recording Office contemporaneously herewith.
- F. The Subordinate Loan is an unsecured loan and is not secured by an interest in or lien upon the Mortgaged Property. No document evidencing the Subordinate Loan is or will be recorded.
- G. The execution and delivery of this Agreement is a condition of Funding Lender’s consenting to Subordinate Lender’s making of the Subordinate Loan.

AGREEMENT

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is acknowledged, the parties agree as follows:

1. **Definitions.** The following terms, when used in this Agreement (including, as appropriate, when used in the above recitals), will have the following meanings:

“**Bankruptcy Proceeding**” means any bankruptcy, reorganization, insolvency, composition, restructuring, dissolution, liquidation, receivership, assignment for the benefit of creditors, or custodianship action or proceeding under any federal or state law with respect to Borrower, any guarantor of any of the Senior Indebtedness, any of their respective properties, or any of their respective partners, members, officers, directors, or shareholders.

“**Borrower**” means all persons or entities identified as “Borrower” in the first Recital of this Agreement, together with their successors and assigns, and any other person or entity who acquires title to the Mortgaged Property after the date of this Agreement; provided that the term “Borrower” will not include Senior Lender if Senior Lender acquires title to the Mortgaged Property.

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“**Continuing Covenant Agreement**” means the Continuing Covenant Agreement dated as of August 19, 2022 between Funding Lender and Borrower.

“**Enforcement Action**” means any of the following actions taken by or at the direction of Subordinate Lender: the acceleration of all or any part of the Subordinate Indebtedness, the seeking of default interest, the commencement of any suit or other legal, administrative, or arbitration proceeding based upon the Subordinate Note or any other of the Subordinate Loan Documents, the exercising of any banker’s lien or rights of set-off or recoupment, or the exercise of any other remedial action against Borrower, or any other party liable for any of the Subordinate Indebtedness or obligated under any of the Subordinate Loan Documents.

“**Enforcement Action Notice**” means a Notice given from Subordinate Lender to Senior Lender and Funding Lender, following one or more Subordinate Loan Default(s) after the expiration of any applicable notice or cure periods provided for in the Subordinate Loan Documents, setting forth in reasonable detail the Subordinate Loan Default(s) and the Enforcement Actions proposed to be taken by Subordinate Lender.

“**Funding Lender**” means Merchants Capital Corp., and any successor holder of the Governmental Note.

“**Funding Loan Agreement**” means the Funding Loan Agreement dated as of August 1, 2022 among Funding Lender, Governmental Lender and Senior Lender.

“**Governmental Note**” means the Multifamily Note delivered by the Governmental Lender evidencing the Funding Loan.

“**Lien**” means any lien, encumbrance, estate or other interest recorded against or secured by the Mortgaged Property.

“**Notice**” means all notices, requests, demands, consents, approvals or other communication pursuant to this Agreement provided in accordance with the provisions of Section 10.

“Permitted Payment Source” means with respect to the Subordinate Loan, payments made to fully redeem the Series C Bonds pursuant to the terms of the Series C Bond Indenture, which payment will be in the form of a promissory note delivered by Borrower to the Series C Bondholder as consideration for redeeming the Series C Bonds, which note shall be in the form attached to the Series C Bond Indenture as Exhibits D thereto.

“**Senior Indebtedness**” means the “Indebtedness” as defined in the Continuing Covenant Agreement.

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“**Senior Lender**” is defined above. When any other person or entity becomes the legal holder of the Senior Note, such other person or entity will automatically become Senior Lender.

“**Senior Loan Documents**” means the “Financing Documents” as defined in the Continuing Covenant Agreement, as such documents may be amended.

“**Senior Mortgage Default**” means any act, failure to act, event, condition, or occurrence which constitutes, or which with the giving of Notice or the passage of time, or both, would constitute, an “Event of Default” as defined in the Continuing Covenant Agreement.

“**Senior Note**” means the Project Note as defined in the Continuing Covenant Agreement.

“**Subordinate Indebtedness**” means all sums evidenced or secured or guaranteed by, or otherwise due and payable to Subordinate Lender pursuant to, the Subordinate Loan Documents.

“**Subordinate Lender**” means the person or entity named as such in the first paragraph of this Agreement and any other person or entity who becomes the legal holder of the Subordinate Note after the date of this Agreement.

“**Subordinate Loan Documents**” means the Subordinate Note and all other documents at any time evidencing, securing, guaranteeing, or otherwise delivered in connection with the Subordinate Indebtedness, as such documents may be amended.

“**Subordinate Loan Default**” means any act, failure to act, event, condition, or occurrence which allows (but for any contrary provision of this Agreement) Subordinate Lender to take an Enforcement Action.

“**Subordinate Note**” means the promissory note or other evidence of the Subordinate Indebtedness and any replacement of the Subordinate Note.

2. Subordinate Lender’s Representations and Warranties.

- (a) Subordinate Lender represents and warrants that each of the following is true as of the date of this Agreement:
- (i) Subordinate Lender, as trustee, is now the ~~owner and~~ holder of the Subordinate Loan Documents for the benefit of the Series C Bondholder.
 - (ii) No Subordinate Loan Default has occurred and is continuing.

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- (iii) The current unpaid principal balance of the Subordinate Indebtedness is \$2,000,000.
 - (iv) No scheduled payments under the Subordinate Note have been prepaid.
- (b) Without the prior written consent of Senior Lender, Subordinate Lender will not do any of the following:
- (i) Pledge, assign, transfer, convey, or sell any interest in the Subordinate Indebtedness or any of the Subordinate Loan Documents.
 - (ii) Take any action which has the effect of increasing the Subordinate Indebtedness, except to cure a Senior Mortgage Default as contemplated under Section 5(a) of this Agreement.
 - (iii) Accept any prepayment of the Subordinate Indebtedness.

3. Terms of Subordination.

- (a) Agreement to Subordinate. The Subordinate Indebtedness is and will at all times continue to be subject and subordinate in right of payment to the prior payment in full of the Senior Indebtedness. Each of the Subordinate Loan Documents is, and will at all times remain, subject and subordinate in all respects to the liens, terms, covenants, conditions, operations, and effects of each of the Senior Loan Documents.
- (b) Subordination of Subrogation Rights. If Subordinate Lender, by indemnification, subrogation or otherwise, acquires any Lien in any of the Mortgaged Property, then that Lien will be fully subject and subordinate to the receipt by Senior Lender of payment in full of the Senior Indebtedness, and to the Senior Loan Documents, to the same extent as the Subordinate Indebtedness and the Subordinate Loan Documents are subordinate pursuant to this Agreement.
- (c) Payments Before Senior Mortgage Default. Until the occurrence of a Senior Mortgage Default, Subordinate Lender will be entitled to retain for its own account all payments of the principal of and interest on the Subordinate Indebtedness pursuant to the Subordinate Loan Documents; provided that Subordinate Lender expressly agrees that it will not accept any such payment that is made more than 10 days in advance of its due date.
- (d) Payments After Senior Mortgage Default or Bankruptcy.
 - (i) Immediately upon Subordinate Lender's receipt of Notice or actual knowledge of a Senior Mortgage Default, Subordinate Lender will not

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accept any payments of the Subordinate Indebtedness, and the provisions of Section 3(d) of this Agreement will apply.

- (ii) If Subordinate Lender receives any of the following, whether voluntarily or by action of law, after a Senior Mortgage Default of which Subordinate Lender has actual knowledge (or is deemed to have actual knowledge as provided in Section 4(c)) or has been given Notice, such will be received and held in trust for Senior Lender:
- (A) Any payment, property, or asset of any kind or in any form in connection with the Subordinate Indebtedness.
 - (B) Any proceeds from any Enforcement Action.
 - (C) Any payment, property, or asset in or in connection with any Bankruptcy Proceeding.
- (iii) Senior Lender may pursue all rights and remedies available to it under the Senior Loan Documents, at law, or in equity, regardless of any Enforcement Action Notice or Enforcement Action by Subordinate Lender. No action or failure to act on the part of Senior Lender in the event of a Subordinate Loan Default or commencement of an Enforcement Action will constitute a waiver on the part of Senior Lender of any provision of the Senior Loan Documents or this Agreement.
- (iv) Subordinate Lender will promptly remit, in kind and properly endorsed as necessary, all such payments, properties, and assets described in Section 3(d)(ii) to Senior Lender. Senior Lender will apply any payment, asset, or property so received from Subordinate Lender to the Senior Indebtedness in such order, amount (with respect to any asset or property other than immediately available funds), and manner as Senior Lender determines in its sole and absolute discretion. Subordinate Lender designates and appoints, irrevocably and coupled with an interest, Senior Lender (and all persons and entities designated by Senior Lender) as Subordinate Lender's true and lawful attorney-in-fact with power to endorse the name of Subordinate Lender upon any check or other instrument and to take any action necessary to collect any payment, property, or asset referred to in, or otherwise effectuate the provisions of, this Section 3(d).
- (e) Bankruptcy. Without the prior written consent of Senior Lender, Subordinate Lender will not commence, or join with any other creditor in commencing, any Bankruptcy Proceeding. In the event of a Bankruptcy Proceeding, Subordinate Lender will not vote affirmatively in favor of any plan of reorganization or liquidation unless Senior Lender has also voted affirmatively in favor of such plan.

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(f) The parties hereto acknowledge that Borrower intends to redeem the Series C Bonds with consideration provided from a Permitted Payment Source following completion of the Rehabilitation. Funding Lender's consent will be required for any such redemption or substitution. Such consent will be conditioned upon the following conditions:

(i) the absence of a Senior Mortgage Default or a Subordinate Loan Default at the time of any such prepayment or redemption; and

(ii) delivery of a subordination agreement, in the applicable form attached to the Continuing Covenant Agreement, executed by each subordinate lender for any such take-out loan and consented to by the Borrower, in recordable form.

4. Default Under Subordinate Loan Documents.

(a) Notice of Subordinate Loan Default and Cure Rights.

(i) Subordinate Lender will deliver to Senior Lender and Funding Lender a copy of each Notice delivered by Subordinate Lender pursuant to the Subordinate Loan Documents within 5 Business Days of sending such Notice to Borrower. Neither giving nor failing to give a Notice to Senior Lender or Funding Lender pursuant to this Section 4(a) will affect the validity of any Notice given by Subordinate Lender to Borrower.

(ii) Senior Lender will have the right, but not the obligation, to cure any Subordinate Loan Default, until such time, if ever, as Senior Lender delivers to Subordinate Lender Senior Lender's Notice of written consent to an Enforcement Action described in an Enforcement Action Notice given by Subordinate Lender as a consequence of a Subordinate Loan Default.

(iii) Subordinate Lender acknowledges that all amounts advanced or expended by Senior Lender to cure a Subordinate Loan Default will be added to and become a part of the Senior Indebtedness and will be secured by the lien of the Senior Mortgage.

(b) Subordinate Lender's Exercise of Remedies After Notice to Senior Lender.

(i) Subordinate Lender may not commence any Enforcement Action under the Subordinate Loan Documents, until after:

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- (A) Subordinate Lender has delivered to Senior Lender and Funding Lender an Enforcement Action Notice with respect to such Enforcement Action.
- (B) The delivery by Senior Lender to Subordinate Lender of Senior Lender's written consent to such Enforcement Action by Subordinate Lender.
- (ii) Senior Lender will advise Subordinate Lender whether Senior Lender consents to the Enforcement Action by Subordinate Lender within 90 days following Senior Lender's receipt of the Enforcement Action Notice (failure of Senior Lender to provide written consent to the Enforcement Action within such 90-day period constitutes Senior Lender's refusal of such consent). Subordinate Lender acknowledges that Senior Lender may grant or refuse consent to Subordinate Lender's Enforcement Action in Senior Lender's sole and absolute discretion.
- (iii) Subordinate Lender acknowledges that the provisions of this Section 4(b) are fair and reasonable under the circumstances, that Subordinate Lender has received a substantial benefit from Senior Lender having granted its consent to the Subordinate Loan, and that Senior Lender would not have granted such consent without the inclusion of these provisions in the Agreement.
- (c) Cross Default. Subordinate Lender acknowledges that a Subordinate Loan Default constitutes a Senior Mortgage Default. Accordingly, upon the occurrence of a Subordinate Loan Default, Subordinate Lender will be deemed to have actual knowledge of a Senior Mortgage Default. If Subordinate Lender notifies Senior Lender and Funding Lender in writing that any Subordinate Loan Default of which Senior Lender has received Notice has been cured or waived, as determined by Subordinate Lender in its sole discretion, then provided that Senior Lender has not conducted a sale of the Mortgaged Property pursuant to its rights under the Senior Loan Documents, any Senior Mortgage Default under the Senior Loan Documents arising solely from such Subordinate Loan Default will be deemed cured, and the Senior Loan will be reinstated.

5. Default Under Senior Loan Documents.

- (a) Cure Rights.
- (i) Subordinate Lender will have the right, but not the obligation, to cure any Senior Mortgage Default during such period of time, if any, as Borrower is permitted by the terms of the Senior Loan Documents to cure a Senior Mortgage Default.

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- (ii) Subordinate Lender will not be subrogated to the rights of Senior Lender under the under the Senior Loan Documents by reason of Subordinate Lender having cured any Senior Mortgage Default.
- (b) Release of Mortgaged Property.
- (i) Subordinate Lender consents to and authorizes any future release by Senior Lender of all or any portion of the Mortgaged Property from the lien, operation, and effect of the Senior Loan Documents. Subordinate Lender waives to the fullest extent permitted by law, all equitable or other rights it may have in connection with the release of all or any portion of the Mortgaged Property, including any right to require Senior Lender to do any of the following:
- (A) To conduct a separate sale of any portion of the Mortgaged Property.
 - (B) To exhaust its remedies against all or any portion of the Mortgaged Property or any combination of portions of the Mortgaged Property or any other collateral for the Senior Indebtedness.
 - (C) To proceed against Borrower, any other party that may be liable for any of the Senior Indebtedness (including any general partner of Borrower if Borrower is a partnership), all or any portion of the Mortgaged Property or combination of portions of the Mortgaged Property or any other collateral, before proceeding against all or such portions or combination of portions of the Mortgaged Property as Senior Lender determines.
- (ii) Subordinate Lender consents to and authorizes, at the option of Senior Lender, the sale, either separately or together, of all or any portion of the Mortgaged Property. Subordinate Lender acknowledges that without Notice to Subordinate Lender and without affecting any of the provisions of this Agreement, Senior Lender may do any of the following:
- (A) Extend the time for or waive any payment or performance under the Senior Loan Documents.
 - (B) Modify or amend in any respect any provision of the Senior Loan Documents.
 - (C) Modify, exchange, surrender, release, and otherwise deal with any additional collateral for the Senior Indebtedness.

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6. Conflicts. If there is any conflict or inconsistency between the terms of the Subordinate Loan Documents and the terms of this Agreement, then the terms of this Agreement will control. Borrower acknowledges that the terms and provisions of this Agreement will not, and will not be deemed to do any of the following:

- (a) Extend Borrower's time to cure any Senior Mortgage Default or Subordinate Loan Default.
- (b) Give Borrower the right to receive notice of any Senior Mortgage Default or Subordinate Loan Default, other than that, if any, provided, respectively under the Senior Loan Documents of the Subordinate Loan Documents.
- (c) Create any other right or benefit for Borrower as against Senior Lender or Subordinate Lender.

7. Rights and Obligations of Subordinate Lender Under the Subordinate Loan Documents and of Senior Lender under the Senior Loan Documents.

- (a) Modification of Subordinate Loan Documents. Subordinate Lender agrees that, until the principal of, interest on and all other amounts payable under the Senior Loan Documents have been paid in full, it will not, without the prior written consent of Senior Lender, increase the amount of the Subordinate Loan, increase the required payments due under the Subordinate Loan, decrease the term of the Subordinate Loan, increase the interest rate on the Subordinate Loan, or otherwise amend the Subordinate Loan terms in a manner that creates an adverse effect upon Senior Lender or Funding Lender under the Senior Loan Documents. If Subordinate Lender either (i) amends the Subordinate Loan Documents in the manner set forth above or (ii) assigns the Subordinate Loan without Senior Lender's consent then such amendment or assignment will be void ab initio and of no effect whatsoever.
- (b) Modification of Senior Loan Documents. Senior Lender may amend, waive, postpone, extend, renew, replace, reduce or otherwise modify any provisions of the Senior Loan Documents without the necessity of obtaining the consent of or providing Notice to Subordinate Lender, and without affecting any of the provisions of this Agreement.
- (c) Consent Rights. Whenever the Subordinate Loan Documents give Subordinate Lender approval or consent rights with respect to any matter, and a right of approval or consent for the same or substantially the same matter is also granted to Senior Lender or Funding Lender pursuant to the Senior Loan Documents or otherwise, Senior Lender's or Funding Lender's approval or consent or failure to approve or consent will be binding on Subordinate Lender. None of the other provisions of Section 7 are intended to be in any way in limitation of the provisions of this Section 7(c).

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- (d) **Certification.** Within 10 days after request by Senior Lender, Subordinate Lender will furnish Senior Lender with a statement, duly acknowledged and certified setting forth the then-current amount and terms of the Subordinate Indebtedness, confirming that there exists no default under the Subordinate Loan Documents (or describing any default that does exist), and certifying to such other information with respect to the Subordinate Indebtedness as Senior Lender may request.
8. **Refinancing.** Subordinate Lender agrees that its agreement to subordinate under this Agreement will extend to any new mortgage debt which is for the purpose of refinancing all or any part of the Senior Indebtedness (including reasonable and necessary costs associated with the closing and/or the refinancing, and any reasonable increase in proceeds for rehabilitation in the context of a preservation transaction). All terms and covenants of this Agreement will inure to the benefit of any holder of any such refinanced debt and all references to the Senior Loan Documents and Senior Lender will mean, respectively, the refinance loan documents and the holder of such refinanced debt.
9. **Reserved.**
10. **Notices.**
- (a) Any Notice required or permitted to be given pursuant to this Agreement will be in writing and will be deemed to have been duly and sufficiently given if (i) personally delivered with proof of delivery (any Notice so delivered will be deemed to have been received at the time so delivered), or (ii) sent by a national overnight courier service (such as FedEx) designating earliest available delivery (any Notice so delivered will be deemed to have been received on the next Business Day following receipt by the courier), or (iii) sent by United States registered or certified mail, return receipt requested, postage prepaid, at a post office regularly maintained by the United States Postal Service (any Notice so sent will be deemed to have been received on the date of delivery as confirmed by the return receipt), addressed to the respective parties as follows:

Notices intended for Senior Lender will be addressed to:

The Bank of New York Mellon Trust Company, N.A.
 2 N. LaSalle Street, Suite 700
 Chicago, IL 60602
 Attention: Rhonda Jackson
 Telephone: (312) 827-8640

Notices intended for Subordinate Lender will be addressed to:

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Embrace Living Development
1900 Spring Road, Suite 300
Oak Brook, Illinois 60523
Attention: President and CEO

And

Embrace Living Development
1900 Spring Road, Suite 300
Oak Brook, Illinois 60523
Attention: Controller

Notices intended for Funding Lender will be addressed to:

Merchants Capital Corp.
255 Kellogg Blvd. E., Suite 103
Saint Paul, Minnesota 55101
Attention: GSE Asset Management
E-Mail: gse-asset-mgmt@merchantscapital.com

- (b) Any party, by Notice given pursuant to this Section 10, may change the person or persons and/or address or addresses, or designate an additional person or persons or an additional address or addresses, for its Notices, but Notice of a change of address will only be effective upon receipt. Neither party will refuse or reject delivery of any Notice given in accordance with this Section 10.

11. Miscellaneous Provisions.

- (a) Assignments/Successors. This Agreement will be binding upon and will inure to the benefit of the respective legal successors and permitted assigns of the parties to this Agreement. Except for Funding Lender, no other party will be entitled to any benefits under this Agreement, whether as a third-party beneficiary or otherwise. This Agreement may be assigned at any time by Senior Lender to any subsequent holder of the Senior Note.
- (b) No Partnership or Joint Venture. Nothing in this Agreement or in any of the Senior Loan Documents or Subordinate Loan Documents will be deemed to constitute Senior Lender or Funding Lender as a joint venturer or partner of Subordinate Lender.
- (c) Further Assurances. Upon Notice from Senior Lender or Funding Lender, Subordinate Lender will execute and deliver such additional instruments and documents, and will take such actions, as are required by Senior Lender or

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Funding Lender to further evidence or implement the provisions and intent of this Agreement.

- (d) Amendment. This Agreement may be amended, changed, modified, altered or terminated only by a written instrument signed by the parties to this Agreement or their successors or assigns.
- (e) Governing Law. This Agreement will be governed by the laws of the State in which the Land is located.
- (f) Severable Provisions. If any one or more of the provisions contained in this Agreement, or any application of any such provisions, is invalid, illegal, or unenforceable in any respect, the validity, legality, enforceability, and application of the remaining provisions contained in this Agreement will not in any way be affected or impaired.
- (g) Term. The term of this Agreement will commence on the date of this Agreement and will continue until the earliest to occur of the following events:
- (i) The payment of all the Senior Indebtedness; provided that this Agreement will be reinstated in the event any payment on account of the Senior Indebtedness is avoided, set aside, rescinded or repaid by Senior Lender as described in Section 2(a) of this Agreement **(whether by or on behalf of Borrower, as proceeds of security or enforcement of any right of set-off or otherwise) is for any reason repaid or returned to Borrower or its insolvent estate, or avoided, set aside or required to be paid to Borrower, a trustee, receiver or other similar party under any bankruptcy, insolvency, receivership or similar law. In such event, any or all of the Senior Indebtedness originally intended to be satisfied will be deemed to be reinstated and outstanding to the extent of any repayment, return, or other action, as if such payment on account of the Senior Indebtedness had not been made**
 - (ii) The payment of all the Subordinate Indebtedness other than by reason of payments which Subordinate Lender is obligated to remit to Senior Lender pursuant to this Agreement, **or satisfaction of all conditions contained in Section 3(f) hereof.**
 - (iii) The acquisition by Senior Lender or by a third-party purchaser of title to the Mortgaged Property pursuant to a foreclosure of, deed in lieu of foreclosure, or trustee's sale or other exercise of a power of sale or similar disposition under the Senior Mortgage.

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- (h) Counterparts. This Agreement may be executed in two or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument.
- (i) Entire Agreement. This Agreement represents the entire understanding and agreement between the parties regarding the matters addressed in this Agreement, and will supersede and cancel any prior agreements regarding such matters.
- (j) Authority. Each person executing this Agreement on behalf of a party to this Agreement represents and warrants that such person is duly and validly authorized to do so on behalf of such party with full right and authority to execute this Agreement and to bind such party with respect to all of its obligations under this Agreement.
- (k) No Waiver. No failure or delay on the part of any party to this Agreement in exercising any right, power, or remedy under this Agreement will operate as a waiver of such right, power, or remedy, nor will any single or partial exercise of any such right, power or remedy preclude any other or further exercise of such right, power, or remedy or the exercise of any other right, power or remedy under this Agreement.
- (l) Remedies. Each party to this Agreement acknowledges that if any party fails to comply with its obligations under this Agreement, the other parties will have all rights available at law and in equity, including the right to obtain specific performance of the obligations of such defaulting party and injunctive relief.

[SIGNATURE AND ACKNOWLEDGMENT PAGES FOLLOW]

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IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the day and year first above written.

SENIOR LENDER:

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Senior Lender not individually but in its capacity as Fiscal Agent

By: *Mietka Collins*

Name: Mietka Collins

Title: Vice President

STATE OF ILLINOIS)

) ss:

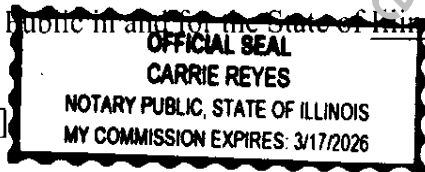
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, certify that Mietka Collins, an authorized signor of THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. ("**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 she/he signed and delivered the said instrument in her capacity as authorized signor of THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as her/his free and voluntary act and deed and as the free and voluntary act and deed of THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., for the uses and purposes therein set forth.

GIVEN UNDER MY HAND and seal of office, this the 28 day of July, 2022.

Carrie Reyes

Notary Public in and for the State of Illinois



[SEAL]

My commission expires on:

3-17-2026

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SUBORDINATE LENDER:

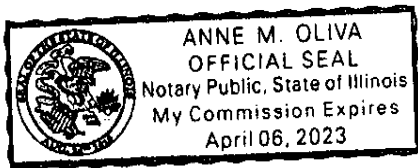
EMBRACE LIVING DEVELOPMENT,
an Illinois not for profit corporation

By: *Ralph Gaines*
Ralph Gaines
President and CEO

STATE OF ILLINOIS)
) ss:
COUNTY OF DUPAGE)

The undersigned, a Notary Public in and for said County in the State aforesaid, does hereby certify that Ralph Gaines, the President and CEO of Embrace Living Development, an Illinois not for profit corporation ("Subordinate Lender"), personally known to me to be the same person whose name is subscribed to the foregoing instrument as such officer, appeared before me this day in person and acknowledged that he signed and delivered such instrument in his capacity as the President and CEO, as his own free and voluntary act, and as the free and voluntary act of the Subordinate Lender, all for the uses and purposes set forth therein.

Given under my hand and seal of office, this 15 day of July, 2022.



Anne M. Oliva
Notary Public in and for the State of ILLINOIS

[SEAL]

My commission expires on:

April 6, 2023

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CONSENT OF BORROWER

Borrower acknowledges receipt of a copy of this Subordination Agreement, dated August 19, 2022, by and between THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Senior Lender and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. and EMBRACE LIVING DEVELOPMENT, as Subordinate Lenders and consents to the agreement of the parties set forth in this Agreement.

OASIS SENIOR LIVING 2021 LP,
an Illinois limited partnership

By: Oasis Senior Living 2021 GP LLC,
an Illinois limited liability company,
its general partner

By: Embrace Living Development,
an Illinois not-for-profit corporation
its sole member

By: Ralph Gaines
Ralph Gaines
President and CEO

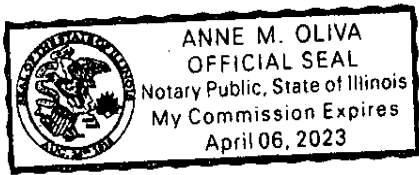
Date: AUGUST 19, 2022

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STATE OF ILLINOIS)
) ss:
COUNTY OF DUPAGE)

The undersigned, a Notary Public in and for said County in the State aforesaid, does hereby certify that Ralph Gaines, the President and CEO of Embrace Living Development, an Illinois not for profit corporation ("Sole Member"), the sole member of Oasis Senior Living 2021 GP LLC, an Illinois limited liability company ("General Partner"), the general partner of Oasis Senior Living 2021 LP, an Illinois limited partnership ("Oasis"), personally known to me to be the same person whose name is subscribed to the foregoing instrument as such officer, appeared before me this day in person and acknowledged that he signed and delivered such instrument in his capacity as the President and CEO of the Sole Member, as his own free and voluntary act, and as the free and voluntary act of the General Partner on behalf of Oasis, all for the uses and purposes set forth therein.

Given under my hand and seal of office, this 15 day of July, 2022.



Anne M. Oliva
Notary Public in and for the State of ILLINOIS

[SEAL]

My commission expires on:

April 6, 2023

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EXHIBIT A

LEGAL DESCRIPTION

***PARCEL 1:

LOTS 1 TO 5, BOTH INCLUSIVE, IN BLOCK 4 IN THE SUBDIVISION OF BLOCKS 1, 2, 3 AND 4 IN S. L. BROWN'S SUBDIVISION OF PART OF THE EAST HALF OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

PARCEL 2:

THE WEST 5.70 FEET OF LOT 3, LOT 4 AND LOT 5 (EXCEPT THOSE PARTS OF SAID LOTS TAKEN OR USED FOR ALLEYS) IN BLOCK 4 IN EVANS AND OTHER'S SUBDIVISION OF BLOCKS 1, 2, 3 AND 4 IN OSBORNE'S SUBDIVISION OF THE WEST 5 ACRES OF THE EAST 10 ACRES OF THAT PART OF THE EAST HALF OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN LYING SOUTH OF LAKE STREET, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

THE WEST 16.66 FEET OF LOT 1, LOT 2 AND LOT 3, (EXCEPT THE WEST 5.70 FEET OF SAID LOT 3), (EXCEPT THOSE PARTS OF SAID LOTS TAKEN OR USED FOR ALLEYS) IN BLOCK 4 IN EVANS AND OTHER'S SUBDIVISION OF BLOCKS 1, 2, 3 AND 4 IN OSBORNE'S SUBDIVISION OF THE WEST 5 ACRES OF THE EAST 10 ACRES OF THAT PART OF THE EAST HALF OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTH OF LAKE STREET, IN COOK COUNTY, ILLINOIS; ALSO THE NORTH 158 FEET (EXCEPT THE EAST 39 FEET THEREOF) OF THAT PART LYING SOUTH OF THE SOUTH LINE OF WARREN BOULEVARD (NOW WASHINGTON BOULEVARD) OF LOT 5 IN THE SUBDIVISION BY CURTIS AND RUNYAN OF THE EAST 5 ACRES OF THE WEST HALF OF THE SOUTHWEST QUARTER (LYING SOUTH OF LAKE STREET) OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN; AND ALSO THAT PART OF THE NORTH AND SOUTH ALLEY VACATED BY CITY ORDINANCE OF THE CITY OF CHICAGO, RECORDED ON NOVEMBER 16, 1984 AS DOCUMENT NO. 27339005, IN COOK COUNTY, ILLINOIS.

PARCEL 4:

LOTS 24 TO 33, BOTH INCLUSIVE (EXCEPT THE SOUTH 5 FEET AND EXCEPT THE NORTH 6 FEET, RESPECTIVELY, OF SAID LOTS 24 THROUGH 33) IN J.E. SHEFFIELD'S SUBDIVISION OF LOTS 9 TO 18, THE WEST HALF OF LOT 19 AND ALL OF LOTS 20 TO 22 IN BLOCK 1 IN SHEFFIELD'S ADDITION TO CHICAGO IN THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 33, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS;

Continued...

Exhibit A – continued...

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ALSO

LOTS 36, 37, AND 38 (EXCEPT THOSE PARTS OF LOTS 37 AND 38 CONVEYED TO THE NORTHWESTERN ELEVATED RAILROAD COMPANY FOR RIGHT OF WAY PURPOSES, ALSO EXCEPT THE SOUTH 5 FEET OF LOT 36 AND THE SOUTH 5 FEET OF THAT PART OF LOT 37 LYING OUTSIDE THE RIGHT OF WAY OF SAID ELEVATED RAILROAD) IN SCOTT'S SUBDIVISION OF THE WEST HALF OF THE WEST HALF OF BLOCK 1 IN SHEFFIELD'S ADDITION TO CHICAGO IN THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 33, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS;

ALSO

PART OF N. BURLING STREET VACATED BY ORDINANCE PASSED BY THE CITY COUNCIL ON MAY 13, 1987 AND RECORDED SEPTEMBER 17, 1987 AS DOCUMENT 87509623, DESCRIBED AS FOLLOWS: ALL THAT PART OF THE N. BURLING STREET LYING WEST OF THE WEST LINE OF LOT 33 IN SUBDIVISION OF LOTS 9 TO 18 AND THE WEST HALF OF LOT 19 AND ALL OF LOTS 20 TO 22 IN BLOCK 1 OF SHEFFIELD'S ADDITION IN THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 33, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN AND LYING EAST OF THE EAST LINE OF LOT 36 IN SCOTT'S SUBDIVISION OF THE WEST HALF OF THE WEST HALF OF BLOCK 1 OF SHEFFIELD'S ADDITION OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 33, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN AND LYING SOUTH OF A LINE OF 106.50 FEET NORTH OF AND PARALLEL TO A LINE DRAWN FROM THE SOUTHWEST CORNER OF LOT 33 IN SUBDIVISION OF LOTS 9 TO 18 AFOREMENTIONED, TO THE SOUTHEAST CORNER OF LOT 36 IN SCOTT'S SUBDIVISION AFOREMENTIONED AND LYING NORTH OF A LINE 5.00 FEET NORTH OF AND PARALLEL TO A LINE DRAWN FROM THE SOUTHWEST CORNER OF LOT 33 IN SCOTT'S SUBDIVISION OF LOTS 9 TO 18 AFOREMENTIONED TO THE SOUTHEAST CORNER OF LOT 36 IN SCOTT'S SUBDIVISION AFOREMENTIONED SAID PART OF PUBLIC STREET HEREIN VACATED BEING FURTHER DESCRIBED AS THE NORTH 101.50 FEET OF THE SOUTH 106.50 FEET OF N. BURLING STREET LYING BETWEEN THE SOUTH LINE OF W. CONCORD PLACE AND THE NORTH LINE OF W. NORTH AVENUE.

PARCEL 5:

LOTS 60 TO 67, BOTH INCLUSIVE; THE EAST 27 FEET OF LOT 68; AND LOTS 73 TO 75, BOTH INCLUSIVE, IN WILLIS M. HITT'S SUBDIVISION OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 17 AND PART OF THE SOUTHEAST QUARTER OF SECTION 18, TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.***

PERMANENT REAL ESTATE INDEX NUMBERS:

16-11-312-038-0000; 16-11-312-040-0000; 16-11-312-039-0000; 14-33-313-069-0000; 14-33-313-070-0000; 14-33-314-062-0000; 14-33-314-063-0000; 14-33-314-064-0000; 14-33-314-065-0000; 14-33-314-066-0000; 14-33-314-067-0000; 14-33-314-068-0000; 14-33-314-069-0000; 14-33-314-070-0000; 25-17-308-011-0000; 25-17-308-012-0000; 25-17-308-013-0000; 25-17-308-014-0000; 25-17-308-015-0000; 25-17-308-010-0000; 25-17-308-009-0000; 25-17-308-008-0000; 25-17-308-018-0000; 25-17-308-003-0000; 25-17-308-004-0000; 25-17-308-005-0000

COMMON ADDRESSES:

Parcels 1, 2 and 3:	3811 AND 3833 W. WASHINGTON BOULEVARD, CHICAGO, ILLINOIS 60624;
Parcel 4:	1600 N. ORCHARD STREET, CHICAGO, ILLINOIS 60614;
Parcel 5:	10860 S. VINCENNES AVENUE, CHICAGO, ILLINOIS 60643