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THIS INSTRUMENT
PREPARED BY AND AFTER
RECORDING MAIL TO:

Greiman, Rome & Griesmeyer, LLC
205 W. Randolph Street
Suite 2300
Chicago, Illinois 60606
Attn.: Steven R. Rappin

41075307 (8 OF 11)



Doc# 2406619023 Fee \$88.00
ILRHSP FEE:\$18.00 RPRF FEE:\$1.00
KAREN A. YARBROUGH
COOK COUNTY CLERK'S OFFICE
DATE: 3/6/2024 11:48 AM
PAGE: 1 OF 10

Property of Cook County Clerk's Office

SUBORDINATION AGREEMENT

THIS SUBORDINATION AGREEMENT ("**Agreement**") is executed as of February 29, 2024, by **ARC CHICAGO, LLC**, a Delaware limited liability company ("**Junior Mortgagee**"), and **GRANVILLE APARTMENTS LLC**, an Illinois limited liability company ("**Mortgagor**"), for the benefit of **COMMUNITY INVESTMENT CORPORATION**, an Illinois not-for-profit corporation, its successors and assigns ("**Senior Mortgagee**").

WITNESSETH:

A. The Senior Mortgagee has made or is making (i) a loan (the "Senior Loan") to the Mortgagor in the original principal amount of THREE MILLION AND 00/100 DOLLARS (\$3,000,000.00), and (ii) a loan (the "Subordinate Loan") to the Mortgagor in the original principal amount of FOUR MILLION AND 00/100 DOLLARS (\$4,000,000.00). The Senior Loan is or will be secured by a Mortgage and Security Agreement with Collateral Assignment of Leases and Rents (the "Senior Mortgage") on the property commonly known as 6230 N. Kenmore Avenue, Chicago, Illinois 60660 (the "Premises"); and the Subordinate Loan is or will be secured by a Third Mortgage and Security Agreement with Collateral Assignment of Leases and Rents on the Premises (the "Subordinate Mortgage"). The Premises is more fully described in Exhibit A attached hereto. The Borrower's obligation to repay the Senior Loan is evidenced by a Ten Year Fixed Rate Loan Note dated of even date herewith (the "Senior Loan Note"). The Borrower's obligation to repay the Subordinate Loan is evidenced by a Fixed Rate Loan Note dated of even date herewith (the "Subordinate Loan Note"). The Senior Mortgage, Senior Loan Note, together with any and all instruments and documents executed in connection with the Senior Loan are herein referred to collectively as the "Senior Loan Documents". The Subordinate Mortgage, Subordinate Loan Note, together with any and all instruments and

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documents executed in connection with the Subordinate Loan are herein referred to collectively as the "Subordinate Loan Documents".

B. The Junior Mortgagee has agreed to purchase the Subordinate Loan from Senior Mortgagee pursuant to a Loan Purchase Agreement of even date herewith.

C. The Junior Mortgagee has agreed to subordinate the Subordinate Loan and the Subordinate Loan Documents to the payment of the Senior Loan and the lien and security interests created by the Senior Mortgage and the other Senior Loan Documents, subject to all of the conditions contained in this Agreement.

NOW THEREFORE, in consideration of Senior Mortgagee's making the Senior Loan, Junior Mortgagee and Mortgagor do hereby covenant and agree with Senior Mortgagee as follows:

1. The Junior Lien and any and all of the terms, modifications, amendments, renewals, additions, consolidations and extensions of the foregoing Junior Lien shall be subject and subordinate to all liens and security interests created under the Senior Loan Documents for all sums which may be advanced, payable (including, without limitation, fixed, additional and contingent interest and prepayment premiums of all kinds) or secured thereunder (including without limitation, sums advanced to protect, perfect, preserve or defend such liens or security interests), without notice to the holder of the Junior Lien and to any and all modifications, amendments, renewals, additions, consolidations, extensions and replacements of any of the Senior Loan Documents.

2. Notwithstanding anything to the contrary contained in the Junior Lien:

(a) If any action or proceeding shall be brought to foreclose the Junior Lien, no tenant of any portion of the Premises, no manager of the Premises will be named as a party, defendant in any such foreclosure action or proceeding, nor will any other action be taken with respect to any tenant of any portion of the Premises, or with respect to any such manager, the effect of which would be to terminate or create any lease of any portion of the Premises, or any such management agreement, without the consent of the holder of the outstanding Senior Loan Documents.

(b) If any action or proceeding shall be brought to foreclose the Junior Lien, no portion of the rents, issues and profits of the Premises shall be collected except through a receiver appointed by the court in which such foreclosure action or proceeding is brought, after due notice of the application for the appointment of such receiver shall have been given to

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the holder of the outstanding Senior Loan Documents, and if the Senior Loan Documents are also being foreclosed, then by a receiver chosen by the holder of the Senior Loan Documents; and that the rents, issues and profits so collected by such receiver shall be applied first to the payment of maintenance and operating charges and disbursements incurred in connection with the operation and maintenance of the Premises, and then to the payment of the indebtedness due and owing on, or to become due and owing on, the Senior Loan Documents; and, if during the pendency of any such foreclosure action or proceeding, an action or proceeding shall be brought by the holder of the Senior Loan Documents for the foreclosure of such Senior Loan Documents and an application is made for an extension of such receivership for the benefit of the holder of such receivers on the date of such application shall be applied by the receiver solely for the benefit of the holder of such Senior Loan Documents and the holder of the Junior Lien shall not be entitled to any portion thereof.

(c) If a notice of default or any action or proceeding shall be brought to foreclose the Junior Lien, due notice of such notice of default or of the commencement of such action or proceeding will be given to the holder of the outstanding Senior Loan Documents and true copies of all such notices and all papers served or entered in any such action or proceeding will be served upon the holder of such Senior Loan Documents.

(d) In the event the holder of the Senior Loan Documents shall release, for the purposes of restoration of all or any part of the Premises, its right, title and interest in and to the proceeds under policies of insurance thereon, and/or in and to any awards, or in and to other compensation made for any damages, losses or compensation for other rights by reason of a taking in eminent domain, the holder of the Junior Lien shall likewise for such purpose release all of its rights, title and interest, if any, in and to such insurance proceeds or awards.

(e) Any assignment of rents or leases contained in the Junior Lien, or in any collateral assignment thereof if separate therefrom, shall be in all respects subject and subordinate to the Senior Loan Documents and any collateral assignment of such rents or leases if separate therefrom.

(f) The holder of the Junior Lien shall not acquire, by subrogation or otherwise, any lien, estate, right or other interest in the Premises which is or may be prior in right or pari passu to the Senior Loan Documents, including, without limitation, advances for real estate taxes and assessments or advances to cure any default under the Senior Loan Documents.

(g) If there is proposed any amendment, modifications, consolidation, extension or alteration of the Junior Lien or the terms of

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the Junior Lien, then, prior to making any such amendment, modification, consolidation, extension or modification, Mortgagor and Junior Mortgagee shall first obtain the consent of the holder of the Senior Loan Documents and further shall be required to (i) have any guarantor of the Senior Loan consent to same and (ii) provide evidence satisfactory to the holder of the Senior Loan Documents that foreclosure of the Junior Lien will not terminate or constitute a default under any lease or management agreement.

(h) All provisions of the Junior Lien relating to the rights of the holder of the Junior Lien to receive insurance proceeds and condemnation awards or to have such insurance proceeds and condemnation awards assigned to such holder, or to determine the application or use of such insurance proceeds and condemnation awards (whether to restoration, costs or as and to the extent provided in the Senior Loan Documents, the sums secured by such Senior Loan Documents) shall have no force or effect until satisfaction and discharge of all obligations under the Senior Loan Documents and release of the security interests set forth therein.

(i) In no event shall be the provisions of the Junior Lien prohibit or restrict Mortgagor from executing, acknowledging and delivering all and every such further acts, deeds, conveyances and instruments that Mortgagor is obligated to deliver under the Senior Loan Documents.

(j) The holder of the Junior Lien shall send true copies of all default or acceleration notices, or of notices of the commencement of any action or proceeding under the Junior Lien, and of all papers served or entered in any such action or proceeding, to the holder of the Senior Loan Documents in the manner for notices specified herein, contemporaneously with sending or serving the same to or on Mortgagor, or entering the same in such action or proceeding.

(k) If a default shall occur beyond applicable grace periods under the Junior Lien, the holder of the Junior Lien shall not accelerate the debt secured by the Junior Lien without notifying the holder of the Senior Loan Documents of such fact and giving the latter at least ten (10) days to cure the specified default (and shall accept any cure of the default tendered by or on behalf of the holder of such Senior Loan Documents).

(l) Within twenty (20) days after request from the holder of the Senior Loan Documents, the holder of the Junior Lien shall execute and deliver to the former an estoppel certificate stating (i) the outstanding principal balance of the Junior Lien and any accrued but unpaid interest thereon, (ii) the date to which interest and principal has been paid, (iii) that the Junior Lien thereby secured have not been

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modified or amended, and (iv) whether a notice of default has been sent under the Junior Lien, which default remains uncured.

(m) In no event shall the provisions of the Junior Lien prohibit or restrict Mortgagor from executing, acknowledging and delivering any lease of the Premises.

3. To further evidence the subordinations referred to in (a) through (m) above, Junior Mortgagee agrees that, within twenty (20) days after request by the holder of the Senior Loan Documents (which requests may be made from time to time, including, such times as future advances may be made to the Mortgagor by Senior Mortgagee) it will do, execute, acknowledge and deliver any and all such further acts, deeds, conveyances and instruments, or reaffirmations of this subordination, as the holder of such Senior Loan Documents may reasonably request for the better assuring and evidencing of the foregoing subordinations.

4. If a default shall occur beyond applicable grace periods under the Junior Lien, it shall be an event of default of the Senior Loan Documents.

5. Mortgagor agrees to pay Senior Mortgagee all of its costs in connection with this Subordination, including but not limited to Senior Mortgagee's attorneys' fees incurred to draft this Subordination and advise Senior Mortgagee.

6. All of the foregoing subordination provisions and other agreements in this Agreement are for the express benefit of Senior Mortgagee and any future holder of the Senior Loan Documents.

7. In the event of any conflict between the provisions of this Agreement and any other provisions of the Subordinate Loan Documents, the provisions of this Agreement shall take priority and shall control and apply.

8. This Agreement constitutes a continuing subordination until the Senior Loan, and any expenses and disbursements incurred by Senior Mortgagee pursuant to the Senior Mortgage, shall have been repaid in full.

9. No waiver by the Senior Mortgagee of any right hereunder or under the Senior Loan or the Senior Mortgage or any other agreement between the Mortgagor and the Senior Mortgagee shall affect or impair any of the other rights of the Senior Mortgagee hereunder. A waiver by the Senior Mortgagee of any right hereunder shall be limited to the specific right and specific instance and shall not waive such right to the

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Senior Mortgagee with respect to another or a different occurrence of the event or another event in respect of which the waiver was given.

10. This Agreement shall be interpreted and enforced in accordance with the laws of the State of Illinois. The invalidity or unenforceability of any provision hereof shall not affect, modify, or impair the validity and enforceability of all other provisions hereof. This Agreement shall be binding on and shall inure to the benefit of the parties hereto and their representatives, heirs, legatees, successors and assigns.

11. Any notice required or desired to be given hereunder shall be delivered personally, or by United States mail (registered or certified, postage prepaid, with return receipt requested), or by delivery service. Notices to the Mortgagor shall be addressed as follows:

Notices to the Senior Mortgagee shall be addressed as follows:

Community Investment Corporation
222 S. Riverside Plaza, Suite 380
Chicago, Illinois 60606
Attn: John Crane

Notices to the Junior Mortgagee shall be addressed as follows:

ARC CHICAGO, LLC
140 S. Dearborn Street
Chicago, IL 60603-5285

A notice delivered by United States mail is given on the date placed in the United States mail for delivery.

12. The parties agree that a facsimile of this Agreement bearing the facsimile signature of the parties hereto, shall be deemed to be of the same force and effect as an original of a manually signed counterpart of this Agreement.

[Signature Page Follows]

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IN WITNESS WHEREOF, Junior Mortgagee, Senior Mortgagee, and Mortgagor have caused this Agreement to be executed as of the day and year first above written.

SENIOR MORTGAGEE:

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

By: _____

Name: John Crane

Title: Senior Vice President

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

The foregoing instrument was acknowledged before me on February 9, 2024 by John Crane, the Senior Vice President of Community Investment Corporation, an Illinois not-for-profit corporation, for the uses and purposes therein set forth.

Sonya A. Saddler
Notary Public



My commission expires: 10/28/2025

[Signature Page Continues on Next Page]

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JUNIOR MORTGAGEE:

ARC CHICAGO, LLC, a Delaware limited liability company

By: _____

Name: Joshua J. Mintz

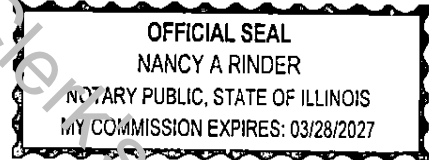
Title: Manager

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that Joshua J. Mintz, who is personally known to me to be the Manager of ARC CHICAGO, LLC, a Delaware limited liability company, 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 he signed and delivered the said instrument as his own free and voluntary act, and as the free and voluntary act of said Junior Mortgagee for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 27th day of February, ~~2023~~, 2024.

Nancy A. Rinder
NOTARY PUBLIC



(SEAL)

[Signature Page Continues on Next Page]

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BORROWER:

GRANVILLE APARTMENTS LLC, an Illinois limited liability company

By: **GRANVILLE MGR LLC**, a Delaware limited liability company
Its: Manager & Member

By: **EXEMPLAR CAPITAL LLC**, an Illinois limited liability company
Its: Manager

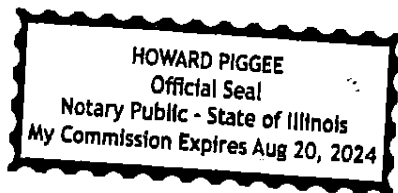
By: *Charles Young*
Name: Charles Young
Its: Manager

STATE OF ILLINOIS)
) SS:
COUNTY OF COOK)

I, *Howard Piggee*, Notary Public of the County and State aforesaid, certify that Charles Young, known to me to be the Manager of Exemplar Capital LLC, an Illinois limited liability company, known to me to be the Manager of Granville MGR LLC, a Delaware limited liability company, known to me to be the Manager and Member of Granville Apartments LLC, an Illinois limited liability company, and personally known to me to be the same person whose name is subscribed on the foregoing instrument, appeared before me this day in person and severally acknowledged that he signed and delivered said instrument as his free and voluntary act of said company, for the uses and purposes therein set forth.

GIVEN under my hand and official stamp or seal, this *29* day of *FEBRUARY*, 2024.

Howard Piggee
Notary Public



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EXHIBIT A LEGAL DESCRIPTION

LOTS 5 AND 6 IN BLOCK 6 IN COCHRAN'S SECOND ADDITION TO EDGEWATER, BEING A SUBDIVISION OF THE EAST FRACTIONAL 1/2 OF SECTION 5, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 21, 1888 AS DOCUMENT 1042704, IN COOK COUNTY, ILLINOIS.

PROPERTY COMMONLY KNOWN AS: 6230 N. Kenmore Avenue, Chicago, Illinois 60660

PERMANENT INDEX NUMBER(S):14-05-205-013-0000

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