

Document Number

AGREEMENT TO SUBORDINATE
TO RAD USE AGREEMENT
CITY OF KAUKAUNA LOAN
Document Title

Recording Area

Prepared by and after recording return to:
Paul Dombrowski
Husch Blackwell LLP
33 East Main Street
Suite 300
Madison, WI 53703

See Exhibit A

Parcel Identification Number (PIN)

**AGREEMENT TO SUBORDINATE
TO RENTAL ASSISTANCE DEMONSTRATION USE AGREEMENT**

**Statesburg Apartments (f/k/a Golden Venture Apartments)
CITY OF KAUKAUNA LOAN**

This Agreement to Subordinate to Rental Assistance Demonstration Use Agreement (this “**Subordination**”) is entered into as of this ____ day of _____, 20 __, by the **City of Kaukauna** (the “**Lender**”) and **Kaukauna RAD, LLC**, a Wisconsin limited liability company (the “**Project Owner**”), collectively the “**Parties**.”

WHEREAS, the Parties executed that certain Loan Agreement, and Project Owner has executed that certain Leasehold Mortgage in favor of Lender and that certain Assignment of Leases and Rents in favor of Lender (“**Subordinate Documents**”) dated and recorded as of substantially even date herewith; and

WHEREAS, HUD has authorized the conversion of the Statesburg Apartments (f/k/a the Golden Venture Apartments) (the “**Project**”) located upon the real property described on Exhibit “A” attached hereto, from public housing to Section 8 assistance under the Rental Assistance Demonstration (“**RAD**”) program, pursuant to Public Law 112-55; and

WHEREAS, as a condition of the RAD conversion, the Owner executed a Rental Assistance Demonstration Use Agreement dated and recorded as of substantially even date herewith (the “**RAD Use Agreement**”) for the benefit of HUD; and

WHEREAS, HUD requires as a condition of the RAD conversion that the Parties agree to subordinate the Subordinate Documents to the RAD Use Agreement;

NOW THEREFORE, let it be known to all interested parties, that for good and valuable consideration, the receipt of which is hereby acknowledged, the undersigned do hereby agree:

1. So long as the RAD Use Agreement, and all extensions thereto, be in effect, the Subordinate Documents shall in all respects be subordinate.
2. This Subordination extends to and continues in effect with respect to any future amendment, extension, renewal, or any other modification of the RAD Use Agreement or the Subordinate Documents.
3. In the event of conflict between/among the Subordinate Documents and the RAD Use Agreement, the RAD Use Agreement controls.
4. The following amendments to the Subordinate Documents require the prior written consent of HUD: Any amendment to any HUD-required provisions in the Subordinate Documents, an increase in the interest rate, an increase of the total indebtedness, an acceleration of the amortization or payment schedule, and any

changes that would preclude or impair a reasonable opportunity to cure any defaults by the Project Owner under the Subordinate Documents.

5. This Subordination will survive bankruptcy and foreclosure.
6. This Subordination may be signed in counterparts.
7. The invalidity, in whole or in part, of any of the provisions set forth in this Subordination, shall not affect or invalidate any remaining provisions.
8. This Subordination and every covenant hereof shall be binding upon the Parties and their respective successors and assigns. This Subordination shall not be modified or amended except by a written instrument executed by all parties hereto and approved in writing by HUD.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, the undersigned Parties have each duly executed this Agreement to Subordinate to the Rental Assistance Demonstration Use Agreement as of the date first above written.

LENDER:

CITY OF KAUKAUNA

By: _____
Anthony J. Penterman, Mayor

Attest: _____
Sally A. Kenney, City Clerk

STATE OF WISCONSIN)
)ss.
COUNTY OF OUTAGAMIE)

On this _____ day of _____, 20____ before me, the undersigned Notary Public in and for the aforesaid County and State, personally appeared Anthony J. Penterman and Sally A. Kenney, in their capacities as Mayor and City Clerk of the City of Kaukauna, respectively, and being duly sworn, acknowledged the execution of the foregoing instrument.

Notary Public
Print Name: _____
Commission expires _____

[SEAL]

PROJECT OWNER:

KAUKAUNA RAD, LLC

BY KAUKAUNA RAD MM, LLC,
Managing Member

BY COMMONWEALTH HOLDINGS II, LLC,
Managing Member

BY _____
Kristi Morgan, Manager

STATE OF WISCONSIN)
) ss.
_____ COUNTY)

This instrument was acknowledged before me on this ____ day of _____, 202____, by Kristi Morgan, the manager of Commonwealth Holdings II, LLC, the managing member of Kaukauna RAD MM, LLC, the managing member of Kaukauna RAD, LLC.

(Notary Seal)

Name: _____
Notary Public, State of Wisconsin
My commission (is permanent)
expires _____

EXHIBIT A

Legal Description

PART OF GOVERNMENT LOTS SEVEN (7) AND EIGHT (8), SECTION TWENTY-TWO (22), TOWNSHIP TWENTY-ONE (21) NORTH, RANGE EIGHTEEN (18) EAST AND PART OF LOTS SEVEN (7) AND EIGHT (8), BLOCK THREE (3) AND LOT SEVEN (7), BLOCK FOUR (4), ALL ACCORDING TO THE RECORDED PLAT OF BARNARD JACOB'S ADDITION TO SOUTH KAUKAUNA AND THAT PART OF VACATED STREET AND ALLEY LYING ADJACENT THERETO, ALL IN THE CITY OF KAUKAUNA, OUTAGAMIE COUNTY, WISCONSIN, DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER OF THE REPLAT OF BLOCK 6, BLACKWELL BROS. ADDITION TO THE CITY OF KAUKAUNA, WISCONSIN, SAID POINT BEING ON THE EAST LINE OF GOVERNMENT LOT 8; THENCE SOUTH 89° 51' WEST ALONG THE SOUTH LINE OF SAID REPLAT OF BLOCK 6, 275.18 FEET; THENCE NORTH 00° 17' WEST ALONG THE WEST LINE OF LOT 3 OF THE REPLAT OF BLOCK 6, 2.92 FEET; THENCE SOUTH 61° 38' WEST ALONG THE SOUTHERLY LINE OF LOT 2 OF THE REPLAT OF BLOCK 6, 18.63 FEET; THENCE SOUTH 18° 20' EAST, 471.47 FEET; THENCE ALONG THE ARC OF A 31° 30' CURVE (ARC DEFINITION) TO THE LEFT, 105.56 FEET, THE LONG CHORD OF WHICH BEARS NORTH 56° 02' EAST, 104.42 FEET; THENCE NORTH 39° 50' EAST, 97.14 FEET TO A POINT ON THE EAST LINE OF GOVERNMENT LOT 8, BEING THE WEST LINE OF LOT 7; THENCE CONTINUING NORTH 39° 50' EAST, 120.42 FEET TO THE POINT OF CURVE; THENCE ALONG THE ARC OF A 23° 26' CURVE (ARC DEFINITION) TO THE RIGHT 45.28 FEET, THE LONG CHORD OF WHICH BEARS NORTH 45° 19' EAST, 45.25 FEET; THENCE NORTH 00° 19' EAST ALONG THE EAST LINE OF LOT 8, BLOCK THREE (3), BERNARD JACOBS ADDITION TO THE CITY OF KAUKAUNA AND ITS NORTHERLY EXTENSION, 196.42 FEET; THENCE SOUTH 89° 51' WEST, 6.00 FEET; THENCE NORTH 00° 09' WEST, ALONG A LINE PARALLEL TO AND 6 FEET WEST OF THE EAST LINE OF LOT 7, BLOCK 3 OF SAID BERNARD JACOBS ADDITION, 130.00 FEET; THENCE SOUTH 89° 51' WEST, 109.92 FEET, TO THE NORTHEAST CORNER OF THE REPLAT OF THE SAID BLOCK 6; THENCE SOUTH 00° 09' EAST ALONG THE EAST LINE OF SAID REPLAT OF BLOCK 6, BEING THE EAST LINE OF GOVERNMENT LOT 8 AND THE WEST LINE OF GOVERNMENT LOT 7, 130.00 FEET TO THE PLACE OF BEGINNING.

AND

PART OF LOT NINE (9), BLOCK THREE (3), AND PART OF VACATED 11TH STREET, ALL IN BARNARD JACOB'S ADDITION TO SOUTH KAUKAUNA, CITY OF KAUKAUNA, OUTAGAMIE COUNTY, WISCONSIN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE WEST LINE OF MAIN AVENUE WITH THE CENTERLINE OF THE VACATED ALLEY IN SAID BLOCK 3; THENCE NORTH 89° 43' 56" WEST, 267.00 FEET ALONG SAID CENTERLINE TO A POINT; THENCE SOUTH 00° 09' 47" WEST, 147.46 FEET TO THE NORTH LINE OF RELOCATED 11TH STREET; THENCE SOUTHWESTERLY ALONG THE ARC OF A 244.53 FOOT RADIUS CURVE OF SAID NORTH LINE HAVING A CHORD WHICH BEARS SOUTH 62° 49' 35" WEST AND IS 97.94 FEET IN LENGTH TO THE SOUTHERLY EXTENSION OF THE WEST LINE OF SAID LOT 9, BEING THE POINT OF BEGINNING; THENCE NORTH 00° 09' 47" EAST, 124.59 FEET ALONG SAID EXTENSION OF SAID WEST LINE AND THE NORTHERLY EXTENSION OF SAID WEST LINE OF LOT 9 TO A POINT; THENCE SOUTH 89° 43' 56" EAST, 18.00 FEET TO A POINT; THENCE SOUTH 00° 09' 47" WEST PARALLEL TO THE WEST LINE OF SAID LOT 9 TO A POINT ON THE NORTH LINE OF RELOCATED 11TH STREET; THENCE SOUTHWESTERLY ALONG THE ARC OF A CURVE OF SAID NORTH LINE TO THE POINT OF BEGINNING.

TAX PARCEL NO. 323025600 AND 323072600 AND 323025700 AND 323026001

AND

LOT THREE (3), BLOCK SIX (6), ACCORDING TO THE RECORDED REPLAT OF BLOCK 6 BLACKWELL BROS. ADDITION IN THE CITY OF KAUKAUNA, OUTAGAMIE COUNTY, WISCONSIN.

FOR INFORMATIONAL PURPOSES ONLY:

PROPERTY ADDRESS: 215 W. TENTH STREET, KAUKAUNA, WI 54130

PARCEL NO. 323008300

LOT FOUR (4), BLOCK SIX (6), ACCORDING TO THE RECORDED REPLAT OF BLOCK 6 BLACKWELL BROS. ADDITION, IN THE CITY OF KAUKAUNA, OUTAGAMIE COUNTY, WISCONSIN.

FOR INFORMATIONAL PURPOSES ONLY:

PROPERTY ADDRESS: 211 W. TENTH STREET, KAUKAUNA, WI 54130

PARCEL NO. 323008400

AND

ALL OF LOTS TWO (2), THREE (3), FOUR (4), FIVE (5), SIX (6), SEVEN (7), EIGHT (8), NINE (9), TEN (10), ELEVEN (11), AND TWELVE (12), BLOCK FOUR (4), OF BARNARD JACOBS ADDITION, LYING SOUTH OF THE PRESENT WEST ELEVENTH STREET AS DEDICATED IN RESOLUTION NO. 1828 ADOPTED FEBRUARY 17, 1970, ALL BEING IN THE CITY OF KAUKAUNA, OUTAGAMIE COUNTY, WISCONSIN; INCLUDING THE NORTH 1/2 OF THAT PORTION OF VACATED 12TH STREET LYING SOUTH OF SAID LOTS 8 THROUGH 12; THE EAST 1/2 OF THAT PORTION OF VACATED HENDRICKS AVENUE LYING WEST OF SAID LOT 8 AND SOUTH OF WEST 11TH STREET; THE SOUTH 1/2 OF THAT PORTION OF THE VACATED ALLEY LYING NORTH OF THAT PORTION OF THE VACATED ALLEY LYING SOUTH OF WEST 11TH STREET AND SOUTH OF SAID LOTS 2 THROUGH 7.

TAX PARCEL NO. 323026000