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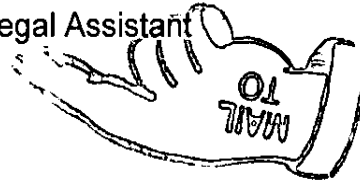
4.33/0033 47 002 Page 1 of 8
2000-10-17 15:39:21
Cook County Recorder 35.50



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**COOK COUNTY
RECORDER
EUGENE "GENE" MOORE
BRIDGEVIEW OFFICE**

Prepared by, recording requested
by and after recording
please return to: Michaels Stores, Inc.
9000 Bent Branch Drive
Irving, TX 75063
Attn: Meredith DeLeon, Legal Assistant
Phone: 972/409-1742
Real Estate Legal Dept.



NON-DISTURBANCE, ATTORNMENT AND SUBORDINATION AGREEMENT

Store #: 2037
Landlord: Opus North Corporation
Lender: American National Bank and Trust Company Chicago
Tenant: Michaels Stores, Inc.
PIN #: 0422202005
Address of property: Willow Creek Center
2231 Willow Road
Glenview, IL 60025-7636

8/8

Prepared By, Recording Requested
By, and When Recorded Return to:
Michaels Stores, Inc.
8000 Bent Branch Drive
Irving, Texas 75063
Attn: Meredith DeLeon, Legal Assistant

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2037

**NON-DISTURBANCE, ATTORNMENT,
AND SUBORDINATION AGREEMENT**

THIS NON-DISTURBANCE, ATTORNMENT, AND SUBORDINATION AGREEMENT dated as of Nov 24, 1999 1999 by and among AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association (the "Mortgagee" or "American"), MICHAELS STORES, INC., a Delaware corporation (the "Lessee"), and OPUS NORTH CORPORATION, an Illinois corporation (the "Lessor").

WITNESSETH:

WHEREAS, the Mortgagee is the owner and holder of that certain Construction Loan Mortgage Note dated as of 8/7/98, in the principal sum of \$ 23,100,000.00, secured by, among other things, a Construction Loan Mortgage and Security Agreement (the "Mortgage"), which constitutes a lien on that certain real property more particularly described in Exhibit A attached hereto (the "Property"), and

WHEREAS, the Lessee is the holder of a leasehold estate covering a portion of the Property (the "Premises") pursuant to the terms of that certain lease dated November 18, 1999, and executed by the Lessee and the Lessor (the "Lease"), a true and correct copy of which Lease has been delivered to the Mortgagee; and

WHEREAS, the Lessee, the Lessor and the Mortgagee desire to confirm their understanding with respect to the Lease and the Mortgage.

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

1. So long as the Lessee is not in default (beyond any applicable cure period) in the payment of rent or in the performance of any of the terms, covenants or conditions hereof or of the Lease on the Lessee's part to be performed, the Lessee's possession and occupancy of the Premises shall not be interfered with or disturbed by the Mortgagee during the term of the Lease or any extension thereof duly exercised by the Lessee.

2. If the interests of any prior lessor under the Lease (including the Lessor) shall be transferred to and/or owned by the Mortgagee by reason of judicial foreclosure, power-of-sale foreclosure or other proceedings brought by it, or deed in lieu of such foreclosure proceedings, or by any other manner, including but not limited to the Mortgagee's exercise of its rights under any assignment of rents and leases, and the Mortgagee succeeds to the interest of such lessor under the Lease, the Lessee shall be bound to the Mortgagee under all of the terms, covenants and conditions of the Lease for the balance of the remaining term thereof and any extension thereof duly exercised by the Lessee, with the same force and effect as if the Mortgagee were the lessor under the Lease, and the Lessee does hereby attorn to the Mortgagee as its lessor, said attornment to be effective and self-operative without the execution of any further instruments

on the part of any of the parties hereto immediately upon the Mortgagee's succeeding to the interest of the lessor under the Lease, provided, however, that the Lessee shall be under no obligation to pay rent to the Mortgagee until the Lessee receives written notice from the Mortgagee that it has succeeded to the interest of the lessor under the Lease or that it has terminated the license granted to the Lessor to collect rents as provided in the Mortgage or any assignment of rents and leases, and, in such event, Lessor releases Lessee from any liability for any payments so made. The respective rights and obligations of the Lessee and the Mortgagee upon such attornment, to the extent of the then remaining balance of the term of the Lease and any such extension, shall be and are the same as now set forth therein, it being the intention of the parties hereto for this purpose to incorporate the Lease in this Agreement by reference with the same force and effect as if set forth at length herein.

3. If the Mortgagee shall succeed to the interest of any prior lessor under the Lease (including the Lessor), the Mortgagee shall, subject to the last sentence of this paragraph 3, be bound to the Lessee under all of the terms, covenants and conditions of the Lease; provided, however, that the Mortgagee shall not be:

(a) Liable for any act or omissions of any prior lessor (including the Lessor); provided, however, that the Mortgagee shall be liable for failure to cure any underlying condition giving rise to the foregoing to the extent the same persists after the Mortgagee succeeds to the interest of any prior lessor; or

(b) Subject to any offsets or defenses which the Lessee might have against any prior lessor (including the Lessor); provided, however, that the Mortgagee shall be liable for failure to cure any underlying condition giving rise to the foregoing to the extent the same persists after the Mortgagee succeeds to the interest of any prior lessor; or

(c) Bound by any rent or additional rent, or advance rent which the Lessee might have paid for more than thirty (30) days in advance to any prior lessor (including the Lessor) and all such rent shall remain due and owing notwithstanding such advance payment unless forwarded to Mortgagee by such lessor; provided, however, Lessee's estimated payments towards its share of Common Area Charges, insurance, Real Estate Taxes or otherwise shall not be deemed "paid in advance" when paid in accordance with the terms of the Lease, and such estimated payments shall be credited to Tenant's account and recognized by Mortgagee the same as if such estimated payments had actually been paid to Mortgagee; or

(d) Bound by any material amendment or modification of the Lease (except termination of Lease in accordance with the terms and conditions of the Lease) made without its consent and written approval, not to be unreasonably withheld if such amendment or modification (i) reduces the amount of rent payable under the Lease, or (ii) shortens the term of the Lease; or

(e) Be required to complete any construction of or in the Premises or otherwise perform the obligations of the Lessor under the Lease, in the event the Mortgagee succeeds to the interest of any prior lessor (including the Lessor) prior to full completion of such construction of or in the Premises; provided that the foregoing shall not limit any rights or remedies that the Lessee may have against the Mortgagee in its capacity as successor to the Lessor in the event that the Mortgagee in fact elects not to complete such construction or perform such obligations.

Neither American nor any other party who, from time to time, shall be included in the definition of the term "Mortgagee" hereunder shall have any liability or responsibility under or pursuant to the terms of this Agreement after it ceases to own a fee interest in or to the Property.

4. In the event the Lessor shall fail to perform or observe any of the terms, conditions or agreements in the Lease, the Lessee shall give written notice thereof to the Mortgagee and the Mortgagee shall have the right (but not the obligation) to cure such failure, and the Lessee shall not take any action with

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* Provided, however, This Section 4 shall not prevent Tenant from exercising its immediate self-help or offset rights in connection with those events of an emergency nature as provided in the lease. respect to such failure under the Lease, including without limitation any action in order to terminate, rescind or avoid the Lease or to withhold any rent thereunder, for a period of 30 days after receipt of such written notice by the Mortgagee, provided, however, that in the case of any default which with diligence cannot reasonably be cured within said 30-day period, if the Mortgagee shall promptly commence corrective action to cure such failure and thereafter prosecute the curing of such failure with diligence and continuity, the time within which such failure may be cured shall be extended for such period as may be necessary to complete the curing of such failure with diligence and continuity, such time not to exceed 90 days.

5. This Agreement may not be modified orally or in any other manner than by an agreement in writing signed by the parties hereto and their respective successors in interest. This Agreement shall inure to the benefit of and be binding upon the parties hereto, their successors and assigns.

6. This Agreement may be executed in several counterparts, and all so executed shall constitute one agreement, binding on all parties hereto, notwithstanding that all parties are not signatories to the original or the same counterpart.

7. All notices or other communications required or permitted to be given pursuant to the provisions hereof shall be in writing and shall be considered properly given if mailed by first class United States mail, postage prepaid, registered or certified with return receipt requested. Notice so mailed shall be effective on the third day after deposit in the mails. For purposes of notice, the addresses of the parties shall be:

Mortgagee: American National Bank and Trust Company of Chicago
33 North LaSalle Street
Chicago, Illinois 60690

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Attention: ~~Marcus K. Babladelis~~ Michael Melind
Commercial Real Estate

Lessor: Opus North Corporation
9700 Higgins Road
Suite 900
Rosemont, Illinois 60018

Attention: J. Randall Tieman

with a copy to:

Opus, L.L.C.
Legal Department
10350 Bryn Road West
Minnetonka, Minnesota 55343
Attention: Dan F. Nicol

and a copy to:

Burke, Warren, MacKay & Serritella, P.C.
22nd Floor IBM Plaza
330 North Wabash Avenue
Chicago, Illinois 60611
Attention: D. Albert Daspin
Facsimile No.: (312) 840-7900

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Lessee: Michaels Stores, Inc.
8000 Bent Branch Drive
Irving, Texas 75063
Attn: Director of Real Estate Administration

provided, however, that any party shall have the right to change its address for notice hereunder to any other location within the continental United States by the giving of notice to the other parties in the manner set forth hereinabove.

[Signature Page Follows]

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


AMERICAN NATIONAL BANK AND TRUST
COMPANY OF CHICAGO

By: 

Its: MICHAEL J. MELIND
VICE PRESIDENT

"Mortgagee"

MICHAELS STORES, INC.

By: 
Its: Executive Vice President - Development

"Lessee"

OPUS NORTH CORPORATION

By: 

Its: VP/Com

"Lessor"

Property of Cook County Clerk's Office

STATE OF ILLINOIS)
)
COUNTY OF COOK) SS.

The foregoing instrument was acknowledged before me this 24th day of November, 1999, by Ashish Kapoor of American National Bank and Trust Company of Chicago, a national banking association, on behalf of the association

Ashish Kapoor
Notary Public
OFFICIAL SEAL
ASHISH KAPOOR
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 12/17/01

STATE OF ILLINOIS)
)
COUNTY OF COOK) SS. On page:

The foregoing instrument was acknowledged before me this 9th day of December, 1999, by Douglas B. Sullivan Executive Vice President of Michaels Stores, Inc., a Delaware corporation, on behalf of the corporation. Development

STEPHANIE ANN MASSEY
MY COMMISSION EXPIRES
June 19, 2000
Stephanie Ann Massey
Notary Public

STATE OF ILLINOIS)
)
COUNTY OF COOK) SS.

The foregoing instrument was acknowledged before me this 18 day of November, 1999, by Randy Tieman VP/GM of Opus North Corporation, an Illinois corporation, on behalf of the corporation.

"OFFICIAL SEAL"
EVA J. JOHNS
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 9/4/2002
Eva Johns
Notary Public

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EXHIBIT A

LEGAL DESCRIPTION

LOTS R-1 AND R-2 IN NORTH SHORE CORPORATE PARK SUBDIVISION, BEING A RESUBDIVISION OF PART OF THE ASSESSOR'S DIVISION OF SECTION 22 AND BEING A RESUBDIVISION OF PART OF THE COUNTY CLERK'S DIVISION OF SECTION 23, ALL IN TOWNSHIP 42 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

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