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Cook County Recorder 53.00



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and after recording mail to:

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RECOGNITION AGREEMENT

THIS RECOGNITION AGREEMENT (the "Agreement") is made as of the 20 day of June, 2001, by and between **LASALLE BANK NATIONAL ASSOCIATION AS SUCCESSOR TRUSTEE TO BANK ONE-RAVENSWOOD UNDER TRUST NUMBER 25-10608 DATED FEBRUARY 26, 1990** and **LASALLE BANK NATIONAL ASSOCIATION AS SUCCESSOR TRUSTEE TO BANK ONE-RAVENSWOOD UNDER TRUST NUMBER 25-7859 DATED JULY 1, 1986** (collectively, the "Landlord"), and **LASALLE BANK NATIONAL ASSOCIATION**, a national banking association (the "Leasehold Mortgagee").

Recitals

A. Landlord has entered into that certain Lease dated August 29, 2000, as amended (the "Lease") with Centrum Norridge, L.L.C., an Illinois corporation ("Borrower" or "Tenant"), as Tenant, with respect to the real estate legally described in EXHIBIT A attached hereto and made a part hereof (the "Leased Premises"), and located at the northwest corner of Cumberland and Lawrence Avenue, Norridge, Illinois. The Borrower will be developing and constructing an approximately 14,300 square foot building to be sublet by Walgreen Co. for use as a store. Initially capitalized terms used but not expressly defined herein shall have the respective meanings given them in the Lease.

B. Leasehold Mortgagee has made a loan (the "Loan") to Borrower in the principal amount of \$4,975,000. The Loan is evidenced by, among other things, a Construction Loan Agreement of even date herewith between Borrower and Centrum Norridge II, L.L.C., an Illinois limited liability company ("CN") and Leasehold Mortgagee ("Loan Agreement") and a Note of even date from Borrower and CN to Leasehold Mortgagee ("Note") in the principal amount of the Loan. The Note is secured by, among other things, a Construction Leasehold Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Filing of even date herewith

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encumbering leasehold title to contiguous land leased by CN, and a Construction Leasehold Mortgage, Security Agreement and Fixture Filing of even date herewith encumbering Borrower's leasehold interest in the Leased Premises.

D. Leasehold Mortgagee requires that this Agreement be executed and delivered by Landlord as a condition to Leasehold Mortgagee's funding of the Loan.

Agreements

In consideration of the foregoing Recitals, which by this reference are made a part of this Agreement, the mutual agreements set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Leasehold Mortgagee agree as follows:

1. DEFINITIONS.

1.1 *Bankruptcy Proceeding.* A "Bankruptcy Proceeding" means any bankruptcy, insolvency, reorganization, composition, or similar proceeding, whether voluntary or involuntary, under Title 11, United States Code, or any similar state or federal statute for the relief of debtors, including any assignment for the benefit of creditors or similar proceeding.

1.2 *Control of the Premises.* With respect to Leasehold Mortgagee, "Control of the Premises" means any of the following: (1) possession of the Leasehold Premises by a receiver or trustee or similar officer appointed pursuant to a judicial proceeding commenced by the Leasehold Mortgagee; (2) the Leasehold Mortgagee's possession of the Leased Premises as mortgagee-in-possession, if and only if Leasehold Mortgagee affirmatively elects in writing in its sole and absolute discretion to become a mortgagee-in-possession; or (3) acquisition of the Leasehold Estate by a Successor Tenant through a Foreclosure Event initiated by the Leasehold Mortgagee.

1.3 *Fee Estate.* "Fee Estate" means the fee estate to the real estate that is subject to the Lease.

1.4 *Fee Mortgage.* A "Fee Mortgage" means any Mortgage that encumbers all or any part of the Fee Estate or any interest in the Fee Estate and is made and entered into in compliance with the Lease.

1.5 *Fee Mortgagee.* A "Fee Mortgagee" means any holder of a Fee Mortgage, and its successors and assigns.

1.6 *Foreclosure Event.* A "Foreclosure Event" means any transfer of title to the Fee Estate or the Leasehold Estate as the result of any: (1) judicial or nonjudicial foreclosure; (2) trustee's sale; (3) deed, transfer, assignment, or other conveyance in lieu of foreclosure; (4) other similar exercise of rights or remedies under any Mortgage; or (5) transfer by operation of or pursuant to any Bankruptcy Proceeding, in each case ("1" through "5") whether the transferee is a Mortgagee, a party claiming through a Mortgagee, or a third party.

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1.7 *Leasehold Estate.* “Leasehold Estate” means the leasehold estate of Tenant in the Leased Premises arising under the Lease.

1.8 *Leasehold Mortgagee’s Consent.* A “Leasehold Mortgagee’s Consent” as to any matter means prior written consent by Leasehold Mortgagee to such matter. Leasehold Mortgagee may withhold consent for any reason or no reason (i.e., in its sole, absolute, and unreviewable discretion) except where expressly stated otherwise.

1.9 *Leasehold Mortgagee’s Cure.* “Leasehold Mortgagee’s Cure” means Leasehold Mortgagee’s Cure of a default by Tenant under the Lease and any actions taken by Leasehold Mortgagee to cure such default.

1.10 *Leasehold Mortgagee’s Cure Rights.* “Leasehold Mortgagee’s Cure Rights” means all rights of Leasehold Mortgagee to cure any default by Tenant under the Lease.

1.11 *Leasehold Mortgagee’s Representative.* A “Leasehold Mortgagee’s Representative” means from time to time any agent, assignee, designee, nominee, or representative of Leasehold Mortgagee, provided that such agent, assignee, designee, nominee, or representative is a wholly owned subsidiary, full time employee, legal counsel, or bona fide loan servicer, custodian, or collateral agent of the Leasehold Mortgagee.

1.12 *Loss Proceeds.* The “Loss Proceeds” means condemnation award(s) and/or property insurance proceeds with respect to the Lease.

1.13 *Mortgage.* A “Mortgage” means any mortgage, deed of trust, security deed, contract for deed, deed to secure debt, or other voluntary real property (including leasehold) security instrument(s) or agreement(s) intended to grant real property (including leasehold) security for any obligation (including a purchase-money or other promissory note) encumbering the Leasehold Estate or the Fee Estate, as entered into, renewed, modified, consolidated, increased, decreased, amended, extended, restated, assigned, or supplemented from time to time. If two or more such mortgages are consolidated or restated as a single lien, then all such mortgages so consolidated or restated shall be treated as a single Mortgage. A Mortgage may be either a Fee Mortgage or a Leasehold Mortgage or both.

1.14 *Mortgagee.* A “Mortgagee” means the holder of any Mortgage and its successors and assigns.

1.15 *Mortgage Protections.* The “Mortgage Protections” means, as to any Mortgagee, the following: (1) any right to receive Notices and/or to cure defaults (including, in the case of Leasehold Mortgagee, all Leasehold Mortgagee’s Cure Rights); (2) any requirement for Leasehold Mortgagee’s Consent to any matter; (3) in the case of Leasehold Mortgagee, all provisions of the Lease relating to a New Lease and all rights of any New Tenant or Successor Tenant; and (4) all other rights, protections, and privileges of such Mortgagee under the Lease.

1.16 *New Lease.* A “New Lease” means a new lease of the Leased Premises, effective as of (or retroactively to) the termination date of the Lease, for the remainder of the Term of the Lease, considered as if the Lease had not been terminated, with New Tenant, on all the same terms and provisions of the Lease and in the same form as the Lease. Any New Lease shall

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include all rights and privileges of Tenant under the Lease, but shall not include any Personal Obligations or any obligations of Tenant (such as initial construction) that have already been performed or no longer apply. Any New Lease or a memorandum thereof shall be in recordable form, and shall include all Mortgagee Protections for the benefit of any Leasehold Mortgagee of New Tenant.

1.17 *New Lease Delivery Date.* A "New Lease Delivery Date" means the date when Landlord and New Tenant enter into a New Lease.

1.18 *New Lease Option Period.* A "New Lease Option Period" means, upon the occurrence of a Termination Date (other than as the result of (1) the scheduled expiration date of the Term; (2) a termination under Section 13.4 of the Lease; or (3) a termination due to a condemnation under Section 14.1 of the Lease), a period that begins on such Termination Date and ends on the date 90 days after Landlord has given Leasehold Mortgagee Notice of such Termination Date. The New Lease Option Period shall be tolled and extended during (x) the pendency of any Bankruptcy Proceeding affecting Landlord and (y) any other period during which Leasehold Mortgagee's right to require Landlord to enter into a New Lease is otherwise restricted or impaired (other than as a result of the acts or omissions of Leasehold Mortgagee).

1.19 *New Tenant.* A "New Tenant" means the Leasehold Mortgagee that requests a New Lease, or its Leasehold Mortgagee's Representative, or such other Tenant under a New Lease as Leasehold Mortgagee shall select (but excluding the Tenant originally named in the Lease), all as designated by Leasehold Mortgagee.

1.20 *Notice.* A "Notice" means any approval, consent, demand, designation, election, notice, or request, including any of the foregoing relating to a default, alleged default, termination, or alleged termination of this Agreement, that any party gives in connection with this Agreement.

1.21 *Personal Default.* A "Personal Default" means any nonmonetary default of Tenant under the Lease that is not reasonably susceptible of cure by Leasehold Mortgagee, such as a Bankruptcy Proceeding affecting Tenant; and any other nonmonetary default that by its nature relates only to, or can reasonably be performed only by, Tenant or its affiliates. A Personal Default shall also include any default that consists of Tenant's failure to satisfy or discharge any lien, charge, or encumbrance affecting the Leasehold Estate and prohibited by the Lease, which lien, charge, or encumbrance is either (1) caused by Landlord; or (2) junior in priority to the lien of the Leasehold Mortgagee.

1.22 *Personal Obligation.* A "Personal Obligation" means any obligation under the Lease the breach of which would constitute a Personal Default.

1.23 *SNDA.* An "SNDA" means a subordination, nondisturbance, and attornment agreement in and substance reasonably acceptable to Leasehold Mortgagee.

1.24 *Successor Tenant.* A "Successor Tenant" means: (1) any purchaser, transferee, or assignee of the Leasehold Estate pursuant to a Foreclosure Event, including Leasehold Mortgagee or its assignee, designee, or nominee (if applicable); and (2) such purchaser's,

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transferee's, or assignee's direct and indirect successors and assigns. Any Successor Tenant shall also have all the rights of a Tenant.

1.25 *Tenant's Cure Period Expiration Notice.* A "Tenant's Cure Period Expiration Notice") means a Notice, from Landlord to Leasehold Mortgagee, that: (1) states that Tenant's cure period for a particular alleged default under the Lease has expired, and (2) describes in reasonable detail such alleged default.

Other initially capitalized terms used but not expressly defined herein have the respective meanings given them in the Lease.

2. CONDEMNATION.

2.1 *Termination of Lease.* Tenant shall not be entitled to terminate the Lease pursuant to Sections 13.4 or 14.1 thereof without Leasehold Mortgagee's Consent.

2.2 *Settlement or Compromise.* Landlord shall not settle or compromise any condemnation award related to Tenant's Leasehold Estate without obtaining Leasehold Mortgagee's Consent.

3. FEE MORTGAGES.

3.1 *Landlord's Rights.* Landlord shall have the right to execute and deliver Fee Mortgage(s) at any time and from time to time during the Term, provided that: (1) the Fee Mortgage complies with all other applicable requirements of this Agreement; (2) the Fee Mortgagee is subject to the jurisdiction of the courts of the State and is not immune from suit; (3) notwithstanding the absolute subordination of the Fee Mortgagee's estate to the Lease, if requested by Tenant or Leasehold Mortgagee, the Fee Mortgagee enters into an SNDA with Tenant and Leasehold Mortgagee; and (4) the Fee Mortgagee confirms to Tenant and Leasehold Mortgagee, by recordable instrument, that the Fee Mortgagee's rights are subject and subordinate to the Lease (and estates arising from the Lease). Any Fee Mortgage entered into in violation of the preceding sentence shall be null and void. Within ten days after Landlord enters into or records any Fee Mortgage, Landlord shall provide Leasehold Mortgagee with a copy of such Fee Mortgage. Upon a Foreclosure Event under a Fee Mortgage, the Lease shall continue in full force and effect. Tenant shall attorn to the successor holder of the Fee Estate as successor Landlord, provided that such successor holder has assumed in writing all obligations of Landlord under the Lease. Such attornment shall in no way diminish or impair Tenant's rights and remedies against Landlord (all of which Tenant may continue to assert against the successor Landlord), or require Tenant to waive any default by Landlord. Tenant shall not be required to join in any Fee Mortgage or to subordinate the Lease to any Fee Mortgage. If Tenant elects to enter into any such joinder or subordination, then such joinder or subordination shall not be effective without Leasehold Mortgagee's Consent.

3.2 *Required Provisions in Fee Mortgage.* Each Fee Mortgage shall contain, and shall be deemed to contain, the following provisions or their substantial equivalent. Each Fee Mortgagee, by accepting its Fee Mortgage, shall be deemed to have agreed to the following provisions. Such provisions reflect the definitions contained in the Lease and this Agreement. All

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such terms shall be deemed modified in the Fee Mortgage as appropriate to reflect the definitions in such Fee Mortgage:

This Fee Mortgage attaches solely to the Fee Estate, subject to the Lease, and does not encumber the Leasehold Estate. So long as the Lease or a New Lease has not been terminated, this Fee Mortgage is subordinate to the Lease or such New Lease and all estates arising from the Lease or such New Lease (including subleases, any Leasehold Mortgage, and the rights of any Successor Tenant as holder of the Lease), all as they may be amended or modified from time to time. Notwithstanding anything to the contrary in this Fee Mortgage, Fee Mortgagee shall have no right to receive Loss Proceeds except to the extent (and under the conditions) payable to Landlord or a Fee Mortgagee under the Lease. Upon any Foreclosure Event under this Fee Mortgage, the resulting owner of the Fee Estate shall not have any rights as Landlord (or otherwise) under or with respect to the Lease unless and until such owner of the Fee Estate has executed, acknowledged, and delivered to Tenant an instrument, in recordable form, by which such owner of the Fee Estate assumes all obligations under the Lease, subject to all terms of the Lease.

4. THE LEASEHOLD MORTGAGE.

4.1 *Effect of Leasehold Mortgage.* Tenant's making of the Leasehold Mortgage shall not be deemed to constitute an assignment or transfer of the Lease, nor shall Leasehold Mortgagee, as such, or in the exercise of its rights under the Lease, be deemed to be an assignee, transferee, or mortgagee in possession of the Lease so as to require such Leasehold Mortgagee, as such, to assume or otherwise be obligated to perform any of Tenant's obligations under the Lease except when, and then only for so long as, such Leasehold Mortgagee has acquired ownership and possession of the Leased Premises pursuant to a Foreclosure Event under its Leasehold Mortgage (as distinct from its exercise of Leasehold Mortgagee's Cure Rights).

4.2 *Foreclosure.* Notwithstanding anything to the contrary in the Lease, any Foreclosure Event under the Leasehold Mortgage, or any exercise of rights or remedies under or pursuant to the Leasehold Mortgage, including the appointment of a receiver, shall not in and of itself be deemed to violate the Lease or, in and of itself, entitle Landlord to exercise any rights or remedies.

4.3 *Termination of Leasehold Mortgage's Rights.* Leasehold Mortgagee's entitlement to Mortgagee Protections shall not terminate unless and until such time, if any, as either (1) the Leasehold Mortgage shall have been satisfied and discharged of record, except through a Foreclosure Event; (2) Leasehold Mortgagee has consented in writing to the termination of its Mortgagee Protections; or (3) after Landlord has complied with all Mortgagee Protections, Landlord has validly terminated the Lease, Leasehold Mortgagee has validly requested (and is entitled to) a New Lease, and the New Lease Option Period has expired.

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5. OPERATIONAL PROTECTIONS FOR LEASEHOLD MORTGAGEE.

5.1 *Cancellation, Surrender, Amendment, Etc.* No cancellation, termination (including Tenant's termination of the Lease pursuant to any express right of termination in the Lease or under applicable law), surrender, acceptance of surrender, abandonment, amendment, modification, or rejection of the Lease, or subordination of the Lease to any Fee Mortgage or other encumbrance on the Fee Estate, shall bind Leasehold Mortgagee if done without Leasehold Mortgagee's Consent. Nothing in this paragraph shall limit the right of Landlord to terminate the Lease upon occurrence of a default by Tenant under the Lease and the expiration of all Leasehold Mortgagee's Cure Rights without cure of such default, subject however to (1) provisions of the Lease that limit the right of Landlord to terminate the Lease on account of defaults; and (2) the right of Leasehold Mortgagee to obtain a New Lease as provided for in this Agreement.

5.2 *Government Notices.* If Landlord receives any notice from any governmental authority relating to the Leased Premises, then Landlord shall promptly give a copy of such notice to Leasehold Mortgagee.

6. LEASEHOLD MORTGAGEE'S NOTICE AND OPPORTUNITY TO CURE.

6.1 *Tenant's Cure Period Expiration Notice; Right to Cure.* If a default by Tenant under the Lease occurs and Tenant does not cure it within the cure period that applies to Tenant under the Lease, then Landlord shall promptly give Leasehold Mortgagee a Tenant's Cure Period Expiration Notice. Leasehold Mortgagee shall have the right, but not the obligation, to perform any obligation of Tenant under the Lease and to cure any default. Landlord shall accept performance by or at the instigation of Leasehold Mortgagee in fulfillment of Tenant's obligations, for the account of Tenant and with the same force and effect as if performed by Tenant. No performance by or on behalf of Leasehold Mortgagee shall cause it to become a "mortgagee in possession" or otherwise cause it to be deemed to be in possession of the Leased Premises or bound by or liable under the Lease.

6.2 *Additional Time for Leasehold Mortgagee's Cure Rights.* If any default by Tenant under the Lease occurs, then the Leasehold Mortgagee shall have the same cure period available to Tenant under the Lease, plus the additional time provided for below (regardless of the original time fixed for performance by Tenant), within which to take (if Leasehold Mortgagee so elects; and Leasehold Mortgagee shall have no duty to undertake any Leasehold Mortgagee's Cure of any kind) whichever of the actions set forth below shall apply to such default:

6.2.1 *Monetary Defaults.* In the case of a monetary default, Leasehold Mortgagee shall be entitled (but not required) to cure such default within a cure period consisting of Tenant's cure period under the Lease extended through the date 30 days after Leasehold Mortgagee shall have received Tenant's Cure Period Expiration Notice for such monetary default.

6.2.2 *Nonmonetary Defaults Curable Without Obtaining Possession.* In the case of any nonmonetary default that Leasehold Mortgagee is reasonably capable of curing without obtaining possession of the Leased Premises (excluding in any event a Personal Default),

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Leasehold Mortgagee shall be entitled, but not required, to: (1) within a period consisting of Tenant's cure period for the default, extended through the date 90 days after receipt of the Tenant's Cure Period Expiration Notice for such default, advise Landlord of Leasehold Mortgagee's intention to take all reasonable steps necessary to remedy such nonmonetary default; (2) duly commence the cure of such nonmonetary default within such extended period, and then (during and after such extended period) diligently prosecute to completion the remedy of such nonmonetary default, subject to force majeure; and (3) then complete such remedy within a reasonable time under the circumstances, subject to force majeure.

6.2.3 *Defaults Curable Only by Obtaining Possession and Personal Defaults.*

In the case of (1) any nonmonetary default that is not reasonably susceptible of being cured by Leasehold Mortgagee without obtaining possession of the Leased Premises, or (2) any Personal Default, Leasehold Mortgagee shall be entitled (but not required) to do the following, so long as, for any defaults other than those referred to in the immediately preceding clauses (1) and (2), Leasehold Mortgagee has exercised or is exercising, within the applicable periods, the applicable Leasehold Mortgagee's Cure Rights as provided in this Agreement:

6.2.3.1 *During Cure Period.* At any time during the cure period (if any) that applies to Tenant, extended through the date 90 days after Leasehold Mortgagee's receipt of the Tenant's Cure Period Expiration Notice as to such default, or if no cure period applies to Tenant, then within 90 days after receiving Notice from Landlord of the nonmonetary default, Leasehold Mortgagee shall be entitled to institute proceedings, and (subject to any stay in any Bankruptcy Proceedings affecting Tenant, or any injunction, so long as such stay or injunction has not been lifted) then diligently prosecute the same to completion (but not necessarily within such 90-day period) subject to force majeure, to obtain Control of the Premises.

6.2.3.2 *Further Cure After Control of Premises.* Upon obtaining Control of the Premises (whether before or after expiration of any otherwise applicable cure period), Leasehold Mortgagee or Successor Tenant shall then be entitled (but not required) to proceed with reasonable diligence to cure such nonmonetary defaults as are then reasonably susceptible of being cured by Leasehold Mortgagee or Successor Tenant (excluding Personal Defaults, which neither Leasehold Mortgagee nor Successor Tenant need cure at any time), subject to force majeure. Leasehold Mortgagee or a Successor Tenant having Control of the Premises shall not be bound by any deadline, if any, for completion of any construction or alterations, or other performance, required of Tenant under the Lease, provided that Leasehold Mortgagee or Successor Tenant shall with reasonable diligence prosecute completion of same and shall cure all monetary defaults within the period provided for under the Lease for such cure.

6.3 *Effect of Cure.* Leasehold Mortgagee shall not be required to continue to exercise Leasehold Mortgagee's Cure Rights or otherwise proceed to obtain or to exercise Control of the Premises if and when the default that Leasehold Mortgagee was attempting to cure shall have been cured. Upon such cure and the cure of any other defaults in accordance with this Agreement, the Lease shall continue in full force and effect as if no default(s) had occurred. Even if Leasehold Mortgagee has commenced Leasehold Mortgagee's Cure, Leasehold Mortgagee may abandon or discontinue Leasehold Mortgagee's Cure at any time, without liability to Landlord or otherwise. Leasehold Mortgagee's exercise of Leasehold Mortgagee's Cure Rights shall not be deemed an assumption of the Lease in whole or in part.

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6.4 *Quiet Enjoyment.* So long as the period for Leasehold Mortgagee to exercise Leasehold Mortgagee's Cure Rights for any default has not expired, Landlord shall not (1) re-enter the Leased Premises on account of such default (but this shall not limit any Landlord's right of access to the Leased Premises otherwise provided for under the express terms of the Lease), (2) give any notice terminating or electing to terminate the Lease, or (3) bring a proceeding on account of such default to (w) dispossess Tenant, subtenants and/or other occupants of the Leased Premises, (x) reenter the Leased Premises, (y) terminate the Lease, or (z) otherwise (except as expressly permitted by this paragraph) exercise any other rights or remedies under the Lease by reason of such default. Nothing in the Mortgagee Protections shall, however, be construed to either (i) extend the Term beyond the expiration date provided for in the Lease that would have applied if no default had occurred, or (ii) require Leasehold Mortgagee to cure any Personal Default as a condition to preserving the Lease or to obtaining a New Lease (but this shall not limit Leasehold Mortgagee's obligation to seek to obtain Control of the Premises, and then consummate a Foreclosure Event, by way of the exercise of Leasehold Mortgagee's Cure Rights, if Leasehold Mortgagee desires to preclude Landlord from terminating the Lease on account of a Personal Default).

6.5 *Leasehold Mortgagee's Right to Enter Premises.* Leasehold Mortgagee's rights under this paragraph or exercise of such rights shall not constitute Control of the Premises or mean that Leasehold Mortgagee has possession of the Leased Premises or liability to Landlord or Tenant.

6.6 *Payments by Leasehold Mortgagee.* Any payment made, or performance rendered, by Leasehold Mortgagee to Landlord to cure any claimed default shall be deemed to have been made or rendered "under protest" and without prejudice to Tenant's or Leasehold Mortgagee's rights and remedies if Landlord's claim of a default shall be determined to have been erroneous.

7. LEASEHOLD MORTGAGEES RIGHT TO A NEW LEASE.

If the Lease terminates before its stated expiration date for any reason (including a default or rejection in a Bankruptcy Proceeding affecting Tenant), but excluding a termination pursuant to Sections 13.4 or 14.1 of the Lease, Landlord shall, within ten days thereafter, give Notice of such termination to Leasehold Mortgagee. Upon Leasehold Mortgagee's request given within the New Lease Option Period, Landlord shall enter into a New Lease with New Tenant, provided that Leasehold Mortgagee shall, on the New Lease Delivery Date: (1) pay to Landlord any and all sums then due under the Lease as if the Lease had not been terminated; and (2) agree to cure all then-uncured nonmonetary defaults (other than Personal Defaults), within a reasonable period after the New Lease Delivery Date with reasonable diligence. If Landlord fails to enter into such a New Lease when and as required to do so, then Landlord shall nevertheless be deemed to have entered into such a New Lease. In no event shall Leasehold Mortgagee or New Tenant be required to cure a Personal Default of Tenant as a condition to obtaining or retaining a New Lease or otherwise. The following additional provisions shall apply to any New Lease:

7.1 *Documentation and Priority.* Any New Lease, any memorandum of a New Lease, and the Leasehold Estate under any New Lease shall be subject to the same exceptions to title as the Lease. The immediately preceding sentence shall be self-executing. On the New Lease

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Delivery Date (or promptly after request), Landlord shall, if requested, execute and deliver such documents as New Tenant shall reasonably determine are necessary to enable New Tenant to obtain title insurance for the New Lease (including ownership of the improvements demised thereunder), at New Tenant's expense. Any New Lease shall be owned and held solely by New Tenant free and clear of any claims of any previous Tenant, including the Tenant originally named in the Lease.

7.2 *Landlord's Costs and Expenses.* If Leasehold Mortgagee requires Landlord to enter into a New Lease, then Leasehold Mortgagee shall pay all reasonable expenses, including transfer taxes and legal costs incurred by Landlord in connection with any default and termination of the Lease, recovery of possession of the Leased Premises, and preparation, execution, and delivery of the New Lease and any memorandum of the New Lease requested by New Tenant.

7.3 *Survival.* All rights of Leasehold Mortgagee, and obligations of Landlord, regarding a New Lease shall survive the termination of the Lease for the duration of the New Lease Option Period.

8. INTERACTION OF MORTGAGES WITH OTHER ESTATES AND PARTIES.

8.1 *Leasehold Mortgage.* The Leasehold Mortgage shall not encumber or attach to the Fee Estate or affect, limit, or restrict Landlord's rights and remedies under the Lease except as expressly provided in this Agreement. The Leasehold Mortgage shall attach solely to the Leasehold Estate and not the Fee Estate. If the Lease terminates and the New Lease Option Period has expired without Leasehold Mortgagee requesting a New Lease, then the obligations formerly secured by the Leasehold Mortgage shall be unsecured. Upon a Foreclosure Event under the Leasehold Mortgage, the Leasehold Mortgagee or Successor Tenant shall succeed only to the Leasehold Estate. Any Foreclosure Event under the Leasehold Mortgage shall not extinguish, terminate, or otherwise adversely affect the Fee Estate (subject to the Lease) or the rights of any Fee Mortgagees as against Landlord or the Fee Estate (which shall in all events remain subject to the Lease).

8.2 *Leasehold Mortgagee's Representative.* The Leasehold Mortgagee may exercise its rights (including all Mortgagee Protections and the benefit thereof) under this Agreement, or perform any action permitted to be taken by the Leasehold Mortgagee, through a Leasehold Mortgagee's Representative.

8.3 *Interaction Between Lease and Leasehold Mortgage.* Tenant's default as mortgagor under the Leasehold Mortgage shall not constitute a default under the Lease except to the extent that Tenant's acts or omissions, in and of themselves, constitute a default under the Lease. The exercise of any rights or remedies of Leasehold Mortgagee under the Leasehold Mortgage, including the appointment of a receiver and the consummation of any Foreclosure Event, shall not constitute a default under the Lease, notwithstanding anything to the contrary in the Lease.

8.4 *Fee Mortgages.* Any Fee Mortgage shall be subject and subordinate to, and shall not attach to: (1) the Lease and the Leasehold Estate (whether held by Tenant, a Successor

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Tenant, or a New Tenant); (2) any New Lease and the Leasehold Estate thereunder; (3) any judgment arising from Landlord's breach of the Lease; (4) any estate (including a subleasehold and a leasehold mortgagee estate) directly or indirectly arising from the Lease or any New Lease or the Leasehold Estate under either (so long as the Lease or such New Lease has not been terminated in accordance with its terms and in compliance with all rights of Leasehold Mortgagee); (5) Leasehold Mortgagee's rights and remedies under this Agreement; and (6) any rights of Leasehold Mortgagee with respect to the Leasehold Estate. Any Fee Mortgagee, and in the event of a foreclosure of a Fee Mortgage or delivery of a deed in lieu of such foreclosure, the Fee Mortgagee or grantee or successful bidder at the foreclosure sale, shall succeed only to the Fee Estate, subject to the provisions of clauses (1) through (6) above and, so long as the Lease or any such New Lease has not been terminated, any Subleases and other estates arising from the Lease or any such New Lease.

8.5 *No Merger.* The Fee Estate and the Leasehold Estate shall remain distinct and separate estates and shall not merge, notwithstanding the acquisition of both the Fee Estate and the Leasehold Estate by Landlord, Tenant, a New Tenant, any Mortgagee, or a third party, whether by purchase or otherwise.

9. *BANKRUPTCY.*

9.1 *Affecting Landlord.* If Landlord (as debtor in possession) or a trustee in bankruptcy for Landlord rejects the Lease in any Bankruptcy Proceeding affecting Landlord, then:

9.1.1 *Assignment.* Landlord acknowledges that Leasehold Mortgagee's collateral includes all rights of Tenant under 11 U.S.C. § 365(h), all of which rights have been validly and effectively assigned to Leasehold Mortgagee.

9.1.2 *Tenant's Election.* Tenant shall not have the right to elect to treat the Lease as terminated except with Leasehold Mortgagee's Consent. If Tenant purports, without Leasehold Mortgagee's Consent, to elect to treat the Lease as terminated, then such election and purported termination shall be null, void, and of no force or effect. Leasehold Mortgagee shall have the right, to the exclusion of Tenant, to make any election and exercise any rights of Tenant under 11 U.S.C. § 365(h)(1). Provided that Leasehold Mortgagee shall have received Notice of Landlord's Bankruptcy Proceeding simultaneously with Notice to Tenant, Leasehold Mortgagee's rights under the preceding sentence must be exercised, if at all, subject to such time limits and requirements as would apply to Tenant, except that as against Leasehold Mortgagee every such time period shall be extended 30 days.

9.1.3 *Continuation of Lease.* If Tenant does not with Leasehold Mortgagee's Consent treat the Lease as terminated, then (notwithstanding any purported election by Tenant to the contrary made without Leasehold Mortgagee's Consent) Tenant shall be deemed to have elected to continue the Lease pursuant to 11 U.S.C. § 365(h)(1)(A)(ii). The Lease shall continue in effect without change upon all the terms and conditions in the Lease.

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10. MISCELLANEOUS.

10.1 *Notices.* All Notices shall be in writing and shall be addressed to Landlord and Leasehold Mortgagee as set forth below. Notices shall be delivered by Federal Express, Postal Service Express Mail, or other nationally recognized overnight delivery service to the addresses set forth below. Notices shall be deemed delivered on the date of delivery (or when delivery has been attempted twice, as evidenced by the written report of the delivery service) to the address(es) set forth below. No Notice shall be effective unless and until a copy of such Notice has been delivered to the intended recipient's Mortgagee(s) of which the sender shall have received Notice. Notice given on behalf of a party by any attorney who represents such party shall constitute Notice by such party. The addresses of the parties are:

Landlord: Victor Giannotti
c/o Giannotti's
17W 400 22nd Street
Oak Brook Terrace, Illinois 60180

With a copy to: Robert T. Cichocki, Esq.
Arnstein & Lehr
120 S. Riverside Plaza
Suite No. 1200
Chicago, Illinois 60606

Leasehold Mortgagee: LaSalle Bank National Association
Suite 1225
135 South LaSalle Street
Chicago, Illinois 60603
Attn: Andrea Patchin

With a copy to: Bell, Boyd & Lloyd, LLC
70 West Madison Street
Suite 3100
Chicago, Illinois 60602
Attn: Sandra L. Waldier

10.2 *No Third Party Beneficiaries.* Any present or future Mortgagee or Leasehold Mortgagee's Representative shall have the right to enforce all Mortgagee Protections directly in its own name as a third-party beneficiary. Nothing in this Agreement is intended or shall be deemed to confer upon any person (other than Landlord and Leasehold Mortgagee's Representative) any right to insist upon, or to enforce against Landlord or Leasehold Mortgagee, the performance or observance by either party of its obligations under the Lease.

10.3 *Amendment.* Any modification or amendment to this Agreement, and any waiver of Landlord's obligations under this Agreement, must be in writing signed by the party to be charged.

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10.4 *Conflicts between this Agreement and the Lease.* In the event of any conflict or inconsistency between the provisions of this Agreement and the provisions of the Lease, the provisions of this Agreement shall govern.

The parties have executed this Agreement as of the date first above written.

LASALLE BANK NATIONAL ASSOCIATION
AS SUCCESSOR TRUSTEE TO BANK ONE-
RAVENSWOOD under Trust Number 25-10608
dated February 26, 1990 and not personally

By: Reta Edwards
Name: RETA A. EDWARDS
Title: TRUST OFFICER

This instrument is executed by LASALLE BANK National Association, not personally but solely as Trustee, as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee. All the terms, provisions, stipulations, covenants and conditions to be performed by LASALLE BANK National Association are undertaken by it solely as Trustee, as aforesaid, and not individually and all statements herein made are made on information and belief and are to be construed accordingly, and no personal liability shall be asserted or be enforceable against LASALLE BANK National Association by reason of any of the terms, provisions, stipulations covenants and/or statements contained in this instrument.

LASALLE BANK NATIONAL ASSOCIATION
AS SUCCESSOR TRUSTEE TO BANK ONE-
RAVENSWOOD under Trust Number 25-7859
dated July 1, 1986 and not personally

By: Reta Edwards
Name: RETA A. EDWARDS
Title: TRUST OFFICER

LASALLE BANK NATIONAL ASSOCIATION, a
national banking association

By: _____
Name: _____
Title: _____

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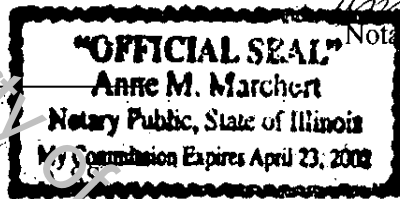
STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Anne M. Marchert, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY, that RETA A. EDWARDS, TRUST OFFICER of LaSalle Bank National Association, a national banking association, as Successor Trustee, who is 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 free and voluntary act, and as the free and voluntary act of said LaSalle Bank National Association as Successor Trustee, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 80 day of June, 2001.

Anne M. Marchert
Notary Public

My commission expires _____



STATE OF ILLINOIS)

COUNTY OF COOK)

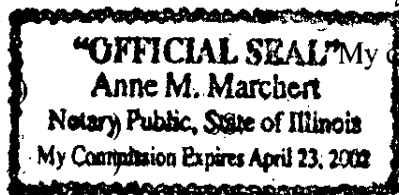
I, Anne M. Marchert, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY, that RETA A. EDWARDS, TRUST OFFICER of LaSalle Bank National Association, a national banking association, as Successor Trustee, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his free and voluntary act, and as the free and voluntary act of said LaSalle Bank National Association as Successor Trustee, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 20 day of June, 2001.

Anne M. Marchert
Notary Public

STATE OF ILLINOIS)

COUNTY OF COOK)



I, _____, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY, that _____ of LaSalle Bank National Association, a national banking association, who is 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 free and voluntary act, and as the free and voluntary act of said LaSalle Bank National Association, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this ___ day of _____, 2001.

Notary Public

Commission expires _____.

10657453

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RECEIVED
MAY 10 1968

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COOK COUNTY CLERK'S OFFICE

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RECEIVED
MAY 10 1968

UNOFFICIAL COPY

The parties have executed this Agreement as of the date first above written.

LASALLE BANK NATIONAL ASSOCIATION
AS SUCCESSOR TRUSTEE TO BANK ONE-
RAVENSWOOD under Trust Number 25-10608
dated February 26, 1990

By: _____
Name: _____
Title: _____

LASALLE BANK NATIONAL ASSOCIATION
AS SUCCESSOR TRUSTEE TO BANK ONE-
RAVENSWOOD under Trust Number 25-7859
dated July 1, 1986

By: _____
Name: _____
Title: _____

LASALLE BANK NATIONAL ASSOCIATION, a
national banking association

By: _____
Name: _____
Title: _____

Property of Cook County Clerk's Office

Andrea M. Peltcher
Andrea M. Peltcher
SVP

10557453

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Property of Cook County Clerk's Office

UNOFFICIAL COPY

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, MARIA T. ESPARZA, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY, that ANDREA M. PATEL, V.P. of LaSalle Bank National Association, a national banking association, who is 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 free and voluntary act, and as the free and voluntary act of said LaSalle Bank National Association, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 16th day of July, 2001.

Maria T. Esparza
Notary Public

Commission expires



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EXHIBIT A

LEGAL DESCRIPTION

LOTS 3, 4, 5, 6, 7 AND 8 IN BLOCK 8 IN CUMBERLAND AND LAWRENCE BEING GEORGE GAUNTLETT'S SUBDIVISION OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 11, TOWNSHIP 40 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

and

LOT 9, AND THE EAST 35 FEET OF LOT 10, IN BLOCK 8, CUMBERLAND AND LAWRENCE, BEING IN GEORGE GAUNTLETT'S SUBDIVISION OF THE SOUTHEAST QUARTER, OF THE SOUTHWEST QUARTER OF SECTION 11, TOWNSHIP 40 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, COOK COUNTY, ILLINOIS.

and

THAT PART OF THE EAST-WEST PUBLIC ALLEY LYING EAST OF THE SOUTHERLY EXTENSION OF THE WEST LINE OF LOT 8 IN BLOCK 8 IN CUMBERLAND AND LAWRENCE, BEING GEORGE GAUNTLETT'S SUBDIVISION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 11, TOWNSHIP 40 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

12-11-309-008, 12-11-309-009, 12-11-309-010, 12-11-309-011, 12-11-309-012,
12-11-309-013, 12-11-309-018

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