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Cook County Recorder 33.00



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This instrument was prepared
by and after recording return to:

Valerie A. Haugh
Gardner Carton & Douglas
321 N. Clark, Suite 3400
Chicago, IL 60610
(312) 644-3000

**SUBORDINATION NONDISTURBANCE
AND ATTORNMENT AGREEMENT**

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT (this "Agreement") made and entered into as of the 15 day of Oct., 2001 by and among Caledonia Properties Limited Partnership ("Lessor"), Charter One Bank, F.S.B., a federally chartered bank ("Lender"), and Harris Trust and Savings Bank ("Tenant").

RECITALS

- A. Lessor is the beneficiary of the land trust which is the tenant under a ground lease for the improved real property described in Exhibit A attached hereto (the "Premises");
- B. Lender is the owner and holder of that certain mortgage or, if applicable, deed of trust given by Lessor to or for the benefit of Lender on the Premises, and an Assignment of Rents and Leases (together with all amendments, increases, renewals, modifications, consolidations, spreaders, replacements, combinations, supplements, substitutions and extensions thereof, now or hereafter made, are hereinafter collectively referred to as the "Mortgage," and which Mortgage, together with the promissory note or notes, assignment and the loan agreement(s) and other documents executed in connection therewith and any amendments, increases, renewals, modifications, consolidations, spreaders, replacements, combinations, supplements, substitutions and extensions thereof, are hereinafter collectively referred to as the "Loan Documents");
- C. Pursuant to a lease dated 2/28/94 and amended 10/95 and 9/16/98 which has been extended pursuant to the terms thereof (collectively the "Lease"), Tenant has leased a portion of the Premises (the "Leased Premises") more particularly described therein; and
- D. Lender has agreed to recognize the status of Tenant in the event Lender acquires title to the Premises by foreclosure, by the acceptance of a deed in lieu thereof, or by any other means and Tenant has agreed to attorn to Lender in any such event.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing which are hereby incorporated, the mutual covenants hereinafter mentioned and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Tenant acknowledges and agrees to the transfer to the Lessor of the landlord's interest in to and under the lease by a series of transfers from the original landlord thereunder to the now existing Lessor.
2. Tenant certifies that the Lease has been fully executed and is in full force and effect, and has not been modified or amended except as expressly set forth in the Recitals above. Tenant further certifies that Tenant is not in default under any of the terms of the Lease and to Tenant's best knowledge, the Lessor is not in default under any of the terms of the Lease.

BOX 333-CTT

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3. The Mortgage and any renewals or extensions thereof, shall be and remain at all times a lien or charge on the Premises prior and superior to the Lease, the leasehold estate created thereby and to any options to lease or to purchase the Premises contained therein, and to all rights, privileges, and conditions therein contained. Tenant declares and acknowledges that it hereby intentionally waives, relinquishes, and subordinates the priority and superiority of the leasehold estate created by the Lease to the Mortgage. All amendments, modifications, substitutions, renewals, extensions and replacements of the Lease shall be and remain so subordinated as provided in this paragraph without the necessity of any further act of the parties. Tenant also declares and acknowledges that it understands that in reliance upon and in consideration of this waiver, relinquishment, and subordination, specific loans and advances secured by the Mortgage and Assignment will be made, and monetary and other obligations will be entered into by third parties which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination.

4. Intentionally Omitted

5. If (a) Lender shall acquire title to the Premises through foreclosure, a deed-in-lieu of foreclosure or otherwise, and (b) Tenant is not in default under the Lease beyond any applicable cure or grace periods and Tenant has not surrendered, vacated or abandoned the Leased Premises at the time of such acquisition of title:

(i) Tenant shall be deemed to have made a full and complete attornment to Lender so as to establish direct privity between Lender and Tenant;

(ii) all obligations of Tenant under the Lease shall continue in full force and effect and be enforceable against Tenant by Lender, with the same force and effect as if the Lease had originally been made and entered into directly by and between Lender, as landlord thereunder, and Tenant; and

(iii) Lender shall recognize and accept the rights of Tenant under the Lease and, subject to the provisions of Paragraphs 6 and 7 hereof, shall thereafter assume the obligations of Lessor under the Lease subject, in all events, to (A) the provisions of Paragraph 6 and 7 below and (B) Tenant's waiver, as against Lender, of any defaults of Lessor (whether or not curable) which occurred prior to Lender acquiring title to, and possession of, the Premises.

6. (a) Nothing herein contained shall impose any obligation upon Lender to perform any of the obligations of Lessor under the Lease, unless and until Lender shall take possession of the Premises, and, in any event, Lender shall have no liability with respect to any acts or omissions of Lessor occurring prior to the date on which Lender shall take possession of the Premises.

(b) Notwithstanding anything to the contrary contained herein, officers, directors, shareholders, agents, servants and employees of Lender shall have no personal liability to Tenant and the liability of Lender, in any event, shall not exceed and shall be limited to Lender's interest in the Premises.

7. Tenant hereby agrees that notwithstanding anything to the contrary in this Agreement or the Lease:

(a) no amendment or modification, of the Lease shall be effective against Lender, unless consented to in writing by Lender;

(b) except for those which are specifically provided for and allowed in the Lease without any requirement of consent by Lessor, no termination, assignment or sublease of the Lease shall be effective against Lender, unless consented to in writing by Lender;

(c) Lender shall not be bound by any advance payment of rent or additional rent to Lessor (or its predecessors-in-interest) in excess of one month's prepayment thereof except as expressly approved in writing by Lender;

(d) Lender shall not be liable for any act or omission of Lessor (or, its predecessor-in-interest) other than to cure defaults of a continuing nature with respect to the maintenance or repair of the Premises or the Leased Premises;

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9.2
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(e) Lender shall not be subject to any offsets or defenses which Tenant might have against Lessor except as those that might be provided in the Lease for defaults of a continuing nature with respect to maintenance or repair of the Premises or the Leased Premises or for Tenant's rights to correct items of an emergency nature as set forth in Section 9.2 of the Lease;

(f) Lender shall not be bound by any covenant to undertake or complete any construction of the Premises, the Leased Premises or any portion thereof except as provided in the Lease;

(g) Lender shall not be bound by any obligation of Lessor to make any payment to Tenant, except that (i) Lender shall be liable for the timely return of any security or other deposit actually received by Lender and (ii) Lender shall be liable on account of any prepayments of rent or other charges owing to Tenant if the funds are actually received by Lender;

(h) Lender shall not be bound by any obligation to repair, replace, rebuild or restore the Premises, the Leased Premises, or any part thereof, in the event of damage by fire or other casualty, or in the event of partial condemnation, beyond such repair, replacement, rebuilding or restoration as can reasonably be accomplished with the use of the net insurance proceeds or the net condemnation award actually received by or made available to Lender; provided however that if Lender does not repair in the event of a partial condemnation and would be required under the Lease to do so, Tenant shall have the right to terminate the Lease by giving written notice to Lender within thirty (30) days of such failure to repair; and

(i) Lender shall not be required to remove any person occupying the Leased Premises or any part thereof.

8. Tenant hereby agrees to provide Lender with prompt notice of any asserted default by Lessor of its obligations under the Lease. In the event any such asserted default constitutes a legal basis for the cancellation of the Lease by Tenant, Tenant hereby agrees that the Lease shall not be canceled or terminated until Lender shall have the greater of thirty (30) days after notice or the time provided to Lessor under the Lease within which to cure such default provided that nothing herein shall obligate Lender to perform such cure which shall be at Lender's sole option.

9. Tenant and Lessor hereby agree that, in the event that Lender delivers to Tenant a notice (i) stating that a Default (as defined in the Mortgage and/or Loan Documents) has occurred under any of the Loan Document and (ii) requesting that all rent and additional rent due under the Lease be thereafter paid to Lender, Tenant shall pay, and is hereby authorized and directed by Lessor to pay, such rent and additional rent directly to Lender. Delivery to Tenant of the aforescribed notice from Lender shall be conclusive evidence of the right of Lender to receive such rents and payment of the rents by Tenant to Lender pursuant to such notice shall constitute performance in full of Tenant's obligation under the Lease to pay such rents to Lessor. Tenant agrees that Lender's demanding and/or receiving any such payments shall not operate to impose any liability upon Lender for performance of any obligation of Landlord under the Lease. Such payment of rents to Lender shall continue until Lender directs Tenant otherwise in writing, or until Tenant receives (i) a court order directing Tenant to pay rents to another person or entity, or (ii) notice that the Premises have been sold to a person or entity other than Lender. The provisions of this Paragraph 8 will terminate upon the earliest to occur of (a) termination of the Lease, (b) the recording of a release of the Mortgage, duly executed by Lender, or (c) Tenant's receipt of written notice to such effect from Mortgagee.

10. Tenant agrees at any time and from time to time to execute, deliver and acknowledge to Lessor, to Lender or to any third party designated by Lessor or by Lender within ten (10) business days after Lessor's or Lender's written request therefore, (a) a statement in writing certifying that the Lease is in full force and effect, that Lessor is not in default thereunder (or specifying any such defaults which Tenant alleges), that rent has not been prepaid more than one month in advance, and specifying any further information about the Lease or the Premises which Lessor or Lender or said third party may reasonably request, and (b) a statement in writing acknowledging or denying receipt of notice of any conditional or security assignment of the Lease to any third party. Tenant understands that prospective purchasers, Mortgagees or lessors of the Premises or any part thereof will rely on such certificates. Tenant's obligation to deliver such certificates within ten (10) business days as described above is a material obligation of Tenant hereunder and under the Lease.

11. Each of Lessor and Tenant represents and warrants to Lender that, to the best of its knowledge, as of the date hereof, there are no agreements other than the Lease in existence or contemplated between Lessor and Tenant, relating to the Premises or the Leased Premises or with respect to any other matter related to Tenant's occupancy of the Leased Premises.

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12. Lessor, by its execution of this Agreement, agrees to be bound by and to act in accordance with the terms and conditions hereinabove contained.

13. This Agreement (i) shall be governed by and construed in accordance with the laws of the state in which the Premises are located, (ii) contains the entire agreement among the parties with respect to the subject matter hereof and (iii) may not be modified, nor may any provision hereof be waived, orally or in any manner other than by an agreement in writing signed by the parties hereto or their respective successors, administrators and assigns.

14. All notices or other communications hereunder to any party shall be (a) in writing and shall be deemed to have been duly given when received by personal delivery, three Business Days after the date when deposited in the United States mail, by registered or certified mail, postage prepaid, or one Business Day after delivery to an overnight courier service, and (b) addressed:

If to Lessor: c/o Evanston Property Management
803 ½ Chicago Avenue
Evanston, IL 60202

If to Lender: Charter One Bank, F.S.B.
1215 Superior Avenue
Cleveland, Ohio 44114
Attention: Commercial Real Estate Servicing

With a Copy To: Gardner Carton & Douglas
321 N. Clark, Suite 3400
Chicago, Illinois 60610
Attention: Valerie A. Haugh

If to Tenant: Harris Trust and Savings Bank
Corporate Real Estate – 19th Floor
200 West Monroe
Chicago, Illinois 60606

With a Copy To: Bailey, Borlack, Nadelholfer & Carroll
135 South Wacker Drive, Suite 6950
Chicago, Illinois 60603
Attention: Robert C. Bailey

or to any party at such other addresses as such party may designate in a written notice to the other party. "Business Day" shall mean any day, including Saturday, when Lender is open for business, other than Sunday or any other day on which federal savings banks in Chicago, Illinois are not open for business.

15. All rights of Lender hereunder shall accrue to, and all obligations of Lender shall be binding upon, Lender, its successors, assigns and nominees, including, without limitation, the grantee under a deed in lieu of foreclosure and/or the purchaser of the Premises at a foreclosure. Without limiting the generality of the foregoing, this Agreement shall be binding upon and inure to the benefit of the successors, administrators and permitted assigns of Lessor and Tenant hereto.

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IN WITNESS WHEREOF, this Agreement has been executed as of the day and year first above set forth.

Lessor:

Caledonia Properties Limited Partnership

By: Sheldon T Harris
Its: General Partner

Lender:

Charter One Bank, F.S.B., a federally chartered bank

By: Karl W. Krueger
Its: Vice President

Tenant:

Harris Trust and Savings Bank

By: Devin Moore
Its: Vice President

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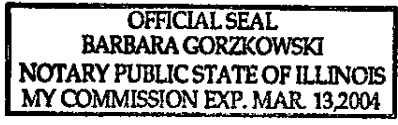
STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, BARBARA GORZKOWSKI, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT Shelba T. Harris, personally known to me to be the gen. mgr. of Caledonia Prop. Co., a ILL. L.P., 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 severally acknowledged that as the gen. mgr. of such L.P., he/she signed, attested and delivered the said instrument on behalf of said L.P. pursuant to authority, as the free and voluntary act and deed of said Shelba T. Harris for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 3rd day of October, 2001

Barbara Gorzkowski

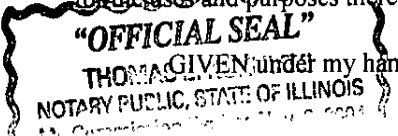
Notary Public [SEAL]
My Commission expires: 3/13/04



STATE OF ILLINOIS)
) SS.
COUNTY OF DU PAGE)

I, THOMAS R. KUKULSKY, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT KURT W. KUYAWA, personally known to me to be the VP of Charter One Bank, of Cleveland, OH 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 severally acknowledged that as the VP of such BANK, he/she signed, attested and delivered the said instrument on behalf of said Bank pursuant to authority, as the free and voluntary act and deed of said Bank, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 5th day of September, 2001
Thomas R. Kukulsky



Notary Public [SEAL]
My Commission expires: Nov 9, 2004

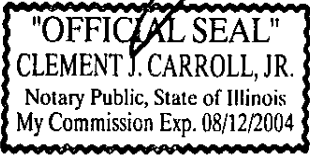
STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, CLEMENT J. CARROLL, JR., a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT JERI MOORE, personally known to me to be the VICE PRESIDENT of HARRIS TRUST AND BANK, 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 severally acknowledged that as the VICE PRESIDENT of such BANK, he/she signed, attested and delivered the said instrument on behalf of said BANK pursuant to authority, as the free and voluntary act and deed of said BANK, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 27th day of AUGUST, 2001

Clement J. Carroll, Jr.

Notary Public [SEAL]
My Commission expires: 8/12/04



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EXHIBIT A

Legal Description

THAT PART OF LOT 2 AND THAT PART OF LOT 1 (EXCEPT THE EAST 17.25 FEET OF SAID LOT) LYING NORTH OF THE NORTH LINE OF MADISON STREET AND SOUTH OF THE SOUTH LINE OF WASHINGTON BOULEVARD OF SUPERIOR COURT PARTITION OF THE EAST 30 ACRES OF THE WEST 40 ACRES OF THE SOUTHWEST ¼ OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

AND

THE EAST 17.25 FEET OF THAT PART OF THE LOT 1 LYING NORTH OF THE NORTH LINE OF MADISON STREET AND SOUTH OF THE SOUTH LINE OF WASHINGTON BOULEVARD OF SUPERIOR COURT PARTITION OF THE EAST 30 ACRES OF THE WEST 40 ACRES OF THE SOUTHWEST ¼ OF SECTION 11, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PIN:

16-11-311-017-0000

Common Address:

3902-20 W. Madison, Chicago, Illinois

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