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Cook County Recorder 35.00

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This document prepared by and after recording return to:  
Iris Webb, Esq.  
Assistant Corporation Counsel  
Department of Law  
121 North LaSalle Street, Room 600  
Chicago, IL 60602

**SUBORDINATION AGREEMENT**

This Subordination Agreement ("Agreement") is made and entered into as of the 25<sup>th</sup> day of October, 2001 between the City of Chicago by and through its Department of Planning and Development (the "City") and Hard Rock International (USA), Inc., a Florida corporation ("Hard Rock International") (hereinafter referred to as "Tenant")

**WITNESSETH:**

**WHEREAS**, Firststar Bank, N. A., not personally but solely as Trustee under its Trust Agreement dated October 10, 2001 and known as Trust No. 7504, and St. George Hotel, L.L.C., an Illinois limited liability company, as Developer (the "Developer") of Loop Redevelopment Project Area at 222 North Michigan Avenue and 230 North Michigan Avenue and legally described on Exhibit A hereto (the "Property"), have entered into that certain Retail Lease Agreement dated October 25, 2001 (the "Lease") with respect to such Property;

**WHEREAS**, the Developer desires to enter into a Redevelopment Agreement with the City date Oct. 25, 2001, (the "Redevelopment Agreement") in order to obtain additional financing for the Project (the Redevelopment Agreement being sometimes referred to herein along with various other agreements and documents related thereto as the "City Agreements");

**WHEREAS**, pursuant to the Redevelopment Agreement, the Developer will agree to be bound by certain covenants expressly running with the Property, as set forth in Sections 3.10, 8.01(j), (m) and (n), 8.02, 8.06(a) and (b) and 8.23 of the Redevelopment Agreement (the "City Encumbrances");

**WHEREAS**, the City has agreed to enter into the Redevelopment Agreement with the Developer, subject, among other things, to (a) the execution by the Developer of the

**BOX 333-CTI**

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Redevelopment Agreement and the recording thereof as an encumbrance against the Property; and (b) the agreement by the Tenant to subordinate its interests and its liens, if any, under the Lease to the Mortgage and the City Encumbrances; and

**NOW, THEREFORE**, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Manager and the City agree as hereinafter set forth:

1. Subordination. All rights, interests and claims of the Tenant in the Property pursuant to the Lease are and shall be subject and subordinate to the Mortgage and the City Encumbrances. Nothing herein, however, shall be deemed to limit the Tenant's right to receive, and the Developer's ability to make, or to exercise its rights pursuant to the Lease except as provided herein.

2. Notice of Default. The Tenant shall use reasonable efforts to give to the City, and the City shall use reasonable efforts to give to the Tenant, (a) copies of any notices of default which it may give to the Developer with respect to the Project pursuant to the Lease or the City Agreements, respectively, and (b) copies of waivers, if any, of the Developer's default in connection therewith. Under no circumstances shall the Developer or any third party be entitled to rely upon the agreement provided for herein.

3. Waivers. No waiver shall be deemed to be made by the City or the Tenant of any of their respective rights hereunder, unless the same shall be in writing, and each waiver, if any, shall be a waiver only with respect to the specific instance involved and shall in no way impair the rights of the City or the Tenant any other respect at any other time.

4. Governing Law; Binding Effect. This Agreement shall be interpreted, and the rights and liabilities of the parties hereto determined, in accordance with the internal laws and decisions of the State of Illinois, without regard to its conflict of laws principles, and shall be binding upon and inure to the benefit of the respective successors and assigns of the City and the Tenant.

5. Section Titles; Plurals. The section titles contained in this Agreement are and shall be without substantive meaning or content of any kind whatsoever and are not a part of the agreement between the parties hereto. The singular form of any word used in this Agreement shall include the plural form.

6. Notices. Any notice required hereunder shall be in writing and addressed to the party to be notified as follows:

If to the City:

City of Chicago Department of  
Planning and Development  
121 North LaSalle Street, Room 1000  
Chicago, Illinois 60602  
Attention: Commissioner

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With a copy to:

City of Chicago Department of Law  
121 North LaSalle Street, Room 600  
Chicago, Illinois 60602  
Attention: Finance and Economic  
Development Division

If to the Tenant:

Hard Rock International (USA), Inc.  
6100 Old Park Ln.  
Orlando, FL 32835  
Attention: Jay Wolszczak

or to such other address as either party may designate for itself by notice. Notice shall be deemed to have been duly given (i) if delivered personally or otherwise actually received, (ii) if sent by overnight delivery service, (iii) if mailed by first class United States mail, postage prepaid, registered or certified, with return receipt requested, or (iv) if sent by facsimile with facsimile confirmation of receipt (with duplicate notice sent by United States mail as provided above). Notice mailed as provided in clause (iii) above shall be effective upon the expiration of three (3) business days after its deposit in the United States mail. Notice given in any other manner described in this paragraph shall be effective upon receipt by the addressee thereof; provided, however, that if any notice is tendered to an addressee and delivery thereof is refused by such addressee, such notice shall be effective upon such tender.

7. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute one instrument.

[The remainder of this page is intentionally left blank.]

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IN WITNESS WHEREOF, this Subordination Agreement has been signed as of the date first written above.

*Cafe*  
Hard Rock International (USA) Inc., a  
Florida corporation

By: *[Signature]*  
Its: Vice President

CITY OF CHICAGO

By: *[Signature]*  
Its: — Commissioner, ✓  
Department of Planning and Development

ACKNOWLEDGED AND AGREED TO THIS  
DAY OF \_\_\_\_\_  
St. George Hotel, L.L.C., an Illinois  
limited liability company

By: \_\_\_\_\_

Its: \_\_\_\_\_

Property of Cook County Clerk's Office

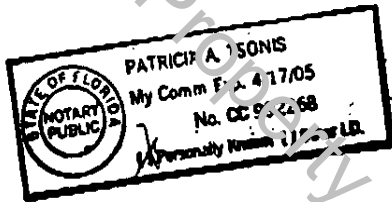
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STATE OF FLORIDA  
COUNTY OF ORANGE

The foregoing instrument was acknowledged before me this 9th day of November 2001 by Jay Wolszczak, the Vice President of **HARD ROCK CAFE INTERNATIONAL (USA), INC.**, a Florida corporation, on behalf of the corporation. He is personally known to me.

Patricia A Tsonis  
Signature of Notary

PATRICIA A TSONIS  
Name of Notary (typed or printed)



Commission Number (if not legible on seal): CC 992268

My Commission Expires (if not legible on seal): 4/17/05

PROPERTY of Cook County Clerk's Office

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IN WITNESS WHEREOF, this Subordination Agreement has been signed as of the date first written above.

Hard Rock International (USA) Inc., a  
Florida corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_

CITY OF CHICAGO

By: Alicia M. Bell

Its: \_\_\_\_\_ Commissioner, ~~the~~  
Department of Planning and Development

ACKNOWLEDGED AND AGREED TO THIS

25<sup>th</sup> DAY OF October, 2001

St. George Hotel, L.L.C., an Illinois  
limited liability company

By: [Signature]

Its: Manager of Niki Development LLC,  
a member

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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 Alicia M. Berg, personally known to me to be the \_\_\_\_\_ Commissioner of the Department of Planning and Development of the City of Chicago, Illinois (the "City") 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 as such \_\_\_\_\_ Commissioner, (s)he signed and delivered the said instrument pursuant to authority, as his/her free and voluntary act, and as the free and voluntary act and deed of said City, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 25<sup>th</sup> day of October, 2001.

Dionisia Leal  
Notary Public

(SEAL)



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EXHIBIT A

## LEGAL DESCRIPTION

LOTS 10, 11, 12, 13, 14 AND 15 IN BLOCK 7 IN FORT DEARBORN ADDITION TO CHICAGO IN SECTION 10, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

PERMANENT INDEX NO.: 17-10-303-024-0000

COMMON ADDRESS: 222 and 230 NORTH MICHIGAN AVENUE  
CHICAGO, ILLINOIS