

UNOFFICIAL COPY

0011080168

0025/0067 18 001 Page 1 of 8
2001-11-16 09:04:48

Cook County Recorder 35.00

A:\carbon subordmgr.wpd



0011080168

79 54172 000 24
B

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

Property of Cook County Clerk's Office

8

SUBORDINATION AGREEMENT

This Subordination Agreement ("Agreement") is made and entered into as of the 25th day of October, 2001 between the City of Chicago by and through its Department of Planning and Development (the "City") and HRH Management (Chicago) LLC, & an Illinois limited liability company. (hereinafter referred to as "Manager")

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 (the "Developer"), Loop Redevelopment Project Area at 222 North Michigan Avenue and 230 North Michigan Avenue and legally described on Exhibit A hereto (the "Property"), entered into that certain dated October 25, 2001 Management Agreement and Technical Consulting Services Agreement dated October 25, 2001 (the "Management Agreement") whereby, the Manager has agreed to furnish services for the operation and management of the Property in exchange for certain payments by the Manager for its services and the payment of certain expenses incurred by the Manager in connection with the furnishings of the services;

WHEREAS, pursuant to 770 ILCS 60/1 et seq. (Formerly Illinois Revised Statutes, Chapter 82, par. 1, as amended), property managers have lien rights under the Mechanics' Lien Act for expenses incurred for the management of any structure;

BOX 333-CTI

UNOFFICIAL COPY

WHEREAS, the Developer desires to enter into a Redevelopment Agreement in order to obtain additional financing for the Project (the Redevelopment Agreement being 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 and 8.23 of the Redevelopment Agreement (the "City Encumbrances");

WHEREAS, the City has agreed to enter into the Redevelopment Agreement with the Developer as of the date hereof, subject, among other things, to (a) the execution by the Developer of the Redevelopment Agreement and the recording thereof as an encumbrance against the Property; and (b) the agreement by the Manager to subordinate its liens under the Management Agreement to 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 Manager in the Property pursuant to the Management Agreement are and shall be subject and subordinate to the City Encumbrances. Nothing herein, however, shall be deemed to limit the Manager's right to receive, and the Developer's ability to make, or to exercise its rights pursuant to the Management Agreement except as provided herein.

2. Notice of Default. The Manager shall use reasonable efforts to give to the City, and the City shall use reasonable efforts to give to the Manager, (a) copies of any notices of default which it may give to the Developer with respect to the Project pursuant to the Management Agreement 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 Manager 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 Manager 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 Manager.

UNOFFICIAL COPY

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

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 Manager: HRH Management (Chicago) LLC
6100 Old Park Lane
Orlando, Florida 32835
Attn: Mr. James Biggar, Senior Director

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.]

NOV. 9. 2001 1:27PM

MORRIS BAKER & COLE

UNOFFICIAL COPY

NO. 3851 P. 6/25

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

HRH Management, (Chicago) LLC, an Illinois limited liability company,

By: Hard Rock Café International (USA), Inc.

By: *Jay Wolz*

Its: Vice President

CITY OF CHICAGO

By: *Alicia Adams*

Its: Commissioner, Department of Planning and Development

ACKNOWLEDGED AND AGREED TO THIS ___ DAY OF _____, _____ HRH.Chicago, L.L.C., an Illinois limited liability company

By: _____

Its: _____

11080168

Property of Cook County Clerk's Office

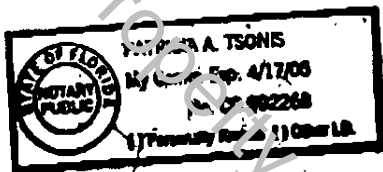
UNOFFICIAL COPY

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, the sole member of HRH Management (Chicago) LLC 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): CC992268

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

Property of Cook County Clerk's Office

11080168

UNOFFICIAL COPY

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

HRH Management, (Chicago) LLC, an Illinois limited liability company,

By: _____

Its: _____

CITY OF CHICAGO

By: *Alicia Miller*

Its: Commissioner, *AK*
Department of Planning and Development

ACKNOWLEDGED AND AGREED TO THIS

___ DAY OF _____,

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

By: *John March*

Its: *Authorized Signature*

Property of Cook County Clerk's Office

UNOFFICIAL COPY

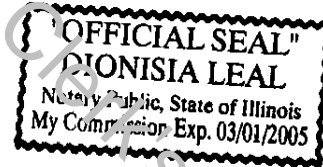
STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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 25th day of
October, 2001.

Dionisia Leal
Notary Public

(SEAL)



UNOFFICIAL COPY

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

Property of Cook County Clerk's Office

11080168