

This instrument was prepared by

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(FX TO N) ("")

Debtor: SOURCE ONE SALES & MARKETING, INC.
Juris: Recorder of Deeds, Cook County, IL

ESTOPPEL AND
SUBORDINATION AGREEMENT

This agreement ("Agreement"), dated as of April 1, 2002, is executed by SOURCE ONE SALES & MARKETING, INC., a Minnesota corporation ("Tenant") and 48 SEEGER ASSOCIATES, an Illinois general partnership ("Landlord"), for the benefit of AMERICAN NATIONAL BANK & TRUST COMPANY OF CHICAGO ("Lender"), and is entered into with reference to the following facts:

A. Tenant is presently leasing certain premises (the "Premises") comprising the real property (the "Property") described in Exhibit "A", attached hereto and incorporated herein by this reference, pursuant to a certain Lease Agreement (as amended on or before the date hereof, the "Lease") dated December 30, 1997, between Tenant and Landlord.

B. Lender has made or agreed to make a loan to Landlord (the "Loan") evidenced by a Second Replacement Note of even date herewith made by Landlord to the order of Lender (as modified from time to time, the "Note") secured by a Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Financing Statement (as modified from time to time, the "Mortgage") assigning to Lender Landlord's interests in the Property, including Landlord's interests as landlord under the Lease.

In consideration of the foregoing, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant hereby agree as follows.

1. Certifications by Landlord and Tenant. Landlord and Tenant each hereby certify to Lender as follows:

1.1 The Lease is in full force and effect, Tenant is presently occupying the Premises pursuant thereto, and neither Landlord nor Tenant has transferred its interests in the Lease or agreed to do so.

1.2 A true and complete copy of the Lease, including all amendments, supplements and other modifications thereto, is attached as Exhibit "B" to an unrecorded copy of this Agreement.

1.3 No rent or other amount has been prepaid under the Lease.

1.4 No deposit of any nature has been made in connection with the Lease (other than deposits the nature and amount of which are expressly described in the Lease).

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1.5 Tenant is currently paying rent under the Lease in the amount of ~~\$34,166.67~~ per month.

1.6 Tenant claims no rights with respect to the Premises or the Property other than those set forth in the Lease.

1.7 To the best of Tenant's knowledge, there is no existing defense or offset against amounts due or to become due to Landlord under the Lease, and there is no existing uncured default by Tenant or Landlord under the Lease, nor has any event occurred which, with the passage of time or the giving of notice or both, would constitute such a default.

1.8 To the best of Landlord's knowledge, there is no existing defense or offset against amounts due or to become due to Landlord under the Lease, and there is no existing uncured default by Tenant or Landlord under the Lease, nor has any event occurred which, with the passage of time or the giving of notice or both, would constitute such a default.

1.9 Landlord has performed all of its obligations to Tenant with respect to the construction of improvements, Landlord has offered no free rent period, building allowance or similar concession(s) to induce Tenant to enter into the Lease except as set forth in the Lease; and Landlord has no other obligations to Tenant in connection with the Lease, matured or not yet matured, except as set forth in the Lease.

1.10 Except as otherwise set forth in the Lease or provided by law, there is no condition or event that would prevent the Lease from becoming effective or would entitle Landlord or Tenant to terminate the Lease.

2. Consent to Assignment. Tenant understands that Landlord has assigned or will assign the Lease to Lender in connection with the Loan, and Tenant hereby consents to such assignment. Tenant is not aware of any prior assignment of the Lease by Landlord.

3. No Modification of Lease. Tenant shall not, without Lender's prior written consent, (a) amend, supplement, terminate or otherwise modify the Lease; or (b) accept (and/or act in reliance on) the release, relinquishment or waiver by Landlord of any right, or the grant by Landlord of any approval or consent, with respect to the Lease. Any such termination, modification, acceptance or other action taken without such prior consent shall, at Lender's option, be void. Tenant shall not pay any rent or other amount due to Landlord under the Lease more than 10 days in advance of the due date.

4. Lender Cure Rights. Tenant shall not exercise any termination remedy upon a default by Landlord with respect to the Lease unless Tenant has first given Lender written notice of such default (at the address shown below or any other address hereafter supplied to Tenant by Lender) and such default is not cured within 30 days thereafter; provided that, if such default is nonmonetary, is curable by Lender, and (a) is of such a nature that it cannot reasonably be cured within 30 days or (b) the cure thereof by Lender requires Lender to have possession of the Property, then in either such event Tenant shall not exercise any termination remedy so long as Lender is diligently taking all steps required for Lender to cure the default (including pursuit of possession of the Property, to the extent required).

5. Payments to Lender. Tenant shall make all payments under the Lease to Lender upon receiving a direction to pay from Lender, and shall comply with any such direction to pay without determining whether any default exists with respect to the Loan.

6. Agreements by Landlord. Landlord hereby agrees as follows:

6.1 Tenant shall have no liability to Landlord for any amount otherwise owing to Landlord under the Lease in the event that (a) Tenant receives a written demand from Lender to pay such amount to Lender and (b) Tenant thereafter pays such amount to Lender.

6.2 Tenant shall be entitled to assume that any such demand by Lender is valid and shall be under no obligation, and shall have no right, to inquire as to its validity, nor shall any claim by Landlord that such demand is invalid affect Tenant's right and obligation to pay all amounts demanded to Lender and thereupon be discharged of Tenant's obligation to pay such amounts to Landlord.

7. Subordination. All of Tenant's rights and interests with respect to the Premises and the Property under the Lease and all related documents (including without limitation any options to purchase and rights of first offer and first refusal) are and shall remain subject and subordinate to Lender's rights and interests in the Property under the Mortgage and all related loan and security documents, and to all amendments, supplements and other modifications now or hereafter executed with respect thereto, including without limitation modifications that substantially increase the obligations to Lender to which Tenant's interests are subordinated. Without limiting the generality of the foregoing, the provisions of the Mortgage and the above-described loan and security documents shall prevail over any inconsistent provisions of the Lease relating to the disposition of insurance and condemnation awards.

8. Termination. In the event of any judicial or nonjudicial foreclosure of the Mortgage, the Lease shall be deemed terminated automatically, the transferee of Landlord's interests pursuant to such foreclosure shall have no liability to the Tenant, and the Tenant shall immediately vacate and surrender the Property in good condition and in accordance with all requirements of the Lease regarding the condition of the Property upon surrender by the Tenant of the Property.

9. Further Assurances. Each party hereto shall execute, acknowledge and deliver to each other party all documents, and shall take all actions, reasonably required by such other party from time to time to confirm or effect the matters set forth herein, or otherwise to carry out the purposes of this Agreement.

10. Miscellaneous. Tenant and Landlord hereby agree that capitalized terms used and not defined in this Agreement shall have the meanings given to them in the Note.

This Agreement is a Loan Document. This Agreement shall be binding on Tenant and its successors and assigns and shall inure to the benefit of Lender and its successors and assigns; provided, however, that in no event may Tenant assign any of its rights or obligations under this Agreement (and any attempt by Tenant to do so shall, at Lender's option, be void). Tenant agrees to pay to Lender, on demand, all costs and expenses, including attorneys' fees, incurred by Lender in exercising any right, power or remedy conferred by this Agreement, or in the enforcement of this Agreement, whether or not any action is filed in connection therewith. Until paid to Lender, such amounts shall bear interest, commencing with Lender's demand therefor, at the default rate of interest set forth in the Note or, if there is no such default rate, at the highest rate of interest set forth in the Note. If more than one person and/or entity signs this Agreement as the tenant, then such person(s) and/or entity(ies) shall be jointly and severally liable for the obligations of the tenant under this Agreement.

11. Reliance by Lender. Tenant understands that Lender will rely upon this Agreement in making the Loan and/or in entering into certain agreements and/or granting certain consents in connection therewith. Notice of acceptance of this Agreement by Lender is waived.

UNOFFICIAL COPY

0020571860

South Carolina

STATE OF ~~ILLINOIS~~)
) ss.
COUNTY OF ~~COOK~~)
Beaufort

On this 29th day of April, 2002, before me, the undersigned Notary Public, personally appeared Richard R Moore of 48 SEEGER ASSOCIATES who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such _____, appeared before me this day in person and acknowledged that he signed and delivered said instrument as his own free and voluntary act and the free and voluntary act of said partnership for the uses and purposes therein set forth.

By: Diane M. Szekely Residing at: Hilton Head Is., SC
Notary Public in and for the State of South Carolina

My Commission Expires: DIANE M. SZEKELY, Notary Public
State of South Carolina
Beaufort County
My Commission Expires July 12, 2009

PROPERTY OF COOK COUNTY CLERK'S OFFICE

EXHIBIT A

LEGAL DESCRIPTION

Lots 17, 18 and 23, in Arlington Water Tower Subdivision, being a Subdivision of part of Lot 6 in the North East Quarter of Section 16, in the Subdivision of Joseph Barnes Farm in Sections 9, 15 and 16, Township 41 North, Range 11 East of the Third Principal Meridian, according to the Plat thereof, registered August 2, 1979 as Document #LR3108761, in Cook County, Illinois.

Commonly known as: 48 West Seegers Road
Arlington Heights, Illinois

Permanent Tax ID Numbers: 08-16-200-096
08-16-200-097
08-16-200-099

Property of Cook County Clerk's Office