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This Document Prepared by and
after Recording return to:

Deutsch, Levy & Engel Chartered
225 W. Washington Street
Ste. 1700
Chicago, Illinois 60606
Attn: Aaron B. Zarkowsky



Doc#: 0335332008
Eugene "Gene" Moore Fee: \$48.50
Cook County Recorder of Deeds
Date: 12/19/2003 10:01 AM Pg: 1 of 13

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Miss Martha Hall 0,032642 5967mm

LEASE SUBORDINATION AGREEMENT

THIS AGREEMENT is made and entered into as of the 17th day of December, 2003, by and between A-Z Industries, Inc. ("Tenant"), A-Z Ventures, L.L.C., an Illinois limited liability company ("Landlord"), and LASALLE BANK NATIONAL ASSOCIATION, a national banking association, its successors and assigns ("Mortgagee").

RECITALS:

A. Mortgagee is the holder of a certain Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Filing dated August 31, 2001, (as amended from time to time, "Mortgage") an a certain Junior Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Filing dated December 17, 2003 ("Junior Mortgage;" the Mortgage and the Junior Mortgage are together the "Mortgage") encumbering the Real Estate (hereinafter defined) and securing a principal indebtedness in an amount equal to the aggregate amount of Two Million Eight Hundred Fifty Thousand and no/100 Dollars (\$2,850,000).

B. Tenant has entered into a lease agreement (such lease agreement hereinafter being referred to as "Lease Agreement," and the Lease Agreement, together with all amendments and modifications thereof, hereinafter being referred to as "Lease") dated August 31, 2001 with Landlord (or Landlord's predecessor-in-interest), pursuant to which Tenant leased certain premises ("Leased Premises") consisting of approximately _____ rentable square feet of space in the building ("Building") on the parcel of land ("Land") legally described in Exhibit A attached hereto (the Land and Building herein being collectively referred to as "Real Estate").

Near North National Title Corp
222 North LaSalle Street
Chicago, Illinois 60601

- 169580.1

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NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby covenant and agree as follows:

1. Tenant represents and warrants to Mortgagee that the Lease constitutes the entire agreement between Tenant and Landlord with respect to the Leased Premises and there are no other agreements, written or verbal, governing the tenancy of Tenant with respect to the Leased Premises.

2. Tenant has executed and delivered to Mortgagee a certain Tenant Estoppel Certificate (the "Estoppel Certificate") dated on or about the date hereof. The provisions of the Estoppel Certificate are hereby incorporated into this Agreement as if fully set forth in this Agreement in their entirety, and Tenant acknowledges that Mortgagee will be relying on the statements made in the Estoppel Certificate in determining whether to disburse the proceeds of the loan secured by the Mortgage and whether to enter into this Agreement.

3. Prior to pursuing any remedy available to Tenant under the Lease, at law or in equity as a result of any failure of Landlord to perform or observe any covenant, condition, provision or obligation to be performed or observed by Landlord under the Lease (any such failure hereinafter referred to as a "Landlord's Default"), Tenant shall: (a) provide Mortgagee with a notice of Landlord's Default specifying the nature thereof, the section of the Lease under which same arose and the remedy which Tenant will elect under the terms of the Lease or otherwise, and (b) allow Mortgagee not less than thirty (30) days following receipt of such notice of Landlord's Default to cure the same; provided, however, that, if such Landlord's Default is not readily curable within such thirty (30) day period, Tenant shall give Mortgagee such additional time as Mortgagee may reasonably need to obtain possession and control of the Real Estate and to cure such Landlord's Default so long as Mortgagee is diligently pursuing a cure. Tenant shall not pursue any remedy available to it as a result of any Landlord's Default unless Mortgagee fails to cure same within the time period specified above. For purposes of this Paragraph 3, a Landlord's Default shall not be deemed to have occurred until all grace and/or cure periods applicable thereto under the Lease have lapsed without Landlord having effectuated a cure thereof.

4. Tenant covenants with Mortgagee that the Lease shall be subject and subordinate to the lien and all other provisions of the Mortgage and to all modifications and extensions thereof, to the full extent of all principal, interest and all other amounts now or hereafter secured thereby and with the same force and effect as if the Mortgage had been executed and delivered prior to the execution and delivery of the Lease. Without limiting the generality of the foregoing subordination provision, Tenant hereby agrees that any of its right, title and interest in and to insurance proceeds and condemnation awards (or other similar awards arising from eminent domain proceedings) with respect to damage to or the condemnation (or similar taking) of any of the Real Estate, shall be subject and subordinate to Mortgagee's right, title and interest in and to such proceeds and awards.

5. Tenant acknowledges that Landlord has collaterally assigned to Mortgagee all leases affecting the Real Estate, including the Lease, and the rents and other amounts, including, without

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limitation, lease termination fees, if any, due and payable under such leases. In connection therewith, Tenant agrees that, upon receipt of a notice of a default by Landlord under such assignment and a demand by Mortgagee for direct payment to Mortgagee of the rents due under the Lease, Tenant will honor such demand and make all subsequent rent payments directly to Mortgagee. Tenant further agrees that any Lease termination fees payable under the Lease shall be paid jointly to Landlord and Mortgagee.

6. Any notices, communications and waivers under this Agreement shall be in writing and shall be (i) delivered in person, (ii) mailed, postage prepaid, either by registered or certified mail, return receipt requested, or (iii) by overnight express carrier, addressed in each case as follows:

To Mortgagee: LaSalle Bank National Association
8303 W. Higgins Road
Suite 600
Chicago, Illinois 60631
Attn: Michael McGrogan

and to: Deutsch, Levy & Engel Chartered
225 W. Washington Street, Ste. 1700
Chicago, Illinois 60606
Attn: Aaron B. Zarkowsky

To Tenant: AZ Industries, Inc.
3665 Commercial Ave.
Northbrook, Illinois 60062
Attn: James Anixter

or to any other address as to any of the parties hereto, as such party shall designate in a written notice to the other party hereto. All notices sent pursuant to the terms of this Paragraph shall be deemed received (i) if personally delivered, then on the date of delivery, (ii) if sent by overnight, express carrier, then on the next federal banking day immediately following the day sent, or (iii) if sent by registered or certified mail, then on the earlier of the third federal banking day following the day sent or when actually received.

7. Tenant acknowledges and agrees that Mortgagee will be relying on the representations, warranties, covenants and agreements of Tenant contained herein and that any default by Tenant hereunder shall permit Mortgagee, at its option, to exercise any and all of its rights and remedies at law and in equity against Tenant and to join Tenant in a foreclosure action thereby terminating Tenant's right, title and interest in and to the Leased Premises.

8. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors and assigns and any nominees of Mortgagee, all of whom are

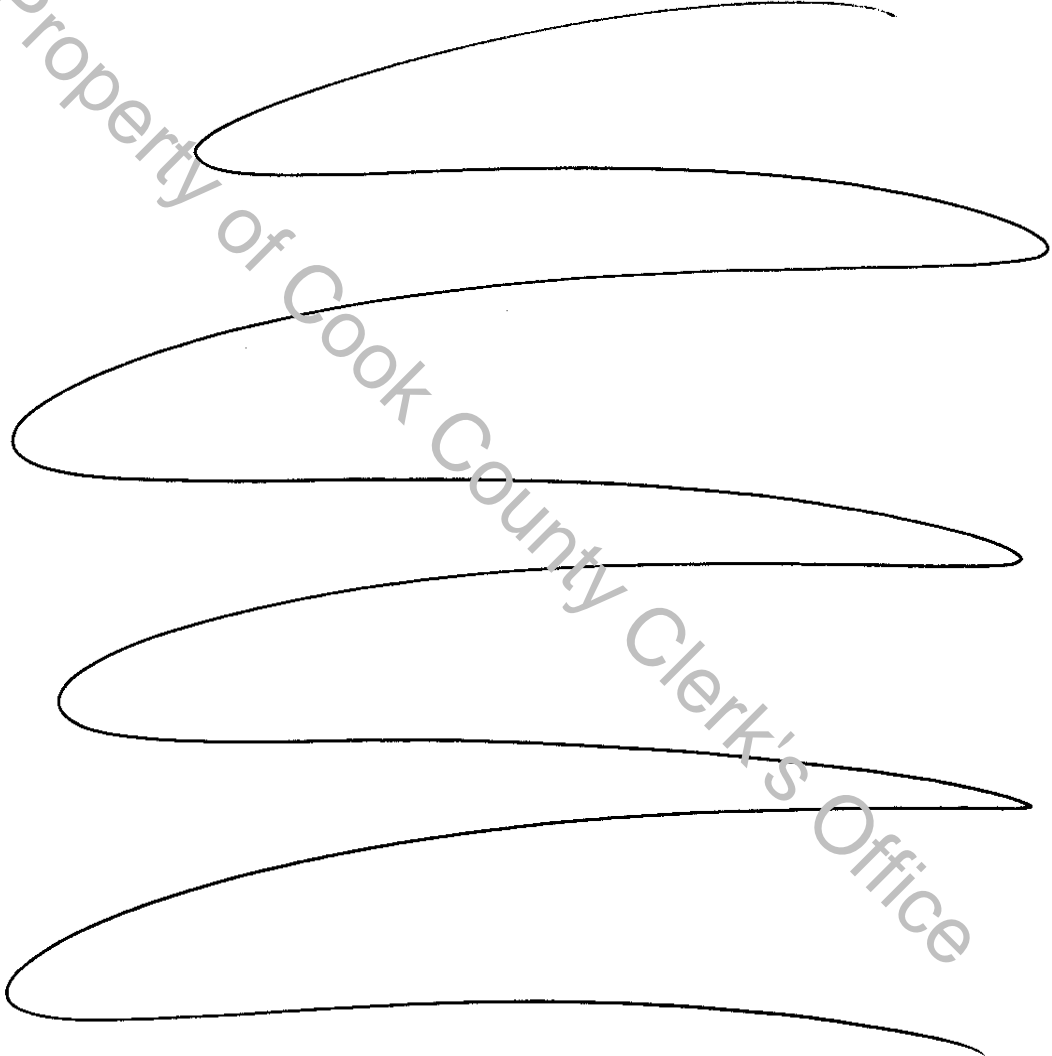
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entitled to rely upon the provisions hereof. This Agreement shall be governed by the laws of the State of Illinois.

9. This Agreement may be executed in multiple counterparts and all of such counterparts together shall constitute one and the same Agreement.

(Signature Page Follows)

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IN WITNESS WHEREOF, the parties hereto have executed these presents the day and year first above written.

Tenant:

A-Z Industries, Inc., an Illinois corporation

By: James R. Anixter
Name: James R. Anixter
Title: President

Landlord:

A-Z Ventures, L.L.C., an Illinois limited liability company

By: James R. Anixter
Name: James R. Anixter
Title: Manager

Mortgagee:

LASALLE BANK NATIONAL ASSOCIATION,
a national banking association

By: _____
Scott M. Lesser
Title: First Vice President

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IN WITNESS WHEREOF, the parties hereto have executed these presents the day and year first above written.

Tenant:

A-Z Industries, Inc., an Illinois corporation

By: _____
Name: James R. Anixter
Title: President

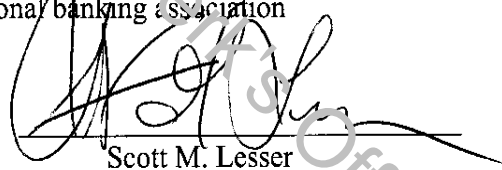
Landlord:

A-Z Ventures, L.L.C., an Illinois limited liability company

By: _____
Name: James R. Anixter
Title: Manager

Mortgagee:

LASALLE BANK NATIONAL ASSOCIATION,
a national banking association

By: 
Title: Scott M. Lesser
First Vice President

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STATE OF ILLINOIS
COUNTY OF COOK) SS.

I, Keith Ross, a Notary Public in and for said County in the State aforesaid, do hereby certify that James Anixter, Manager of A-Z Ventures, L.L.C., who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Manager, appeared before me this day in person and acknowledged that he/she signed and delivered such instrument as his/her own free and voluntary act and as the free and voluntary act of said partnership/corporation, for the uses and purposes set forth therein.

Given under my hand and notarial seal on December 12, 2003.



[Signature]
Notary Public

STATE OF ILLINOIS
COUNTY OF COOK) SS.

I, Keith Ross, a Notary Public in and for said County in the State aforesaid, do hereby certify that James R. Anixter, President of A-Z Industries, Inc., who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such President, appeared before me this day in person and acknowledged that he/she signed and delivered such instrument as his/her own free and voluntary act and as the free and voluntary act of said partnership/corporation, for the uses and purposes set forth therein.

Given under my hand and notarial seal on December 12, 2003.



[Signature]
Notary Public

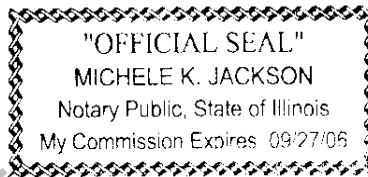
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STATE OF ILLINOIS)
)
 COUNTY OF COOK) SS.

I, Michele Jackson, a Notary Public in and for said County in the State aforesaid, do hereby certify that Scott M. Lesser, a First Vice President of LASALLE BANK NATIONAL ASSOCIATION, a national banking association, who is personally known to be to be the same person whose name is subscribed to the foregoing instrument as such First Vice President, appeared before me this day in person and acknowledged that he/she signed and delivered such instrument as his/her own free and voluntary act and as the free and voluntary act of said Bank, for the uses and purposes set forth therein.

Given under my hand and notarial seal on Dec 15, 2003.

Michele Jackson
 Notary Public



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EXHIBIT A

Legal Description of Real Estate

LOTS 18, 19 AND 20 IN NORTHBROOK EDENS INDUSTRIAL PARK SUBDIVISION UNIT NO. 4, SECTION 6, TOWNSHIP 42 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, RECORDED APRIL 17, 1968 AS DOCUMENT 20462314 IN COOK COUNTY ILLINOIS IN COOK COUNTY ILLINOIS

PIN: 04-06-203-002; 04-06-203-003; 04-06-203-004

Address: 363 (-3665 Commercial Drive, Northbrook, Illinois

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TENANT ESTOPPEL CERTIFICATE

To: LaSalle Bank National Association
 135 S. LaSalle, Suite 1225
 Chicago, Illinois 60603
 Attn: Manager Real Estate Administration

Re: Lease Dated: Feb. 25, 1988, as amended (the "Lease")
 Tenant: A-Z Industries, Inc. ("Tenant")
 Landlord: A-Z Ventures, L.L.C. ("Landlord")
 Common Address of Building: 3631-3665 Commercial
 Northbrook, Illinois 42,000 S.F. ± (the "Building")
 Leased Premises within the Building: west 1/2 of Building (the "Premises")

Tenant acknowledges that (a) LaSalle Bank National Association, a national banking association, its successors and assigns ("Lender") has agreed, subject to the satisfaction of certain terms and conditions, to make a loan ("Loan") to AZ Ventures LLC, successor in interest to Landlord, secured by a mortgage lien on Landlord's interest in the Building and the land on which the Building is located, and (b) Lender is requiring this Certificate as a condition to its making the Loan. Accordingly, Tenant hereby certifies and confirms to Lender and acknowledges and agrees as follows:

1. Tenant is in full and complete possession of the Premises demised under the Lease, such possession having been delivered by the Landlord pursuant to the Lease and having been accepted by the Tenant.
2. The improvements to the Premises that Landlord is required to furnish under the Lease have been completed in all respects to the satisfaction of Tenant, and the Premises are open for the use of Tenant, its customers, employees and invitees. All contributions required to be paid by Landlord to Tenant in connection with improvements to the Premises have been paid in full.
3. All duties or obligations of Landlord required under the Lease which were an inducement to Tenant to enter into the Lease have been fully performed.
4. The Lease is in full force and effect. No default exists on the part of Landlord or Tenant under the Lease, nor does any circumstance currently exist that, but for the giving of notice or the passage of time, or both, would be such a default. The Lease constitutes the entire rental agreement between Landlord and Tenant with respect to the Premises and has not been amended, modified or supplemented, except as attached hereto, and has not been superceded. There are no oral agreements between Landlord and Tenant with respect to the Premises. A true and correct copy of the Lease (including all amendments thereto) is attached to this Certificate and Tenant agrees not to amend or modify the Lease without the

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prior written consent of Lender.

5. No rents under the Lease have been prepaid, except the current month's rent. Tenant agrees that it shall not prepay any rents under the Lease more than one month from the date when such rents are due. Tenant does not now have or hold any claim or defense against Landlord which might be set off or credited against future accruing rents or which might otherwise excuse Tenant's performance under the Lease.
6. Tenant has received no notice of a prior sale, transfer, assignment, hypothecation or pledge of the Lease or of the rents secured therein.
7. Tenant does not have any outstanding options or rights of first refusal to purchase the Premises, or any part thereof, or to purchase or lease any other part of the Building except (state none, if applicable):
8. No actions, whether voluntary or involuntary, are pending against Tenant or any guarantor of the Lease under any bankruptcy, insolvency or similar laws of the United States or any state thereof.
9. The term of the Lease commenced on the ___ day of _____, 20__ and ends on the 30th day of 10/21, 2014, subject to options to renew, if any, set forth in the Lease.
10. The current monthly base rental payable by Tenant under the Lease is \$15,871.96. Percentage rent [is/is not] payable, as provided in the Lease. The current estimated monthly payments made by Tenant under the Lease in respect of common area maintenance costs and real estate taxes are \$ N/A and \$ 7,500.00, respectively.
11. The security deposit under the Lease is currently \$ 7875.-.
12. So long as the Loan is outstanding, Tenant shall pay any termination fees payable for the early termination of the Lease to Landlord and Lender jointly.
13. Lender will rely on the representations and agreements made by Tenant herein in connection with Lender's agreement to make the Loan and Tenant agrees that Lender may so rely on such representations and agreements.

(Signature Page Follows)

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Executed this 17 day of December, 2003.

Tenant:

A-Z Industries, Inc., an Illinois corporation

By: James R. Anixter
Print Name: James R. Anixter
Title: President

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EXHIBIT A

COPY OF LEASE

[TO BE ATTACHED BY TENANT]

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