COVENANTS, CONDITIONS AND RESTRICTIONS AGREEMENT OUTLOT LL/G COUNTRYSIDE PLAZA

This Covenants, Conditions and Restrictions Agreement (hereinafter sometimes referred to as the "Agreement") made and entered into as of this 30 day of 30, 2004, by and between SIMON PROPERTY GROUP (ILLINOIS), L.P., an Illinois limited partnership (hereinafter referred to as "Developer") and CJA PROPERTIES, an Illinois general partnership (hereinafter referred to as "Owner").

WITNESSETH:1

WHEREAS, Developer is the owner of certain real property described in <u>EXHIBIT A</u> attached hereto and made a part hereof (which property is hereinafter referred to as "<u>Developer's Property</u>"); and

WHEREAS, Prior to Closing Date, Owner was under the terms of the Sublease with Developer as lessor, the lessee of the Parcel and leased and operated the Parcel as a sit-down family style restaurant; and

¹This document was prepared by and after recording should be returned to:

Risé A. Friedman, Esq. Simon Property Group 115 West Washington Street Indianapolis, Indiana 46204

Doc#: 0427844057 Eugene "Gene" Moore Fee: \$166.50 Gook County Recorder of Deeds Date: 10/04/2004 02:10 PM Pg: 1 of 32

M:\Legal Development\STAFF\EDITH\Countryside\CCRA-051304.doc

1

0427844057 Page: 2 of 32

UNOFFICIAL COPY

WHEREAS, Owner now owns and continues to operate the Parcel as the same sit-down family style restaurant; and

WHEREAS, by reason of the proximity of the Parcel to Developer's Property, which is part of the shopping center site commonly known as Countryside Plaza (the "Center"), Developer and other owners of the property adjacent to, or in close proximity to, the Center have a substantial interest in the development of the Parcel; and

WHEREAS as a condition to Developer's agreement to sell the Parcel to Owner, the parties have agreed to subject the Parcel to the terms, conditions and provisions of this Agreement in the manner hereinafter set forth.

NOW, THEREFORE, for and in consideration of Ten and 00/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and the mutual covenants hereinafter set forth, the parties, intending to be legally bound, do hereby agree as follows:

1. ADDITIONAL IMPROVEMENTS TO THE PARCEL

Improvements Subject to Developer Approval. Developer and Owner (a) acknowledge and agree that Developer has an interest in the manner in which all property adjacent to or in close proximity to the Center is developed, including the Parcel. Accordingly, Developer shall have the right to review and approve any and all plans for the reconstruction, replacement, remodeling, alteration, addition, installation or modification) (collectively "Construction") of any building, exterior signage, lighting, landscaping, access drives, parking areas, utility lines or other improvements (collectively "Improvements") to be located on the Parcel to ascertain that such Improvements are compatible with and will not adversely affect other portions of the Center with respect to, without limitation, matters of signage, utilities, traffic circulation, parking, safety and health hazards, emergency access, landscaping, building height, visibility, curb cuts (including, but not limited to, curb cuts onto adjacent public roads), quality of workmanship and materials, type, grade, color and texture of exterior materials, compatibility of architectural and landscape design with other Improvements in the Center and other similar matters that could have an impact on other portions of the Center; provided, however, such approval by Developer shall not be deemed to be an assumption of the responsibility by Developer for the accuracy, sufficiency or propriety of the Plans and

0427844057 Page: 3 of 32

UNOFFICIAL COPY

Specifications (as such term is hereinafter defined) nor a representation that the Plans and Specifications provide for the Construction of Improvements that comply with applicable laws, rules, ordinances, regulations, covenants or restrictions.

- Submission of Plans. No later than forty-five (45) days prior to the (b) commencement of any Construction of Improvements on the Parcel or any portion thereof, and prior to any submission to any federal, state, county or municipal agency, board, department or other governmental or quasi-governmental body (a "Local Authority"), Owner shall deliver to Developer or. (1) reproducible set (sepia) and four (4) copies of its schematic site plan or plans showing the following: (i) location of any buildings; (ii) the facilities and areas, and related improvements (including ingress and egress, curb cuts, traffic flow, signage, parking ratio, utility lines and facilities, and lighting); (iii) the location and nature of decorative features, including landscaping, planters, directories and benches; (iv) setback lines; (v) building height and building area; (vi) schematic architectural and engineering plans; (vii) grading and drainage plans; (viii) outline floor plans of the building shell of any and all buildings to be constructed on the Parcel, showing principal exterior dimensions exterior design concept, the type, grade, color and texture of exterior materials and the basic exterior painting design, canopies, truck court and trash/service area shielding, rooftop screening, and any and all exterior building signs or other signs contemplated for location on the Parcel; and (ix) schematic interior design floor plan. All of the above-mentioned plans are hereinafter referred to as the "Plans and Specifications" and that work conducted by Owner or Owner's agents, contractors or subcontractors as specified or depicted in the Plans and Specifications shall be referred to in this Agreement as "Owner's Work."
- of the last to be delivered of the Plans and Specifications as hereinabove and as hereinafter provided, Developer shall review such Plans and Specifications to determine that the proposed Improvements are compatible with and will not cause an adverse affect or will not have an adverse impact on any other portion(s) of the Center with respect to those matters set forth in Section 1(a) above. Developer shall at all times act reasonably and in good faith in approving or disapproving Owner's Plans and Specifications, it being expressly acknowledged by Owner that other owners and occupants of portions of the Center may also be reviewing the Plans and Specifications and that Developer's disapproval thereof as a result of objections by such other owners or occupants shall, in any event, be deemed to be reasonable and in good faith. Developer's approval of the Plans and Specifications shall be evidenced by its initialing one (1) copy thereof and returning the same to Owner.

Should Developer fail to deliver to Owner its approval or disapproval of Owner's Plans and Specifications in writing within thirty (30) calendar days after receipt of the Plans and Specifications, then Developer shall be conclusively presumed to have disapproved the Plans and Specifications. In the event of disapproval, Owner shall revise the Plans and Specifications to incorporate any and all changes as may be reasonably requested to secure Developer's approval and shall deliver to Developer one (1) reproducible set (sepia) and four (4) copies of the revised Plans and Specifications. Within fifteen (15) calendar days after Developer's receipt of the revised Plans and Specifications Developer shall review such revised Plans and Specifications in accordance with all the provisions of this Section 1. Should Developer fail to deliver to Owner its approval or discoproval of the revised Plans and Specifications in writing within fifteen (15) calendar days after receipt of the revised Plans and Specifications, then Developer shall be conclusively presumed to have disapproved the revised Plans and Specifications, and Owner shall further revise the Plans and Specifications and deliver the same to Developer for review in accordance with the provisions of this paragraph.

- Continuing Right of Approval. Without limitation of any other provision hereof, it is further understood that Developer shall retain architectural approval over the alternation, remodeling, renovation or reconstruction of the Parcel. The Transfer (as such term is defined in Section 8 hereof) of the Parcel, or any part thereof, or the review and approval of Plans and Specifications by Local Authorities in connection with the granting of a permit, license or other governmental approvals, shall in no way be deemed to preclude Developer from exercising its approval rights of Plans and Specifications prior to the commencement of any and all Construction on the Parcel.
- Shopping Center REA. Owner acknowledges the receipt of a copy of that certain (e) Construction, Operation and Reciprocal Easement Agreement by and annual Developer as successor in interest to LaGrange Development Company and, KRCV Corp., a Kansas corporation successor in interest to The May Department Stores Company dated December 30, 1976 and recorded February 24, 1977 in the office of the Recorder of Cook County, as document #23830713 and that certain Construction, Operation and Reciprocal Easement Agreement by and among Developer as successor in interest to LaGrange Development Company an Indiana limited partnership and Kmart Corporation, a Michigan corporation dated August 19, 1988 and recorded August 26, 1988 in the office of the Recorder of Cook County, as document #88390544 (said agreements, as the same may be amended from time to time, and all agreements executed in substitution therefor or in restatement thereof being herein collectively called the "REA's").

Owner acknowledges and agrees that Owner has purchased the Parcel subject and subordinate to the REA's including, but not limited to, any and all provisions contained in the REA's restricting development on the Parcel.

- (f) <u>Development Guidelines</u>. Owner acknowledges the receipt of a copy of the document prepared by Developer and known as "<u>Standards and Criteria for Peripheral Property Development</u>" dated June, 1993 and kept on file at the offices of Developer (the "<u>Standards</u>"). Owner agrees that any and all reconstruction, alteration, remodeling or modifications on the Parcel shall be subject to the applicable standards set forth therein, which standards are hereby incorporated by this reference and made a part hereof.
- (g) <u>Signage and Height Conditions</u>. Subject to the prior approval rights of Developer set forth in this Agreement and without limitation of any other provision of this Agreement, the Standards, the REA's, applicable Laws (as hereinafter defined) or the approved Plans and Specifications (the most stringent of which shall apply), the following conditions are agreed to by Owner:
 - i. Owner, at its sole cost and experse, shall maintain the existing monument sign on the Parcel provided that 1) the height of such monument sign does not exceed six (6) feet in height; 2) the area of each sign panel does not exceed thirty five (35) square feet per panel with a maximum of two (2) panels per sign; 3) the monument sign is erected in the area located directly in front of Owner's building; and 4) such sign does not materially obstruct the visibility of the Center or any other signs identifying the Center or other occupants of the Center;
 - ii. Owner, at its sole cost and expense, shall maintain three (3) fascia signs on the fascia of its building, but not on the roof thereof, the length of such fascia sign not to exceed forty percent (40%) of the length of the fascia on which it is installed and its letters being internally and individually lit and not exceeding eighteen (18) inches in height;
 - iii. No temporary sign, paper sign, flag, banner or streamer shall be permitted upon any portion of the Parcel at any time; and
 - iv. The height of any improvements on the Parcel shall not exceed the lesser of one (1) story or eighteen (18) feet in height.

- (h) Restrictions on Actions. Owner acknowledges that the Parcel is a part of an integrated development comprising a variety of uses in which certain actions of Owner may have an adverse effect on the Center. Therefore, without limitation of the provisions of this Section 1 or any other provisions of this Agreement, Owner agrees not to take any of the following actions without Developer's prior written consent, which consent Developer may withhold in its sole discretion:
 - i. make any request or application to any governing body having jurisdiction over public roads and highways adjacent to the Parcel, including, but not limited to, any state, county or local highway department of transportation, for any curb cuts or other access points providing access from such public roads to the Parcel, even if and notwithstanding the fact that such curb cut is located entirely on the Parcel and not on Developer's Property;
 - ii. make any request or application to any Local Authority for any monument, pylon, or exterior building signage other than that permitted in subsection 1(g) above;
 - make any request or application to any Local Authority for any variance or rezoning of or other exception to the currently applicable requirements relating to use of the Parcel, any building setback lines, parking requirements, building height requirements, building to land coverage ratios, screening access, or other zoning or building code requirements; nor
 - iv. submit the Plans and Specifications to a Local Authority in connection with any change or modification in zoning, the issuance of a building permit or other permits, licenses or approvals, or for any other reason, unless such Plans and Specifications have been reviewed and approved in advance by Developer in accordance with this Section 1.

If any changes are requested or required by a Local Authority to approved Plans and Specifications, such changes shall be subject to Developer's review and approval or disapproval in accordance with Section 1 hereof. Owner shall deliver to Developer for its review written notice of the requested or required changes. Should Developer fail to deliver to Owner its approval or disapproval of the changes in writing within fifteen (15) days after receipt of

Owner's written notice, then Developer shall be conclusively presumed to have disapproved the changes.

(i) <u>No Barrier</u>. No barricades, fences or other material obstructions shall be erected, installed or maintained by Owner which would in any manner impede vehicular or pedestrian traffic on, across, over or between the common areas on the Parcel and Developer's Property (other than reasonable directional markers and traffic control devices).

2. MAINTENANCE OF THE PARCEL

- Parcel and all Improvements located thereon, including the exterior of any building or buildings, pedestrian walks, landscaped areas, exterior lighting and signage and other Improvements, in a good, clean and safe condition, appearance and repair consistent with and similar to the Center, and further shall at all times, and from time to time, cause the prompt removal of all paper, debris, refuse, snow and ice and the sweeping of paved areas (if any) when and as required in order that the Parcel be maintained as above provided, and will maintain the unimproved portions of the Parcel in a similar good, clean and safe condition.
- Improvements on the Parcel by reason of fire or other casualty or the loss of any part of the Parcel or Improvements on it by reason of condemnation, Owner shall perform or cause to be performed either: (i) prompt restoration of such Improvements to the condition existing prior to such damage, destruction or condemnation; or (ii) razing and removal of any such Improvements, in which event Owner shall replace such Improvement with either (A) paved parking or other Improvements or uses consistent with this Agreement and approved by Developer prior to their construction; or (B) landscaping in a manner acceptable to and approved by Developer.
- (c) Action by Developer. In the event that Owner shall fail or refuse to maintain the Parcel as above provided, then Developer shall have the right, upon ten (10) days' prior written notice to Owner specifying the manner in which Owner has failed to maintain the Parcel (unless within such ten (10) day period Owner shall complete the required maintenance, or in the case of maintenance which by its nature cannot be completed within such ten (10) day period, Owner shall take such action as is reasonably calculated to commence the required maintenance and thereafter shall diligently prosecute the maintenance to completion), to enter upon the Parcel and

0427844057 Page: 8 of 32

UNOFFICIAL COPY

perform the maintenance set forth in said notice, all in the name of and for the account of Owner. Developer shall have the absolute right of entry upon the Parcel to perform such maintenance and shall in no event be held to be a trespasser upon the Parcel, but no entry in any buildings is authorized. Developer, by reason of its doing so, shall not be liable or responsible to Owner or any other person or entity for any losses or damages thereby sustained by Owner or any occupants of the Parcel or of anyone claiming by or under either an occupant or Owner, unless such loss or damage arose from Developer's gross negligence or willful misconduct in performing any such maintenance. The cost of such maintenance, plus a twenty-five percent (25%) management fee, shall be paid by Owner to Developer within ten (10) days after the date of receiving a statement therefor, which statement shall specify the details of the maintenance performed and the cost thereof. In the event that Owner shall fail to pay Developer any such amount when due, Developer shall have all of the rights and remedies provided for in Section 10 hereof.

3. MAINTENANCE AND MANAGEMENT OF PARKING AREA

- (a) <u>Standard of Maintenance</u>. Notwithstanding any provision in Section 2 to the contrary, Owner shall operate and maintain, or cause to be operated and maintained, that portion of the Parcel designed or designated from time to time to be used as access drives and parking areas for motor vehicles, including appurtenant landscaped areas, exterior lighting and signage (hereinafter referred to as "<u>Parking Area</u>") in good and clean order, condition and repair. Without limiting the generality of the foregoing, Owner, in the operation and maintenance of the Parking Area, shall observe the following standards:
 - i. Maintain the surface of the Parking Area in a level, smooth and evenly covered manner with the type of surfacing material originally installed thereon, or such substitute thereof as shall be in all respect equal thereto in quality, appearance and durability;
 - ii. Remove all paper, snow and ice, debris, filth and refuse from the Parking Area and wash or thoroughly sweep paved areas as reasonably required;
 - Maintain such appropriate parking lot entrance, exit and directional signs and markers in the Parking Area as shall be reasonably required and in accordance with the practices prevailing in the operation of first class regional shopping centers in the Chicago, Illinois metropolitan area. Lighting shall be maintained in

0427844057 Page: 9 of 32

UNOFFICIAL COPY

the Parking Area on the Parcel during the business hours of Owner, when such lighting is reasonably required;

- iv. Clean lighting fixtures in the Parking Area and relamp as reasonably required;
- v. Repaint striping, markers, directional signs, etc. in the Parking Area as reasonably required;
- vi. Maintain and replace landscaping outside of Owner's building curb as reasonably required, including mowing of grass, and removal and replacement of dead shry'bory; and
- vii. Prevent the erection of any barricades, fences or other barriers which would in any manner impece vehicular or pedestrian traffic on, across, over or between the common areas on the Farcel and the Center.
- Action by Developer. In the event that Owner shall fail or refuse to maintain the (b) Parking Area as above provided, then Developer shall have the right, upon ten (10) days' prior written notice to Owner specifying the manner in which Owner has failed to maintain the Parking Area (unless within such ten (10) day period Owner shall complete the required maintenance, or in the case of maintenance which by its parure cannot be completed within such ten (10) day period, Owner shall take such action as is reasonably calculated to commence the required maintenance and thereafter shall diligently prosecute the maintenance to completion), to enter upon the Parcel and perform the maintenance set forth in said notice, all in the name of and for the account of Owner. Developer shall have the absolute right of entry upon the Parcel to perform such maintenance and shall in no event be held to be a trespasser upon the Parcel, but no entry in any buildings is authorized. Developer, by reason of its doing so, shall not be liable or responsible to Owner or any other person or entity for any losses or damages thereby sustained by Owner or any occupants of the Parcel or of anyone claiming by or under either an occupant or Owner, unless such loss or damage arose from Developer's willful misconduct or gross negligence in performing any such maintenance. The cost of such maintenance, plus a twentyfive percent (25%) management fee, shall be paid by Owner to Developer within ten (10) days after the date of receiving a statement therefor, which statement shall specify the details of the maintenance performed and the costs thereof. In the event that Owner shall fail to pay Developer any such amounts when due, Developer shall have all of the rights and remedies provided for in Section 10 hereof.

0427844057 Page: 10 of 32

UNOFFICIAL COPY

4. MAINTENANCE AND USE OF RING ROAD AND ENTRANCE DRIVES

- demand, as its contribution to costs and expenses for the repair, maintenance, restoration and improvement of the Center ring road (the "Ring Road") and entrance drives (the "Entrance Drives"), the sum of Two Thousand Four Hundred and 00/100 Dollars (\$2,400.00) per year (the "Access Maintenance Charge"), commencing at the Closing Date. The Access Maintenance Charge for the first year following the Closing Date shall be paid in advance at Closing and thereafter annually, and will be increased by fifteen percent (15%) every five (5) years on the anniversary of the Closing Date.
- (b) Non-Exclusive Easement to Owner. Developer does hereby create, grant and convey unto Owner, its tenants, licensees, and invitees, a permanent, non-exclusive easement in common with Developer and all others to whom Developer has granted or may hereafter grant rights, over, upon and across the Ring Road and Entrance Drives, as they may be changed from time to time, for purposes of access, ingress and egress to and from the Parcel. Developer reserves the right, in its sole discretion, to change from time to time the configuration, location, number and size of the Ring Road and Entrance Drives, so long as owner's access to public streets is not materially impaired. The number, location and size of any curb cuts for ingress and egress to and from the Parcel onto the Ring Road and Entrance Drives shall be subject to the prior written approval and consent of Developer and the approval rights, if any, of any occupant of the Center pursuant to the terms and provisions of the REA's or otherwise.
- (c) <u>Continuing Obligation</u>. In the event that Owner shall Transfer (as such term is defined in Section 8 herein) Owner's complete interest in the entire Parcel, the Owner's transferee shall be responsible for payment of the Access Maintenance Charge and, except as provided below, Owner shall be released from further liability for the Access Maintenance Charge arising or accruing from and after the effective date of such Transfer, provided that the following conditions are satisfied:
 - i. With respect to accrued liability, any and all amounts which shall then be due and payable by Owner shall have been paid to Developer;

0427844057 Page: 11 of 32

UNOFFICIAL COPY

- ii. Developer shall have received promptly after the effective date of such Transfer, written notice from Owner of the Transfer and the name and address of the transferee;
- Neither Owner, Owner's nominee, a partnership or joint venture in which Owner holds an interest, or Owner's Affiliate (as such term is defined hereinafter) holds title to the Parcel, or any portion thereof or any interest therein.

If Owner shall fail to deliver any such written notice or pay any accrued amounts due, liability for payment of the Access Maintenance Charge shall continue to be binding upon and enforceable against. Owner until such failure is cured; notwithstanding the foregoing, such liability shall be binding upon and enforceable against the transferee at all times. In the event, after demand for payment is delivered by Developer to the transferee, such transferee shall fail to pay the Access Maintenance Charge when due, Owner's liability for such payment shall continue and Owner agrees to pay Developer any and all of the Access Maintenance Charge due and outstanding within thirty (30) days efter Developer delivers to Owner a written demand for payment. In the event that the Owner shall fail to pay to Developer any amounts to be paid under this Section 4, when due, Developer shall have all the rights and remedies provided for in Section 10 hereof.

(d) <u>"Affiliate" Defined.</u> As used in this Agreement, the word "<u>Affiliate</u>" shall mean (a) any corporation or other entity that directly or indirectly controls, is controlled by or is under common control with Owner, (b) an entity at least a majority of whose economic interest is owned by Owner, (c) any general or limited partnership, or limited hability partnership in which Owner is a general partner, or (d) any limited liability company in which Owner is a member. For purposes of this paragraph, "control" shall mean the power to direct the management of such entity through voting rights, ownership or contractual obligations.

5. <u>USE</u>

(a) <u>Permitted Use</u>. Owner agrees that it shall use, occupy and operate the Parcel, or shall cause the Parcel to be used, occupied and operated, for the operation of a sit down family style restaurant, and for no other uses or purposes whatsoever without, in each and every instance, the prior written consent of Developer ("<u>Permitted Use</u>").

0427844057 Page: 12 of 32

UNOFFICIAL COPY

- Change of Use. If Owner proposes to change the primary use of the Parcel from (b) the Permitted Use, Owner shall first notify Developer in writing of the proposed primary use (hereinafter referred to as "Proposed Use"). In no event shall Owner be entitled to (a) propose a Proposed Use which would violate an Exclusive (as hereinafter defined) or the REA's. Developer shall have a period of thirty (30) days after Developer's receipt of written notice of the Proposed Use within which to elect in its sole and absolute discretion to approve or disapprove the change of the primary use to the Proposed Use. Should Developer fail to deliver to Owner its approval or disapproval of the change of the primary use to the Proposed Use within thirty (30) days after receipt of the notice of the Proposed Use, Developer shall be conclusively presumed to have disapproved the Proposed Use. From and after the cessation of Owner's Permitted Use, Ov.ner may use its Parcel, if used at all, only for such lawful retail, service or entertainment purpose(s) which is/are (a) approved by Developer within Developer's sole and absolute discretion, (b) ailcwed and not in conflict with the REA's, and (c) shall not violate the exclusive use rights (i.e., the ight granted by Developer to an owner or tenant in the Center to exclusively sell or lease a specific category of merchandise or type of service or restaurant) granted from time to time to other owners and tenants in the Center, so long as such exclusive rights continue to be binding on Developer and the Center (an "Exclusive").
- (c) <u>Prohibited Uses</u>. For so long as the Center is operated as a commercial real estate establishment, in no event shall the Parcel or any part thereof be used for any use prohibited under the REA's, or for any purpose or purposes which would produce or be accompanied by the following characteristics:
 - i. Any noise, vibration, litter, odor (obnoxious or toxic), dust, dirt or other activity which may constitute a public or private nuisance;
 - ii. Any unusual firing, explosive or other damaging or dangerous hazarda:
 - iii. Any factory use, warehouse operation, processing or rendering plant, or any assembling, manufacturing, distilling, refining, smelting, industrial, agriculture, drilling or mining operation;
 - iv. Any trailer court, mobile home park, lot or showroom for sale of new or used motor vehicles, trailers or mobile homes, labor camp, junk yard, stockyard or animal raising;

0427844057 Page: 13 of 32

UNOFFICIAL COPY

- v. Any dumping, disposal, incineration or reduction of garbage or refuse other than handling or reducing such waste if produced on the premises from authorized uses and if handled in a reasonably clean and sanitary manner;
- vi. Any commercial laundry or dry cleaning plant, laundromat, veterinary hospital, car or truck washing establishment;
- vii. Any automobile, truck, trailer or other motor vehicle body, fender or other repair work, or any gasoline or fuel pumps;
- viii. Any automobile, truck, trailer or other motor vehicle painting or customizing work;
- ix. Any cemetery, nortuary or crematorium;
- Any pool or billiard establishment, amusement center or game room, bowling alley, amusement park or gallery, carnival, sporting event or other sports activity or shooting gallery;
- xi. Any second hand store, surplus store or Ilea market;
- xii. Any drug rehabilitation center or "halfway" house, massage parlor, health club;
- xiii. Any so-called "off-track betting" operation; or
- xiv. Any sale or display of pornographic materials, adult book store, or adult entertainment use or any other manner or use which is inconsistent with a family entertainment center and retail destination.

For purposes of this Section 5, it is specifically acknowledged and agreed that the Center shall not be deemed to be no longer operating due to temporary cessations of operations resulting from damage and destruction, casualty, force majeure or any other cause not the fault of Developer.

In addition to the foregoing, Owner acknowledges and agrees that Owner's use, occupation, operation and development of the Parcel shall be in all respects subject to those

0427844057 Page: 14 of 32

UNOFFICIAL COPY

restrictions and limitations applicable to the Parcel contained in the REA's and shall be in compliance with applicable Laws, including but not limited to zoning regulations.

(d) <u>Trade Name</u>. The business on the Parcel shall be conducted under the trade name J.C. Georges unless another trade name is approved in writing by Developer in accordance with the same approval procedure for a change of use as set forth above.

6. PARKING RATIO

Owner snall maintain or cause to be maintained on the Parcel at all times no fewer than the greater of: (i) the number of parking spaces required in the REA; or (ii) the number of parking spaces required by the Local Authorities. Owner agrees to take no action which would reduce the parking ratio of low that specified herein. All vehicular parking spaces shall be the greater of the minimum dimensions stated in the REA's or required by the Local Authorities or Laws.

7. CONSTRUCTION BY OWNER

- (a) Owner's Construction Work. Owner shall perform, or cause to be performed, all of the Improvements on the Parcel, and shall perform or cause to be performed, all other work associated with the reconstruction, remodeling, alteration and repair of the Parcel (all included within the term "Owner's Work, as previously defined herein"), in accordance with the Plans and Specifications approved by Developer in accordance with the process described in Section 1 of this Agreement.
- (b) <u>Time to Commence and Complete</u>. Upon approval et Owner's Plans and Specifications, Owner shall commence and complete any and all work on the Parcel in a timely manner and such work shall be lien free and shall not adversely affect or interiere with the operation of business in the Center.
 - (c) Commencement of Owner's Work. [INTENTIONALLY DELETED]
- (d) <u>Completion of Owner's Work</u>. Work will be timely completed, be lien-free and not adversely affect or interfere with operation of business of the Center.
 - (e) <u>Developer's Right to Repurchase</u>. [INTENTIONALLY DELETED]

0427844057 Page: 15 of 32

UNOFFICIAL COPY

- (f) Extension of Time to Complete Construction. [INTENTIONALLY DELETED]
- (g) <u>Utility Lines Serving the Center</u>. [INTENTIONALLY DELETED]
- (h) Staging Area. [INTENTIONALLY DELETED]
- (i) General Construction Requirements.
 - Construction Standards. Owner's Work shall be done (a) at Owner's sole cost and expense, (b) by contractors or subcontractors who are appropriately licensed, fully bonded and sufficiently insured, and (c) in Substantial compliance with the approved Plans and Specifications. Owner agrees that all construction activities performed by Owner, or on Owner's behalf, shall be performed in compliance with all applicable laws, rules, regulations, cracers, and ordinances of all governmental bodies having jurisdiction over the Parcel and Developer's Property. All construction shall utilize new insterials, and shall be performed in a good, safe and workmanlike manner. Owner's construction activities shall not: (i) cause any unreasonable increase in the cost of constructing improvements, if any, by Developer, (ii) unreal or ably interfere with construction work, if any, being performed on any other part of the Developer's Property, (iii) unreasonably interfere with the operation, use, occupancy or enjoyment of any part of Developer's Property by Developer, any other party or its permittees, or (iv) cause any building located on the Developer's Property to be in violation of any Laws.
 - Indemnification of Developer. Owner agrees to defend, project, indemnify and hold harmless Developer from and against all claims and demands, including any action or proceeding brought thereon, and all costs, loss, expenses and liabilities of any kind relating thereto, including reasonable attorney fees and cost of suit, arising out of or resulting from any construction activities performed or authorized by Owner; provided, however, that the foregoing shall not be applicable to either events or circumstances caused by the gross negligence or willful act or omission of Developer, its licenses, concessionaires, agents, servants, employees, or any one claiming by, through or under any of them.

0427844057 Page: 16 of 32

UNOFFICIAL COPY

8. <u>DEVELOPER'S RIGHT OF FIRST OFFER [INTENTIONALLY DELETED]</u>

9. DEVELOPER'S RIGHT OF RECAPTURE

- Right of Recapture. In the event Owner fails to open and operate the Parcel for the Permitted Use as defined in Article 5, any time or fails to so operate the Parcel after opening, and such failure continues for a period of one hundred eighty (180) consecutive days or more ("Closure Period"), then Developer shall have the option, but not the obligation, to be exercised by written notice to Owner ("Recapture Notice"), to repurchase the Parcel and all Improvements thereon (hereinafter "Owner's Property") and Owner shall be obligated to sell Owner's Property to Developer or its designce on the terms and conditions hereinafter provided. If, however, Owner's failure to open and operate the Parcel is due to remodeling, renovation or repair and restoration from fire, casualty or eminent domain and Owner is diligently pursuing completion of such remodeling, renovation, repair and restoration, such Closure Period shall be extended for the reasonable and necessary period required to complete such work, but in any event such period shall not be extended for more than 120 days. Developer's exercise of this repurchase option shall be in addition to any other right or remedy available to Developer under Section 10 below.
- (b) <u>Exercise of Option</u>. At any time after the Closure Period, Developer may exercise this option to repurchase by delivering the Recapture Notice to Owner. Such Recapture Notice shall set forth the purchase price and the closing date, place and time in accordance with the terms set forth herein.
- (c) Recapture Purchase Price. The purchase price for Owner's Property shall be the fair market value of Owner's Property, or the unamortized balance of any debt secured by a first mortgage on Owner's Property (in the event of cross-collateralization there shall be a fixed release price assigned in the loan documents to Owner's Property), whichever is greater ("Recapture Purchase Price"). If Owner disagrees with the fair market value set forth in the Recapture Notice, and the parties are unable to reach a settlement on a fair market value within thirty (30) days after the date of Developer's Recapture Notice, the parties shall, no later than thirty (30) days thereafter, appoint three (3) independent, competent and qualified MAI real estate appraisers, one (1) of whom shall be selected and appointed by Owner at its sole cost and expense, one (1) of whom shall be selected and appointed by Developer at its sole cost and

0427844057 Page: 17 of 32

UNOFFICIAL COPY

expense, and the third appraiser shall be selected and appointed by the other two (2) appraisers, the cost and expense of which shall be shared equally by Owner and Developer. The three (3) appraisers shall determine the fair market value of Owner's Property by taking an average of the values determined by each appraiser which value of Owner's Property shall be binding upon Owner and Developer.

- (d) <u>Due Diligence</u>. During the sixty (60) day period following the date of the Recapture Notice, Developer shall have the right to: (a) perform soil and environmental tests of Owner's Property, and (b) do and perform any other investigations or evaluations which Developer, in its reasonable judgment, deems necessary to determine the condition and suitability of Owner's Property. Developer shall bear the cost of performing such tests and evaluations.
- easements, shall be conveyed by Owner to Developer by warranty deed free and clear of all liens and encumbrances other than those presisting encumbrances to which Owner was subject when Owner purchased the Parcel from Developer, such other easements and agreements which do not materially or adversely affect the Parcel, or any other exceptions which Developer approves, which approval shall not be unreasonably withheld or delayed. Owner shall deliver to Developer at closing an owner's policy of title insurance insuring good and marketable fee simple title to the Parcel in Developer or its designee, free and clear of any and all liens and encumbrances except those permitted above. Such title policy shall be in the amount of the Recapture Purchase Price, with all standard pre-printed exceptions deleted, and with such endorsements reasonably required by Developer or its lender. Owner shall be required to remove any objections to title as furnished by Developer which do not comply with the foregoing requirements.
- (f) Closing. Developer and Owner shall close on the repurchase of Owner's Property within ten (10) days after expiration of the due diligence period set forth in subsection 9(d) above. The Closing shall be held at the offices of the title insurance company on the date and time set forth in the Recapture Notice or such other date and time mutually and reasonably acceptable to both parties.
- (g) <u>Closing Costs</u>. Owner shall pay or shall credit against the Recapture Purchase Price, the premium for the title insurance policy, the cost of the survey if required by Developer, any transfer taxes, its attorney's fees, and all closing costs, including without limitation, the cost of preparation and recording of the deed and other closing documents, and closing and escrow

0427844057 Page: 18 of 32

UNOFFICIAL COPY

fees charged by the title insurer; except that Developer shall pay its attorney's fees, and any recording fees for its mortgage or other loan documents, if any.

(h) <u>Real Estate Taxes</u>. Real Estate Taxes shall be prorated to the date of closing, and Developer shall be entitled to a credit against the Recapture Purchase Price for those taxes assessed for the time period prior to closing, but which are due and payable after the date of closing.

10. REMEDIES

In the event di at Owner either (i) fails to pay Developer when due any amounts owed by Owner to Developer under this Agreement, or (ii) shall otherwise fail to perform any of Owner's covenants, agreements or o'bligations hereunder within ten (10) days after written notice thereof by Developer to Owner (unless a longer time period is set forth elsewhere in this Agreement), Developer shall have all rights, privileges and remedies to enforce said collection or performance as shall be provided or permitted by law or equity from time to time including, without limitation, the right to invoke any one or more of the following remedies:

- (a) Institute suit against Owner to enforce collection of the amounts owed to Developer pursuant hereto, together with interest thereon at the highest lawful rate permitted by the laws of the state where the Parcel is located, court costs and attorneys' fees;
- (b) Institute suit in equity to the extent permitted by law to compel compliance with the terms and conditions of this Agreement;
- (c) With respect to the payment of the Access Maintenance Charge, to (i) enforce denial of the use of the Ring Road and Entrance Drives against Owner, its tecents, lessees or invitees, and/or (ii) record against title to the Parcel a notice of lien which shall constitute a lien in favor of Developer on the interest of Owner and which may be foreclosed by Developer in proceedings in the nature of a foreclosure, with all of the rights and remedies afforded by the laws of the state where the Parcel is located to secured creditors in such proceedings; provided, however, that any liens shall be subordinate and subject to any bona fide first mortgage, to or held by an unrelated third party, existing upon the Parcel prior to recordation of the notice of lien;

0427844057 Page: 19 of 32

UNOFFICIAL COPY

- (d) Set-off any such amounts due from Owner to Developer against any amounts due from Developer to Owner; and
- (e) If no emergency exists, to perform the Owner's omitted obligation after giving the above-required notice, and in any emergency situation, to perform the same immediately without notice or delay. Developer, by reason of its doing so, shall not be liable or responsible to Owner or any other person or entity for any losses or damages thereby sustained by Owner or any occupants of the Parcel or of anyone claiming by or under either an occupant or Owner, unless such loss of damage arose from Developer's gross negligence or willful misconduct in performing any such obligation. The cost of Developer's performance of such obligation, together with a twinty-five percent (25%) management fee, shall be paid by Owner to Developer within ten (10) days after the date of receiving a statement therefor, which statement shall specify the details of the obligation performed and the cost thereof.
- payable any sum or charge required to be paid by Owner to Developer under this Agreement, such unpaid amount shall bear interest from the due date thereof to the day of payment at an annual rate equal to the lesser of twelve percent (12%) or the highest rate of interest that may lawfully be charged to Owner then required to payment of the unpaid principal amount.

All rights, privileges and remedies afforded Developer by this Agreement shall be deemed cumulative and the exercise of any one of such rights, privileges and remedies shall not be deemed to be a waiver of any other right, remedy or privilege set forth herein.

11. WAIVERS

No act, delay or omission by either party in exercising any right or enforcing against the other any term or provision of this Agreement shall impair any such right or be construed or deemed to be a waiver of the same or any other such term or provision. A waiver by either party of any breach of the terms and provisions of this Agreement shall not be construed to be a waiver of any subsequent breach thereof or of any other terms and provisions herein contained.

0427844057 Page: 20 of 32

UNOFFICIAL COPY

12. NOTICES

All notices or communications ("Notices") to be given under or pursuant to this Agreement shall be in writing, addressed to the parties at their respective addresses as set forth below, and shall be delivered by U.S. certified mail, postage prepaid, return receipt requested, or reputable, national, pre-paid overnight delivery service.

If to Developer:

Simon Property Group (Illinois), L.P.

c/o Simon Property Group

National City Center

115 West Washington Street Indianapolis, Indiana 46204

ATTN: Peripheral Development Department

If to Owner:

CJA Properties

181 Countryside Plaza Countryside, Illinois 60525

Notices shall be effective (i) three (3) days after deposit in the U.S. mail if delivered by certified mail, or (ii) on the next business day if sent by overnight delivery service. The parties may change their notice addresses from time to lime upon written notice to the other and as parties other than the originally named Developer and/or Owner obtain an interest in the Developer's Property or Parcel, respectively, or any portion thereof, subject to the terms and conditions of this Agreement. The transferor Developer or Owner shall advise the other party of the name and address of the party to receive notice as provided herein, provided that until such time as the transferor Developer or Owner notifies the other party of any such transferee party or other change in the address, such other party shall be entitled to continue to rely on the accuracy of the notice address previously in effect.

All charges which are due from Owner to Developer pursuant to any provision of this Agreement may be sent via prepaid first class regular mail delivery, shall be made payable to Developer and shall be directed, together with a copy of the invoice for the period to which it relates, to the address set forth below or at such other address as Developer may subsequently designate by written notice to Owner:

Countryside Plaza c/o Simon Property Group P.O. Box 2004 Indianapolis, IN 46255

13. <u>MISCELLANEOUS PROVISIONS</u>

- (a) <u>Governing Law</u>. This Agreement shall be governed and construed under and in accordance with the laws of the state where the Parcel is located according to its fair meaning and not in favor of or against any party.
- (b) Severability. If any term, provision or condition contained in this Agreement shall, to any extent, be held to be invalid, illegal or unenforceable in any respect, the remainder of this Agreement (or the application of such term, provision or condition to persons or circumstances other than those in respect of which it is invalid, illegal or unenforceable) shall not be affected thereby, and each and every other term, provision and condition of this Agreement (and the application thereof) shall be legal, valid and enforceable to the fullest extent permitted by law.
- (c) <u>Gender and Number.</u> Words of any gender used in this Agreement shall be held and construed to include any other gender and words in the singular number shall be held and construed to include the plural, and vice versa, unless the context requires otherwise.
- (d) <u>Section Heading.</u> The section headings herein are for convenience or reference purposes only and shall not limit or otherwise affect or be used in the construction or interpretation of the terms and provisions of this Agreement or any part hereof.
- (e) <u>Counterparts</u>. This Agreement may be executed and acknowledged in multiple originals or counterparts, each of which will be an original and, when all of the parties to this Agreement have signed and acknowledged at least one (1) original, such copies together will constitute a fully executed and binding Agreement.
- (f) <u>Entire Agreement</u>. This Agreement constitutes the sole agreement of the parties hereto and supersedes any prior discussions, understandings or agreements (written or oral) between the parties respecting the within subject matter.
- (g) <u>Amendment.</u> This Agreement shall not be amended or modified unless such amendment is set forth in writing executed by Developer and Owner.

- Attorneys Fees. If either party files any action or brings any proceeding against (h) the other arising out of this Agreement, or is made a party to any action or proceeding brought by a third party arising out of this Agreement, then, as between Developer and Owner, the prevailing party shall be entitled to recover, as an element of its costs of suit and not as damages, reasonable attorneys' fees to be fixed by the court. The "prevailing party" shall be the party who is entitled to recover its costs of suit, whether or not the suit proceeds to final judgment. A party not entitled to recover its costs shall not recover attorneys' fees.
- (i) Pinding Effect. Each and all of the covenants, restrictions, conditions and provisions contained in this Agreement, whether of an affirmative or negative nature, (i) are made for the direct and mutual benefit of the Parcel, and Developer's Property, and each and every portion thereof, and will constitute covenants running with the land of the Parcel and Developer's Property; (ii) will bind every owner of all or any portion of the Parcel and Developer's Property to the extent that such portion is affected or bound by the covenants, conditions or restrictions to be performed on the behalf of such portion; and (iii) will inure to the benefit of the parties and their respective successors and assigns.
- Conflicts. To the extent of a conflict between either, all or any combination of this (i) Agreement, the Standards, any applicable Laws, the REA and/or the approved Plans and Specifications, the terms and provisions of either of this Agreement, the Standards, Laws, the REA and/or the approved Plans and Specifications where impose the most stringent standard 0/0/4: shall control.

LIMITATION OF LIABILITY 14.

Anything to the contrary herein contained notwithstanding, there shall be absolutely no personal liability on persons, firms or entities who constitute Developer with respect to any of the terms, covenants, conditions and provisions of this Agreement, and Owner shall, subject to the rights of any first mortgagee, look solely to the interest of Developer, its successors and assigns, in the Center for the satisfaction of each and every remedy of Owner in the event of default by Developer hereunder; such exculpation of personal liability is absolute and without any exception whatsoever. In the event the Developer transfers its interest in Developer's Property, it shall be released from all liability for performance of any covenants, restrictions and conditions on the part of the Developer which is thereafter to be performed hereunder. The transferee shall be deemed to have assumed all of the covenants, restrictions and conditions herein to be observed by the Developer with the result that such covenants, restrictions and

0427844057 Page: 23 of 32

UNOFFICIAL COPY

conditions shall bind Developer, its successors and assigns, only during and in respect of their respective successive periods of ownership.

15. <u>INDEMNIFICATION AND INSURANCE</u>

- (a) <u>Indemnification of Developer.</u> Owner shall indemnify, defend, protect and hold harmless Developer, from and against all losses, claims, liabilities, damages, costs and expenses (including, without limitation, reasonable attorney's fees and other costs of litigation) arising out of, related to, caused by or resulting from the death of or any accident, injury (personal or bodily), loss or damage whatsoever, actually or claimed to be suffered or sustained by any person, or to the property of any person (such losses, claims, liabilities, damages, costs and expenses are collectively referred to hereinafter as "<u>Loss</u>"), as shall occur on the Parcel, except to the extent that any suc'i Loss is caused by reason of the gross negligence or willful misconduct of Developer.
- maintain in full force and effect commercial general liability insurance with a financially responsible insurance company or companies authorized to do business in the state where the Parcel is located, with an AM Best rating of "AIX" (or the equivalent thereof) or better in each of the previous three (3) years, written on an occurrence basis covering claims of Loss from products and completed operations, contractual liability (including, without limitation, coverage of the indemnities under this Agreement), bodily injury including death, personal injury, and broad-form property damage arising out of incidents or accidents on the Parcel (including the consequential damages from any of the foregoing), with a limit of not less than Three Million Dollars (\$3,000,000.00) per occurrence. Said limits may be provided through a combination of primary and excess (umbrella) liability policies. All insurance shall be primary with respect to the Parcel and shall name Developer as an additional insured to the extent of the foregoing indemnity.
- (c) Owner's All Risk Property Insurance. Owner shall carry all risk property insurance coverage, including builder's risk insurance coverage, in an amount at least equal to the full replacement cost of all Improvements on the Parcel, without deduction for depreciation, insuring against all risks (subject to exclusion of certain risks customarily excluded from time to time in the so-called "all-risk" policy), and insuring specifically against at least the following perils: loss or damage by fire, lighting, windstorm, cyclone, tornado, hail, explosion, earthquake, subsidence, flood, water damage other than floor or sprinkler leakage damage, riot, riot attending

0427844057 Page: 24 of 32

UNOFFICIAL COPY

a strike, civil commotion, malicious mischief, vandalism, collapse of building or roof, boiler and machinery equipment, aircraft, vehicle and smoke damage and sprinkler leakage. Such insurance shall be carried with a financially responsible insurance company or companies authorized to do business in the state where the Parcel is located with a Best rating of "A-IX" (or the equivalent thereof) or better in each of the previous three (3) years. Such insurance may be carried in whole or in part under a policy or polices covering other liabilities and locations of the Owner, or a subsidiary, successor, affiliate or controlling corporation of such Owner; provided, however, that (A) such policy or policies shall insure the risks and full amount required under this Agreement and (B) the incrusion of additional coverage or risks shall not materially diminish the coverage or insurance proceeds available under said policy or policies.

(d) <u>Certificate</u> of <u>Insurance</u>. Owner shall, upon execution of this Agreement and thereafter upon request, rurnish a certificate to Developer, evidencing that the insurance referred to herein above is in full force and effect. All policies of insurance carried by Owner, or endorsements issued under any blarket policy or policies covering those liabilities required to be insured against, shall provide that the same may not be canceled or reduced in scope or amount below that required hereunder without at least thirty (30) days' prior written notice being given by the insurer to Developer.

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

0427844057 Page: 25 of 32

UNOFFICIAL COPY

IN WITNESS THEREOF, the parties have executed this Agreement as of the day and year first above written.

DEVELOPER:

SIMON PROPERTY GROUP (ILLINOIS), L.P., an

Illinois limited partnership

CHARLES MALL COMPANY LIMITED By:

> PARTNERSHIP, a Maryland limited

partnership, General Partner

GROUP PROPERTY

(DELAWARE), INC., a Delaware

corporation. General Partner

Chief Executive Officer

STATE OF INDIANA

COUNTY OF MARION

And St. Before me, a Notary Public in and for said County and State, personally appeared David Simon, to me personally known as the Chief Executive Officer of Simon Property Group (Delaware), Inc., a Delaware corporation, General Partner of Charles Mal' Company Limited Partnership, a Maryland limited partnership, General Partner of Simon Property Group (Illinois) L.P., an Illinois limited partnership, who acknowledged his execution of the foregoing instrument for and on behalf of said corporation by authority of its Board of Directors.

WITNESS my hand and notarial seal this day of ______, 2004.

Comm. Exp. 10-22-2009 Res. of Johnson Co.

Notary Public

25

M:\Legal Development\STAFF\EDITH\Countryside\CCRA-051304.doc

0427844057 Page: 26 of 32

UNOFFICIAL COPY

OWNER:

CJA PROPERTIES, an Illinois general partnership

Jort's Office

By:

Name: CHMI) GEOMINGS

Its:

STATE OF Lines)

) SS:

COUNTY OF Co.

Before me, a Notary Public in and for said County and State, personally appeared Christos Georges, who is the Secretary of CJA Properties, an Illinois general partnership, who executed the foregoing instrument on behalf of said limited liability company.

WITNESS my hand and notarial seal this 20 day of 5 sqtan ber, 2004.

"OFFICIAL SEAL"
FRANCINE E. WHALUM
Notary Public, State of Illinois
My Commission Expires 7/25/05

Notary Public

0427844057 Page: 27 of 32

UNOFFICIAL COPY

LIST OF EXHIBITS

Legal Description of Developer's Property EXHIBIT A

Legal Description of the Parcel **EXHIBIT B**

EXHIBIT C Site Plan of the Center

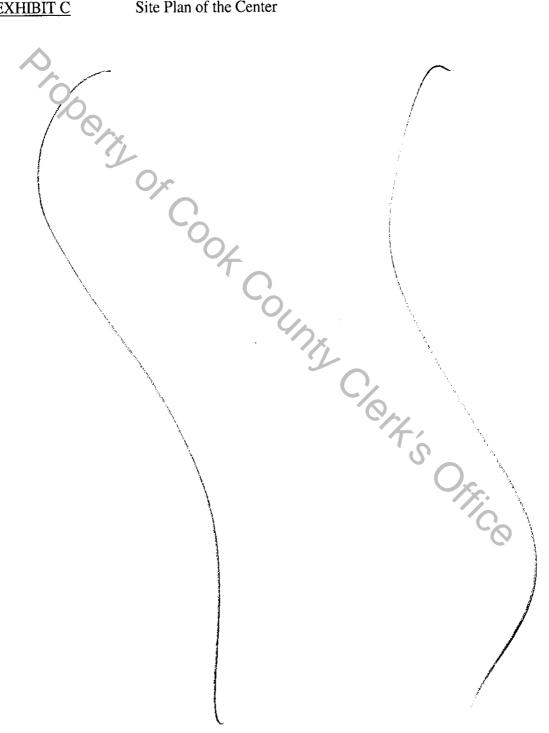


EXHIBIT A

Legal Description of Developer's Parcel

(To Come)



0427844057 Page: 29 of 32

UNOFFICIAL CC

Exhibit B

LEGAL DESCRIPTION

That part of the North three-quarters of Lot 11 (except the East 2 rods of the North 18 rods thereof) in School Trustees Subdivision of Section 16, Township 38 North, Range 12 East of the Third Principal Meridian, in Cook County, Illinois, except therefrom that part dedicated for La Grange Road and 60th Place by plat of dedication recorded January 31, 1977 as document number 23805144, excepting therefrom the South one-half of the right of way of vacated 59th Street lying West of the West line of LaGrange Road and East of the West line of the Northeast quarter of the Southwest quarter of Section 16, Township 38 North, Range 12 East of the Third Principal Meridian, conveyed by deed recorded July 1, 1987 as document number 87360087, in Cook County, Illinois, described as follows.

Beginning at a point 11.84 feet South and 20.98 West of the Northeast corner of the above referenced tract; thence South 00° 00' 00" West 66.00 feet; thence South 90° 00' 00" West 33 feet; thence South 00° 00' 00" West 9.00 feet; thence South 90° 00' 00" V'est 32.00 feet; thence North 00° 00' 00" West 61.00 feet; thence North 00° 00' 00" East 86.00 feet; thence North 90° 00' 00" East 126.00 feet to the place of beginning.

County Clark's Office

P.1.H. 18-16,301.002.0000

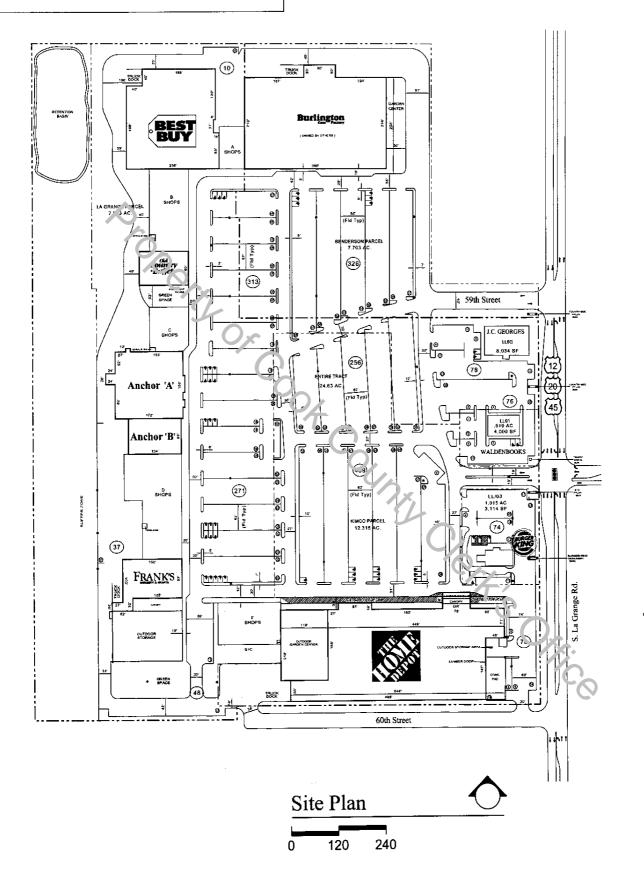
SPRKLR RM-

SPRKLR RM-

Anch

IN THE TOTAL COPY

This exhibit is provided for illustrative purposes only, and shall be deemed to the war any representation or agreement by Landlord that the Center, Common Areas, buildings and/or stores will be as illustrated on this exhibit, or that any tenants which may be referenced on this exhibit will at any time be occupants of the Center. Landlord reserves the right to modify size, configuration and occupants of the Center at any time.



LEGEND

[TENANT NAME]- Under Construction #TENANT NAME#- NFR Unit

Modified: September 29, 2004

0427844057 Page: 31 of 32

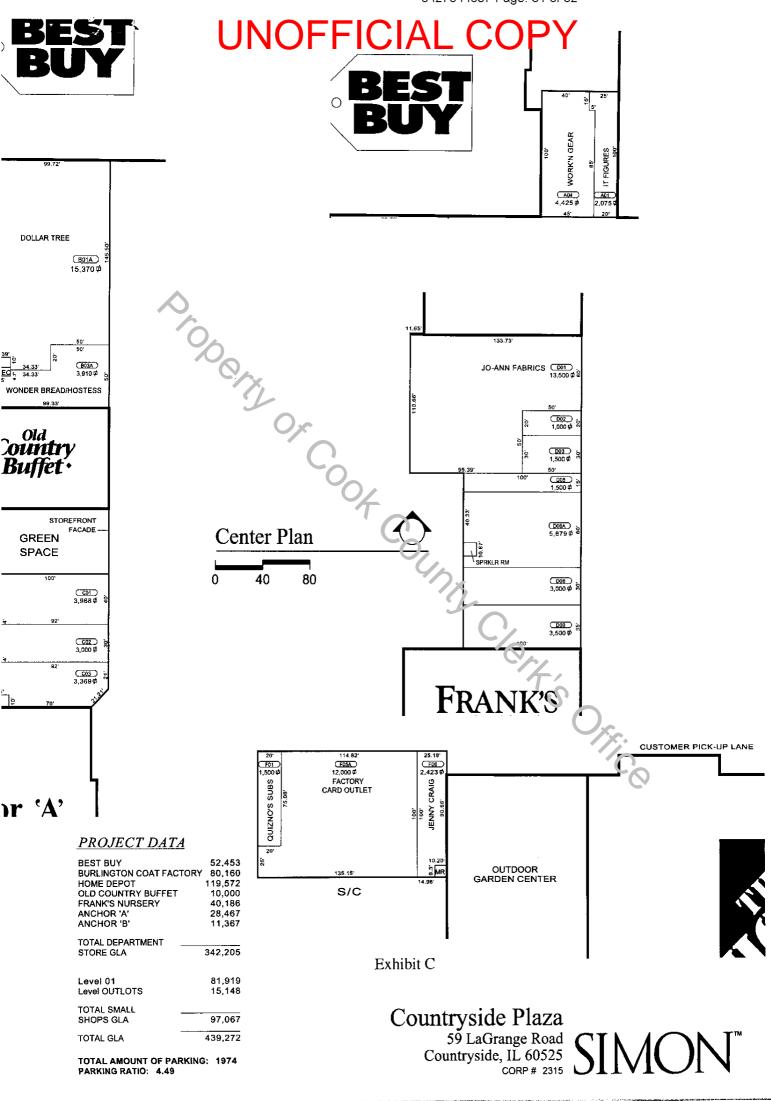


EXHIBIT C

Site Plan of the Center

