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GROUND LEASE AGREEMENT

Catholic Bishop of Chicago

And

Girls and Boys Town of Chicago

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MAIL TO & PREPARED BY:

SCOTT PUMA
ANCEL, GLINK, DIAMOND, BUSH
DI CIANNI & KRAFTHEFER
140 S. DEARBORN
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CHICAGO IL 60603

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GROUND LEASE AGREEMENT

THIS AGREEMENT is made the 31st day of August, 2006, by and between the Catholic Bishop of Chicago, an Illinois Corporation sole ("Lessor"), and Girls and Boys Girls Town of Chicago, an Illinois not-for-profit corporation ("Lessee").

RECITALS:

1. In consideration of their mutual covenants and agreements, Lessor hereby leases to Lessee a parcel of land located at 4538 S. Hermitage St. Chicago IL 60609 (the "Land"), for the term stated below.
2. Lessee shall construct certain improvements on the Land ("Lessee's Improvements"), which together with the Land are collectively referred to herein as the "Premises." Lessee's Improvements shall be solely the property of Lessee during the Term. Upon expiration or termination of the Term, and subject to reasonable wear and tear, the Lessee's Improvements shall be the property of Lessor, except as may be provided in the Leasehold Mortgage, a copy of which is attached hereto.
- C. Lessee and the City of Chicago, acting by and through its Department of Housing ("City"), have entered or will enter into a grant agreement which provides or will provide that City will make a grant to and for the benefit of Lessee for the costs of the Lessee's Improvements (the "Grant") and that City and Lessee will enter into various agreements, instruments and documents (collectively, "Grant Documents") to effectuate the Grant. In order to secure repayment of all or a portion of the Grant under certain circumstances and performance of all of Lessee's obligations and liabilities to City under such Grant Documents ("Lessee's Grant Liabilities"), City has required that Lessee grant to City a lien on Lessee's interest as lessee under this Agreement, by executing and delivering to City a leasehold mortgage ("Leasehold Mortgage"), a copy of which is attached hereto.

NOW, THEREFORE, Lessor and Lessee agree as follows:

1. **RENT:** Lessee shall pay Lessor or Lessor's agent rent for the Premises in the sum of \$10 annually, commencing September 1, 2006. Lessee shall pay as additional rent all of the expenses, charges, and costs set forth in Section 5 below.
2. **TERM:** The term of this Agreement shall commence September 1, 2006 and end August 31, 2036, unless this Agreement is terminated earlier as hereinafter set forth or renewed on such terms and conditions as the parties may mutually agree.
3. **USE:** The Lessee shall use and occupy the Premises for the following purpose and none other: Respite home providing shelter, assessment and referrals for youths, and parent training and other social services for youths and families.

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4. OTHER CHARGES: Lessee will pay, in addition to the rent, all expenses for insurance (as defined in Section 5 herein), utilities, repairs and maintenance, and all taxes, assessments and fees imposed by any public authority for and during the time for which this Agreement is granted. If any such expenses, costs or charges are not paid when due, Lessor shall have the right to make the payment. Any amounts so paid, together with any other sums paid by Lessor pursuant to this Agreement, are declared to be additional rent and payable with the next installment of rent due.
5. INSURANCE: During the term of this Agreement, Lessee, at its sole cost and expense, and for the mutual benefit of Lessor and Lessee, shall carry and maintain the following types of insurance with companies and in forms reasonably satisfactory to Lessor:
- (1) Comprehensive all risk property damage insurance covering Lessee's Improvements on a full replacement cost basis. Comprehensive general liability and property liability insurance, including fire legal liability, insuring against all liability of Lessee arising out of or occurring in connection with Lessee's use or occupancy of the Premises, with a minimum combined single limit of \$1,000,000 (one million dollars). Such policies shall name Lessor and Holy Cross/Immaculate Heart of Mary parish as Additional Insured and provide that it is primary to, and not contributing with, any policy carried by Lessor covering the same loss;
 - (2) Excess liability for \$2,000,000 (two million dollars) per occurrence;
 - (3) Workers compensation insurance covering all of Lessee's employees in accordance with applicable state laws and regulations;
 - (4) All risk physical damage insurance including fire, sprinkler leakage, malicious mischief, vandalism, and other extended coverage perils, for the full replacement cost of Lessee's improvements or fixtures made a part of the Premises, and of all office furniture, office equipment, merchandise and all other items of Lessee's property on or about the Premises;

Lessee shall provide Lessor with certificates of insurance acceptable to Lessor evidencing the existence of the coverage described above, including form and deductibles, during all periods during which Lessee has possession of the Premises. Lessee shall not be entitled to possession of the Premises for a period not covered by acceptable certificates of insurance. The failure to provide acceptable certificates of insurance shall be deemed a breach of this Agreement entitling Lessor to pursue any of the remedies specified by this Agreement. All policies of insurance shall provide by endorsement that no coverage may be canceled, terminated, or reduced by the insuring company without the insuring company having first given at least thirty (30) days' prior written notice to Lessor. Lessee shall deposit with Lessor all such policies or certified copies if requested.

6. SUBLETTING OR ASSIGNMENT: The Premises shall not be sublet in whole or in part. Lessee shall not assign this Agreement, or permit an assignment to take place by any act or default of Lessee or any person within Lessee's control, or permit any transfer of Lessee's interest under this Agreement by operation of law, or offer for lease or sublease the Premises

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or any portion thereof by displaying notices or signs in any place, or by advertising the same in any newspaper or in any manner whatsoever, without in each case, obtaining the Lessor's prior written consent. However, this Lease shall continue in full force and effect for affiliates, corporate and business successors of Lessee. Lessor hereby consents to the Leasehold Mortgage and to it being recorded against the Land.

If Lessee shall make an assignment for the benefit of creditors, or shall be adjudged bankrupt, and if Lessee's Trustee, or the Lessee as debtor-in-possession, fails to promptly assume this Agreement, Lessor may terminate this Agreement. In such event, Lessee shall immediately surrender possession of the Premises, in accordance with Recital B, and Lessor shall be entitled to a claim for damages pursuant to 11 U.S.C. §502(b)(6). To be effective, any election to assume the Agreement by the Lessee's Trustee, or Lessee as debtor-in-possession must be in writing addressed to Lessor. The following conditions must be satisfied at the time of assumption:

- (a) The Trustee, or the Lessee as debtor-in-possession, shall have cured or shall have provided to the Lessor adequate assurance that all defaults under this Agreement will be promptly cured; and
- (b) The Trustee, or Lessee as debtor-in-possession, shall have provided Lessor with adequate assurance of the future performance of each of the Lessee's obligations under this Agreement.

For purposes of this Section 6, the term "adequate assurance" means that the Lessor shall have determined that the Trustee, or Lessee as debtor-in-possession, has and will continue to have sufficient unencumbered assets, after the payment of all secured obligations and administrative expenses, to assure Lessor that the Trustee or Lessee as debtor-in-possession will have sufficient funds to timely satisfy Lessee's obligations under this Agreement.

7. COVENANTS REGARDING USE: Lessee agrees, for itself and its contractors, agents, employees, guests and invitees, to comply with all reasonable rules and regulations that Lessor may make from time to time concerning the use and occupancy of the Premises, and to observe the following covenants:

- (1) Lessee shall not exhibit, sell or offer for sale, nor permit its agents, employees, guests or invitees to exhibit, sell or offer for sale, any alcoholic or intoxicating beverages on the Premises.
- (2) Lessee shall fully comply with all applicable laws, ordinances and governmental regulations, and shall not make any use of the Premises which, directly or indirectly, is forbidden by public law, ordinance or governmental regulation, or which may be dangerous to life, limb or property, or which may invalidate or increase the premium cost of any policy of insurance carried on the Premises, building or building complex, or covering the operation of the Premises, building or building complex. Without limiting the foregoing, Lessee shall not use, store, generate, treat, transport or dispose of any environmentally hazardous, toxic, or dangerous substance, waste or material (hereinafter collectively referred to as "Hazardous Substance") on the Premises

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without obtaining Lessor's prior written approval. In the event Lessee brings any Hazardous Substance into or onto the Premises, Lessee shall handle the Hazardous Substance in compliance with any applicable federal, state, and local governmental statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability as standards of conduct concerning such Hazardous Substance.

- (3) Lessee shall, at its cost and expense, procure each and every permit, license, certificate or other authorization and any renewals, extensions or continuances of the same required in connection with the lawful and proper use of the Premises.
8. CONDITION ON POSSESSION, DISCLAIMER OF WARRANTIES: Lessor makes no representations or warranties, whether express or implied, about the condition of the Premises, the quality of the air in and around the Premises, or the water provided to the Premises or the presence of Hazardous Substances, as defined above, in, on, or under the Premises.
9. REPAIRS AND MAINTENANCE: Lessee shall be responsible for all necessary maintenance and repairs for the Premises, including but not limited to structural components. Lessee shall be responsible for repairs and/or improvements related to fire safety codes and any violations thereof. In using and occupying the Premises, Lessee shall comply with all laws, ordinances, rules and regulations of any governmental authority having jurisdiction thereof, including without limitation, those relating to asbestos, lead-based paint, polychlorinated biphenyl, or other Hazardous Substances, as defined above, all at its own expense.
10. WAIVER OF CLAIMS; INDEMNIFICATION:
- (a) Lessee releases Lessor and its agents and employees from liability, and waives any and all claims for damage to person or property sustained by Lessee and its agents and employees, not caused by the wrongful conduct or negligence of Lessor, its agents or employees.
 - (b) All property situated in the building or the Premises and belonging to Lessee, its agents, employees or invitees or any occupant of the Premises shall be situated there at the risk of Lessee or such other person only. Lessor shall not be liable for damage thereto or theft, misappropriation or loss thereof.
 - (c) To the fullest extent permitted by law, Lessee, its successors and assigns, shall indemnify, defend and hold harmless Lessor, its present and future officers, employees and agents, and Lessor's interest in any property, from and against any and all claims, obligations, liens, encumbrances, demands, liabilities, penalties, causes of action, and costs and expenses, including, without limitation, orders, judgments, fines, forfeitures, amounts paid in settlement, and attorney's fees proximately resulting from the negligent or other wrongful acts or omissions of Lessee, its agents, employees and invitees, occurring or alleged to have occurred in whole or in part in connection with Lessee's possession of the Premises.

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The Lessee's obligations of defense, indemnification, repair, and payment shall not be reduced by any limitation on the amount or type of damages, compensation, or benefits payable by or for the Lessee under workmen's compensation acts, disability benefit acts or other employee benefit acts, or by the Lessee's insurance coverage.

11. NON-LIABILITY OF LESSOR: Except as provided by Illinois statute or for any damage or injury resulting from Lessor's wrongful conduct or negligence, Lessor shall not be liable to Lessee for any damage or injury to Lessee or Lessee's property done or occasioned by wind, or by or from any defect of plumbing, electric wiring or of insulation thereof, gas pipes, water pipes or steam pipes, or from broken stairs, porches, railings or walks, or from the backing up of any sewer pipe or down-spout, or from the bursting, leaking or running of any tank, tub, washstand, water closet or waste pipe, drain, or any other pipe or tank in, upon or about the Premises or the building of which they are a part, nor from the escape of steam or hot water from any radiator, it being agreed that said radiators are under the control of Lessee, nor for any such damage or injury occasioned by water, snow or ice being upon or coming through the roof, skylight, trap-door, stairs, walks or any other place upon or near the Premises, or otherwise, nor for any such damage or injury done or occasioned by the falling of any fixture, plaster or stucco, nor for any damage or injury arising from any act, omission or negligence of co-tenants or of other persons, occupants of the same building or of adjoining or contiguous buildings or of owners of adjacent or contiguous property, or of Lessor's agents or Lessor himself. Lessee hereby expressly waives all claims for any such damage or injury.
12. CONSTRUCTION OF LESSEE'S IMPROVEMENTS: Lessee shall provide Lessor with the following: proof of adequate insurance against any liability that may arise out of such work; any plans, specifications and permits necessary for such work; and "as-built" drawings showing the actual location of all such changes. Upon the completion of all work, Lessee shall furnish Lessor with evidence of payment, contractors' affidavits and full and final waivers of lien for labor, services and materials. Lessee agrees to defend and hold Lessor harmless from all costs, damages, liens and expenses related to such work. All such work shall be performed in a first-class workmanlike manner using good grades of materials and shall comply with all insurance requirements and all applicable laws, ordinances, rules and regulations. If necessary, Lessor shall join in any applications for zoning, permits, licenses or the like.
13. FIRE AND CASUALTY: In case the Premises shall be rendered untenable by fire, explosion or other casualty, Lessee may, at Lessee's option, terminate this Agreement or notify Lessor within 60 days of Lessee's intention to repair or rebuild the Premises. If Lessee does not repair or rebuild the Premises, this Agreement shall cease and terminate.
14. ESTOPPEL CERTIFICATES: Lessee agrees that from time to time at Lessor's request, Lessee will deliver to Lessor within ten (10) days of Lessor's request a statement in writing certifying: (a) that this Agreement is unmodified and in full force and effect, or if there have been modifications that the same is in full force and effect as modified and identifying the modifications; (b) the dates to which the rent and other charges have been paid; (c) that Lessor is not in default under any provision of this Agreement, or if Lessor is in default or claimed by Lessee to be in default, the nature thereof in reasonable detail; (d) no payments

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other than those currently due have been made, or stating those that have been made; (e) that Lessee has accepted the Premises and the condition thereof and of improvements thereto and has no claims against Lessor or any other party with respect thereto; and (f) such other matters as may reasonably be requested by Lessor. Such certificate shall provide that any prospective purchaser, mortgagee or beneficiary thereof may rely upon it.

15. **HOLDING OVER:** At the termination of the term of this Agreement, by lapse of time or otherwise, Lessee will yield up immediate possession of the Premises to Lessor, in good condition and repair, and will return the keys to Lessor at the place of payment of rent. If Lessee retains possession of the Premises or any part thereof after the termination of the term by lapse of time or otherwise, then Lessor may at Lessor's option serve written notice upon Lessee that such holding over constitutes a tenancy at sufferance, at a rental amount equal to twice the prior daily rental rate for the time Lessee remains in possession. Lessee shall also pay to Lessor all damages and costs sustained or incurred by Lessor resulting from retention of possession by Lessee. The provisions of this Section shall not constitute a waiver by Lessor of any right of re-entry as hereinafter set forth. Receipt of any rent or any other act in apparent affirmation of tenancy shall not operate as a waiver of the right to terminate this Agreement for a breach of any of the covenants herein.
16. **LESSOR'S REMEDIES:** If Lessee shall vacate or abandon the Premises or permit the same to remain vacant or unoccupied for a period of thirty (30) days, or in case of non-payment of the rent, or in case of the breach of any covenant in this Agreement, Lessee's right to the possession of the Premises shall terminate with or without any notice or demand whatsoever, to the extent permitted by law, and the mere retention of possession thereafter by Lessee shall constitute a forcible detainer of the Premises. This Agreement shall terminate only if the Lessor so elects, and with or without notice of such election or any notice or demand whatsoever. Upon the termination of Lessee's right of possession, whether this Agreement be terminated or not, Lessee agrees to surrender possession of the Premises immediately without the receipt of any demand for rent, notice to quit, or demand for possession of the Premises, and hereby grants to Lessor full license to enter the Premises or any part thereof, to take possession with or without process of law, and to expel and to remove Lessee or any other person who may be occupying the Premises or any part thereof, to the extent permitted by law. Lessor may use such force in and about expelling and removing Lessee and other persons as may reasonably be necessary, and Lessor may re-possess himself of the Premises as of his former estate. Such entry of the Premises shall not constitute a trespass or forcible entry or detainer, nor shall it cause a forfeiture of rents due, nor a waiver of any covenant, agreement or promise of this Agreement to be performed by Lessee. Lessee hereby waives all notice of any election made by Lessor hereunder, demand for rent, notice to quit, demand for possession, and any and all notices and demands whatsoever, of any and every nature, which may or shall be required by any statute of this state relating to forcible entry and detainer, or to landlord and tenant, or any other statute, or by the common law, during the term of this Agreement or any extension thereof. The acceptance of rent after it falls due or after knowledge of any breach by Lessee, whether in a single instance or repeatedly, or the giving or making of any notice or demand, whether according to any statutory provision or not, or any act or series of acts except an express written waiver, shall not be construed as a waiver of Lessor's right to act without notice or demand or of any other right hereby given Lessor, or as an election not to proceed under the provisions of this Agreement.

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17. RIGHT TO RELET: If Lessee's right to the possession of the Premises shall be terminated in any way, Lessor has the option (except as provided by Illinois statute) to re-let the Premises or any part thereof for the benefit of Lessee. Lessor may re-let the Premises to such person or persons and upon such terms as may seem fit to Lessor. Lessor shall not be required to accept any tenant offered by Lessee. Lessee agrees to satisfy any deficiency if a sufficient sum is not received from reletting after paying the expenses of reletting and collection, including agent's commissions and redecorating expenses. The acceptance of a tenant by Lessor in place of Lessee shall not operate as a cancellation of this Agreement, or release Lessee from performing any covenant, promise, or agreement. Performance by any substituted tenant by the payment of rent, or otherwise, shall constitute only a partial satisfaction of the obligations of Lessee arising under this Agreement.
18. COSTS AND FEES: Lessee shall pay upon demand all of Lessor's costs, charges and expenses, including fees of attorneys, agents and others retained by Lessor, incurred in enforcing any of the obligations of Lessee under this Agreement or in any litigation, negotiation or transaction in which Lessor shall, without Lessor's fault, become involved because of this Agreement.
19. REMOVAL OF LIENS: If any lien upon Lessor's title (other than the Leasehold Mortgage) results from any act or neglect of Lessee, and Lessee fails to remove the lien within ten days after Lessor's notice to do so, Lessor may remove the lien by paying the full amount or otherwise. Upon request, Lessee shall reimburse Lessor for the amount paid to remove the lien, including Lessor's costs, expenses and attorney's fees, and without any investigation or contest of the validity thereof. However, Lessee shall have the right to contest any such lien by posting adequate security in the form of a bond or title indemnification to protect Lessor's interest in the Land and improvements.
20. REMEDIES NOT EXCLUSIVE: The obligation of Lessee to pay the rent during the term of this Agreement, or during any extension, shall not be deemed to be waived, released or terminated by the service of any notice to collect, demand for possession; or notice that the tenancy hereby created will be terminated on the date therein named; the institution of any action of forcible detainer or ejectment or any judgment for possession that may be rendered in such action; or any other act or acts resulting in the termination of Lessee's right to possession of the Premises. The Lessor may collect any rent due from Lessee, and receipt of rent shall not waive or affect any such notice, demand, suit or judgment, or in any manner whatsoever waive, affect, change, modify or alter any rights or remedies which Lessor may have by virtue of this Agreement.
21. ARBITRATION: All claims, disputes and other matters in controversy arising out of, or relating to, this Agreement or the breach thereof, may, at Lessor's election, be decided by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in existence. The Lessee hereby consents to arbitration by consolidation or joinder with any entity or person Lessor deems necessary or desirable to resolve, decide or determine any claim, dispute, or other matters in controversy arising out of, or relating to, this Agreement or the breach thereof. This agreement to arbitrate shall be specifically enforceable under the prevailing arbitration law. The award rendered by the arbitrators shall

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be final, and judgment may be entered upon it in any court having jurisdiction. The arbitrators are hereby empowered to include in any award the attorney's fees and costs of the prevailing party as they may deem appropriate. The Lessee shall continue to pay rent and otherwise comply with all obligations under this Agreement during any arbitration proceeding, unless otherwise agreed by Lessor in writing.

22. RIGHTS AND REMEDIES: The duties and obligations imposed by this Agreement and the rights and remedies available shall be in addition to, and not a limitation of, the duties, obligations, rights and remedies otherwise imposed or available by law. No action or failure to act by the Lessor shall constitute a waiver of a right or duty afforded them under this Agreement, nor shall such action or failure to act constitute approval of or acquiescence in a breach thereunder, except as may be specifically agreed in writing.
23. NOTICES: Notices may be served on either party, at the respective addresses below, either by delivering a written copy of the notice or by sending a written copy by United States certified or registered mail, postage prepaid, return receipt requested. The notice shall be deemed to have been served two (2) business days after the copy is mailed.

If to LESSOR:

Maureen O'Brien

Manager, Real Estate
155 E. Superior
Chicago, IL 60611

And to:

If to LESSEE:

Paul J. Lopez

2740 W. 55th Street
Chicago, IL 60632

Michael McGill
General Counsel
Father Flanagan's Boys' Home
Boys Town, Nebraska 68010

24. SEVERABILITY: If any clause, phrase, provision or portion of this Agreement or the application thereof to any person or circumstance shall be invalid, or unenforceable under applicable law, such event shall not affect, impair or render invalid or unenforceable the remainder of this Agreement nor any other clause, phrase, provision or portion hereof, nor shall it affect the application of any clause, phrase, provision or portion hereof to other persons or circumstances, so long as the remainder of this Agreement expresses the intent of the parties.
25. MISCELLANEOUS:
- (a) Provisions typed on this Agreement and all riders attached to this Agreement and signed by Lessor and Lessee are hereby made a part of this Agreement.
- (b) Lessee shall keep and observe such reasonable rules and regulations required by Lessor that may be necessary for the proper and orderly care of the building of which the Premises are a part.

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- (c) All covenants, promises, representations and agreements herein contained shall be binding upon, apply and inure to and are intended solely for the benefit of Lessor and Lessee and their respective heirs, legal representatives, successors and assigns.
- (d) The rights and remedies hereby created are cumulative and the use of one remedy shall not be taken to exclude or waive the right to the use of another.
- (e) This Agreement embodies the entire agreement of the parties. There are no promises, terms, conditions, or obligations other than those contained herein and this contract shall supersede all previous communications, representations or agreements, either verbal or written, between the parties hereto.
- (f) The words "Lessor" and "Lessee" wherever used in this Agreement shall be construed to mean Lessors or Lessees in all cases where there is more than one Lessor or Lessee, and to apply to individuals, male or female, or to firms or corporations, as the same may be described as Lessor or Lessee herein, and the necessary grammatical changes shall be assumed in each case as though fully expressed.
- (g) The recitals set forth above are incorporated herein by this reference.

WITNESS the hands and seals of the parties hereto, as of the date first set forth above.

LESSOR, Catholic Bishop of Chicago

LESSEE, Girls and Boys Town of Chicago

By: Thomas M. Brennan
 Director of Finance

By: Paul J. Lopez
 Title: Chairman

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CHICAGO TITLE INSURANCE COMPANY

ORDER NUMBER: 1401 008343458 F1
STREET ADDRESS: 4538 S. HERMITAGE
CITY: CHICAGO **COUNTY:** COOK
TAX NUMBER: 20-06-414-034-0000

LEGAL DESCRIPTION:

LOT 22 IN ROLAND R. LANDE'S SUBDIVISION OF THE WEST 3 3/4 ACRES OF THE NORTH 15 ACRES OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 6, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Property of Cook County Clerk's Office