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SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

PREPARED BY AND RETURN TO AFTER RECORDING

MICHAEL D. ROTHSTEIN, ESQ.
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180 NORTH LASALLE STREET, SUITE 2700
CHICAGO, IL 60601

04-072915

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UNOFFICIAL COPY**SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT**

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT ("Agreement") is made as of April 30th, 2007, among LaSALLE BANK NATIONAL ASSOCIATION, a national banking association, as lead arranger, agent and administrative bank ("Lender"), OPUS REAL ESTATE IL VII BURR RIDGE, a Delaware limited liability company ("Lessor"), and CHRISTOPHER & BANKS, INC., a Minnesota corporation ("Lessee").

Recitals:

A. Lessor and Lessee have entered into that certain lease dated as of April 10, 2007 (the "Lease"), concerning certain premises (the "Premises") to be located in that certain project to be known as Burr Ridge Village Center (the "Project"), to be constructed on that certain real property located in the County of Cook, State of Illinois, which is legally described on the attached Exhibit A (the "Land").

B. As security for a construction loan from Lender to Lessor in the original principal amount of not more than ONE HUNDRED FOUR MILLION ONE HUNDRED FIFTY THOUSAND AND NO/100THS DOLLARS (\$104,150,000.00) (the "Loan"), Lessor is mortgaging to Lender a security interest in the Project under that certain Construction Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Filing dated December 29, 2006, recorded in the office of the County Recorder of Cook County, Illinois, as Document No. 0700444034 (as now or hereafter increased, amended, modified, supplemented, consolidated, replaced, substituted, extended and/or renewed, the "Mortgage").

C. Lender has required the execution of this Agreement as a condition to making any disbursements of the Loan proceeds to finance the costs of tenant improvements to the Premises.

D. Lender, Lessor and Lessee have agreed to the following with respect to their mutual rights and obligations pursuant to and under the Lease and the Mortgage.

NOW, THEREFORE, the parties hereby agree as follows:

1. **Subordination.** All of Lessee's right, title and interest in and to the Premises, the Lease and all rights, remedies and options of Lessee under the Lease are and shall remain subject and subordinate to the Mortgage and the lien thereof, to all the terms, conditions and provisions of the Mortgage, to each and every advance made or hereafter made under the Mortgage, and to all increases, amendments, modifications, supplements, consolidations, replacements, substitutions, extensions and renewals of the Mortgage so that at all times the Mortgage shall be and remain a lien on the Premises prior and superior to the Lease for all purposes.

2. **Non-Disturbance.** Provided that the Lease is then in full force and effect and Lessee is not then in default under the Lease beyond any applicable grace or cure periods provided in the Lease, the Lease shall not be extinguished or terminated by an action or proceeding to foreclose or otherwise enforce the Mortgage or by a conveyance in lieu of foreclosure, but rather, the Lease shall continue in full force and effect and the owner of the Premises following a foreclosure sale or conveyance in lieu of foreclosure ("New Owner") shall recognize and accept Lessee as the tenant under the Lease.

3. **Attornment.** Upon Lessee's receipt of notice that Lender or any other party has become the New Owner, Lessee will attorn to and recognize such New Owner as its substitute lessor under the Lease. Lessee's attornment to and recognition of New Owner pursuant to this Agreement will be effective and self-operative immediately upon Lessee's receipt of such notice without the execution or delivery of any further instrument. Upon New Owner's request, Lessee will execute and deliver an instrument acknowledging Lessee's attornment to and recognition of New Owner.

4. **New Owner.** New Owner will be bound, as the lessor, to Lessee under all covenants and conditions of the Lease for the remainder of the term of the Lease and any renewal or extension thereof pursuant to the terms of the Lease, except that New Owner:

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a. will not be bound by any provision of the Lease restricting the use of any properties owned by New Owner, other than the Land;

b. will not be bound by any amendment, supplement or other modification of the Lease which was not consented to in writing by Lender;

c. will not be liable for any act, omission, or breach by any lessor under the Lease which occurs prior to the date New Owner acquires title to and possession of the Project (the "Acquisition Date"), nor subject to any right of set-off or defense which Lessee may have with respect to events or defaults occurring prior to the Acquisition Date, provided that New Owner will be: (1) subject to any right of set-off from rent which the Lease expressly affords to Lessee, to the extent Lessee has, in accordance with the notice provisions of the Lease and this Agreement, timely delivered written notice to Lender of the default giving rise to such right of set-off and has afforded the time period specified in the Lease for Lessor to cure such default; and (2) obligated to cure any continuing default under the Lease to the extent such default remains uncured after the Acquisition Date, provided that the term "continuing default" shall not include any failure by a prior Lessor to pay any money owed to Lessee with respect to any period prior to the Acquisition Date (except as provided in subsection (1) of this paragraph); provided, further, that Lessee has, in accordance with the notice provisions of the Lease and this Agreement, timely delivered written notice to Lender of said default;

d. will, upon any sale or other transfer by New Owner of its interest in the Premises, automatically be released and discharged from all liability thereafter accruing under the Lease;

e. will have the right, if on the date New Owner acquires title to and possession of the Project (the "Acquisition Date") Lessee has not yet taken possession of the Premises and New Owner is unable to or elects not to complete construction of the Project within the time periods required by the Lease, to terminate the Lease by delivering a written notice of termination to Lessee within 30 days after the Acquisition Date; provided, however, that New Owner shall not terminate the Lease pursuant to this Paragraph 4(e) unless New Owner also terminates the leases of all other tenants in the Building (as defined in the Lease);

f. will not, in the event New Owner elects to terminate the Lease pursuant to this Section 4, be liable for any penalties or damages, whether or not expressly provided in the Lease, which result from such termination; and

g. will not, in the event New Owner does not elect to terminate the Lease pursuant to this Section 4, be liable for any penalties or damages, whether or not expressly provided in the Lease, which result from any delays in the construction of the Premises and/or the Project so long as New Owner proceeds diligently after the Acquisition Date to complete such construction within the schedule required in the Lease or as soon thereafter as is reasonably practicable, provided that if any provision of the Lease expressly grants Lessee the right to terminate the Lease as a consequence of the failure to complete the construction of the Premises and/or the Project and/or deliver possession of the Premises to Lessee by a certain date, Lessee shall be entitled to terminate the Lease in accordance with the terms of such Lease provision, but New Owner shall be liable for any penalties or damages the Lease may provide upon such a termination only to the extent attributable to New Owner's failure to diligently pursue completion of construction after the Acquisition Date, and not to the extent attributable to any delay in construction occurring prior to the Acquisition Date.

Lessee shall look only to the estate and property of New Owner in the Land and the Project for the satisfaction of Lessee's remedies for the collection of a judgment (or other judicial process) requiring the payment of money in the event of any default by New Owner as the lessor under the Lease, and no other property or assets of New Owner shall be subject to levy, execution or other enforcement procedure for the satisfaction of Lessee's remedies under or with respect to the Lease.

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5. Miscellaneous.

a. **Notices.** Any notice required or permitted to be given by any party under the terms of this Agreement shall be deemed to have been given on the date indicated as first refused or received on the return receipt if sent via United States Mail registered or certified, return receipt requested, postage prepaid, or indicated as first refused or received on the receipt if sent via Federal Express, Airborne or another reputable overnight courier, addressed to the party to which the notice is to be given at the address set forth below, or at any other address specified in a notice given by such party to the others not less than ten (10) days prior to the effective date of the address change:

If to Lender: LaSalle Bank National Association
135 South LaSalle Street, Suite 1225
Chicago, Illinois 60603
Attention: Thomas Jeffery

with a copy to: Schwartz Cooper Chartered
180 North LaSalle Street, Suite 2700
Chicago, Illinois 60601
Attention: Michael S. Kurtzon

If to Lessor: Opus Real Estate IL VII Burr Ridge, L.L.C.
10350 Bren Road West
Minnetonka, Minnesota 55343
Attention: Vice President

with a copy to: Daspin & Aument, LLP
127 West Monroe Street, Suite 3500
Chicago, Illinois 60606
Attention: D. Albert Daspin

If to Lessee: Christopher & Panks, Inc.
2400 Xenium Lane North
Plymouth, Minnesota 55441
Attn: Vice President Real Estate & Construction

b. **Notice of Default.** Lessee will provide to Lender each notice of default by Lessor, as and when it provides such notice to Lessor, and Lender will have the right, but not the obligation, to cure any such default within 15 days after the expiration of the time provided in the Lease to Lessor to cure such default, provided that if Lender, acting with diligence, cannot cure such default within such 15-day period, Lender's commencement of a remedy within such 15-day period will be sufficient so long as a cure is effected within a reasonable time. Lessee agrees not to exercise any of its remedies in connection with any default notice to Lessor until the expiration of the cure period provided to Lender by this Agreement, and Lessee agrees in writing to accept any cure from Lender as if made by Lessor. Notwithstanding the foregoing, unless Lender otherwise agrees in writing to assume any obligations of Lessor under the Lease, Lessor shall remain solely liable to perform Lessor's obligations under the Lease, both before and after Lender's exercise of any right or remedy under this Agreement.

c. **No Advance Rent.** Lessee will not pay the rent or any other sums due under the Lease more than one month in advance, except with the written consent of Lender.

d. **Insurance and Condemnation Proceeds.** Notwithstanding any provision of the Lease to the contrary, the Mortgage and the other documents executed in connection with the Loan shall control the application of Lessor's insurance or condemnation proceeds.

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e. **Assignment of Rents.** Lessor and Lessee acknowledge that Lender is entitled, pursuant to an Assignment of leases and Rents executed by Lessor in favor of Lender, to receive and collect all rent payable under the Lease directly from Lessee. Lessee agrees to pay all of said rent directly to Lender upon receipt of a written request from Lender. Until Lessee receives such request from Lender, Lessee will pay all of said rent to Lessor in accordance with the provisions of the Lease. Upon Lessee's receipt of such request, Lessee will not be required to determine whether Lessor is in default under the Loan or the Mortgage.

f. **No Modification or Termination.** Neither Lessor nor Lessee will cancel or terminate the Lease, except pursuant to an express right of termination set forth in the Lease, or amend, modify, supplement, or in any manner alter any of its terms without the prior written consent of Lender.

g. **No Other Subordination.** Neither Lessor nor, so long as this Paragraph 5(g) does not require Lessee to violate the Lease, Lessee will, during the term of the Mortgage, permit the Lease to become subordinate to the lien of any mortgage or security instrument in favor of any person or entity other than Lender.

h. **Successors and Assigns.** This Agreement will be binding upon and will inure to the benefit of the parties hereto and their respective heirs, executors, administrators, personal representatives, successors and assigns, including any New Owner.

i. **Governing Law.** This Agreement and the Lease will be governed by and construed and interpreted in accordance with the internal laws of the State of Illinois.

j. **Counterparts.** This Agreement may be signed in counterparts and each counterpart shall be effective as an original when counterparts have been signed by all parties.


[Signature page follows.]

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IN WITNESS WHEREOF, this Subordination, Non-Disturbance and Attornment Agreement has been duly executed as of the day and year first above written.

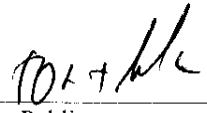
LENDER:

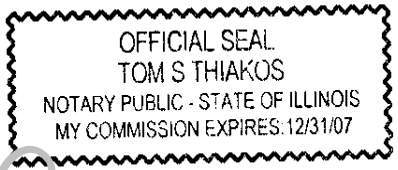
LASALLE BANK NATIONAL ASSOCIATION

By: 
Its: FVP

STATE OF ILLINOIS)
) ss.
COUNTY OF WILL)

The foregoing was acknowledged before me this 18 day of APRIL 2007, by DON BRODERICK, the FVP of LaSalle Bank National Association, a national banking association, on behalf of the association.


Notary Public



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LESSOR:

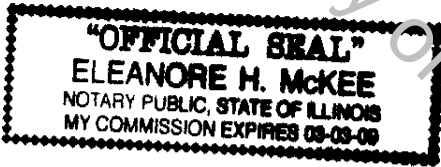
OPUS REAL ESTATE IL VII BURR RIDGE, L.L.C.

By: Robert A. Gelte
Its: Vice President

STATE OF Illinois)
COUNTY OF Cook) ss.

VP. The foregoing was acknowledged before me this 2nd day of May, 2007, by Robert Gelte the of Opus Real Estate IL VII Burr Ridge, L.L.C., a Delaware limited liability company, on behalf of the company.

Eleanore H. McKee
Notary Public



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LESSEE:

CHRISTOPHER & BANKS, INC.

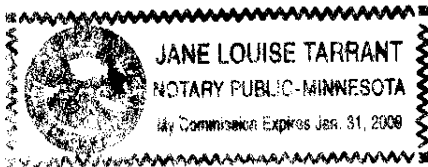
By: *Donna Fauchald*
DONNA FAUCHALD
Its: VICE PRESIDENT

STATE OF MINNESOTA)
) ss.
COUNTY OF HENRIKIN)

The foregoing was acknowledged before me this 19th day of APRIL, 2007, by DONNA FAUCHALD the VICE PRESIDENT of Christopher & Banks, Inc., a Minnesota corporation, on behalf of the corporation.

Jane Tarrant
Notary Public

Jane Tarrant
Notary Public



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EXHIBIT A

Legal Description

LOTS 1 THROUGH 6 AND LOT 8 OF THE BURR RIDGE VILLAGE CENTER PLANNED UNIT DEVELOPMENT SUBDIVISION, RECORDED OCTOBER 2, 2006 AS DOCUMENT NUMBER 0627510200 IN COOK COUNTY, ILLINOIS.

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SE CORNER I-55 +
County Line Rd.
Burr Ridge IL

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