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1998-12-17 13:29:41
Cook County Recorder 35.00



This instrument prepared /
by and after recording /
return to: David Shipman /

American National Bank /
Division 251 /
120 S. LaSalle Street /
Chicago, IL 60603 /

400180640-DIC(KML)

**SUBORDINATION, NON-DISTURBANCE, ATTORNMENT
AND ESTOPPEL AGREEMENT**

8

THIS AGREEMENT is made and entered into as of the 30th of June, 1998, by and between VAN RU CREDIT CORPORATION ("Tenant"), and AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association ("Lender").

RECITALS:

A. American National Bank and Trust Company of Chicago, not personally but solely as Trustee under Trust Agreement dated May 31, 1990 and known as Trust No. 110135-05 ("Trustee"), and VRC CREDIT SERVICES, INC., an Illinois corporation ("VRC") (Trustee and VRC being hereinafter referred to together as "Borrower") have executed and delivered to Lender a Mortgage and Security Agreement (the "Mortgage") encumbering the Mortgaged Property (hereinafter defined) to secure an indebtedness (the "Loan") in the principal amount of One Million Two Hundred Thousand and No/100ths Dollars (\$1,200,000.00).

B. Tenant has entered into a lease agreement (such lease agreement, together with all amendments and modifications thereof, hereinafter being referred to as the "Lease") dated August 1, 1998 with Borrower (Borrower in such capacity as such landlord being herein sometimes referred to as "Landlord"), pursuant to which Tenant leased an interest in the Mortgaged Property (the Mortgaged Property in such capacity being herein sometimes referred to as the "Leased Premises"). The Leased Premises are located on a parcel of land (the "Land") legally described in Exhibit A attached hereto and made a part hereof (the Land and the improvements thereon being herein collectively referred to as the "Mortgaged Property"). The Lease expires on August 31, 2003, and there exists no option(s) to extend or renew the term thereof or, if such option(s) exist, they are as follows: Five year renewal option upon 60 day notice of expiration date at CPI increase to rent payments per year upon renewal.

1 BOX 333-CTI

C. Lender, as a condition to making the Loan has required the execution of this Agreement, and Tenant has agreed to so execute this Agreement.

NOW, THEREFORE, in consideration of the foregoing Recitals and the mutual covenants and agreements herein contained, and to induce Lender to make said Loan, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby covenant and agree as follows:

1. Tenant represents and warrants to Lender that the following documents and agreements are all of the documents and agreements in addition to the Lease governing the tenancy of Tenant with respect to the Leased Premises (including all amendments or modifications thereof): _____

2. Tenant hereby agrees not to amend, modify or surrender the Lease without the prior written consent of Lender.

3. To induce Lender to make the aforesaid Loan, Tenant hereby represents, warrants, covenants, confirms and certifies to Lender as follows:

(a) Tenant does not have any right to lease additional or expansion space now or hereafter located on the Mortgaged Property, and Tenant has no right of first refusal with respect to any such space, except as expressly provided in the Lease.

(b) The current monthly rent payable under the Lease is \$ 55,027.75 and will ~~not~~ be increased (or will be increased as follows, if at all): each year
(See Rider)

(c) Tenant is required to pay Landlord, as additional rent, its proportionate share of the real estate taxes, assessments and similar charges and liability and hazard insurance against the Mortgaged Property.

(d) The security deposit under the Lease is currently \$ 24,375

(e) The execution and delivery hereof have been duly authorized by Tenant and such execution and delivery shall cause Tenant to be bound hereby.

(f) Tenant is in full and complete possession of the Leased Premises, such possession having been delivered by Landlord pursuant to the Lease and having been accepted by Tenant.

(g) The improvements to the Leased Premises that Landlord is required to furnish under the Lease, if any, have been completed in all respects to the satisfaction of Tenant, and the Leased Premises are open for the use of Tenant, its customers,

employees and invitees. All contributions required to be made by Landlord to Tenant in connection with improvements to the Leased Premises, if any, have been paid in full.

(h) There are no duties or obligations of Landlord required under the Lease which were an inducement to Tenant to enter into the Lease and which have not been fully performed.

(i) The Lease is in full force and effect. No default exists on the part of Landlord or Tenant under the Lease, nor does any circumstance currently exist that, but for the giving of notice or the passage of time, or both, would be such a default.

(j) No rents have been prepaid except the current month's rent as provided by the Lease. Tenant does not now have or hold any claim or defense against Landlord which might be set off or credited against future accruing rents or which might otherwise excuse Tenant's performance under the Lease.

(k) Tenant has received no notice of a prior sale, transfer, assignment, hypothecation, or pledge of the Lease or of the rents secured therein.

(l) Tenant does not have any outstanding options or rights of first refusal to purchase the Mortgaged Property, or any part thereof, including, without limitation, the Leased Premises.

(m) No actions, whether voluntary or otherwise, are pending against Tenant or any guarantor of the Lease, under the bankruptcy or similar laws of the United States or any state thereof.

Tenant hereby acknowledges that Lender shall rely on the representations and agreements made herein as an inducement to Lender to make the Loan to Borrower.

4. Prior to pursuing any remedy available to Tenant under the Lease or at law or in equity which Tenant may have as a result of any failure of Landlord to perform or observe any covenant, condition, provision or obligation to be performed or observed by Landlord under the Lease (any such failure being hereinafter referred to as a "Landlord's Default"), Tenant shall:

(a) provide Lender with a notice of Landlord's Default specifying the nature thereof, the section of the Lease under which same arose and the remedy which Tenant will elect under the terms of the Lease or otherwise, and

(b) allow Lender thirty (30) days following receipt of such Notice of Landlord's Default to cure the same; provided, however, that, if such Landlord's Default is not readily curable with such thirty (30) day period, Tenant shall give Lender an additional period of time reasonably necessary to cure such Landlord's

Default so long as Lender is diligently pursuing a cure. Tenant shall not pursue any remedy available to Tenant as a result of any Landlord's Default unless Lender fails to cure same within the applicable time period specified above. For purposes of this Paragraph 4, a Landlord's Default shall not be deemed to have occurred until all cure periods applicable thereto under the Lease have lapsed without Landlord having effectuated a cure thereof.

5. The Lease shall be subject and subordinate in all respects to the Mortgage and any and all other documents or instruments evidencing or securing the Loan, and to all renewals, modifications, amendments, consolidations, replacements and extensions for or of the Mortgage and such other documents or instruments. Without limiting the generality of the foregoing, Tenant hereby expressly agrees that all of its right, title and interest in and to insurance proceeds and awards (or other similar awards arising from eminent domain proceedings) with respect to damage to or the condemnation (or similar taking) of any of the Mortgaged Property, shall be subject and subordinate to Lender's right, title and interest in and to such proceeds and awards.

6. Tenant acknowledges that Landlord has executed and delivered or concurrently herewith will execute and deliver to Lender a Collateral Assignment of Leases and Rents ("Assignment of Rents"), made by Landlord in favor of Lender, by which Assignment of Rents, Landlord assigned or will assign to Lender all leases affecting the Mortgaged Property, including the Lease, and the rents due and payable under such leases. In connection therewith, Tenant agrees, upon receipt of a notice of a default by Landlord under the Assignment of Rents, and a demand by Lender for direct payment to Lender of the rents due under the Lease, that Tenant will honor such demand and make all subsequent rent payments directly to Lender.

7. In the event that Lender, as a result of foreclosure of the Mortgage or a deed or other transfer in lieu of foreclosure, succeeds to the interest of Landlord under the Lease, Lender agrees to be bound to Tenant under all of the provisions of the Lease (except to the extent that the Lease has been modified without Lender's written consent), and Tenant agrees, from and after such event, to attorn to Lender and to any purchaser at any foreclosure sale of the Mortgaged Property and to their successors and assigns, with all rights and obligations of Lender or such purchaser (as successor to Landlord) and Tenant under the Lease to continue as though the interest of Landlord had not terminated or such foreclosure proceedings had not been brought, and Tenant shall have the same rights as contained in the Lease (except to the extent that the Lease has been modified without Lender's prior written consent); provided, however, that neither Lender nor any purchaser at foreclosure shall be:

- (a) liable for any act or omission of any prior landlord (including Landlord);
- (b) subject to any offsets or defenses which Tenant might have against any prior landlord (including Landlord);

(c) bound by any rent or additional rent which the Tenant might have paid for more than the current month to any prior landlord (including Landlord);

(d) liable to refund or otherwise account to Tenant for any security deposit not actually paid over to Lender by Landlord; or

(e) bound by any amendment, modification or surrender of the Lease made without its consent subsequent to the date hereof.

8. Any notice required or desired to be given under this Agreement shall be in writing and shall be deemed given either when personally delivered or, if mailed, two business days subsequent to the date when mailed by certified mail, return receipt requested, postage prepaid, addressed as follows:

To Tenant: VAN RU CREDIT CORPORATION
10024 Skokie Boulevard
Skokie, Illinois 60077

To Lender: American National Bank and
Trust Company of Chicago
120 South LaSalle Street
Chicago, Illinois 60603
Attn: William A. Almond, III

Either party, at any time and from time to time (by providing notice to the other party in the manner set forth above), may designate a different address or person, or both, to whom such notices may be sent; provided, however, that such notice of change shall not be deemed given until actually received by the appropriate recipient.

9. Tenant acknowledges and agrees that Lender will be relying on the representations, warranties, covenants and agreements of Tenant contained herein as a basis for Lender making the Loan secured by the Mortgage and that any default by Tenant hereunder shall permit Lender, at its option, to exercise any and all of its rights and remedies at law and in equity against Tenant and to join Tenant in a foreclosure action thereby terminating Tenant's right, title and interest in and to the premises demised to Tenant under the Lease.

10. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors and assigns and any nominees of Lender, who are entitled to rely upon the provisions hereof. This Agreement shall be governed by the laws of the State of Illinois without reference to the choice of law provisions of Illinois or any other State.

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

VAN RU CREDIT CORPORATION
an Illinois corporation

By: [Signature]

Name: Roger J. Rubin

Its: President

ATTEST:

By: [Signature]

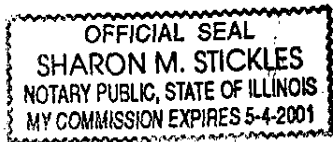
Its: Vice President

STATE OF ILLINOIS }
COUNTY OF Cook } SS

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that Roger J. Rubin, personally known to me to be the _____ and _____, personally known to me to be the President of VAN RU Credit Corporation, an Illinois corporation, appeared before me this day in person and severally acknowledged that as such Officer and _____ they signed and delivered the said instrument as President and _____ of said Corporation pursuant to authority given by the Board of Directors of said Corporation as their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal this 30th day of June, 1998.

[Signature]
Notary Public



My Commission Expires: 5/4/01

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO

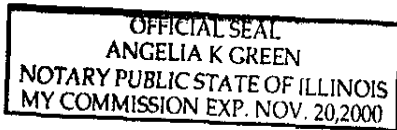
By: William A. Almond

Its: Vice President

STATE OF ILLINOIS)
)SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that William A. Almond, Jr., as Vice President of AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, appeared before me this day in person and acknowledged that as such Vice President that he/she signed and delivered the said instrument as Vice President of said Corporation pursuant to authority given by the Board of Directors of said Corporation as his/her free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal, this 19th day of October, 1998.



Angelia K Green
Notary Public

My Commission Expires: 11 / 20 / 00

EXHIBIT "A"
TO
SUBORDINATION, NON-DISTURBANCE, ATTORNMENT
AND ESTOPPEL AGREEMENT
DATED JUNE 30, 1998

LEGAL DESCRIPTION:

Parcel 1: The North 264 feet of the South 528 feet of the East 165 feet of the Northeast fractional quarter of Section 9, Township 41 North, Range 13, East of the Third Principal Meridian (except the East 55 feet thereof, of which the East 40 feet of said East 55 feet was condemned for Cicero Avenue on petition filed July 16, 1930, by Village of Niles Center, in County Court of Cook County, Illinois, as Case 63866, wherein judgment was rendered November 5, 1930, and of which the West 15 feet of said East 55 feet was conveyed by Warranty Deed to the State of Illinois August 5, 1974, for right of way for highway purposes), in Cook County, Illinois

Parcel 2: Lot 1 in North Evanston Harrison Boulevard Subdivision of the East 13.37 acres (except the South 528 feet of the East 165 feet thereof) of the Northeast fractional quarter of Section 9, township 41 North, Range 13, East of the Third Principal Meridian; also: All of the vacated 16 foot Public Alley lying West of and adjoining said Lot 1, in Cook County, Illinois

Parcel 3: All of the vacated Public Alley lying West of and adjoining the North 264 feet of the South 528 feet of the East 165 feet of the Northeast fractional quarter of Section 9, Township 41 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois

COMMONLY KNOWN AS: 10024 Skokie Boulevard, Skokie, IL 60077

PIN NUMBERS: 10-09-204-010; 10-09-204-011; 10-09-204-012; 10-09-204-013;
10-09-204-014; 10-09-204-015; 10-09-204-016; 10-09-204-017;
10-09-204-018; 10-09-204-019; 10-09-204-029