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Cook County Recorder of Deeds
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1. **Title of Document:** Subordination, Nondisturbance and Attornment Agreement
2. **Date of Document:** May 21, 2008
3. **Lender:** PNC Bank, National Association
Address: 10851 Mastin
Overland Park, KS 66210
4. **Sublandlord:** SBC Asset Management, Inc., a Delaware corporation
Address: 225 W. Randolph St., 13th Floor
Chicago, Illinois 60606
5. **Subtenant:** Potbelly Sandwich Works, LLC, an Illinois limited liability
company
Address: 222 Merchandise Mart Plaza, 23rd Floor
Chicago, IL 60654
6. **Legal description:** See Exhibit A attached
7. **Reference(s) to Book(s) and Page(s):** N/A

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SUBORDINATION, NONDISTURBANCE AND ATTORNMENMENT AGREEMENT

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENMENT AGREEMENT (the "**Agreement**") is made as of the 21st day of MAY, 2008, by and between PNC Bank, National Association having an address at 10851 Mastin, Overland Park, Kansas, 66210 ("**Lender**") and Potbelly Sandwich Works, LLC, an Illinois limited liability company, having an address of 222 Merchandise Mart Plaza, 23rd Floor, Chicago, Illinois 60654 ("**Subtenant**").

RECITALS:

A. Subtenant is the holder of a leasehold estate in approximately 2,000 square feet (the "**Premises**") located in the southeast corner of the first (1st) floor of the property commonly known as and located at 225 West Randolph, Chicago, Illinois, as more particularly described on Exhibit A (the "**Property**") under and pursuant to the provisions of a certain Lease Agreement dated January 26, 2007 (the "**Lease**") between Subtenant and Illinois Bell Telephone Company, an Illinois corporation ("**Former Owner**");

B. On December 28, 2007 Former Owner sold the Property to Oakwood Chicago Associates, LLC, Elmwood Chicago Associates, LLC, Landings Chicago Associates, LLC, and Wallkill Chicago Associates, LLC, each a Delaware limited liability company (collectively, "**New Owner**"); New Owner entered into a certain Lease Agreement of even date therewith (the "**Master Lease**") as landlord with AT&T Services, Inc., a Delaware corporation ("**Master Tenant**") as the tenant thereunder;

C. Effective December 28, 2007, Former Owner assigned all of its rights, title and interest under the Lease to Master Tenant, and effective of same date therewith Master Tenant subleased and transferred all of its rights, title and interest under the Lease to SBC Asset Management, Inc., a Delaware corporation and wholly owned subsidiary of AT&T, Inc. ("**Sublandlord**").

D. The Property is or is to be encumbered by one or more mortgages, deeds of trust, deeds to secure debt or similar security agreements (collectively, the "**Security Instrument**") from New Owner, or its successor in interest, in favor of Lender; and

E. Subtenant has agreed to subordinate the Lease to the Master Lease, and to the Security Instrument and to the lien thereof, and Lender has agreed to grant non-disturbance to Subtenant under the Lease on the terms and conditions hereinafter set forth.

AGREEMENT:

NOW, THEREFORE, the parties hereto mutually agree as follows:

1. Subordination. The Lease shall be subject and subordinate in all respects to the Master Lease, and to the lien and terms of the Security Instrument, to any and all advances to be made thereunder and to all renewals, modifications, consolidations, replacements and extensions thereof, provided that no such modification, consolidation, replacement or extension shall reduce Subtenant's rights or increase Subtenant's obligations under the Lease; and provided further that the Security Instrument and any modifications, consolidations, replacements or extensions thereof shall be subject to the terms of this Agreement.

2. Nondisturbance. So long as no Breach (as defined in the Lease) shall have occurred and be continuing under the Lease, Lender agrees for itself and its successors in interest and for any other person acquiring title to the Property through a foreclosure (an "**Acquiring Party**"), that Subtenant's possession of the Premises as described in the Lease and Subtenant's rights under the Lease, will not be disturbed

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during the term of the Lease, as said term may be extended pursuant to the terms of the Lease, by reason of a foreclosure or otherwise. For purposes of this Agreement, a "foreclosure" shall include (but not be limited to) a sheriff's or trustee's sale under the power of sale contained in the Security Instrument, the termination of the Master Lease or any other superior lease of the Property and any other transfer of the New Owner's interest in the Property under peril of foreclosure, including, without limitation to the generality of the foregoing, an assignment or sale in lieu of foreclosure.

Upon a foreclosure and the termination of the Master Tenant's rights under the Master Lease, Lender or such Acquiring Party shall perform all obligations and covenants of Sublandlord under the Lease accruing from and after the date that Lender or such Acquiring Party takes title to the Property and Master Tenant's rights under the Master Lease are terminated.

3. Attornment. Following notice of any foreclosure and the termination of Master Tenant's rights under the Master Lease and of the identity and address of an Acquiring Party, if any, Subtenant agrees to attorn to, accept and recognize any Acquiring Party as the landlord under the Lease pursuant to the provisions expressly set forth therein for the then remaining balance of the term of the Lease, and any extensions thereof as made pursuant to the Lease. The foregoing provision shall be self-operative and shall not require the execution of any further instrument or agreement by Subtenant as a condition to its effectiveness. Subtenant agrees, however, to thereafter execute and deliver, at any time and from time to time, upon the reasonable request of the Lender or any Acquiring Party any reasonable instrument which may be necessary or appropriate to evidence such attornment.

4. No Liability. Notwithstanding anything to the contrary contained herein or in the Lease, it is specifically understood and agreed that neither the Lender, any receiver nor any Acquiring Party shall be:

(a) liable for any act, omission, negligence or default of any prior landlord (other than to cure defaults of a continuing nature); provided, however, that Lender or any Acquiring Party shall be liable and responsible for the performance of all covenants and obligations of landlord under the Lease accruing from and after the date that it takes title to the Property and Master Tenant's rights under the Master Lease are terminated; and provided further, however, that the foregoing shall not affect Subtenant's continuing set-off rights, if any, set forth in the Lease; or

(b) except as set forth in clause (a) above, liable for any failure of any prior landlord to construct any improvements;

(c) except as set forth in clause (a) above, subject to any offsets, credits, claims or defenses which Subtenant might have against any prior landlord; or

(d) bound by any Minimum Rent which Subtenant might have paid for more than one (1) month in advance to any prior landlord; or

(e) be liable to Subtenant hereunder or under the terms of the Lease beyond its interest in the Premises and the Lease; or

(f) liable or responsible for or with respect to the retention, application and or/return to Subtenant of any security deposit paid to Sublandlord or any prior landlord, unless and until Lender or such Acquiring Party has actually received for its own account as landlord the full amount of such security deposit.

(g) be bound by any amendment to the Lease which shortens the term thereof, reduces the amount of Minimum Rent payable thereunder or materially increases the obligations of Sublandlord thereunder unless Lender has given its written consent to such amendment.

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Notwithstanding the foregoing, Subtenant reserves its rights to any and all claims or causes of action against such prior landlord for prior losses or damages, and against the successor landlord for all losses or damages arising from and after the date that such successor landlord takes title to the Property and Master Tenant rights under the Master Lease are terminated.

5. Rent. Subtenant has notice that the Master Lease and the rents and all other sums due to New Owner thereunder have been assigned to Lender as security for the loan secured by the Security Instrument. In addition, in the event Lender notifies Subtenant of the occurrence of a default under the Security Instrument and termination of the Master Tenant's rights under the Master Lease and demands that Subtenant pay its rents and all other sums due or to become due to Sublandlord under the Lease directly to Lender, and if Subtenant has received irrevocable instructions from Sublandlord to pay its rent and all other sums due and payable to Sublandlord under the Lease directly to Lender or as otherwise directed in writing by Lender, then Subtenant shall do so (but all payments shall be made to the same place), and such payment shall be deemed to satisfy Subtenant's obligation therefor under the Lease and Subtenant shall have no obligation or responsibility for the proper application thereof by Lender or any other person.

6. Lender to Receive Notices. Subtenant shall notify Lender of any default by Sublandlord under the Lease which would entitle Subtenant to perform any obligation that Sublandlord has failed to perform in accordance with the Lease or to cancel the Lease.

7. Lender Consents. Lender has reviewed and agrees, for itself and, after foreclosure and the termination of Master Tenant rights under the Master Lease, for any other Acquiring Party, to be bound by all the provisions of the Lease, subject to the provisions of Section 4 hereof.

8. Sublease Status. For so long as the Master Lease and the Lease are in force and effect, Subtenant shall perform all duties and obligations of the tenant under the Lease and recognize Sublandlord as the landlord thereunder; and Sublandlord shall perform all duties and obligations of the landlord under the Lease and recognize Subtenant as the tenant thereunder.

9. Notices. All notices or other communications hereunder shall be in writing and shall be deemed to have been properly given (i) upon delivery, if delivered in person with receipt acknowledged by the recipient thereof, (ii) one (1) Business Day (hereinafter defined) after having been deposited for overnight delivery with any reputable overnight courier service, or (iii) three (3) Business Days after having been deposited in any post office or mail depository regularly maintained by the U.S. Postal Service and sent by registered or certified mail, postage prepaid, return receipt requested, addressed to the receiving party at its address set forth above, and:

if to Subtenant: Potbelly Sandwich Works, LLC
222 Merchandise Mart Plaza, 23rd Floor
Chicago, Illinois 60606
Attn: General Counsel

if to Lender: PNC Bank, National Association
10851 Mastin
Overland Park, Kansas 66210
Attn: Jeanette Butler
Ref. Loan No. 94-0954251

or addressed as such party may from time to time designate by written notice to the other parties. For purposes of this Paragraph 8, the term "**Business Day**" shall mean any day other than Saturday, Sunday or any other day on which banks are required or authorized to close in New York, New York.

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Either party by notice to the other may designate additional or different addresses for subsequent notices or communications.

10. Successors. The obligations and rights of the parties pursuant to this Agreement shall bind and inure to the benefit of the permitted successors, assigns, heirs and legal representatives of the respective parties. In addition, Subtenant acknowledges that all references herein to Sublandlord shall mean the owner of the landlord's interest in the Lease, even if said owner shall be different than the Sublandlord named in the Recitals.

11. Duplicate Originals; Counterparts. This Agreement may be executed in any number of duplicate originals and each duplicate original shall be deemed to be an original. This Agreement may be executed in several counterparts, each of which counterparts shall be deemed an original instrument and all of which together shall constitute a single Agreement. The failure of any party hereto to execute this Agreement, or any counterpart hereof, shall not relieve the other signatories from their obligations hereunder.

12. Partial Invalidity. If any portion or portions of this Agreement shall be held invalid or inoperative, then all of the remaining portions shall remain in full force and effect, and, so far as is reasonable and possible, effect shall be given to the intent manifested by the portion or portions held to be invalid or inoperative.

13. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State in which the Property is located.

[SIGNATURES APPEAR ON THE FOLLOWING PAGES]

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IN WITNESS WHEREOF, Lender and Subtenant have duly executed this Agreement as of the date first above written.

LENDER:

PNC Bank, National Association

By: Jeannette Butler
Name: Jeannette Butler
Authorized Signatory: Vice President

STATE OF Kansas)

COUNTY OF Johnson)

I, the undersigned, a Notary Public of the County and State aforesaid, certify that Jeannette Butler personally came before me this day and acknowledged that he/she is the Vice President of PNC Bank, National Association, a _____, and that he/she as its Vice President, being duly authorized to do so, executed the foregoing instrument on behalf of said Bank, as its free act and deed.

WITNESS my hand and official seal, this 21 day of May, 2008.

Stephanie Cook
Notary Public

My commission expires: 6/11/10
[NOTARIAL SEAL]

STEPHANIE COOK
NOTARY PUBLIC - State of Kansas
My Appt. Exp. 6/11/10

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EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY:
(225 W. Randolph Street, Chicago, Illinois 60606)

PARCEL 1: 17-09-443-004-0000

LOTS 2, 3 AND 4 (EXCEPT THAT PART OF LOT 2 DEDICATED FOR PUBLIC ALLEY BY INSTRUMENT RECORDED AS DOCUMENT NUMBER 18928994) IN BLOCK 41 IN ORIGINAL TOWN OF CHICAGO IN THE SOUTH EAST ¼ OF SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

THAT PART OF VACATED WEST COURT PLACE LYING SOUTH OF AND ADJOINING THE SOUTH LINE OF LOTS 2, 3 AND 4 AND LYING NORTH OF AND ADJOINING THE NORTH LINE OF LOT 6, ALL IN BLOCK 41 IN ORIGINAL TOWN OF CHICAGO AFORESAID; LYING NORTH OF AND ADJOINING THE NORTH LINE OF SUB-LOT 1 OF LOT 5 AND THE NORTH LINE OF SUB-LOTS 1, 2 AND 3 OF LOT 7, AND LYING WEST OF AND ADJOINING THE EAST LINE OF SAID SUB-LOT 3 OF LOT 7 PRODUCED NORTH 18 FEET, ALL IN BLOCK 41 IN ORIGINAL TOWN OF CHICAGO AFORESAID, ALL IN COOK COUNTY, ILLINOIS.

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