

Loan No. 522380:11



RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:
Arnstein & Lehr LLP
120 S. Riverside Plaza
Suite 1200
Chicago, IL 60606
Attn: Stephanie J. Kim

Doc#: 1230710077 Fee: \$80.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 11/02/2012 12:06 PM Pg: 1 of 7

Space Above This Line for Recorder's Use

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

THIS AGREEMENT, is made this 20th day of Sept., 2012, by Sears Outlet Stores, LLC, a Delaware limited liability company, having its principal office and place of business located at 3333 Beverly Road, Department 824RE, Hoffman Estates, IL 60779 ("Tenant"), John Hancock Life Insurance Company (U.S.A.), its successors and assigns, having its principal place of business located at c/o Real Estate Finance Group, 197 Clarendon Street, C-3, Boston, MA 02116 ("Lender"), and with regard to the provisions expressly set forth below, IN Retail Fund Thatcher Woods, LLC a Delaware limited liability company, having its principal office and place of business located at 2901 Butterfield Road, Oak Brook, IL 60523 ("Landlord") with reference to the following facts:

RECITALS:

A. Landlord (either itself or as successor-in-interest to a previous landlord) and Tenant entered into a certain lease dated Sept 28, 2012, as amended on N/A ("Lease") covering certain space ("Premises") in the building located at the Village of River Grove, 8345 W. Belmont Avenue, River Grove, IL 60171, which property is more particularly described in the Mortgage (as hereinafter defined) ("Property").

B. Lender granted a loan ("Loan") to Landlord, which Loan is evidenced by a note and secured, inter alia, by a first lien instrument in favor of Lender covering the Property and upon the terms and conditions described therein, which has been recorded in the Official Records of Cook County, Illinois (said instrument and all amendments, modifications, renewals, substitutions, extensions, consolidations and replacements thereto and thereof, as applicable, are hereinafter collectively referred to as "Mortgage").

C. Tenant has requested of Landlord and Lender that this Agreement be executed.

D. It is a condition precedent to Lender executing this Agreement that (i) the Mortgage be and remain at all times a first lien or charge upon the Property prior and superior to the Lease; (ii) Tenant specifically subordinate the Lease to the lien or charge of the Mortgage and (iii) Tenant attorn to Lender and its successors and assigns in the event of the foreclosure or other proceeding to enforce the Mortgage.

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to induce Lender to enter into this Agreement, Lender and Tenant hereby agree as follows:

1. Subordination. The Lease and any extensions, renewals, replacements, consolidations or modifications thereof, and all the right, title and interest of the Tenant in and to the Premises, and all rights of the Tenant thereunder, are and shall be subject and subordinate to the Mortgage and the lien and terms thereof.

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2. Lender's Exercise of Remedies. In the event of (a) the institution of any foreclosure, trustee's sale or other like proceeding, (b) the appointment of a receiver for the Landlord or the Property, (c) the exercise of rights to collect rents under the Mortgage or an assignment of rents, (d) the recording by Lender or its successor or assignee of a deed in lieu of foreclosure for the Property, or (e) any transfer or abandonment of possession of the Property to Lender or its successor or assigns in connection with any proceedings affecting Landlord under the Bankruptcy Code, 11 U.S.C. § 101 *et seq.* (any such foreclosure, recording of a deed in lieu of foreclosure, or transfer or abandonment of the Property referred to in the preceding clauses (a) through (e) is hereinafter called a "Transfer", and Lender or any successor or assignee of Lender taking title to the Property in connection with a Transfer is hereinafter called the "Transferee"), such Transferee shall not: (i) be liable for any damages (including, without limitation, consequential damages) or other relief or be subject to any offsets, defenses or counterclaims of any kind attributable to any event, act, omission or default under the Lease, including, but not limited to, a breach of any representation or warranty under the Lease, of Landlord or any prior landlord under the Lease, except for any continuing event, act or omission of which Lender has been provided notice as described in Paragraph 4 below, and if any such offset or defense is expressly provided for in the Lease, (ii) be bound by any prepayment by Tenant of more than one month's installment of rent unless such prepayment is expressly required in the Lease or has been specifically approved in writing by Lender, or be liable or responsible for any security deposit or other sums which Tenant may have paid under the Lease unless such deposit or other sums have been physically delivered to Transferee, or (iii) be bound by any modification or amendment of the Lease, or any waiver of any terms of the Lease unless the same shall have been approved in writing by Lender.

3. Attornment and Non-Disturbance. Provided (a) Tenant complies with this Agreement, (b) Tenant is not in default under the terms of the Lease beyond any applicable cure periods, and (c) the Lease is in full force and effect, except as set forth in Paragraphs 2 and 5(1) and (e), any default under the Mortgage and any proceeding to foreclose the same will not disturb Tenant's possession under the Lease and the Lease will not be affected or cut off thereby, and notwithstanding any such foreclosure or other Transfer of the Property to Transferee, Transferee will recognize the Lease and will accept the attornment of Tenant thereunder.

Tenant shall attorn to Transferee, including Lender if Lender becomes a Transferee, as the landlord under the Lease. Said attornment is subject to the limitation of Transferee's obligations set forth in Paragraph 2 above and shall be effective and self-operative without the execution of any further instruments upon Transferee's succeeding to the interest of the landlord under the Lease. Tenant and Lender shall, however, confirm the provisions of this paragraph in writing upon request by either of them.

4. Lender's Right to Cure. Notwithstanding anything to the contrary in the Lease or this Agreement, Tenant shall provide Lender with written notice of any default of Landlord under the Lease (which can be a copy of the notice provided to the Landlord) if such default is of such a nature as to give the Tenant a right to terminate the Lease, to reduce rent thereunder or to credit or offset any amounts against future rents, and will not seek to terminate the Lease or reduce the rent or credit or offset against rent or claim a partial or total abatement until giving such notice and providing Lender a period of thirty (30) days beyond the time available to Landlord under the Lease in which to cure the breach or default by Landlord. Lender shall have no obligation to cure (and shall have no liability or obligation for not curing) any breach or default by Landlord, except to the extent that Lender agrees otherwise in writing.

5. Miscellaneous.

(a) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their successors and assigns; provided, however, that in the event of the assignment or transfer of the interest of Transferee, all obligations and liabilities of Transferee under this Agreement shall terminate, and thereupon all such obligations and liabilities shall be the responsibility of the party to whom Transferee's interest is assigned or transferred; and provided further that the interest of Tenant under this Agreement may not be assigned or transferred except to the extent the assignment of Tenant's interest in the Lease is permitted under the Lease.

(b) Tenant acknowledges that it has notice that the Lease and the rent and all other sums due thereunder have been assigned to Lender as part of the security for the note secured by the Mortgage and upon written notice from Lender of a default under the Mortgage, Tenant shall pay its rent and all other sums due under the Lease directly to Lender, and Landlord, by its execution hereof, hereby directs Tenant to make such payment to Lender.

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(c) Tenant acknowledges and agrees that it shall not terminate the Lease in the event of a default by Landlord unless Tenant provides Lender written notice and an opportunity to cure as described in Paragraph 4 above. In addition, Tenant agrees that it shall not terminate or cancel the Lease by agreement with the Landlord without Lender's prior written consent, unless such right to terminate or cancel is expressly set forth in the Lease. In the event such right is expressly set forth in the Lease, Tenant shall pay to Lender any and all termination fees or other consideration to be paid to Landlord in connection with such termination or cancellation and Landlord, by its execution hereof, hereby directs Tenant to make such payments or provide such other consideration to Lender.

(d) Tenant covenants and acknowledges that it has no right or option of any nature whatsoever whether pursuant to the Lease or otherwise, to purchase the Property or the real property of which the Property is a part, or any portion thereof or any interest therein, and to the extent that Tenant has had, or hereafter acquires any such right or option, the same is hereby acknowledged to be subject and subordinate to the Mortgage and is hereby waived and released as against Transferee.

(e) This Agreement is the whole and only agreement between the parties hereto with regard to the subordination of the Lease to the lien or charge of the Mortgage. This Agreement may not be modified in any manner or terminated except by an instrument in writing executed by the parties hereto.

(f) This Agreement shall be deemed to have been made in the state where the Property is located and the validity, interpretation and enforcement of this Agreement shall be determined in accordance with the laws of such state.

(g) In the event any legal action or proceeding is commenced to interpret or enforce the terms of, or obligations arising out of, this Agreement, or to recover damages for the breach thereof, the party prevailing in any such action or proceeding shall be entitled to recover from the non-prevailing party all reasonable attorneys' fees, costs and expenses incurred by the prevailing party.

(h) Any notices or communications required or permitted to be given or made hereunder shall be deemed to be so given or made when in writing and delivered in person or sent by United States registered or certified mail, postage prepaid, or by nationally recognized overnight courier service, directed to the parties at the following addresses or such other addresses as they may from time to time designate in writing:

Lender:	John Hancock Life Insurance Company (U.S.A.) c/o Real Estate Finance Group 197 Clarendon Street, C-3 Boston, MA 02116 Reference Loan No. 5228380:11
Tenant:	Sears Outlet Stores, LLC 3333 Beverly Road Department 824RE Hoffman Estates, Illinois 60179 Attn: Vice President, Real Estate
With a copy to:	Sears Outlet Stores, LLC 3333 Beverly Road Department 824RE Hoffman Estates, Illinois 60179 Attn: Vice President, Real Estate Law and Asset Management

Notices or communications mailed in the U.S. mail shall be deemed to be served on the third business day following mailing, notices or communication served by hand or by overnight courier shall be deemed served upon receipt.

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(i) This document may be signed in counterparts which together shall be deemed to be one and the same document. The signature pages from any such counterpart may be attached to another such counterpart to form one complete set of signatures for this document.

(j) The parties hereto represent and warrant that their respective signatories to this Agreement have been duly authorized by the Tenant, Landlord and Lender, as applicable.

IN WITNESS WHEREOF, this Agreement has been signed and delivered as of the date and year first above set forth.

TENANT:
Sears Outlet Stores, LLC

By: WB Johnson
Name: W BRUCE JOHNSON
Title: VP OFF MALL BUSINESSES
duly authorized

State of Illinois)
County of Cook) ss.

On this 26 day of September, 2012, before me, the undersigned Notary Public, personally appeared W Bruce Johnson, ~~proved to me through satisfactory evidence of identification, which was/were~~ VP Off Mall Business, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he/she signed it voluntarily for its stated purpose(s) as VP Off Mall Business for Error! Reference source not found.Sears Outlet Stores, LLC.

Sheri Cooper
Signature of Notary

(Seal)

My commission expires: April 24, 2013



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LENDER:

John Hancock Life Insurance Company (U.S.A.)

By: _____

Name: _____

Timothy J. Malik

Title: _____

Assistant Vice President

duly authorized

THE COMMONWEALTH OF MASSACHUSETTS)

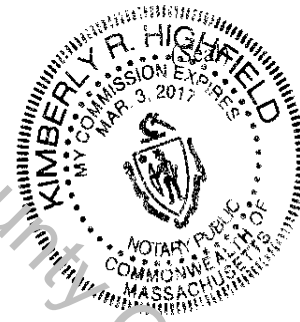
COUNTY OF SUFFOLK)

ss.)

On this 17th day of October 2012, before me, the undersigned Notary Public, personally appeared Timothy J. Malik personally known to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he/she signed it voluntarily for its stated purpose(s) as Asst. Vice President for John Hancock Life Insurance Company (U.S.A.).

Signature of Notary _____

My commission expires: 3/3/17



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As to Paragraphs 5(b), (c) and (d):

LANDLORD:

IN Retail Fund Thatcher Woods, LLC

By: Inland Commercial Property Management, Inc.,
Its Managing Agent

By: *Kristi Rankin*
Name: Kristi Rankin
Title: Senior Vice President

State of Illinois)
County of DuPage) ss.

On this 2nd day of October, 2012, before me, the undersigned Notary Public, personally appeared Kristi Rankin proved to me through satisfactory evidence of identification, which was/were personally known to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he/she signed it voluntarily for its stated purpose(s) as Senior Vice President for ~~Error! Reference source not found.~~ Inland Commercial Property Management, Inc.

Katherine M. Dawson (Seal)
Signature of Notary

My commission expires: 8/27/2016

(Pre-Closing)



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EXHIBIT A

LEGAL DESCRIPTION OF THATCHER WOODS SHOPPING CENTER RIVER GROVE, ILLINOIS

PARCEL A:

LOT "A" IN RIVER GROVE ESTATE, BEING A SUBDIVISION IN THE NORTHEAST FRACTIONAL 1/4 OF SECTION 26, TOWNSHIP 40 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCELS:

PARCEL 1:

THAT PART OF SAID LOT "A" IN RIVER GROVE ESTATE, AFORESAID, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST WESTERLY NORTHWEST CORNER OF SAID LOT "A"; THENCE SOUTH ON THE WEST LINE OF SAID LOT "A", A DISTANCE OF 79.17 FEET; THENCE EAST AT RIGHT ANGLES TO SAID WEST LINE OF LOT "A" TO THE SOUTHEASTERLY LINE OF LOT "B" IN SAID RIVER GROVE ESTATE, EXTENDED SOUTHWESTERLY; THENCE NORTHEASTERLY ON SAID SOUTHEASTERLY LINE OF LOT "B", EXTENDED TO THE MOST SOUTHERLY CORNER OF SAID LOT "B"; THENCE NORTHWESTERLY ON THE SOUTHWESTERLY LINE OF SAID LOT "B" AND SAID SOUTHWESTERLY LINE, EXTENDED TO THE NORTHWESTERLY LINE OF SAID LOT "A"; THENCE SOUTHWESTERLY ON SAID NORTHWESTERLY LINE OF LOT "A" TO THE PLACE OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

THAT PART OF SAID LOT "A" IN RIVER GROVE ESTATE, AFORESAID, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST NORTHERLY NORTHWEST CORNER OF SAID LOT "A"; THENCE EAST ON THE NORTH LINE OF SAID LOT "A", A DISTANCE OF 31.58 FEET; THENCE SOUTH AT RIGHT ANGLES TO SAID NORTH LINE OF LOT "A" TO THE SOUTHEASTERLY LINE OF LOT "B" IN SAID RIVER GROVE ESTATE, EXTENDED NORTHEASTERLY; THENCE SOUTHWESTERLY ON SAID SOUTHEASTERLY LINE OF LOT "B", EXTENDED TO THE MOST EASTERLY CORNER OF SAID LOT "B"; THENCE NORTHWESTERLY ON THE NORTHEASTERLY LINE OF LOT "B" AND SAID NORTHEASTERLY LINE, EXTENDED TO THE NORTHWESTERLY LINE OF SAID LOT "A"; THENCE NORTHEASTERLY ON SAID NORTHWESTERLY LINE OF LOT "A" TO THE PLACE OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL B:

THAT PART OF SAID LOT "A" IN RIVER GROVE ESTATE, AFORESAID, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST WESTERLY NORTHWEST CORNER OF SAID LOT "A"; THENCE SOUTH ON THE WEST LINE OF SAID LOT "A", A DISTANCE OF 79.17 FEET; THENCE EAST AT RIGHT ANGLES TO SAID WEST LINE OF LOT "A" TO THE SOUTHEASTERLY LINE OF LOT "B" IN SAID RIVER GROVE ESTATE, EXTENDED SOUTHWESTERLY; THENCE NORTHEASTERLY ON SAID SOUTHEASTERLY LINE OF LOT "B", EXTENDED TO THE MOST SOUTHERLY CORNER OF SAID LOT "B"; THENCE NORTHWESTERLY ON THE SOUTHWESTERLY LINE OF SAID LOT "B" AND SAID SOUTHWESTERLY LINE, EXTENDED TO THE NORTHWESTERLY LINE OF SAID LOT "A"; THENCE SOUTHWESTERLY ON SAID NORTHWESTERLY LINE OF LOT "A" TO THE PLACE OF BEGINNING, IN COOK COUNTY, ILLINOIS.

ADDRESS: 8345 W. BELMONT AVENUE, RIVER GROVE, ILLINOIS 60171
P.I.N.: 12-26-201-077-0000