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Karen A. Yarbrough  
Cook County Recorder of Deeds  
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This document was prepared by,  
and after recording, return to:

Howard & Howard Attorneys  
200 S. Michigan Ave. #1100  
Chicago, IL 60604  
Aaron B. Zarkowsky

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Permanent Tax Index Numbers:

03-07-301-003-0000

Property Address:

1775 W Rand Road  
Arlington Heights, IL

304 S CT-150183430100

SUBORDINATION AND ATTORNMENT AGREEMENT

This SUBORDINATION AND ATTORNMENT AGREEMENT dated as of November 5<sup>th</sup>, 2015 (the "Agreement"), is executed by and among M.T.S. I L.L.C., an Illinois limited liability company ("MTS"), and ARLINGTON HEIGHTS FAMILY LLC, an Illinois limited liability company ("Arlington;" MTS and Arlington are collectively the "Landlord"), Chicago Furniture Enterprises, LLC (the "Tenant"), and TOWN CENTER BANK, an Illinois chartered bank, its successors and/or assigns (the "Bank").

RECITALS:

A. The Bank is the mortgagee under that certain Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Filing dated as of even date herewith to be recorded concurrently herewith (the "Mortgage"), granted to the Bank by Chicago Title Land Trust Company ("Mortgagor"), not individually, but as successor trustee to Northstar Trust Company, successor trustee to Greatbanc Trust Company, successor trustee to Marine Trust and Investment Company under Trust Agreement Dated December 10, 1998 and known as Trust Number 80-5007 ("Trust Agreement"), which Mortgage encumbers the Real Estate (as hereinafter defined).

B. MTS and Arlington are the owner of one hundred percent (100%) of the beneficial interest and power of direction in and to the Trust Agreement.

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C. The Tenant has entered into that certain lease agreement dated June 30, 2003 with the Landlord (the "Lease Agreement", the Lease Agreement, together with all amendments and modifications thereof, being collectively referred to herein as the "Lease"), pursuant to which the Tenant has leased certain premises (the "Leased Premises") consisting of approximately 11,282 rentable square feet of space in the building ("Building") on the parcel of land (the "Land"; the Land and Building being collectively referred to herein as the "Real Estate") legally described on Exhibit "A" attached hereto and made a part hereof.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby covenant and agree as follows:

## A G R E E M E N T S:

1. Definitions and Incorporation. The foregoing recitals constitute an integral part of this Mortgage, evidencing the intent of the Landlord and Tenant and describing the circumstances surrounding its execution. Accordingly, the recitals are, by this express reference, made a part of the covenants hereof, and this Agreement shall be construed in the light thereof. All capitalized terms which are not defined herein shall have the meanings ascribed thereto in the Loan Agreement.
2. The Tenant represents and warrants to the Bank that the Lease constitutes the entire agreement between the Tenant and the Landlord with respect to the Leased Premises and there are no other agreements, written or verbal, governing the tenancy of the Tenant with respect to the Leased Premises.
3. The Tenant has executed and delivered to the Bank that certain Tenant Estoppel Certificate dated on or about the date hereof (the "Estoppel Certificate"). The provisions of the Estoppel Certificate are hereby incorporated into this Agreement as if fully set forth in this Agreement in their entirety, and the Tenant acknowledges that the Bank will be relying on the statements made in the Estoppel Certificate in determining whether to disburse the proceeds of the loan secured by the Mortgage and whether to enter into this Agreement.
4. The Tenant covenants with the Bank that the Lease shall be subject and subordinate to the lien and all other provisions of the Mortgage and to all modifications and extensions thereof, to the full extent of all principal, interest and all other amounts now or hereafter secured thereby and with the same force and effect as if the Mortgage had been executed and delivered prior to the execution and delivery of the Lease. Without limiting the generality of the foregoing subordination provision, the Tenant hereby agrees that any of its right, title and interest in and to insurance proceeds and condemnation 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 Real Estate, shall be subject and subordinate to the Bank's right, title and interest in and to such proceeds and awards.

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5. The Tenant acknowledges that the Landlord has collaterally assigned to the Bank any and all leases affecting the Real Estate, including the Lease, and the rents and other amounts, including, without limitation, lease termination fees, if any, due and payable under such leases. In connection therewith, the Tenant agrees that, upon receipt of a notice of a default by the Landlord under such assignment and a demand by the Bank for direct payment to the Bank of the rents due under the Lease, the Tenant will honor such demand and make all subsequent rent payments directly to the Bank. The Tenant further agrees that any Lease termination fees payable under the Lease shall be paid jointly to the Landlord and the Bank.

6. Intentionally Omitted.

7. Prior to pursuing any remedy available to the Tenant under the Lease, at law or in equity as a result of any failure of the Landlord to perform or observe any covenant, condition, provision or obligation to be performed or observed by the Landlord under the Lease (any such failure being hereinafter referred to as a "Landlord's Default"), the Tenant shall: (a) provide the Bank with a notice of the Landlord's Default, specifying the nature thereof, the section of the Lease under which such Landlord's Default arose, and the remedy which the Tenant will elect under the terms of the Lease or otherwise, and (b) allow the Bank not less than thirty (30) days following receipt of notice of the Landlord's Default to cure the same; provided, however, that, if such Landlord's Default is not readily curable within such thirty (30) day period, the Tenant shall give the Bank such additional time as the Bank may reasonably need to obtain possession and control of the Real Estate and to cure such Landlord's Default so long as the Bank is diligently pursuing a cure. The Tenant shall not pursue any remedy available to it as a result of any Landlord's Default unless the Bank fails to cure same within the time period specified above. For purposes of this Section 6, a Landlord's Default shall not be deemed to have occurred until all grace and/or cure periods applicable thereto under the Lease have lapsed without the Landlord having effectuated a cure thereof.

8. If the Bank or any future holder of the Mortgage shall become the owner of the Real Estate by reason of foreclosure of the Mortgage or otherwise, or if the Real Estate shall be sold as a result of any action or proceeding to foreclose the Mortgage or transfer of ownership by deed given in lieu of foreclosure, the Lease shall continue in full force and effect until notice is received by Tenant from the Bank to the contrary, without necessity for executing any new lease, as a direct lease between the Tenant and the new owner of the Real Estate as "landlord" upon all the same terms, covenants and provisions contained in the Lease (subject to the exclusions set forth in subsection (b) below), and in such event:

(a) The Tenant shall be bound to such new owner under all of the terms, covenants and provisions of the Lease for the remainder of the term thereof (including the extension periods, if the Tenant elects or has elected to exercise its options to extend the term), and the Tenant hereby agrees to attorn to such new owner and to recognize such new owner as "landlord" under the Lease without any additional documentation to effect such attornment (provided, however, if applicable law shall require additional documentation at the time the Bank exercises its remedies then the Tenant shall execute

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such additional documents evidencing such attornment as may be required by applicable law);

(b) Such new owner shall be bound to the Tenant under all of the terms, covenants and provisions of the Lease for the remainder of the term thereof (including the extension periods, if the Tenant elects or has elected to exercise its options to extend the term) unless such new owner notifies Tenant in writing that the Lease is being terminated; at all times whether such new owner notified the Tenant of the termination of the Lease or otherwise, such new owner shall not be:

(i) liable for any act or omission of any prior landlord (including the Landlord);

(ii) subject to any offsets or defenses which the Tenant has against any prior landlord (including the Landlord) unless the Tenant shall have provided the Bank with (A) notice of the Landlord's Default that gave rise to such offset or defense, and (B) the opportunity to cure the same, all in accordance with the terms of Section 6 above;

(iii) bound by any base rent, percentage rent, additional rent or any other amounts payable under the Lease which the Tenant might have paid in advance for more than the current month to any prior landlord (including the Landlord);

(iv) liable to refund or otherwise account to the Tenant for any security or other deposits not actually paid over to such new owner by the Landlord;

(v) bound by any amendment or modification of the Lease made without the Bank's consent;

(vi) bound by, or liable for any breach of, any representation or warranty or indemnity agreement contained in the Lease or otherwise made by any prior landlord (including the Landlord); or

(vii) personally liable or obligated to perform any such term, covenant or provision, such new owner's liability being limited in all cases to its interest in the Real Estate.

9. Any notices, communications and waivers under this Agreement shall be in writing and shall be (a) delivered in person, (b) mailed, postage prepaid, either by registered or certified mail, return receipt requested, or (c) by overnight express carrier, addressed in each case as follows:

To the Bank

Town Center Bank  
1938 E. Lincoln Hwy., Unit 101

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New Lenox, IL 60451  
Attn:

With a copy to: Howard & Howard Attorneys  
200 S. Michigan Ave. #1100  
Chicago, IL 60604  
Aaron B. Zarkowsky  
Direct: 312.456.3661  
Fax: 312.939.5617

To the Landlord: Marine Trust and Investment Company Trust  
#80-5007, an Illinois general partnership  
("Marine")  
9440 ENTERPRISE DRIVE  
MOKENA, IL 60448

With a copy to: ARLINGTON HEIGHTS FAMILY LLC  
1251 WEST THORNDALE AVENUE  
ITASCA, IL 60143  
Walter E. Smithe III, Manager  
  
LFI  
9440 Enterprise Drive  
Mokena, IL 60448  
Attention: CFO

To the Tenant: WALTER E. SMITHE FURNITURE, INC.  
1251 WEST THORNDALE AVENUE  
ITASCA, IL 60143  
Attn: Walter E. Smithe III

With a copy to: Walter E. Smithe Company  
1251 W. Thorndale Ave.  
Itasca, IL 60143  
Attention: Controller

or to any other address as to any of the parties hereto, as such party shall designate in a written notice to the other party hereto. All notices sent pursuant to the terms of this section shall be deemed received (i) if personally delivered, then on the date of delivery, (ii) if sent by overnight, express carrier, then on the next federal banking day immediately following the day sent, or (iii) if sent by registered or certified mail, then on the earlier of the third federal banking day following the day sent or when actually received.

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10. The Tenant acknowledges and agrees that the Bank will be relying on the representations, warranties, covenants and agreements of the Tenant contained herein and that any default by the Tenant hereunder shall permit the Bank, at its option, to exercise any and all of its rights and remedies at law and in equity against the Tenant and to join the Tenant in a foreclosure action thereby terminating the Tenant's right, title and interest in and to the Leased Premises.

11. 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 the Bank, all of whom are entitled to rely upon the provisions hereof. This Agreement shall be governed by the laws of the State of Illinois.

12. This Agreement may be executed in multiple counterparts and all of such counterparts together shall constitute one and the same Agreement.

(Signature Page Follows)









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IN WITNESS WHEREOF, the parties hereto have executed this Subordination and Attornment Agreement the day and year first above written.

BANK:

Town Center Bank, an Illinois chartered bank

By: Elizabeth B. Hopkins  
Name: Elizabeth B. Hopkins  
Its: Vice President

STATE OF ILLINOIS )  
) SS.  
COUNTY OF COOK )

The undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Elizabeth B. Hopkins, the Vice President of TOWN CENTER BANK, an Illinois chartered bank, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such Vice President, he/she signed and delivered the said instrument as his/her own free and voluntary act and as the free and voluntary act of said banking association, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 5th day of November, 2015.

Daleann Kania  
Notary Public  
My Commission Expires:



10-9-2016

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## EXHIBIT "A" - LEGAL DESCRIPTION OF REAL ESTATE

LOT 1 IN THE POINTE, BEING A RESUBDIVISION OF PART OF LOT 5 IN GEO. KIRCHOFF ESTATE SUBDIVISION IN SECTION 7, TOWNSHIP 42 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN AND FORMERLY KNOWN AS THAT PART OF LOT 5 IN GEORGE KIRCHOFF ESTATE SUBDIVISION OF PARTS OF SECTIONS 12 AND 13, TOWNSHIP 42 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN AND SECTIONS 7 AND 18, TOWNSHIP 42 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT IN THE WEST LINE OF SAID SECTION 7 THAT IS DISTANT 17.82 FEET NORTH OF THE SOUTHWEST CORNER OF SAID SECTION 7 AND THE SOUTHWEST CORNER OF SAID LOT 5, SAID POINT BEING THE NORTHEAST CORNER OF SAID SECTION 13; THENCE NORTH ALONG THE WEST LINE OF SAID SECTION 7, BEING ALSO THE WEST LINE OF SAID LOT 5, FOR A DISTANCE OF 1,649.08 FEET TO THE POINT OF INTERSECTION OF SAID WEST LINE WITH THE NORTHWESTERLY EXTENSION OF THE SOUTHWESTERLY LINE OF RAND ROAD AS THE SAME IS NOW LOCATED AND ESTABLISHED; THENCE SOUTHEASTERLY ALONG SAID SOUTHERLY LINE OF RAND ROAD FOR A DISTANCE OF 265.92 FEET; THENCE WESTERLY ALONG A STRAIGHT LINE FOR A DISTANCE OF 28.28 FEET TO A POINT ON A LINE DRAWN PERPENDICULAR TO SAID CENTERLINE OF RAND ROAD FROM A POINT THEREON THAT IS DISTANT 298.00 FEET SOUTHEASTERLY OF THE WEST LINE OF SAID SECTION 7 (AS MEASURED ALONG SAID CENTER LINE), SAID POINT ON THE PERPENDICULAR LINE BEING DISTANT 70.00 FEET SOUTHWESTERLY OF SAID CENTERLINE OF RAND ROAD (AS MEASURED ALONG SAID PERPENDICULAR LINE); THENCE SOUTHWESTERLY ALONG SAID LINE DRAWN PERPENDICULAR TO THE CENTERLINE OF RAND ROAD, FOR A DISTANCE OF 83.02 FEET TO A POINT THAT IS DISTANT 96.00 FEET EAST OF THE WEST LINE OF SAID SECTION 7, AS MEASURED PERPENDICULAR TO SAID WEST LINE FROM A POINT THEREON THAT IS 320.94 FEET SOUTH OF SAID CENTERLINE OF RAND ROAD; THENCE SOUTH ALONG A LINE PARALLEL TO AND 96.00 FEET EAST OF THE WEST LINE OF SAID SECTION 7 FOR A DISTANCE OF 195.06 FEET; THENCE SOUTH 04 DEGREES 19 MINUTES, 11 SECONDS WEST, 6.94 FEET TO A POINT OR A PLACE OF BEGINNING, A SOUTHERLY EXTENSION OF SAID LAST DESCRIBED LINE BEARING SOUTH 04 DEGREES 19 MINUTES 11 SECONDS WEST IS DRAWN THROUGH A POINT 669.21 FEET NORTH AND 55.00 FEET EAST OF THE NORTHEAST CORNER OF SAID SECTION 13, AS MEASURED ALONG THE WEST LINE OF SAID SECTION 7 AND ALONG A LINE AT RIGHT ANGLES THERETO, SAID PLACE OF BEGINNING BEING ON A SOUTHEASTERLY LINE OF LAND TAKEN FOR ROAD PURPOSES BY CONDEMNATION CASE NO 87L50249 IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS; THENCE CONTINUING ALONG THE AFORESAID LINE BEARING SOUTH 04 DEGREES 19 MINUTES 11 SECONDS WEST, 326.32 FEET TO AN INTERSECTION WITH THE NORTHERLY LINE OF WOODS DRIVE (FORMERLY RANDHAVEN LANE) ACCORDING TO THE PLAT OF DEDICATION RECORDED JULY 30, 1974 AS DOCUMENT NO. 22797785; THENCE SOUTH 85 DEGREES 40 MINUTES 49 SECONDS EAST ALONG SAID NORTHERLY LINE OF WOODS DRIVE 8.63 FEET TO AN INTERSECTION WITH THE NORTHERLY LINE OF LAND TAKEN FOR ROAD PURPOSES BY CONDEMNATION CASE NO. 87L50249 IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS; THE FOLLOWING TWO COURSES ARE ALONG THE NORTHERLY LINE OF LAND TAKEN FOR ROAD PURPOSES BY CONDEMNATION CASE NO. 87L50249, AFORESAID; THENCE NORTH 81 DEGREES 05 MINUTES 37 SECONDS EAST, 122.37 FEET; THENCE NORTH 66 DEGREES 08 MINUTES 30 SECONDS EAST, 405.01 FEET TO AN INTERSECTION WITH THE SOUTHWESTERLY LINE OF RAND ROAD AS WIDENED BY INSTRUMENT RECORDED DECEMBER 10, 1940 AS DOCUMENT NO. 12592033; THENCE NORTH 43 DEGREES 54 MINUTES 03 SECONDS WEST ALONG SAID SOUTHWESTERLY LINE OF RAND ROAD AS WIDENED, 458.87 FEET TO THE SOUTHEASTERLY LINE OF LAND TAKEN FOR ROAD PURPOSES BY CONDEMNATION CASE NO. 87L50249 IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS; THENCE SOUTH 39 DEGREES 59 MINUTES 19 SECONDS WEST ALONG SAID LAST DESCRIBED SOUTHEASTERLY LINE, 244.53 FEET TO THE PLACE OF BEGINNING, IN COOK COUNTY, ILLINOIS

Permanent Tax Index Numbers: 03-07-301-003-0000

Property Address: 1775 W Rand Road, Arlington Heights, IL