

# UNOFFICIAL COPY

Doc#. 1923949041 Fee: \$98.00  
Edward M. Moody  
Cook County Recorder of Deeds  
Date: 08/27/2019 09:39 AM Pg: 1 of 9

SL  
Chicago Title

19000806114

Rev 11/11 30-3

This document prepared by and after  
recording return to:

Jeffrey L. Rohr, Esq.  
Graydon Head & Ritchey LLP  
312 Walnut St., Suite 1800  
Cincinnati, Ohio 45202

## SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT (this "Agreement") dated this 13<sup>th</sup> day of August, 2019, is made by and among LOUIE TIRE SERVICE, INC., an Illinois corporation ("Tenant"), LTS, LLC, an Illinois limited liability company ("Landlord"), and FIFTH THIRD BANK, an Ohio banking corporation, its successors and assigns ("Lender").

WHEREAS, Lender has agreed to make a loan to Landlord (the "Loan"), secured by, among other things, a Construction Mortgage, Security Agreement, Fixture Filing and Assignment of Leases and Rents from Landlord to Lender (herein, as may from time to time be extended, amended, restated or supplemented, the "Security Instrument"), covering the land (the "Land") described in Exhibit A which is attached hereto and incorporated herein by reference, and the improvements thereon ("Improvements") (such Land and Improvements being herein together called the "Property");

WHEREAS, Tenant is the tenant under a Commercial Lease Agreement from Landlord (or Landlord's predecessor in ownership of the Property, as applicable) dated March 4, 2019 (herein, as may from time to time be extended, amended, restated or supplemented, the "Lease"), covering the Property (said portion being herein referred to as the "Premises"); and

WHEREAS, the term "Landlord" as used herein means the present landlord under the Lease or, if the Landlord's interest is transferred in any manner, the successor(s) or assign(s) occupying the position of Landlord under the Lease at the time in question.

# UNOFFICIAL COPY

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

1. Subordination. Tenant agrees and covenants, subject to the terms of this Agreement, that the Lease and the rights of Tenant thereunder, all of Tenant's right, title and interest in and to the property covered by the Lease, and any Lease thereafter executed by Tenant covering any part of the Property, are and shall be subject, subordinate and inferior in all respects to (a) the Security Instrument and the rights of Lender thereunder, and all right, title and interest of Lender in the Property, and (b) all other security documents now or hereafter securing payment of any indebtedness of the Landlord (or any prior landlord) to Lender which cover or affect all or any portion of the Property (collectively, the "Loan Documents"), including the Loan. This Agreement is not intended and shall not be construed to subordinate the Lease to any mortgage, deed of trust or other security document other than those referred to in the immediately preceding sentence, securing the indebtedness owing to Lender. Without limiting the generality of the foregoing subordination provision, the Tenant hereby agrees that all 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 portion of the Property, shall be subject and subordinate to the Lender's right, title and interest in and to such proceeds and awards pursuant to the Loan Documents.

2. Non-Disturbance. Lender agrees that so long as the Lease is in full force and effect and Tenant is not in default in the payment of rent, additional rent or other payments due under the Lease or in the performance of any of the other terms, covenants or conditions of the Lease on Tenant's part to be performed (beyond the period, if any, specified in the Lease within which Tenant may cure such default):

(a) Tenant's possession of the Premises under the Lease shall not be disturbed or interfered with by Lender in the exercise of any of its foreclosure rights under the Security Instrument or in connection with the conveyance of the Property by deed in lieu of foreclosure, and

(b) Lender will not join Tenant as a party defendant for the purpose of terminating Tenant's interest and estate under the Lease in any proceeding for foreclosure of the Security Instrument.

3. Attornment.

(a) Tenant covenants and agrees that in the event of the foreclosure of the Security Instrument, whether by power of sale or by court action, or upon a transfer of the Property by a deed in lieu of foreclosure (the purchaser at foreclosure or the transferee in such deed in lieu of foreclosure, including Lender if it is such purchaser or transferee, being herein called the "New Owner"), Tenant shall attorn to the New Owner as Tenant's

# UNOFFICIAL COPY

new landlord, and agrees that the Lease shall continue in full force and effect as a direct lease between Tenant and New Owner upon all of the terms, covenants, conditions and agreements set forth in the Lease and this Agreement, except for provisions which are impossible for New Owner to perform; provided, however, that in no event shall the New Owner be:

(i) liable for any act, omission, default, misrepresentation, or breach of warranty, of any previous landlord (including Landlord) or obligations accruing prior to New Owner's actual ownership of the Property;

(ii) subject to any offset, defense, claim or counterclaim which Tenant might be entitled to assert against any previous landlord (including Landlord) unless the Tenant shall have provided the Lender with (A) notice of the applicable 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 4(b) below;

(iii) bound by any payment of rent, additional rent or other payments, made by Tenant to any previous landlord (including Landlord) for more than one (1) month in advance of the date when due under the Lease;

(iv) bound by any amendment or modification of the Lease hereafter made, without the written consent of Lender (if such consent is required pursuant to the terms of the Loan Documents); or

(v) liable for any deposit that Tenant may have given to any previous landlord (including Landlord) which has not been transferred to New Owner.

(b) The provisions of this Agreement regarding attornment by Tenant shall be self-operative and effective without the necessity of execution of any new lease or other document on the part of any party hereto or the respective heirs, legal representatives, successors or assigns of any such party. Tenant agrees, however, to execute and deliver upon the request of New Owner, any reasonable instrument or certificate which in the reasonable judgment of New Owner may be necessary or appropriate to evidence such attornment, including a new lease of the Premises on the same terms and conditions as set forth in the Lease for the unexpired term of the Lease.

4. Acknowledgment and Agreement by Tenant. Tenant acknowledges and agrees as follows:

(a) Tenant will not amend, alter or waive any provision of, or consent to the amendment, alteration or waiver of any provision of, the Lease without the prior written consent of Lender, unless such amendment is permitted pursuant to the Loan Documents. Tenant shall not prepay any rents or other sums due under the Lease for more than one (1) month in advance of the due date therefor. Tenant acknowledges that Lender will rely

# UNOFFICIAL COPY

upon this instrument in connection with the Loan as secured, in part, by the Security Instrument.

(b) From and after the date hereof, in the event of a default by Landlord under the Lease which would give Tenant the right, either immediately or after the lapse of time, the giving of notice, or both, to terminate the Lease or to claim a partial or total eviction, Tenant will not exercise any such right (i) until it has given written notice of such act or omission to the Lender; and (ii) until Tenant has given Lender a period of thirty (30) days after the expiration of Landlord's applicable cure period to cure such default, or such longer period of time as may be necessary to cure or remedy such default, during which period of time Lender shall be permitted to cure or remedy such default; provided, however, that Lender shall have no duty or obligation to cure or remedy any default. It is specifically agreed that Tenant shall not, as to Lender, require cure of any such default which is personal to Landlord, and therefore not susceptible to cure by Lender.

(c) In the event that Lender notifies Tenant of a default under the Security Instrument or any of the other Loan Documents and demands that Tenant pay its rent and all other sums due under the Lease directly to Lender, Tenant shall honor such demand and pay the full amount of its rent and all other sums due under the Lease directly to Lender, without offset, or as otherwise required pursuant to such notice beginning with the payment next due after such notice of default, without inquiry as to whether a default actually exists under the Security Instrument or other Loan Documents, and notwithstanding any contrary instructions of or demands from Landlord.

(d) Tenant has no right or option of any nature whatsoever, whether pursuant to the Lease or otherwise, to purchase the Premises or the Property, 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 Security Instrument and is hereby waived and released as against Lender and New Owner.

(e) Lender and any New Owner shall have no obligation nor incur any liability with respect to the erection or completion of any improvements in which the Premises are located or for completion of the Premises or any improvements for Tenant's use and occupancy, either at the commencement of the term of the Lease or upon any renewal or extension thereof or upon the addition of additional space, pursuant to any expansion rights contained in the Lease.

(f) Lender and any New Owner shall have no obligation nor incur any liability with respect to any warranties of any nature whatsoever, whether pursuant to the Lease or otherwise, including, without limitation, any warranties respecting use, compliance with zoning, Landlord's title, Landlord's authority, habitability, fitness for purpose or possession provided that to the extent that the breach of any such warranty

# UNOFFICIAL COPY

shall give the Tenant the right to terminate the Lease pursuant to the terms of the Lease, Tenant shall retain such right to terminate pursuant to the terms of the Lease.

(g) In the event that Lender or any New Owner shall acquire title to the Premises or the Property, Lender or such New Owner shall have no obligation, nor incur any liability, beyond Lender's or New Owner's then equity interest, if any, in the Premises or Property, as the case may be, and Tenant shall look exclusively to such equity interest of Lender or New Owner, if any, for the payment and discharge of any obligations imposed upon Lender or New Owner hereunder or under the Lease or for recovery of any judgment from Lender, or New Owner, and in no event shall Lender, New Owner, or any of their respective officers, directors, shareholders, agents, representatives, servants, employees or partners ever be personally liable for any such judgment.

5. Acknowledgment and Agreement by Landlord. Landlord, as landlord under the Lease and grantor under the Security Instrument, acknowledges and agrees for itself and its heirs, representatives, successors and assigns, that: (a) this Agreement does not constitute a waiver by Lender of any of its rights under the Security Instrument or any of the other Loan Documents, or in any way release Landlord from its obligations to comply with the terms, provisions, conditions, covenants, agreements and clauses of the Security Instrument and the other Loan Documents; (b) the provisions of the Security Instrument and the other Loan Documents remain in full force and effect and must and shall be complied with by Landlord; and (c) Tenant is hereby authorized to pay its rent and all other sums due under the Lease directly to Lender upon receipt of a notice as set forth in Section 4(c) above from Lender and that Tenant is not obligated to inquire as to whether a default actually exists under the Security Instrument or any of the other Loan Documents. Landlord hereby releases and discharges Tenant of and from any liability to Landlord resulting from Tenant's payment to Lender in accordance with this Agreement. Landlord represents and warrants to Lender that a true and complete copy of the Lease has been delivered by Landlord to Lender.

6. Lease Status. Landlord and Tenant represent and warrant to Lender that neither Landlord nor Tenant has knowledge of any default or event which with the giving of notice or the passage of time, or both, would constitute a default on the part of the other under the Lease, that the Lease is bona fide and contains all of the agreements of the parties thereto with respect to the letting of the Premises and that all of the agreements and provisions therein contained are in full force and effect.

7. Notices. All notices or other written communications hereunder shall be deemed to have been properly given (i) upon delivery, if delivered in person, (ii) one (1) business day 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 addresses set forth at the end of this Agreement or as such party may from time to time designate by written notice to the other

# UNOFFICIAL COPY

parties. Any party by notice to the others in the manner provided herein may designate additional or different addresses for subsequent notices or communications.

8. Miscellaneous.

(a) This Agreement supersedes any inconsistent provision of the Lease.

(b) Nothing contained in this Agreement shall be construed to derogate from or in any way impair, or affect the lien, security interest or provisions of the Security Instrument or any of the other Loan Documents.

(c) This Agreement shall bind and shall inure to the benefit of the parties hereto, their respective successors and permitted assigns, and any New Owner, and its heirs, personal representatives, successors and assigns; provided, however, that in the event of the assignment or transfer of the interest of Lender, all obligations and liabilities of the assigning Lender under this Agreement shall terminate, and thereupon all such obligations and liabilities shall be the responsibility of the party to whom Lender's interest is assigned or transferred.

(d) THIS AGREEMENT AND ITS VALIDITY, ENFORCEMENT AND INTERPRETATION SHALL BE GOVERNED BY THE LAWS OF THE STATE OF ILLINOIS AND APPLICABLE UNITED STATES FEDERAL LAW EXCEPT ONLY TO THE EXTENT, IF ANY, THAT THE LAWS OF THE STATE IN WHICH THE PROPERTY IS LOCATED NECESSARILY CONTROL.

(e) The words "herein", "hereof", "hereunder" and other similar compounds of the word "here" as used in this Agreement refer to the entire Agreement and not to any particular section or provision.

(f) This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto or their respective successors in interest.

(g) If any provision of the Agreement shall be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not apply to or affect any other provision hereof, but this Agreement shall be construed as if such invalidity, illegality, or unenforceability did not exist.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK;  
SIGNATURE PAGE FOLLOWS]**

# UNOFFICIAL COPY

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and sealed as of the date first above written.

**ADDRESS OF LENDER:**

222 S. Riverside Dr.  
Chicago, Illinois 60606  
Attention: Lucy Kita, Vice President

**LENDER:**

**FIFTH THIRD BANK**, an Ohio banking corporation

By: Lucy Kita  
Name: Lucy Kita  
Title: Vice President

**ADDRESS OF TENANT:**

7504 W. 90<sup>th</sup> St.  
Bridgeview, Illinois 60455  
Attention: Louie Dardovski, President

**TENANT:**

**LOUIE TIRE SERVICE, INC.**, an Illinois corporation

By: Louie Dardovski  
Name: Louie Dardovski  
Title: President

**ADDRESS OF LANDLORD:**

11942 S. Oak Park Ave.  
Palos Heights, Illinois 60463  
Attention: Louie Dardovski, Manager

**LANDLORD:**

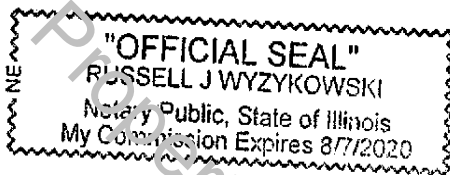
**LTS, LLC**, an Illinois limited liability company

By: Louie Dardovski  
Name: Louie Dardovski  
Title: Sole Member and Manager

# UNOFFICIAL COPY

STATE OF ILLINOIS )  
COUNTY OF COOK ) SS.

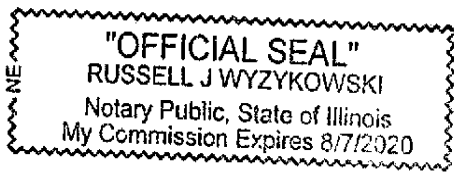
The foregoing instrument was acknowledged before me this 13 day of August, 2019, by Lucy Kita, the Vice President of Fifth Third Bank, an Ohio banking corporation, on behalf of such corporation.



[Signature]  
Notary Public  
My Commission Expires: \_\_\_\_\_

STATE OF ILLINOIS )  
COUNTY OF COOK ) SS.

The foregoing instrument was acknowledged before me this 13 day of August, 2019, by Louie Dardovski, the President of Louie Tire Service, Inc., an Illinois corporation, on behalf of such corporation.



[Signature]  
Notary Public  
My Commission Expires: \_\_\_\_\_

STATE OF ILLINOIS )  
COUNTY OF COOK ) SS.

The foregoing instrument was acknowledged before me this 13 day of August, 2019, by Louie Dardovski, the Sole Member and Manager of LTS, LLC, an Illinois limited liability company, on behalf of such limited liability company.



[Signature]  
Notary Public  
My Commission Expires: \_\_\_\_\_

Notary Page to Subordination, Non-Disturbance and Attornment Agreement



# UNOFFICIAL COPY

## EXHIBIT A

### LEGAL DESCRIPTION OF THE PROPERTY

#### PARCEL 1:

LOT 5 IN ALSIP INDUSTRIAL PARTNERS RESUBDIVISION OF LOT 1 AND 2 ON ALSIP INDUSTRIAL PARTNERS SUBDIVISION, BEING A SUBDIVISION IN THE NORTHEAST 1/4 OF SECTION 29, TOWNSHIP 37 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED JANUARY 25, 1996 AS DOCUMENT 96066693, IN COOK COUNTY, ILLINOIS, ALSO DESCRIBED AS:

THE NORTH 284.80 FEET OF LOT 2, LYING WEST OF THE EAST 757.93 FEET THEREOF IN ALSIP INDUSTRIAL PARTNERS SUBDIVISION, BEING A SUBDIVISION IN THE NORTHEAST 1/4 OF SECTION 29, TOWNSHIP 37 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN.

#### PARCEL 2:

EASEMENT FOR INGRESS AND EGRESS AND DRIVEWAY PURPOSES ALONG A STRIP OF LAND 15 FEET WIDE ALONG THE PROPERTY EAST AND ADJOINING AS CREATED BY GRANT OF EASEMENT RECORDED AS DOCUMENT 92865432.

Commonly known as: 5730 W. 120<sup>th</sup> St., Alsip, Illinois 60805