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OPTION AGREEMENT

THIS OPTION AGREEMENT is executed as of the 30th day of September, 1986 by and between THE CHICAGO DOCK AND CANAL TRUST, an Illinois business trust ("Dock"), and AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, as Trustee under a Trust Agreement dated May 1, 1986 and known as Trust No. 67050 ("Trustee"), pursuant to the provisions of an Agreement of Purchase and Sale between Dock and Broadacre Development Company (whose rights thereunder were assigned to North Pier Venture, Ltd., an Illinois limited partnership, the sole beneficiary of Trustee) dated February 17, 1986, as amended (the "Agreement of Purchase and Sale") and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Dock.

At the time of execution hereof, Dock, as Landlord, has entered into a Lease (the "Lease") with Trustee, as Tenant, in respect to property described in "Exhibit A" attached hereto (the "Land"), together with the improvements thereon and the machinery, equipment, systems and personal property incorporated therein or used in connection therewith, all of the foregoing being herein called the "Subject Property".

IT IS AGREED AS FOLLOWS:

1. OPTION TO PURCHASE. Dock hereby irrevocably gives and grants to Trustee, its successors and assigns, the right, privilege and option to purchase the Subject Property, within the time and as hereinafter provided (said option is herein called the "Option to Purchase"). Trustee may exercise the Option to Purchase by giving notice of exercise (in the manner herein provided for notices) to Dock, along with its earnest money deposit in the amount of 10% of the Purchase Price, at least six (6) months prior to the closing date specified in such notice, which closing date shall be prior to September 29, 2035.

In the event that the Option to Purchase is exercised, as herein provided, Trustee shall, at the closing referred to below, pay, and Dock agrees to accept in full payment for the Subject Property, an amount equal to the greater of (i) Five Million Dollars (\$5,000,000.00) or (ii) the product obtained by multiplying the applicable rent under the Lease at the time the option is exercised by 10.5 (plus the amount of any due and unpaid rent under the Lease).

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The giving by Trustee of notice of exercise of the Option to Purchase shall fix and determine the right and obligation of Trustee to purchase the Subject Property and the right and obligation of Dock to sell the same and the same shall constitute the exercise of the Option to Purchase. In the event of such exercise, Dock shall secure and deliver to Trustee, at Dock's expense, at least ninety (90) days prior to the closing date, an ALTA - Owner's Form B Commitment for Title Insurance, dated as of a date not earlier than the date of said notice, prepared and issued by Chicago Title Insurance Company, in the amount of the purchase price, showing good and merchantable fee simple absolute title to the Land and the improvements thereon in Dock, subject only to the permitted exceptions under the Lease and acts done or suffered by or judgments against Trustee or anyone claiming by, through or under Trustee. All title exceptions other than the foregoing are hereinafter referred to as the "Unpermitted Exceptions". If the title commitment discloses any Unpermitted Exceptions, Dock shall have forty (40) days from the date of delivery thereof to have the Unpermitted Exceptions removed from the commitment or to have the title insurer commit to insure against loss or damage that may be occasioned by such Unpermitted Exceptions. If Dock fails to have the Unpermitted Exceptions removed, or in the alternative to obtain the commitment for title insurance specified above as to such exceptions within the specified time, Trustee may terminate the purchase of the Subject Property contemplated hereby or may elect, upon notice to Dock within thirty (30) days after expiration of the forty (40) day period, to take title as it then is with the right to deduct from the purchase price liens or encumbrances of a definite or ascertainable amount.

The purchase contemplated hereby shall, unless sooner terminated in accordance with the provisions of this Option Agreement, be closed on the closing date specified in the notice of exercise given by Trustee as provided above or on such other date agreed to by Dock and Trustee. At said closing, Dock shall, upon payment to Dock of the balance of the purchase price, convey fee simple absolute title in and to the Subject Property, together with the improvements, hereditaments and appurtenances thereunto belonging, free and clear of all liens, encumbrances and charges of any character whatsoever which would constitute Unpermitted Exceptions; and shall also deliver to Trustee, at Dock's expense, a Chicago Title Insurance Company ALTA - Form B Owner's Title Insurance Policy in the amount of the purchase price and showing good and merchantable title to the Subject Property in Trustee or its nominee as required herein. There shall be no prorations. Dock shall also execute and deliver such assignments and bills of sale covering items constituting the Subject Property, as Trustee may reasonably request to implement this transaction. Such closing shall be through an escrow with Chicago Title and Trust Company, Chicago, Illinois, in accordance

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with the general provisions of the usual form of Deed and Money Escrow Agreement then in use by said company, with such special provisions inserted in the escrow agreement as may be required to conform with the provisions hereof. Upon the creation of such an escrow, anything herein to the contrary notwithstanding, payment of the purchase price and delivery of the deed shall be made through the escrow. The cost of the escrow shall be divided equally between Dock and Trustee, except that Dock shall pay all escrow costs incurred because of the use of the exchange option provided for in Paragraph 2 hereof. At the time of said closing, Dock shall deliver possession of the Subject Property to Trustee subject only to the rights of tenants under existing leases and tenancies.

If the closing of the purchase of the Subject Property or any date for performance of any of the terms, conditions and provisions of this Option Agreement shall fall on a Saturday, Sunday or legal holiday, then the date of said closing or such performance shall be extended to the next business day thereafter.

2. REAL ESTATE EXCHANGE OPTION. In the event that Trustee exercises the Option to Purchase, Dock shall have the right to select the following method of payment of the purchase price and Trustee shall be bound thereby:

If, within 40 days following the Settlement Date, other property (hereinafter referred to as "the Exchange Property") is found suitable, in Dock's judgment, to be exchanged for the Premises, Trustee shall execute an offer to purchase the Exchange Property (such offer being hereinafter referred to as "the Exchange Contract") upon terms and conditions satisfactory to Dock, and Trustee shall execute and deliver such further documents or instruments, (the terms and provisions whereof to be first approved by Dock) as may be required to acquire the Exchange Property and, following acquisition of title to the Exchange Property, convey the Exchange Property to Dock in exchange for the Premises. Such exchange shall be consummated in accordance with the following provisions:

(A) Dock shall notify Trustee in writing at least fifteen (15) days prior to the Settlement Date that Dock wishes to exchange the Premises for an exchange property. In the absence of such notice from Dock, the Premises shall be sold to Trustee as otherwise provided herein without an exchange.

(B) If Dock provides Trustee the notice described in subsection (A) of this Article, then the procedure for settlement shall be modified to provide that the Escrowee shall retain Trustee's deposits until the earlier of (i) 6 months after Settlement or (ii) the date on which Dock directs Escrowee to disburse the funds, at which time the Escrowee

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shall either disburse the funds to Dock if the Exchange Property has not been identified or disburse the funds in accordance with the joint direction of Dock and Trustee if the Exchange Property has been identified.

(C) The Exchange Contract shall be fully executed and delivered by and between Trustee and the owner of the Exchange Property as promptly as possible after the Exchange Property is identified by Dock.

(D) The exchange of the Premises for the Exchange Property shall be closed through an escrow with the Title Company, substantially in the form used to close the acquisition by Trustee from Dock of certain contiguous property pursuant to the Agreement of Purchase and Sale.

All documents necessary to consummate the exchange shall be prepared and approved by Dock and deposited in said escrow. The escrowee's fees and expenses in respect to the exchange shall be paid by Dock.

(E) In the event the purchase price for the Exchange Property exceeds the Purchase Price for the Land, Dock shall deposit in the escrow referred to in Paragraph D above prior to any closing of the purchase of the Exchange Property the difference between such respective amounts. In the event the Purchase Price for the Exchange Property is less than the Purchase Price for the Land, Trustee shall pay to Dock from the balance of the funds in the closing escrow, the difference between the respective amounts.

(F) Title to the Exchange Property shall be conveyed to Dock by recordable Trustee's deed (or in the event of a conveyance from Trustee's nominee, by a recordable special warranty deed subject only to the same exceptions to title upon which Trustee's nominee acquired the Exchange Property and which exceptions were as approved in advance by Dock). Except as provided above in this Paragraph F, Trustee or its nominee shall make no warranties and have no liability in connection with the Exchange Property.

(G) The acquisition of the Exchange Property by Trustee and the exchange of the Premises for the Exchange Property shall occur no later than six months after the Settlement Date, pursuant to a contract executed no later than 45 days following the Settlement Date. Trustee shall in no event be required to purchase the Exchange Property until it is satisfied that the conditions to closing the purchase of the Premises have been satisfied.

(H) Notwithstanding anything in the foregoing to the contrary, it is expressly agreed that (i) Dock shall negotiate

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with the owner of the Exchange Property arrangements for such exchange which will not impose additional obligations upon Trustee, (ii) said exchange will not delay the Settlement Date, (iii) all costs and expenses of any such exchange, including attorneys' fees and expenses, not exceeding Five Thousand Dollars (\$5,000.00), incurred by Trustee in respect to the review of the exchange documents shall be borne entirely by Dock, (iv) Trustee shall not be required to incur any costs, expenses and/or liability whatsoever in connection therewith and (v) in the event that the Exchange Property is not purchased (other than on account of Trustee's default) and the exchange is not consummated, Trustee shall in any event be entitled to acquire the Premises, as herein provided, not later than the Settlement Date.

3. In the event that Trustee exercises this Option to Purchase the Land and then defaults on its obligation to complete the acquisition of the Land, in addition to Dock's other remedies, all of Trustee's rights under this option agreement shall thereby terminate.

4. In the event Trustee exercises this Option and Trustee has not theretofore received the demolition credit described in Section 4.03 of the Lease, Trustee shall be entitled to a credit against the Purchase Price at the Settlement in the amount of the demolition credit determined in accordance with Section 4.03 of the Lease.

5. In the event Trustee exercises this Option and acquires title to the Land, all of the provisions of Article 4 of the Lease shall remain effective in respect to the development of improvements on the Land.

6. SUCCESSORS AND ASSIGNS. Each covenant, obligation or condition under this Option Agreement which is to be performed or observed by Dock or which is intended to benefit Trustee, shall run with the Subject Property and shall be binding upon and enforceable against not only Dock, but also against the grantees, transferees, successors and assigns of Dock. The provisions of this Option Agreement shall inure to the benefit of Dock and Trustee and their respective grantees, transferees, successors and assigns. The assignment by Trustee of its rights hereunder shall not relieve it of liability hereunder (including, without limitation, the obligation of Trustee's assignee to close the purchase hereunder).

7. RECORDING. A memorandum of this Option Agreement or a short-form of this Option Agreement shall be recorded in the Office of the Recorder of Deeds of Cook County, Illinois as Trustee shall request.

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8. TERMINATION OF OPTION TO PURCHASE. The Option to Purchase shall terminate upon the earlier of (i) October 31, 2036, or (ii) the occurrence of the termination of the Lease or the tenant's right to possession of the Subject Property under the Lease on account of any default by the tenant thereunder or any successor lessee under the Lease.

9. NOTICES. Any notices required or permitted hereunder to be given or transmitted shall be either personally delivered or mailed, postage prepaid, by certified or registered mail, addressed as follows if to Dock or Trustee:

Dock: The Chicago Dock and Canal Trust
401 North Michigan Avenue
Suite 3145
Chicago, Illinois 60611

With a copy to: Frank A. Reichelderfer
Wilson & McIlvaine
135 South LaSalle Street
Chicago, Illinois 60603

Trustee: American National Bank and
Trust Company of Chicago
33 North LaSalle Street
Chicago, Illinois 60690

With a copy to: Robert Meers
North Pier Venture
401 South LaSalle Street
Suite 1401
Chicago, Illinois 60605

and

With a copy to: Anthony R. Licata
Sidley & Austin
One First National Plaza
Suite 4600
Chicago, Illinois 60603

Either Dock or Trustee may, by notice to the other given as prescribed in this Paragraph 9, change said address for any future notices which are mailed under this Option Agreement. In the event there is or comes to be more than one party which constitutes Dock hereunder, any notice or payment required or permitted hereunder to be given or made by Trustee shall be effective as to each such party if given or made to any one of them.

10. PARTIAL INVALIDITY. The invalidity or unenforceability of any portion of this Agreement shall not affect the validity or enforceability of the remainder hereof, and if any provision hereof or

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the application thereof to any party or circumstance should to any extent be invalid, the remainder of this Agreement or the application of such provision to other parties or circumstances other than those as to which a holding of invalidity is reached shall not be affected thereby, and such provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

11. LIMITATION ON DOCK LIABILITY. Dock is an Illinois business trust established under a Declaration of Trust dated January 22, 1962 and restated as of September 16, 1986, a copy of which is on file at the office of Dock and is available for examination. The name "The Chicago Dock and Canal Trust" refers to the trustees under said declaration as trustees and not personally. No trustee, beneficiary, officer or agent of Dock shall be held to any personal liability in connection with the affairs of Dock, and other parties shall look only to funds and property of Dock for the payment of any debt, demand or liability.

12. LIMITATION ON TRUSTEE LIABILITY. This instrument is executed by American National Bank and Trust Company of Chicago, not personally but solely as Trustee, as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee. All the terms, provision, stipulations, covenants and conditions to be performed by American National Bank and Trust Company of Chicago are undertaken by it solely as Trustee, as aforesaid, and not individually and all statements herein made are made on information and belief and are to be construed accordingly, and no personal liability shall be asserted or be enforceable against American National Bank and Trust Company of Chicago by reason of any of the terms, provisions, stipulations, covenants and/or statements contained in this instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Option Agreement as of the date first above written.

ATTEST:


Frank A. Reichelderfer,
Assistant Secretary

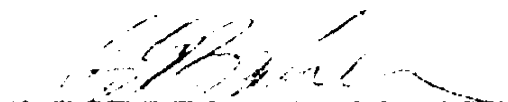
THE CHICAGO DOCK AND CANAL TRUST,
an Illinois business trust

By: 
Charles R. Gardner, President

ATTEST:


Assistant Secretary

AMERICAN NATIONAL BANK AND TRUST
COMPANY OF CHICAGO, not
personally, but solely as Trustee
as aforesaid

By: 
Vice President

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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 CHARLES R. GARDNER, personally known to me to be the President of THE CHICAGO DOCK AND CANAL TRUST, and FRANK A. REICHELDERFER, personally known to me to be the Assistant Secretary, of said business trust, and personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such President and Assistant Secretary of said business trust, they signed and delivered the said instrument and caused the seal of said trust to be affixed thereto, pursuant to authority given by the Board of Trustees of said business trust as their free and voluntary act, and as the free and voluntary act and deed of said business trust, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal, this 30th day of September, 1986.

Stephanie B. Baron
My Commission Expires 12-1-87

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Legal Description

Parcel 1

A part of each of Lots 7 and 8 in Chicago Dock and Canal Company's Peshtigo Dock Addition, in Section 10, Township 39 North, Range 14 East of the Third Principal Meridian, the Plat of which was recorded as Document No. 1157023 in Book 39 of Plats at page 18, together with a part of the Ogden Slip (Michigan Canal) as laid out in said Chicago Dock and Canal Company's Peshtigo Dock Addition, bounded and described as follows:

Beginning on the north line of Lot 8, aforesaid, being also the south line of E. Illinois Street, at a point which is 24.20 feet west from the west line of said Lot 7, and running

Thence East along said North line, said distance of 24.20 feet to said west line of Lot 7;

Thence south along said west line, a distance of 0.03 hundredths of a foot, to an intersection with a line 366.00 feet south from and parallel with the north line of said Lot 7;

Thence East along said last described parallel line, being also the south line of said E. Illinois Street, a distance of 173.70 feet;

Thence South along a straight line, a distance of 156.27 feet to a point on the south line of said Lot 7 which is 173.98 feet east from the southwest corner of said Lot 7;

Thence continuing south along said last described straight line, having a bearing of south 0 degrees, 14 minutes, 15 seconds east, (assumed), a distance of 58.276 feet;

Thence East along a straight line having a bearing of North 89 degrees, 45 minutes, 50 seconds east, a distance of 11.107 feet;

Thence south along a straight line bearing due south, a distance of 21.93 feet to an intersection with a line which is 236.50 feet south from and parallel with the north line, and said north line extended eastwardly of Lot 8, aforesaid;

Thence west along said parallel line, a distance of 209.33 feet, to a point which is 24.20 feet (as measured along said line) west from the intersection of said parallel line with the southward extension of said west line of Lot 7, and

Thence north along a straight line, parallel with said west line of Lot 7, a distance of 236.50 feet, to the point of beginning, in Cook County, Illinois.

"EXHIBIT A"

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Parcel 2

A part of Lot 7 in Chicago Dock and Canal Company's Peshtigo Dock Addition, in Section 10, Township 39 North, Range 14 East of the Third Principal Meridian, the Plat of which was recorded as Document No. 1157023 in Book 39 of Plats at Page 18, bounded and described as follows:

Beginning at a point on the south line of a strip of land, 74 feet in width, now used as E. Illinois Street, which is 173.70 feet east of the west line and 366.00 feet south of the North line of said Lot 7, and running

Thence east along the south line of said 74 foot strip of land a distance of 189.792 feet to a point which is 189.492 feet east from the west line of said Lot 7;

Thence south along a straight line, a distance of 156.182 feet to a point on the south line of said Lot 7 which is 186.158 feet east of the southwest corner of said Lot 7;

Thence west along said south line of Lot 7, a distance of 12.178 feet to a point 173.98 feet east from said southwest corner of Lot 7; and

Thence North along a straight line, a distance of 156.27 feet to the point of beginning.

But excepting from said part of Lot 7 that part thereof lying above the upper surface of the single deck viaduct constructed thereon, and excepting from said part of Lot 7 those parts thereof, both above and below ground level, bounded by and included within the lines and surfaces of said viaduct, columns, column foundations, bridge abutments, enclosure walls and piers; all as set forth in Deed to the Commissioners of Lincoln Park dated September 25, 1929 and recorded in the Recorder's office of Cook County, Illinois on September 27, 1929 as Document No. 10439522;

Also excepting from said part of Lot 7 all those parcels or portions of said part of Lot 7 and improvements below the present ground level which are now filled by the present column foundations of the six story and basement building known as the "North Pier Terminal Warehouse" now on a portion of said part of Lot 7 and which said column foundations are used as supports for said viaduct; all as set forth in deed to the Commissioners of Lincoln Park dated September 25, 1929 and recorded in the Recorder's Office of Cook County, Illinois, on September 27, 1929 as Document No. 10439522.

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PLAT

Property of Cook County Clerk's Office