

RECORDING REQUESTED BY
WHEN RECORDED RETURN TO:

Brian T. Seltzer, Esq.
SELTZER CAPLAN WILKINS & McMAHON
P. O. Box X33999
3003-3043 Fourth Avenue
San Diego, California 92103

Loan No. 000015-IL

THIS DOCUMENT WAS
PREPARED BY:

Brian T. Seltzer, Esq.
SELTZER CAPLAN WILKINS & McMAHON
P. O. Box X33999
3003-3043 Fourth Avenue
San Diego, California 92103

SUBORDINATION, NONDISTURBANCE AND
ATTORNEY AGREEMENT

NOTICE: THIS AGREEMENT RESULTS IN THE LEASE-
HOLD ESTATE IN THE PROPERTY BECOMING SUBJECT
TO AND OF LOWER PRIORITY THAN THE LIEN OF
SOME OTHER OR LATER SECURITY INSTRUMENT.

THIS AGREEMENT is made this 1st day of February, 1986, among
E. F. HUTTON LIFE INSURANCE COMPANY, a California corporation
(Lender), LA SALLE NATIONAL BANK, not personally but as Trustee
under that certain Trust Agreement, dated February 15, 1983, and
known as Trust No. 105958 (Borrower) and DOMINICK S FINER FOODS,
INC., a Delaware corporation ("Tenant"), who agree as follows:

1. This Agreement is executed in contemplation of the fol-
lowing facts and circumstances:

a. Lender is or is about to be the owner and holder
of a Mortgage and accompanying Security Agreement and Assign-
ment of Leases (collectively, Mortgage) now or hereafter
encumbering that certain real property in Chicago, Illinois,
described on Exhibit X attached hereto and incorporated by
this reference, and the buildings, improvements, and personal
property thereon (Premises) securing the payment of a Secured
Nonrecourse Promissory Note in the stated principal amount

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of \$5,575,000 executed by Borrower to the order of Lender (Secured Promissory Note).

b. Tenant is the tenant under a lease (Lease) dated May 20, 1983, made by Borrower, as landlord (said landlord and its successors and assigns occupying the position of landlord under the Lease are referred to herein as Landlord), covering a part of the Premises (Demised Premises).

c. Tenant and Lender desire to confirm their understanding with respect to the Lease and the Mortgage.

2. The Lease (and the leasehold estate created thereunder and all rights and privileges of Tenant thereunder) shall now, and shall at all times hereafter continue to be, subject and subordinate in each and every respect, to the Mortgage and to any and all increases, renewals, modifications, extensions, substitutions, replacements and/or consolidations of the Mortgage, provided that any and all such increases, renewals, modifications, extensions, substitutions, replacements and/or consolidations shall nevertheless be subject to the terms of this Agreement.

3. So long as Tenant is not in default (beyond any period given Tenant to cure such default and once so cured such default shall no longer exist for purposes hereunder) in the payment of rent or additional rent or in the performance of any of the terms, covenants or conditions of the Lease on Tenant's part to be performed: (a) Tenant's possession of the Demised Premises and Tenant's rights and privileges under the Lease, or any extensions or renewals thereof or acquisition of additional space which may be effected in accordance with any option therefor in the Lease, shall not be diminished or interfered with by Lender in the exercise of any of its rights under the Mortgage; (b) Tenant's occupancy of the Demised Premises or any such additional space shall not be disturbed by Lender in the exercise of any of its rights under the Deed of Trust during the term of the Lease or any such extensions or renewals thereof; and, (c) Lender will not join Tenant as a party defendant in any action or proceeding for the purpose of terminating Tenant's interest and estate under the Lease because of any default under the Mortgage.

4. In the event any proceedings are brought for the foreclosure of the Mortgage, or a deed is given in lieu thereof, Tenant shall and hereby agrees to attorn to the purchaser or transferee upon any such foreclosure sale or transfer and shall recognize such purchaser/transferee as the Landlord under the Lease and such purchaser/transferee shall be bound to Tenant under all of the terms, covenants and provisions of the Lease which terms, covenants and provisions such new owner hereby agrees to perform. Such attornment by Tenant shall be effective and self-operative without the execution of any further instrument on

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the part of any of the parties hereto. Tenant agrees, however, to execute and deliver at any time and from time to time, upon the request of Landlord or of any holder(s) of any of the indebtedness or other obligations secured by the Mortgage or any such purchaser/transferee, any instrument or certificate which, in the sole judgment of Landlord or of such holder(s) or such purchaser/transferee, may be necessary or appropriate in any such foreclosure proceeding or otherwise to evidence such attornment. In the event of any such attornment, Tenant further waives the provisions of any statute or rule of law, now or hereafter in effect, which may give or purport to give Tenant any right or election to terminate or otherwise adversely affect the Lease and the obligation of Tenant thereunder as a result of any such foreclosure proceeding which does not involve a breach of this Agreement.

5. If Lender shall succeed to the interest of Landlord under the Lease in any manner, or if any purchaser/transferee acquires the Demised Premises upon any foreclosure of the Mortgage or any deed given in lieu thereof, Lender or such purchaser/transferee, as the case may be, shall have the same remedies by entry, action or otherwise in the event of any default by Tenant (beyond any period given Tenant to cure such default) in the payment of rent or additional rent or in the performance of any of the terms, covenants and conditions of the Lease on Tenant's part to be performed that Landlord had or would have had if Lender or such purchaser had not succeeded to the interest of Landlord, provided, however, that in no event shall Lender or such purchaser/transferee be: (a) liable for any act or omission of any prior landlord (including Landlord); (b) subject to any offsets or defenses which Tenant might have against any prior landlord (including Landlord); (c) bound by any rent or additional rent which Tenant might have paid for more than the current month to any prior landlord (including Landlord) or for the repayment of any security deposit; (d) bound by any amendment or modification of the Lease made without its consent which consent shall not be unreasonably withheld or delayed; or, (e) liable for any act or omission of any subsequent landlord, other than Lender as Landlord.

6. If Lender shall succeed to the interest of Landlord under the Lease in any manner, or if any purchaser/transferee acquires the Demised Premises upon any foreclosure of the Mortgage or any deed given in lieu thereof, Lender or such purchaser, as the case may be, shall have the right to transfer, assign, and convey, in whole or in part, the Demised Premises and any and all of its rights under the Lease and in the event the Lender assigns its right under the Lease and such assignee assumes the obligations of Landlord under the Lease, Lender shall thereby be released from any further obligations hereunder and Tenant agrees

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to look solely to such successor in interest of the Lender for performance of such obligations.

7. Nothing herein contained is intended, nor shall it be construed, to abridge or adversely affect any right or remedy of Landlord under the Lease in the event of any default by Tenant (beyond any period given Tenant to cure such default) in the payment of rent or additional rent or in the performance of any of the terms, covenants or conditions of the Lease on Tenant's part to be performed.

8. Tenant declares, agrees and acknowledges that:

a. Lender, in making disbursements under such Secured Promissory Note, is under no obligation or duty to, nor has Lender represented that it will, see to the application of such proceeds by the person or persons to whom Lender disburses such proceeds and any misapplication of the same shall not defeat the subordination made hereunder either in whole or in part; and

b. It intentionally and unconditionally waives, relinquishes, subjects and subordinates the Lease, the leasehold estate created thereby together with all rights and privileges of Tenant thereunder in favor of the lien and charge of the Mortgage (subject to the provisions of this Agreement) and understands that in reliance upon, and in consideration of, this waiver, relinquishment, subjection and subordination, specific loans and advances are being and will be made and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment, subjection and subordination.

9. 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. This Agreement shall inure to the benefit of and be binding upon the parties hereto, their heirs, personal representatives, successors and assigns, and any purchaser or purchasers at foreclosure of the Premises, or transferee where a deed is given in lieu thereof, and their respective heirs, person representatives, successors and assigns.

10. Notwithstanding any provision in the Lease to the contrary, Borrower and Tenant agree that:

a. They shall not enter into an agreement by which they voluntarily terminate or suspend the Lease or voluntarily abandon or surrender the Premises (even because of,

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without limitation, Borrower or Tenant default, condemnation or destruction) without the prior written consent of Lender;

b. Lender shall not be bound by or otherwise subject to any amendment, modification, or supplement to the Lease unless Lender has expressly consented to the same, which consent shall not be unreasonably withheld;

c. Before either Borrower or Tenant seek to terminate the Lease by reason of a default by the other, they shall give Lender 30 days prior written notice of such alleged default and shall, before so seeking such termination, give Lender during such 30 day period within which to commence to and proceed to cure such default; provided, however, that if such default is not reasonably susceptible of curing then the Lease shall not be so terminated so long as Lender commences within such 30 day period and thereafter is diligently using its best efforts to effect such cure;

d. Any right Borrower may have to receive, hold or utilize condemnation or damage/insurance proceeds shall be subject to the interest of Lender under the Mortgage which interest of Lender is subject to the interests of Tenant under the Lease;

e. To provide Lender with copies of all default notices given under the Lease; provided Lender has furnished Lender's address to Tenant, which address, until further notice, is: 11085 North Torrey Pines Road, P. O. Box 2700, Attention Office of General Counsel, La Jolla, California 92038-2700;

f. Lender is not responsible for and does not guaranty the obligations of Borrower or Tenant under the Lease; and,

g. Tenant warrants to Lender that its interest under the Lease is free and clear of any and all monetary liens, charges and encumbrances (including, particularly, any in favor of Chemical Bank).

11. To the extent that the Lease shall entitle the Tenant to notice of any mortgage, this Agreement shall constitute such notice to the Tenant with respect to the Mortgage and to any and all other mortgages which may hereafter be subject to the terms of this Agreement as provided above.

NOTICE: THIS AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR LEASE TO OBTAIN A LOAN A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENTS OF THE PROPERTY.

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12. Nonrecourse. THIS AGREEMENT IS EXECUTED BY LA SALLE NATIONAL BANK, NOT PERSONALLY, BUT AS TRUSTEE, PURSUANT TO THE POWER AND AUTHORITY CONFERRED UPON AND VESTED IN IT AS TRUSTEE UNDER THAT CERTAIN TRUST AGREEMENT, DATED FEBRUARY 15, 1983, AND KNOWN AS TRUST NO. 105958. NEITHER LA SALLE NATIONAL BANK, AS SUCH TRUSTEE, NOR DODI DEVELOPMENTS, INC. (DODI), AS THE BENEFICIARY OF SUCH TRUST (EXCEPT AS SPECIFICALLY PROVIDED IN THE INDEMNITY AND REPAIR AGREEMENT BEING DELIVERED BY DODI TO LENDER PURSUANT TO THIS TRANSACTION) SHALL BECOME PERSONALLY LIABLE FOR THE PAYMENT OF THE PRINCIPAL SUM OR ANY INTEREST DUE UNDER THE NOTE OR ANY OTHER AMOUNTS DUE UNDER THE MORTGAGE OR THE OTHER LOAN DOCUMENTS AND LENDER AGREES THAT IN NO EVENT SHALL ANY MONETARY DEFICIENCY JUDGMENT FOR SUCH AMOUNTS BE SOUGHT OR SECURED AGAINST LA SALLE NATIONAL BANK OR DODI, IT BEING THE INTENTION OF THE PARTIES THAT THE ONLY RECOURSE OF LENDER FOR THE SATISFACTION OF SUCH AMOUNTS SHALL BE AGAINST (A) THE PREMISES, AS ENCUMBERED BY THE MORTGAGE, AND (B) ANY OTHER COLLATERAL HELD BY LENDER AS SECURITY FOR THE NOTE OR THE OTHER LOAN DOCUMENTS. THE FOREGOING PROVISIONS SHALL ALSO RUN IN FAVOR OF ANY INDIVIDUAL OR ENTITY WHO ASSUMES THE NOTE AND THE OTHER LOAN DOCUMENTS EXECUTED BY BORROWER, AS PROVIDED IN THE NOTE.

LENDER:

E. F. HUTTON LIFE INSURANCE COMPANY,
a California corporation

By: *Paul W. Farrell*

Paul W. Farrell
Its: Assistant Vice President

TENANT:

DOMINICKS FINER FOODS, INC.
a Delaware corporation

By: *Jarvis D. Rainan* FAN

Its: VICE PRESIDENT

By: *Thomas D. Ritz*

Its: Assistant Secretary

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

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BORROWER:

LA SALLE NATIONAL BANK,
not personally but as Trustee under
that certain Trust Agreement dated
February 15, 1983, and known as
Trust No. 105958

By: 

Its: _____

By: 

Its: _____

Property of Cook County Clerk's Office

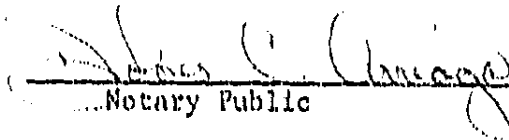
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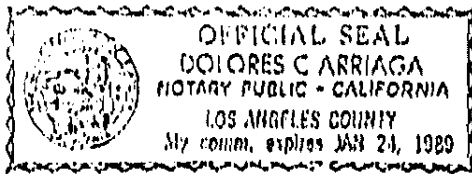
STATE OF CALIFORNIA)
) SS
COUNTY OF LOS ANGELES)

On this 7th day of February, in the year 1986, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Paul W. Farroll, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument as Assistant Vice President on behalf of the corporation therein named and acknowledged to me that the corporation executed it.



Notary Public

(Notary Seal)



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STATE OF Illinois)

COUNTY OF Cook)

I, FREDRICK R. HERSEY, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that AROLD G. RAIMAN, as VICE President of DOMINICK'S FINER FOODS, INC., and THOMAS D. ROTI, as ASST Secretary of said Corporation, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such VICE President and ASST Secretary of said Corporation, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said Corporation, for the uses and purposes therein set forth; and said ASST Secretary did then and there acknowledge that he, as custodian of the corporate seal of said Corporation, did affix the corporate seal of said Corporation to said instrument as his own free and voluntary act and as the free and voluntary act of said Corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 18th day of February, 1986.

Fredrick R. Hershey
Notary Public

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I, _____, a Notary Public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that JOSEPH W. LAMB, as Vice President and JAMES A. CLAR, as Assistant Secretary of LA SALLE NATIONAL BANK, a national banking association, as Trustee under Trust Agreement dated February 15, 1983, and known as Trust No. 105958, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Vice President and Assistant Secretary of said Bank, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said Bank for the uses and purposes therein set forth; and said James A. Clar Secretary did then and there acknowledge that he, as custodian of the corporate seal of said Bank did affix the corporate seal of said Bank to said instrument as his own free and voluntary act and as the free and voluntary act of said Bank, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 24th day of February, 1986.

Martha Ann Brooks
Notary Public

PROPERTY OF COOK COUNTY CLERK'S OFFICE

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THAT PART OF BLOCKS 25, 26, 27 AND 28 TOGETHER WITH THAT PART OF VARIOUS VACATED STREETS AND ALLEYS WITHIN AND ADJOINING SAID BLOCKS, IN CRANE VIEW ARCHER AVENUE HOME ADDITION TO CHICAGO BEING A SUBDIVISION OF THE WEST 1/2 OF THE WEST 1/2 OF SECTION 9, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, EXCEPT THE NORTH 9.225 ACRES THEREOF AND EXCEPT ALSO A STRIP OF LAND 66 FEET WIDE ACROSS THE WEST 1/2 OF THE SOUTH WEST 1/4 OF SAID SECTION 9 TO BE USED FOR RAILROAD PURPOSES, ALL TAKEN AS A TRACT, BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTH WEST CORNER OF LOT 7 IN SAID BLOCK 28, THENCE NORTHEASTERLY ALONG THE NORTHERLY LINE OF SAID BLOCKS 28, 27 AND 26 A DISTANCE OF 850.80 FEET TO THE NORTH EAST CORNER OF LOT 1 IN SAID BLOCK 26; THENCE SOUTH ALONG THE EAST LINE OF SAID LOT 1 AND ITS SOUTHERLY EXTENSION, A DISTANCE OF 143.48 FEET TO THE NORTH EAST CORNER OF LOT 11 IN SAID BLOCK 26; THENCE NORTHEASTERLY 67.14 FEET TO THE NORTH WEST CORNER OF LOT 25 IN SAID BLOCK 25; THENCE NORTHEASTERLY ALONG THE NORTHERLY LINE OF SAID LOT 25 A DISTANCE OF 127.97 FEET TO THE NORTH EAST CORNER OF LOT 25 IN SAID BLOCK 25; THENCE SOUTH ALONG THE EAST LINE OF LOTS 25 TO 20 AND ITS SOUTHERLY EXTENSION IN SAID BLOCK 25 A DISTANCE OF 211.23 FEET TO THE SOUTH LINE OF BLOCK 25 AFORESAID; THENCE WEST ALONG THE SOUTH LINE OF BLOCKS 25, 26 AND 27 TO THE SOUTH WEST CORNER OF LOT 14 IN SAID BLOCK 27; THENCE CONTINUING WEST ALONG THE SOUTH LINE OF VACATED SOUTH LUNA AVENUE AND THE SOUTHERLY LINE OF THE VACATED 16 FOOT PUBLIC ALLEY SOUTH OF AND ADJOINING SAID BLOCK 28 TO THE EAST LINE OF PROPERTY ACQUIRED BY THE STATE OF ILLINOIS FOR STREET PURPOSES PER CONDEMNATION CASE NUMBER 60510536, BEING THE SOUTHERLY EXTENSION OF THE EAST LINE OF THE WEST 1.00 FOOT OF LOT 11 IN SAID BLOCK 28; THENCE NORTH ALONG SAID SOUTHERLY EXTENSION TO THE NORTH LINE OF SAID VACATED ALLEY SOUTH OF AND ADJOINING SAID BLOCK 28; THENCE NORTHEASTERLY ALONG THE NORTH LINE OF SAID VACATED ALLEY TO THE SOUTH WEST CORNER OF LOT 7 IN SAID BLOCK 28; THENCE NORTH ALONG THE WEST LINE OF SAID LOT 7 A DISTANCE OF 152.00 FEET TO THE PLACE OF BEGINNING, IN COOK COUNTY, ILLINOIS.

Permanent Index No(s). 19 09 317 070 Volume No. 382
 Archer and Central Avenues, Chicago, Illinois

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