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COOK COUNTY, ILLINOIS
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1987 FEB 13 PM 1:59

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RECORDING REQUESTED BY
WHEN RECORDED RETURN TO:

E. F. HUTTON LIFE INSURANCE COMPANY
888 West Sixth Street, 9th Floor
Los Angeles, California 90017
ATTN: Daniel B. Gorham

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THIS DOCUMENT WAS
PREPARED BY:

Brian T. Seltzer, Esq.
SELTZER CAYLAN WILKINS & McMAHON
P. O. Box X31999
3003-3043 Fouch Avenue
San Diego, California 92103

SUBORDINATION, NONDISTURBANCE AND
ATTORNEY AGREEMENT

\$ 17.00

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 28th day of May,
1986, between E. F. HUTTON LIFE INSURANCE COMPANY ("Lender")
and EXERCISE CENTER OF CHICAGO, INC., an Illinois corporation
("Tenant"), who agree as follows:

1. This Agreement is executed in contemplation of the
following facts and circumstances:

a. Lender is or is about to be the owner and holder
of a Mortgage and accompanying Security Agreement and
Assignment of Leases (collectively "Mortgage") now or
hereafter encumbering that certain real property described
in Exhibit X attached hereto and incorporated by this
reference, and the buildings, improvements, and personal
property thereon ("Premises") securing the payment of a
Secured Non-recourse Promissory Note in the stated
principal amount of \$8,650,000 executed by SCOTTSDALE
LIMITED PARTNERSHIP, An Illinois limited partnership
("Borrower") to the order of Lender ("Secured Promissory
Note").

Tenant No. 29C

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INVESTIGATION REPORT

Summary

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b. Tenant is the tenant under a lease ("Lease") dated October 1, 1983, as amended n/a made by LASALLE NATIONAL BANK, as Trustee Under Trust Agreement No. 10-36180-09, 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) 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 Mortgage 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 if the Premises are sold pursuant to a trustee's sale under 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, trustee's sale or transfer and shall recognize such purchaser/transferee as the Landlord under the Lease. Such attornment shall be effective and self-operative without the execution of any further instrument on 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

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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. Tenant hereby irrevocably appoints Lender and any other or future holders of the indebtedness or other obligations secured by the Mortgage or any such purchaser/transferee jointly and severally the special agent and attorney in fact of Tenant to execute and deliver for and on behalf of Tenant any such instrument or certificate. Such power of attorney shall not terminate on disability of the principal, and shall be deemed coupled with an interest. 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 trustee's sale under 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; 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 trustee's sale under 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

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

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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.

LENDER:

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

By Paul Farrell
Name: PAUL W FARRELL
Title: AVP

ATTEST:

TENANT:

EXERCISE CENTERS OF CHICAGO, an
Illinois corporation

By Thomas H. Copark
Its Secretary

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CAT. NO. NN007:7
TO 1948 CA (8-84)
(Corporation)

TICOR TITLE INSURANCE

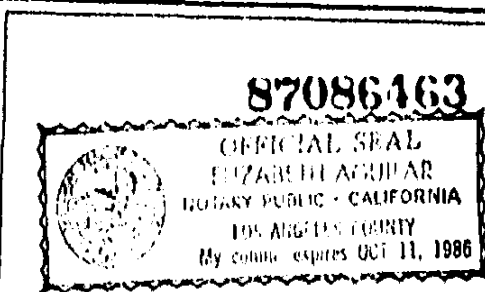
STATE OF CALIFORNIA
COUNTY OF LOS ANGELES } SS.

On JULY 30, 1986 before me, the undersigned, a Notary Public in and for
said State, personally appeared PAUL W. FARRELL

personally known to me or proved to me on the basis
of satisfactory evidence to be the person who executed
the within instrument as the ASSISTANT VICE
President, and XXXXXXXXXXXXXXXXXXXXXXXXXXXX

XXXXXXXXXXXXXXXXXXXX personally known to me or
proved to me on the basis of satisfactory evidence to be
the person who executed the within instrument as the
XXXXXXXXXXXXXXXXXXXX Secretary of the Corporation
that executed the within instrument and acknowledged
to me that such corporation executed the within instru-
ment pursuant to its by-laws or a resolution of its
board of directors.

WITNESS my hand and official seal
Signature [Signature]



(This area for official notarial seal)

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STATE OF CALIFORNIA)
) s.s.
COUNTY OF LOS ANGELES)

I, GRACE ZAZZARA, a Notary Public of Los Angeles County, in the State of California, do hereby certify that THOMAS H. CAFCAS, JR., Secretary, of Health & Tennis Corporation of America, 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 to me that he signed, sealed and delivered said instrument, for and on behalf of Health & Tennis Corporation of America, for the uses and purposes therein set forth.

Given under my Hand and Notarial Seal at my office in the City of Los Angeles, in said County, this 28th day of May, 1986.

(seal)

Grace Zazzara
Notary Public



GRACE ZAZZARA

My Commission Expires
March 3, 1987.

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LEGAL DESCRIPTION EXHIBIT X

LOT A IN SCOTTSDALE FOURTH ADDITION BEING RAYMOND I. LUTGERTS RESURDIVISION OF THE NORTH WEST 1/4 OF THE NORTH WEST 1/4 OF SECTION 34, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS, EXCEPT THAT PART OF SAID LOT "A" DEEDED TO THE STATE OF ILLINOIS AND DESCRIBED AS FOLLOWS: BEGINNING AT THE POINT OF INTERSECTION OF THE PRESENT SOUTH LINE OF WEST 72TH STREET WITH THE PRESENT EAST LINE OF SOUTH CICERO AVENUE, SAID POINT OF INTERSECTION BEING DISTANT, 50 FEET SOUTH, MEASURED AT RIGHT ANGLES FROM THE NORTH LINE OF SAID SECTION 34 AND ALSO DISTANT, 50 FEET EAST MEASURED AT RIGHT ANGLES FROM THE WEST LINE OF SECTION 34; THENCE EAST ALONG SAID SOUTH LINE OF WEST 72TH STREET, 64.00 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF A CIRCLE CONCAVE TO THE SOUTH EAST, HAVING A RADIUS OF 50 FEET, A DISTANCE OF 78.54 FEET TO A POINT OF TANGENCY, DISTANT 14 FEET EAST MEASURED AT RIGHT ANGLES FROM SAID EAST LINE OF THE SOUTH CICERO AVENUE; THENCE SOUTH PARALLEL WITH SAID EAST LINE OF SOUTH CICERO AVENUE (TO WHICH THE LAST DESCRIBED CURVED LINE IS TANGENT) 271.50 FEET THENCE SOUTHWESTERLY IN A STRAIGHT LINE 429.73 FEET TO AN INTERSECTION WITH SAID EAST LINE OF SOUTH CICERO AVENUE; THENCE NORTH ALONG SAID EAST LINE OF SOUTH CICERO AVENUE, 150 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

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C.S.O



PIN: 19-34-100-004 and 19-34-100-005

STREET ADDRESS: 79th and Cicero, Chicago, Illinois

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