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HOTEL AGREEMENT

Collateral Assignment, Subordination,
Attornment and Estoppel

\$33.00

This AGREEMENT is entered into as of the 30th day of JUNE, 1987, by and among JMB/Urban 900 Development Partners, Ltd. (the Beneficiary), La Salle National Bank, not personally but as trustee under Trust Agreement dated March 1, 1984, and known as Trust No. 107701 (the Trust, and together with the Beneficiary, herein the Borrowers), The First National Bank of Chicago (FNBC), individually and as Agent, and Bank of Montreal (BMO, and together with FNBC herein called the Banks), Four Seasons Hotels Limited (herein referred to as "the Operator" or "Four Seasons"), 900 Hotel Venture (the Venture), 900 Hotel Company, Inc. (the General Partner) and La Salle National Bank, not personally but as trustee under Trust Agreement dated January 2, 1987, and known as Trust No. 111151 (the Tenant). Limited Partnership

R E C I T A L S :

A. The Banks have entered into a Construction Loan Agreement dated as of October 15, 1986 (the Loan Agreement), with the Borrowers, providing for a construction loan of up to \$454,000,000 (the Loan) for the development of the project known as 900 North Michigan, in Chicago, Illinois (the Project). The Loan is evidenced by two notes (the Notes), each executed by the Borrowers, each dated October 15, 1986, each in the amount of \$227,000,000, with one payable to FNBC, and one payable to BMO. The Loan is secured by a mortgage (the Mortgage) dated October 15, 1986, executed by the Borrowers, encumbering the real property described on Exhibit A attached hereto, recorded with the Cook County Recorder of Deeds as Document No. 86-556740, and amended by an Amendment dated December 26, 1986, recorded as Document No. 86-625480, with the Cook County Recorder of Deeds.

B. A portion of the Project is to be developed as a hotel (the Hotel), having approximately 346 rooms, 16 apartments, and other rooms and facilities.

C. The Beneficiary has entered into a Preopening and Technical Services Agreement (the TSA) dated as of June 11, 1987, with Four Seasons, providing for the development, construction and equipping of the Hotel and preparation of the opening of the Hotel.

D. Four Seasons and the Venture have entered into a Management Agreement dated as of June 11, 1987, providing for the operation and management of the Hotel.

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E. 900 Hotel Company, Inc., the Beneficiary, and Four Seasons Hotel Investment Partnership (a District of Columbia general partnership comprised of Four Seasons Hotels Limited and Four Seasons Hotels, Inc.) have entered into a Partnership Agreement dated as of June 11, 1987, creating a limited partnership known as 900 Hotel Venture (the Venture).

F. The Trust and the Tenant have entered into a Lease dated as of June 11, 1987, pursuant to which the Trust agrees to lease the Hotel and certain furniture fixtures and equipment to the Tenant, upon completion of the construction of hotel.

G. The Banks have required this Agreement to be executed as a condition to their continuing to extend credit to the Borrowers to construct the Project.

NOW, THEREFORE, for valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. The Borrowers and the General Partner hereby grant, assign, pledge and transfer to the Banks, as collateral security for payment of the Loan and all other obligations of the Borrowers to the Banks under the Notes, the Loan Agreement, and the other Loan Documents (as defined in the Loan Agreement), all right, title and interest of the Borrowers in and to the TSA, the Management Agreement, the Partnership Agreement, and the Lease (herein together called the Contracts), including, without limitation, any and all security interests of the Beneficiary and the General Partner securing the obligations of Four Seasons to make partnership contributions under the Partnership Agreement.

2. The Borrowers, Four Seasons, the Venture, the General Partner, and the Tenant (together, the Contract Parties) each represent to the Banks that each Contract to which it is a party is in full force and effect, has not been amended or modified, and has not been assigned or encumbered, that no party is in default in the performance of any obligations thereunder, and that all conditions required to be met by the date hereof have been satisfied.

3. The Contract Parties consent to the foregoing collateral assignment to the Banks, and agree to recognize and attorn to the Banks as hereinafter provided by this Agreement.

4. The Contract Parties acknowledge and agree that the Contracts, and the Lessor's Non-Disturbance and Attornment Agreement to be entered into between the Beneficiary and Four Seasons, are and will be subject and subordinate in all respects to the Loan Agreement, the Mortgage, and all other Loan Documents (as provided in the Loan Agreement), and all modifications, extensions, refinancings, replacements, or renewals thereof, and to all advances of the Loan as

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may now or hereafter be made pursuant thereto. In addition, Four Seasons acknowledges that any claims for liens for payment of any management fees or other amounts due under any of the Contracts shall be subject and subordinate to the Mortgage and all future advances of the Loan.

5. The Contract Parties acknowledge and agree that the Contracts will not be amended or terminated without the prior written consent of the Banks. Four Seasons agrees not to release or modify, without the prior written consent of the Banks, the Guaranty to be executed by JMB Realty Corporation dated as of June 11, 1987, in favor of Four Seasons, guaranteeing the payment to the Venture of certain capital contributions by the Beneficiary and the General Partner.

6. The Contract Parties agree to give the Banks copies of all notices and reports under the Contracts, including any notice of default, and shall give the Banks the right to cure any such defaults in accordance with the terms of the Contracts; provided, however, the Banks shall have (a) an additional 30 days after the expiration of any cure periods applicable to the Borrowers, to cure any defaults which are capable of being cured by the Banks without the Banks' acquiring title to or possession of the Project, and (b) a reasonable period of time thereafter in which to cure any other defaults, including, without limitation, the bankruptcy defaults which, pursuant to paragraph 20(c) hereof, are not applicable after foreclosure or acquisition of title as provided therein. The Contract Parties acknowledge that the Banks have no obligation to cure any default under the any of the Contracts.

7. Four Seasons acknowledges that the insurance and condemnation provisions in the Loan Agreement and the Mortgage shall govern, notwithstanding any conflicting provisions in the Contracts.

8. (a) Four Seasons acknowledges that it has received and approved items (1) and (2) of subparagraph (a) of Section 2.03 of the TSA.

(b) Four Seasons acknowledges that it does not have the right to approve any change orders affecting the Project which do not affect the Hotel portion of the Project.

(c) The Design Brief dated June 25, 1985, and revised August 15, 1985, and March 13, 1986, has not been modified or changed.

9. The Contract Parties acknowledge the reorganization of the Beneficiary to be an Illinois limited partnership, whose sole general partner is 900 Co., Inc., with a 1% interest, and whose limited partners are JMB Realty Corporation, with a 13% interest, Delaware/Walton Associates, with a 80% interest, and Urban Equity Associates, with a 6% interest.

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10. Four Seasons approves the terms and provisions of the Declaration of Covenants, Conditions, Restrictions, and Easements, draft dated as of June 3, 1987, to be entered into by La Salle National Bank, not personally but as Trustee under Trust Agreement dated March 1, 1984, and known as Trust No. 107701.

11. Notwithstanding the fact that the Management Agreement is fully subordinated to the Mortgage pursuant to the foregoing paragraph 4, the Banks agree that upon receipt of written notice from Four Seasons and the Venture or other reasonable evidence satisfactory to the Banks that the "Opening Date" has occurred as provided in Section 4.01 of the Management Agreement, then, provided Four Seasons is in compliance with the terms of this Agreement and is not otherwise in default of the terms of the said Management Agreement (as event of default is defined in Section 19.01 thereof) and the said TSA, as of the date the Banks commence a foreclosure action or pursue any Loan Remedy (as hereinafter defined) or at any time thereafter, no default under the Loan and no proceedings to foreclose the same shall disturb or interfere with Four Seasons' rights thereafter accruing under the said Management Agreement and TSA, and the said Management Agreement and TSA shall not be terminated, nor shall Four Seasons' use, possession or enjoyment of the Hotel under said Management Agreement and TSA be interfered with, and notwithstanding any such foreclosure or other acquisition of the Hotel by the Banks or any other party acquiring the Hotel upon foreclosure sale, or upon sale in lieu thereof, or upon any other action or proceeding pursuant to or with respect to the Loan (which foreclosure sale, sale in lieu thereof or action or proceeding pursuant to or with respect to the Loan is each hereinafter called a "Loan Remedy"), the said Management Agreement and TSA as modified by the terms of this Agreement shall be recognized as a direct agreement from the party so acquiring the said Hotel pursuant to said Loan Remedy, except that the Banks, the Banks' affiliates, nominees or designated title holder (herein called the Banks Affiliate), any purchaser at foreclosure sale, all subsequent owners, and their respective heirs, personal representatives, successors and assigns, shall not be (a) liable or accountable to Four Seasons for any outstanding loan made by Four Seasons nor for any existing deferred incentive fee or other money owed by the prior Owner to Four Seasons, (b) for any previous act or omission of Owner under the said Management Agreement or TSA, (c) subject to any offsets or defenses which Four Seasons may have against Owner except as set forth in the amendment to Section 10.09 of the said Management Agreement, as set forth in this Agreement, (d) bound by any previous modification or amendment to the said Management Agreement or TSA not consented to in writing by the Banks, or (e) bound by any previous payment of any sums due to Owner thereunder for a period greater than one (1) month in advance.

12. The Banks agree that the Banks, the Banks' Affiliate, any purchaser at foreclosure sale or any subsequent owner, upon acquiring title to the said Hotel shall agree to be bound by the terms, covenants and conditions of the said Management Agreement, as modified by the terms of this Agreement, provided, however, that no such party shall have any liability for events occurring beyond the period of its ownership in the said Hotel nor beyond its interest in the said Hotel and upon any subsequent sale or transfer, such party shall be released and relieved of all liability with respect to any event occurring after such sale or transfer both hereunder and under said Management Agreement and TSA, provided that the subsequent Owner assumes all such liability thereafter occurring. If a Banks' Affiliate becomes a purchaser at foreclosure sale or an owner, the Banks shall assure to Operator the full performance of all the responsibilities of the owner to the extent required under this paragraph pursuant to the Management Agreement during the ownership of such Banks' Affiliate.

13. Upon any such acquisition of the title to the said Hotel, whether by foreclosure or purchase in lieu thereof, by the Banks, the Banks' Affiliate, or any other purchaser at foreclosure sale, and subject to the obligations of the Banks', the Banks' Affiliate or such other purchaser, as the case may be, as set forth in Paragraph 12 hereof, Four Seasons shall and hereby does agree to be bound and attorn to the Banks, the Banks' Affiliate or such purchaser, as the case may be, under all of the terms, covenants and conditions of the said Management Agreement and TSA, as modified hereby, for the balance of the term of said Management Agreement and TSA with the same force and effect as if such party had been the original Owner under the said Management Agreement or TSA, said attornment and agreement to be bound to be automatically effective and self-operative without the necessity of the execution of any further instruments.

14. In the event of the termination of the Management Agreement, or any succeeding management agreement made pursuant to the provisions of this paragraph, prior to its stated expiration date, Four Seasons will (upon written request only of the Banks) enter into a new management agreement with the Banks or their designee for the remainder of the term effective as of the date of such termination, on the same terms, covenants and provisions as modified hereby, provided that the Banks (a) make written request upon Four Seasons for such new management agreement within sixty (60) days from the date of such termination, (b) pays or causes payment to be made of all sums then owing from Owner to Operator under the Management Agreement as Four Seasons shall have specified in written notice to the Banks, (c) pays into the Hotel Bank Accounts or to Operator the amount necessary to fund working capital requirements in accordance with the Management Agreement, and (d) reimburses Four Seasons for all costs and expenses incurred by Four Seasons arising out of each such termination and re-instatement.

15. Four Seasons does hereby confirm that a termination of the Hotel Lease, a default by the Trustee of Trust No. 111151 thereunder, or a failure of any general or limited partner of 900 Hotel Venture to comply with any of its obligations under the venture or partnership agreement shall not in itself be grounds for Four Seasons to terminate the Management Agreement, to be excused from performing and fulfilling all of its obligations thereunder, to have any additional rights under the Management Agreement or TSA, or to have any off-set or counterclaim rights thereunder.

16. From and after the date of any acquisition of title by the Banks, the Banks' Affiliate, or any purchaser at foreclosure sale, Article VIII of the Management Agreement (captioned "Funding, Banking, Etc.,") shall be amended and deemed to be amended in the following respects:

(a) The introductory clause in Paragraph 8.01(a) which commences with the words "From time to time" and ends with the words "by Operator" shall be deleted in its entirety and there shall be substituted therefor the following clause: "From time to time throughout the Operating Term within a reasonable period of time after request by Operator and subject to payment by Operator of the Continuation Payment pursuant to paragraph 8.01(c) hereof,".

(b) There shall be inserted before the start of Paragraph 8.01(b) the phrase "Except for Operator's duty to make the Continuation Payment described in Paragraph 8.01(c) hereof".

(c) A new paragraph numbered and captioned "8.01(c) Continuation Payment" shall be inserted following Paragraph 8.01(b) as follows:

"8.01(a) CONTINUATION PAYMENT"

As a condition precedent to Operator having the right to receive the additional Incentive Fee referred to in Paragraph 10.09(n) hereof, and simultaneously with any payment by Owner of any working capital and written notice thereof being delivered by Owner to Operator, Operator may elect to pay to Owner or to the Hotel Bank Accounts pursuant to Owner's direction a payment (hereinafter called "Continuation Payment") equal to 7.7% of the amount of working capital funding then made by Owner. Notwithstanding the foregoing, the requirement on Operator's part to make sure Continuation Payment in order to receive the additional Incentive Fee referred to in Paragraph 10.09(n) hereof, shall cease when Operator's Continuation Payments shall have equaled \$6,000,000 less all documented payments theretofore made by Four Seasons Hotels Limited to 900 Hotel Venture pursuant to its agreement with 900 Hotel Company, Inc. and JMB/Urban 900 Development Partners, Ltd. Documentation of prior payments to 900 Hotel Venture shall be in form and substance satisfactory to Owner

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acting reasonably. A failure on Operator's part to make the Continuation Payment required by this Paragraph 8.01(c) shall disentitle Operator to receive the additional Incentive Fee referred to in Paragraph 10.09(n) hereof."

17. Notwithstanding anything that may be contained in the Management Agreement or in any succeeding management agreement to the contrary, Four Seasons does hereby covenant and agree with the Banks upon and following any acquisition of title to the said Hotel Component by the Banks, the Banks' Affiliate, or any purchaser at foreclosure sale that Paragraph 10.08 (captioned "NET CASH FLOW") of the Management Agreement shall be modified to read as follows:

"10.08 NET CASH FLOW"

Net Cash Flow as used herein means Gross Receipts for a Fiscal Year less the following without duplication,

(a) all operating expenses ("Operating Expenses") for such Fiscal Year, calculated on an accrual basis in accordance with generally accepted accounting principles applicable to the hotel industry in accordance with the Uniform System of Accounts, including, but not limit to:

- (i) real estate taxes and other local taxes other than those based upon or measured by income;
- (ii) personal property taxes;
- (iii) insurance premiums;
- (iv) the Basic Fee;
- (v) the Corporate Sales and Marketing Charge;
- (vi) the Corporate Advertising Charge;
- (vii) the Centralized Reservation Service Charge;
- (viii) the Refurbishing Fee;
- (ix) the Centralized Purchasing Fee;
- (x) the Service Charge Deficiency;
- (xi) equipment rentals and equipment lease payments, exclusive of any such payments made pursuant to the initial lease of equipment which has been made at Owner's election in lieu of purchase and which has been capitalized as part of the original capital cost of the Hotel Component.

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(b) an amount equal to the greater of the FF&E Reserve for the Fiscal Year and the amount spent ("Capital Expenditures") in replacement and renewals of Furniture, Fixtures and Equipment in the year after deduction for all previous accumulated accruals unspent in the FF&E Reserve. For the purposes hereof "FF&E Reserve" shall mean an unfunded reserve equal to 3% of Gross Receipts in each Fiscal Year and a book entry shall be made showing the total of the FF&E Reserves for all Fiscal Years less the amounts actually spent in respect of Capital Expenditures for all Fiscal Years.

(c) an amount (hereinafter called "Annual payment in lieu of Base Rent") equal to the amount in either (i) or (ii) below, as applicable, the amount in (i) being applicable so long as no loan is secured by a mortgage on the Hotel, and the amount in (ii) being applicable once any loan is secured by a mortgage on the Hotel:

(i) the amount of interest that would accrue on a hypothetical loan in the principal amount of \$127,000,000, at the "Eurodollar Rate" as defined in and determined in accordance with the provisions of the Construction Loan Agreement dated October 15, 1986, among JMB/Urban 900 Development Partners, Ltd., La Salle National Bank as Trustee of Trust 107701, The First National Bank of Chicago, and Bank of Montreal, assuming the repeated selection of 90-day Interest Periods, regardless of whether any portion of the loan provided for in such Construction Loan Agreement is outstanding; or

(ii) actual fixed debt service (excluding any participations) on any loan or loans secured by a mortgage on the Hotel, or the proportional amount of debt service reasonably allocable to the Hotel if such loan encumbers more than the Hotel component of the Land, (provided that the aggregate principal amount of such loans or the proportional amount thereof does not exceed \$127,000,000), such loans having conventional amortization schedules and otherwise being entered into by the Owner in good faith and utilizing reasonable business judgment, it being the intent of the parties that the decisions regarding the loans be economically sensible to the Owner and not be made in an abusive manner or primarily for the purpose of increasing this deduction.

(d) interest at the Rate for all subsequent advances made by Owner to fund working capital requirements from and after the date on which Operator has contributed Continuation Payments up to the maximum amount thereof or the date on which Operator has elected not to make the Continuation Payments; and

(e) depreciation or amortization of Major Capital Expenditures calculated in accordance with generally accepted accounting principles.

Notwithstanding item (a) above, there shall be excluded from Operating Expenses (x) interest on funds borrowed by Owner (whether from partners of the Owner or otherwise); (y) expenditures for repairs caused by reason of the construction, design or structural defects in the Hotel Component and (z) depreciation, amortization and other non-cash charges except as specifically otherwise provided in item (e) above.

It is understood and agreed that all operating expenses with respect to the operation of the Multi-Use Structure and the garage structure adjacent thereto as well as all other applicable deductions from Gross Receipts in calculating Net Cash Flow and all other applicable costs shall be allocated and apportioned by the owners of the various components comprising the Multi-Use Structure in accordance with the terms of the Building Operating Agreement if Operator has agreed to and approved of the method of allocation therein or, otherwise, in accordance with an otherwise fair and equitable manner to the intent that only such items property referable to the operation of the Hotel Components shall be deducted from Gross Receipts in calculating Net Cash Flow. If the parties cannot agree on such allocation and apportionment, the dispute shall be resolved by arbitration in the manner set forth in Article XXII. It is further understood that expenses incurred with respect to paragraph 8C of the Lease and any recoveries with respect thereto shall be excluded from the calculation of Net Cash Flow."

18. Notwithstanding anything that may be contained in the Management Agreement to the contrary, Four Seasons does hereby further covenant and agree that upon and following any acquisition of title to the said Hotel Component by the Banks, the Banks' Affiliate, or any purchaser at foreclosure sale that Paragraph 10.09 (captioned "Payment of Available Cash") of the Management Agreement shall then be modified to read as follows:

"10.09 PAYMENT OF AVAILABLE CASH

The following shall be paid from "Available Cash which shall be the cash receipts from the Hotel Component and from funds made available pursuant to paragraphs 8.01 and 8.02 hereof in the following order of priority:

- (a) all Operating Expenses of the Hotel Component, excluding the Refurbishing Fee;
- (b) expenditures for replacements and renewals of Furniture, Fixtures and Equipment;
- (c) Major Capital Expenditures;
- (d) the Refurbishing Fee;

(e) the repayment to Operator of any monies thereafter advanced by it pursuant to Paragraph 8.02 hereof, together with interest as therein provided;

(f) for the provision of adequate working capital for the Hotel Component for the Fiscal Year, as determined by Operator (but in accordance with the Annual Plan), taking into account the reasonable foreseeable financial needs of the Hotel Component;

(g) to or as directed by Owner of the amount constituting the pro-ratable portion of the Annual Payment in lieu of Base Rent determined pursuant to sub-item (c) of paragraph 10.08 hereof;

(h) to Owner, interest at the Rate on working capital contributed by Owner from and after the date on which Operator has contributed Continuation Payments up to the maximum amount thereof or the date on which Operator has elected not to make the Continuation Payments;

(i) to Owner, return of any working capital contributed by Owner from and after the date on which Operator has contributed Continuation Payments up to the maximum amount thereof or the date on which Operator has elected not to make the Continuation Payments;

(j) to Operator, interest at the Rate on any Deferred Incentive Fees that cover periods arising from and after the date on which this amended paragraph takes effect;

(k) to Operator, Deferred Incentive Fees that cover periods arising from and after the date on which this amended paragraph takes effect;

(l) to Operator, Incentive Fee payable to Operator for the current Fiscal Year;

(m) to Operator, repayment of any outstanding Deficiency Payments made to Owner in accordance with the provisions of paragraph 19.04(b) as such paragraph has been amended by paragraph 19 hereof;

(n) to Operator, an additional Incentive Fee equal to 7.7% of any then Available Cash provided Operator has made the Continuation Payments under Section 8.01;

(o) the balance to Owner."

19. Four Seasons agrees the third from last unnumbered paragraph of paragraph 19.04(b) shall be deleted in its entirety and in lieu and stead thereof the following paragraph shall be substituted effective as of the date of such acquisition of title by the Banks or the Banks' Affiliate:

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"If the Owner shall have the right to terminate this Agreement in accordance with the foregoing, it may do so by delivery of a notice (the "Termination Notice") to Operator, causing this Agreement to be null and void and of no further force and effect; provided, however, Operator shall, in the case of termination pursuant to subparagraph (a) above, have the right to be exercised only three times during the Initial Operating Term (but not more than once in any five-year period) and once in each of the renewal Periods, if any, to pay to Owner, within forty-five (45) days of its receipt of the Termination Notice, the amount by which the gross operating profit would have increased had the actual Gross Receipts for the year or years in question equaled 85% of the Test Gross Receipts for such year or years (such payment by Operator being hereinafter called the "Deficiency Payment"). Upon receipt by Owner of the Deficiency Payment within the said forty-five (45) day period, the Termination Notice shall be deemed null and void and of no further force and effect. The amount of the Deficiency Payment that may be made by Operator to forestall the said Termination Option shall be determined as described in Schedule "D" hereto (provided that, for the purposes hereof, the words "Deficiency Payment" shall be substituted for the words "Subordinated Loan" in such Schedule "D").

In the event that any balance from Available Cash as defined in paragraph 10.09 remains after payment of the items enumerated in (a) through (1) thereof, Operator shall be entitled to be reimbursed from such balance up to the amount of such Deficiency Payment."

20. From and after the date of such acquisition of title by the Banks or the Banks' Affiliate, and in connection therewith, Four Seasons covenants and agrees with the Banks:

(a) Banks shall notify Operator in writing of any proposed transfer, sale of or assignment of interest in the Hotel by Banks or Banks' Affiliate, whether by way of foreclosure sale or otherwise, together with sufficient detail as to the identity of the proposed purchaser, a copy of the agreement of purchase and sale and such other information as may be relevant as to the proposed sale. Operator shall have forty-five (45) days from receipt of all such information within which to advise the Banks whether or not such proposed purchaser is objectionable pursuant to paragraph 18.03 of the Management Agreement and, if so, to elect by notice in writing to Banks to (i) approve of such proposed transaction (in which case such transaction may be completed in accordance with the relevant terms of the information provided to Operator); (ii) terminate the Management Agreement, which termination shall be effective upon the completion of the proposed transaction; or (iii) purchase, or cause to be purchased, the Hotel, or interest therein, in accordance with the terms of the proposed transaction. Paragraph 18.03 of the Management Agreement

shall be modified so that such election shall be the only right of Operator with respect to the initial sale, transfer or assignment by the Banks or the Banks' Affiliate; thereafter, Paragraph 18.03 as presently stated in the Management Agreement, without modification, shall continue to apply in accordance with its terms;

(b) Operator's rights and benefits under said Management Agreement shall be as a Manager and Independent contractor only; nothing contained herein or in said Management Agreement shall result in Operator being deemed an employee or partner of Owner, but except as modified by the terms of this Agreement, nothing contained herein shall be deemed to alter any of the rights and benefits of Operator under the said Management Agreement and nothing herein contained shall adversely affect the financial exposure or liability of Operator;

(c) That no prior consent must be obtained to any acquisition, transfer or assignment of the Hotel Component or in the Management Agreement to the Banks, the Banks' Affiliate, or any purchaser at foreclosure sale, except in accordance with Article XVIII of the Management Agreement;

(d) That foreclosure of the mortgage loan or acceptance of a deed in lieu thereof by the Banks, the Banks' Affiliate or designee, or any purchaser at foreclosure sale shall nullify any event of default in favor of Operator pursuant to subparagraphs (b), (c) and (d) of paragraph 19.01, as well as any event of default under subparagraph (e) of paragraph 19.01 respecting a failure on Owner's part to comply with the provisions and restrictions imposed in Article XVIII and a failure on Owner's part to comply with any other provisions of the Management Agreement which are non-monetary and personal in nature and therefore not reasonably susceptible of being cured by the Banks; provided that the foregoing subparagraphs (b), (c), (d) and (e) of paragraph 19.01 shall apply to any subsequent events of default;

(e) That no lien, right or other interest in real estate is created by the Management Agreement. Remedies in favor of the Operator for breaches of the Management Agreement by Owner are limited to the right of termination and such other legal and equitable remedies that may be available to Operator against the then Owner, subject, however, to Operator otherwise complying with the terms of this Agreement;

(f) That any duty on Owner to give Operator a right to reinstate the terms of the Management Agreement or to operate a new hotel following a termination of the Management Agreement pursuant to the provisions of Paragraph 2.02, 13.01 or 17.02 shall be conditional upon Operator (on the date of reinstatement or the date of execution of anew management agreement) continuing to be an operator of hotels of the same type and quality as it was at the time of the event which gave rise to such termination of the Management Agreement; and if

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Operator either does not elect to have the Management Agreement reinstated or if the requisite time period within which the right of reinstatement exists has expired, Operator shall execute and deliver upon demand such documents as Owner may reasonably require to confirm that Operator has no further interest in or right to manage the Hotel component; and

(g) That any duty on Owner's part to maintain the books and records of the Hotel following termination shall be limited to the greater of four (4) years or the period required by law, notwithstanding the longer time period set forth in Paragraph 11.03.

21. The occurrence of a "Default" under the Loan Agreement shall be a default hereunder. Upon the occurrence of a default hereunder, which constitutes a "Default" under the Loan Agreement, in addition to the remedies provided in the Loan Agreement, the Banks shall have the right, but not the obligation, to exercise and enforce the rights of the Borrowers under the Contracts, and to perform and discharge the obligations, covenants, conditions and agreements, and cure any defaults of the Borrowers under the Contracts. Borrowers hereby irrevocably constitute and appoint the Banks as Borrowers' attorney-in-fact to demand, receive and enforce the Borrowers' rights under the Contracts, and to perform the Borrowers' obligations under the Contracts with the same force and effect as Borrowers could do if this Assignment had not been made. Borrowers hereby authorize the parties to any agreements constituting Contracts, upon written notice of default hereunder by the Banks, to perform under the Contracts for the Banks without any obligation to determine whether or not such a default has occurred. Notwithstanding the foregoing, the Banks shall have no right as attorney-in-fact to do any act which would create personal liability for any partner of Beneficiary or for the Trust. The Banks may elect to exercise their rights under this Agreement with respect to the Management Agreement and the TSA without exercising such rights with respect to the other Contracts.

22. The Banks, by executing this Agreement, do not assume any of the Borrowers' obligations under the Contracts, unless and until the Banks exercise their rights under this Agreement, and then only from and after the date of such exercise. Borrowers expressly waive and release any claim against the Banks in connection with the Banks' exercise of their rights hereunder, provided the Banks act in good faith.

23. The relationship of the Borrowers and the Banks are solely that of a lender and a borrower, and nothing contained herein is intended to, nor shall be construed to, make the Borrowers and the Banks or any of the Contract Parties and the Banks partners, agents or joint venturers. This Agreement is made and intended solely for the benefit of the Banks and their successors and assigns, and no third party may claim any benefit under the Loan Agreement or any of the Loan Documents (as defined therein).

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24. Nothing herein shall be deemed to impose any liability on Four Seasons under the Loan Documents.

25. This Agreement shall be binding on the Borrowers and Borrowers' successors and assigns, and shall inure to the benefit of the Banks, and the Banks' successors and assigns, including, without limitation, any purchaser at a foreclosure sale of the Mortgage securing the Loan, any receiver in possession of the mortgaged premises, or any nominee or affiliate of the Banks accepting a deed in lieu of foreclosure of such mortgage.

26. This Agreement is executed by La Salle National Bank, 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 (and said La Salle National Bank hereby warrants that it possesses full power and authority to execute this instrument), and it is expressly understood and agreed that nothing herein contained shall be construed as creating any liability on said La Salle National Bank personally to pay the Loan or any indebtedness accruing hereunder, and such liability, if any, being expressly waived by the Banks, and that so far as said La Salle National Bank personally is concerned, the Banks shall look solely to the Contracts and other property securing payment of the Loan; provided, however, nothing herein shall affect or limit the personal liability of the Beneficiary or any Guarantors under any other Loan Documents.

27. None of the partners in the Beneficiary shall be personally liable for payment of the Loan or performance of any obligations hereunder, or with respect to the Loan, and recourse hereunder and under any documents or certificates evidencing, securing, or otherwise executed in connection with the Loan (including, without limitation, with respect to any warranties therein), shall be limited to the assets of the Beneficiary and the Trust except in the event of fraud or wilful misconduct, in which event the Banks' recourse against the partner or partners responsible for the fraud or wilful misconduct will not be limited. In no event shall a negative capital account or any funding obligation of a partner in the Beneficiary be deemed an asset of the Beneficiary. The foregoing shall not impair the ability of the Banks to enforce any guaranty executed and delivered in connection with the Loan.

IN WITNESS WHEREOF, this Agreement is executed as of the date first above written.

JMB/URBAN 900 DEVELOPMENT PARTNERS, LTD.

By: 900 Co., Inc., its general partner

By: *Stephen C. Nathan*

Title: *President*

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LA SALLE NATIONAL BANK, not personally but as Trustee of Trusts 107701 and 111151

By: [Signature]
Title:
Attest: [Signature]
Assistant Secretary

THE FIRST NATIONAL BANK OF CHICAGO

By: [Signature]
Title: VICE PRESIDENT
Attest: [Signature]
Corporate Banking Officer

BANK OF MONTREAL

By: [Signature]
Title: Account Manager
Attest: [Signature]
Account Officer

FOUR SEASONS HOTELS LIMITED

By: [Signature]
EXECUTIVE VICE-PRESIDENT
By: [Signature]
Title: SECRETARY

900 HOTEL COMPANY, INC.

By: [Signature]
Title: Vice President

900 HOTEL VENTURE LIMITED PARTNERSHIP

By: Four Seasons Hotels Limited
By: [Signature]
EXECUTIVE VICE-PRESIDENT
By: [Signature]
Title: SECRETARY

By: 900 Hotel Company, Inc.

By: [Signature]
Title: Vice President

Property of Cook County Clerk's Office

UNOFFICIAL COPY

87374192

STATE OF Illinois)
COUNTY OF Cook) SS

The foregoing instrument was acknowledged before me this 30th day of June, 1987, by Stuart C. Nathan, a President of 900 Co., Inc., on behalf of said corporation as a general partner of JMB/Urban 900 Development Partners, Ltd.

Diana M. Thompson
NOTARY PUBLIC

My Commission Expires: April 2, 1989

STATE OF ILLINOIS)
COUNTY OF COOK) SS

The foregoing instrument was acknowledged before me this July day of July, 1987, by JOSEPH W. LANG + Corinne Boy a VICE PRESIDENT, ASSISTANT SECRETARY of La Salle National Bank, on behalf of said bank.

Kathy Pacana
NOTARY PUBLIC

My Commission Expires: 6-11-88

STATE OF Illinois)
COUNTY OF Cook) SS

The foregoing instrument was acknowledged before me this 10th day of July, 1987, by Peter J. Novak, a Office President of The First National Bank of Chicago, on behalf of said bank.

James A. Lawrence
NOTARY PUBLIC

My Commission Expires: 5/11/90

87374192

UNOFFICIAL COPY

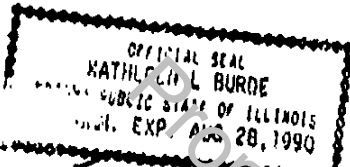
8 7 3 7 4 1 9 2

STATE OF ILLINOIS)
COUNTY OF COOK) SS

The foregoing instrument was acknowledged before me this 2nd day of July, 1987, by GEORGE WEISS, an ACCOUNT MANAGER of Bank of Montreal, on behalf of said bank.

Kathleen L Burde
NOTARY PUBLIC

My Commission Expires: August 28, 1991



STATE OF PROVINCE OF QUEBEC)
COUNTY OF PROVINCE OF QUEBEC) SS

The foregoing instrument was acknowledged before me this 29th day of JUNE, 1987, by H. ROGER GARLAND and DAVID G. MONSIEU, Executive Vice President and Secretary of Four Seasons Hotels Limited, on behalf of said company.

Paul Maron
NOTARY PUBLIC

My Commission Expires: Perpetual

STATE OF Illinois)
COUNTY OF Cook) SS

The foregoing instrument was acknowledged before me this 30th day of June, 1987, by Michael Wilbur, a Vice President of 900 Hotel Company, Inc., on behalf of said company.

Siara M. How
NOTARY PUBLIC

My Commission Expires: April 2, 1989

UNOFFICIAL COPY

87374112

STATE OF Judicial District of York)
COUNTY OF Province of Ontario) SS

The foregoing instrument was acknowledged before me this 29th day of JUNE, 1987, by H. ROGER GARLAND and DAVID C. MONSEAU, a Executive Vice President and Secretary of Four Seasons Hotels Limited, on behalf of said company, as a general partner in 900 Hotel Venture.

Judi Manna
NOTARY PUBLIC

My Commission Expires: Perpetual

STATE OF Illinois)
COUNTY OF Cook) SS

The foregoing instrument was acknowledged before me this 30th day of June, 1987, by Michael Milboon, a Vice President of 900 Hotel Company, Inc., on behalf of said company, as a general partner in 900 Hotel Venture.

Dore M. How
NOTARY PUBLIC

My Commission Expires: April 2, 1989

Property of Cook County Clerk's Office

UNOFFICIAL COPY

8 7 3 7 4 1 1 2

C-80
9/29/72
Ref: 7 FAM 834.3(a)

Canada)
Province of Ontario)
City of Toronto) SS: CERTIFICATE OF AUTHENTICATION
Consulate General of the) (Notary Public)
United States of America)

I, the undersigned, _____ Consul of the United States of
America at Toronto, Ontario, Canada, duly commissioned and
qualified, do hereby certify that


JULI MORROW

whose name is subscribed to the annexed document, was at the
time of subscribing the same a Notary Public of the Province
of Ontario, Canada.

For the contents of the annexed document, I assume no
responsibility.

IN WITNESS WHEREOF I have hereunto set my hand and affixed
the seal of the Consulate General of the United States of
America at Toronto, Canada, this 29th day of June 19 87

(SEAL)



Patsy B. Stephens
Consul of the United States
of America

UNOFFICIAL COPY

21921

EXHIBIT "A" 8 7 3 7 4 1 9 2
(Legal Description)

PARCEL ONE: (The property owned in fee lying East of N. Ernst Court)

That part of Block 13, and the accretions thereto, in Canal Trustees' Subdivision of the South Fractional Quarter of Section 3, Township 39 North, Range 14, East of the Third Principal Meridian, lying West of the West line of North Michigan Avenue, South of the South line of East Walton Street, North of the North line of East Delaware Place, and East of the East line of North Ernst Court, except that part of said Block 13 lying South of the South line of Lot 5 in said Block 13 of Canal Trustees' Subdivision and West of a line which intersects the North line of East Delaware Place at a point 129 feet East of the East line of North Ernst Court, and which intersects the South line of Lot 5 in said Block 13 of Canal Trustees' Subdivision at a point 43.13 feet East of the Southwest corner of the East 1/2 of Lot 5 in said Block 13 of Canal Trustees' Subdivision and also except the West 1/2 of the South 1/2 of Lot 5 in said Block 13 of Canal Trustees' Subdivision, in Cook County, Illinois.

PARCEL TWO: (The property owned in fee lying West of N. Ernst Court)

That part of Block 13 in Canal Trustees' Subdivision of the South fractional quarter of Section 3, Township 39 North, Range 14, East of the Third Principal Meridian, lying East of the East line of Rush Street, West of the West line of North Ernst Court, North of the North line of East Delaware Place, and South of the South line of East Walton Street, except for the following described property: The Westerly 125 feet of Lots 7 and 12 (as measured along the North and South lines thereof) in the Subdivision of said Block 13 in Cook County, Illinois.

PARCEL THREE: (Property owned in fee lying West of N. Ernst Court)

The Westerly 125 feet of Lots 7 and 12 (as measured along the North and South lines thereof) in the Subdivision of Block 13 in Canal Trustees' Subdivision of the South fractional quarter of Section 3, Township 39 North, Range 14, East of the Third Principal Meridian, Cook County, Illinois.

PARCEL FOUR: (Ernst Court Air Rights)

That part of North Ernst Court in Block 13 in Canal Trustees' Subdivision of the South fractional quarter of Section 3, Township 39 North, Range 14, East of the Third Principal Meridian, lying Northerly of a line perpendicular to the Easterly line of North Ernst Court at a point 158.63 feet Southerly of the intersection of said Easterly line with the South line of East Walton Street, and lying above a horizontal plane 44.42 feet above Chicago City Datum, and below a horizontal plan 157.42 feet above Chicago City Datum, as vacated by an Ordinance recorded August 13, 1985 as Document 85,143,919, an Ordinance recorded July 18, 1986 as Document 86,303,472, and an Ordinance recorded September 12, 1986 as Document 86,412,482, in Cook County, Illinois.

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8 7 3 7 4 1 9 2

Real Estate Tax Identification Nos.

Volume 496

17-03-210-001-9 - EQD
17-03-210-002-10 - EQD
17-03-210-003-7 - EPO
17-03-210-004-6 - EPO
17-03-210-006-8,9 - ERO
17-03-210-007-8 - EQD
17-03-210-008-7,12 - EPO
17-03-210-009-6 - EPO
17-03-210-011-7 - ERO
17-03-210-012-7 - ERO
17-03-210-013-7 - ERO
17-03-210-014-6 - EPO
17-03-211-001-7 - ERO
17-03-211-002-7 - ERO
17-03-211-003-7 - ERO
17-03-211-004-6 - EQD
17-03-211-005-6 - EQD
17-03-211-006-5 - EQD
17-03-211-007-7 - EQD
17-03-211-009-6 - EPO
17-03-211-015-2 - ERO
17-03-211-016-2 - ERO
17-03-211-017-1 - ERO
17-03-211-019-7 - EPO
17-03-212-001
17-03-212-002
17-03-212-003
17-03-212-004

ADDRESS OF PROPERTY:

900 North Michigan Avenue
Chicago, Illinois

This instrument prepared by and mail to:

Patricia T. Habicht, Esq.
The First National Bank of Chicago
One First National Plaza
Suite 0801, 20th Floor
Chicago, Illinois 60670