

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT ("Agreement") is made as of the 26th day of November, 1989, by and among THE EQUITABLE LIFE ASSURANCE SOCIETY OF THE UNITED STATES, a New York corporation ("Lender"), MARRIOTT CORPORATION ("Marriott"), a Delaware corporation ("Manager"), MKDG BUCK HOTEL VENTURE, an Illinois general partnership ("Venture") and AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, as Trustee under Trust Agreement dated June 24, 1989 and known as Trust No. 28443 ("Trust") (Venture and Trust being hereinafter collectively referred to as "Borrower").

WITNESSETH:

WHEREAS, Venture and Lender have executed a Loan Agreement, of even date herewith (the "Loan Agreement"), pursuant to which Lender has agreed to make a loan to Borrower in the aggregate principal amount of \$140,000,000.00 on the terms and conditions set forth in the Loan Agreement and the other Loan Documents (as defined in the Loan Agreement) for the purposes set forth therein (the "Loan"), which Loan is secured by that certain First Mortgage, of even date herewith, from Borrower to Lender ("Mortgage"); and

WHEREAS, Venture and Manager have entered into that certain Restated and Amended Management Agreement dated November 28, 1989 ("Management Agreement") for the management of a hotel known as the Marriott Hotel ("Hotel"), which is located at 540 North Michigan Avenue in the City of Chicago, County of Cook, State of Illinois, which is more particularly described on Exhibit A attached hereto; and

WHEREAS, as a condition precedent to making the Loan to Borrower, Lender has required that Manager and Borrower enter into this Agreement for the purposes hereinafter set forth;

NOW THEREFORE, in consideration of the premises and of the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lender, Borrower and Manager hereby covenant and agree as follows:

**THIS INSTRUMENT WAS PREPARED BY
AND AFTER RECORDING RETURN TO:**

Virginia L. Aronson
Sidley & Austin
One First National Plaza
Chicago, Illinois 60603



8806884

89071513

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1. Capitalized Terms. All capitalized terms used in this Agreement which are not expressly defined herein shall have the meanings assigned to such terms in the Loan Agreement.

2. Representations and Warranties. Borrower and Manager each represent to Lender that the Management Agreement is now in full force and effect in the form certified by Borrower, and that neither Borrower nor Manager is in default in the performance or payment of any obligation on its part to be performed or paid under the Management Agreement through the date of this instrument, nor is any condition now existing which, with notice or lapse of time or both, would constitute a default thereunder.

3. Subordination of Management Agreement. The Management Agreement and all of its terms, covenants, provisions, rights, remedies and options, and any right, title and interest created thereby, is, and at all times shall be, subject and subordinate to all the terms and conditions, and all renewals, modifications, replacements or extensions of, the Loan Documents and the lien of the Mortgage and all sums secured thereby. Borrower and Manager warrant and represent that any and all consents necessary to authorize such subordination, if any, have been obtained.

4. Non-Disturbance of Manager. Lender agrees that so long as the Management Agreement is in full force and effect and has not been terminated, and so long as Manager is not in default of its obligations under the Management Agreement, then, in connection with foreclosure proceedings pursuant to the Mortgage, Lender shall not remove Manager as manager under the Management Agreement, nor will Lender terminate the Management Agreement or the rights granted Manager thereunder (except as permitted by the provisions of the Management Agreement).

5. Attornment by Manager. If the Lender shall become the owner of the Project by reason of the foreclosure of the Mortgage or otherwise, or if the Project shall be sold to a new owner as a result of any action or proceeding to foreclose the Loan Documents (Lender, as owner of the Project, and any new owner as a result of a sale pursuant to foreclosure, shall sometimes collectively be referred to herein as "New Owner"), the Management Agreement shall continue in full force and effect (without the necessity for executing any new Management Agreement) as a direct Management Agreement between Manager and New Owner, upon all of the same terms, covenants and provisions contained therein. In such event:

a. Manager shall be bound to New Owner under all of the terms, covenants and provisions of the Management Agreement and Manager hereby agrees to attorn to and recognize New Owner as the owner under the Management Agreement, said attornment to be self-executing; and

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b. New Owner shall be bound to Operator under all of the terms, covenants and provisions of the Management Agreement which New Owner shall, as a condition to any sale, be bound until the resale or other disposition of its interest; provided, however, that, notwithstanding the terms and provisions of the Management Agreement, New Owner shall not be:

(i) liable for any act or omission of Borrower or any prior owner, including, without limitation, any obligation for the payment of money on which such prior owner has defaulted;

(ii) subject to any offset which shall have theretofore accrued to Manager against Borrower or any prior owner;

(iii) bound by any previous modification of the Management Agreement unless such modification shall have been approved in writing by Lender;

(iv) personally liable for any act or omission under the Management Agreement, all liability of New Owner being limited to the assets of the Project and New Owner's interest therein.

c. Manager hereby agrees that, notwithstanding the terms and provisions of the Management Agreement, any entity or person which at any time hereafter becomes a New Owner shall be liable only for the performance of the obligations of the owner under the Management Agreement which arise during the period of such New Owner's ownership of the Project, which liability shall be limited to New Owner's interest in the Project, and New Owner shall not be liable for any obligations of the owner, or any prior owner, under the Management Agreement, which arise prior to or subsequent to such ownership.

6. Manager Not Liable Under Loan Documents. Manager, by its execution hereof, does not assume any liability under the Loan Documents, nor does Lender assume any obligation under the Management Agreement except as set forth herein.

7. Lender's Right to Cure. For so long as the Loan Agreement shall continue in effect, or the Loan, interest thereon or other obligations thereunder shall be outstanding, anything in the Management Agreement to the contrary notwithstanding, Manager agrees to give Lender a copy of any notice or claim of default under the Management Agreement served upon Borrower by Manager. If Borrower shall have failed to cure such default within the applicable cure period (as set forth in the Management Agreement), then Lender shall have the right (but not the obligation), within thirty (30) days beyond the Borrower's cure

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period, to cure or correct such default. No default which does not involve the payment money ("Non-Monetary Default") shall be deemed to have occurred if curing such Non-Monetary Default cannot by its nature be accomplished in such thirty (30) day period, provided that Lender shall have commenced curing the same within such thirty (30) day period and thereafter shall diligently and continuously prosecute the same to completion. Notwithstanding the foregoing, Lender shall have ninety (90) days after the date upon which it obtains possession of the Project to cure or correct such Non-Monetary Default, if such default is of a nature that it cannot be cured by Lender until it obtains possession. Manager further agrees to notify Lender if at any time Manager asserts that it may terminate its obligations under the Management Agreement. Nothing in this Section 7 shall be deemed or construed to impose any obligation on the part of Lender to correct or cure any such condition. At the request of Lender, Manager agrees to provide Lender with a statement either confirming the lack of outstanding defaults by Borrower under the Management Agreement or listing any such defaults.

8. Lender's Remedies Upon Event of Default. If an Event of Default under the Loan Agreement or under any of the Loan Documents shall have occurred, and be continuing, then the following provisions shall govern from and after such date;

a. Lender shall have all rights (without the obligation) of Borrower to enforce, compromise, extend or modify the Management Agreement, and grant any indulgence or allowance to Manager as Lender may deem advisable, and exercise all rights granted Borrower under or pursuant to the Management Agreement; and

b. Lender may exercise any right or remedy which Lender may have under the Loan Documents or other applicable law subject to the terms hereof.

9. Notices. Any notice, demand, request or other communication which any party hereto may be required or may desire to give hereunder shall be in writing and shall be deemed to have been properly given (i) upon receipt if hand delivered or (ii) if mailed (effective three days after mailing) by United States registered or certified mail, postage prepaid, return receipt requested, or (iii) upon receipt, if delivered during regular business hours by overnight express delivery courier or by telecopier or telefax addressed as follows:

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If to Borrower:

MKDG Buck Hotel Venture
c/o John Buck Company
Suite 4100
200 South Wacker Drive
Chicago, Illinois 60606
Attn: John Buck
John O'Donnell

with a copy to:

Katten Muchin & Zavis
525 W. Monroe Street
Suite 1600
Chicago, Illinois 60606
Attn: Nina B. Matis

If to Lender:

Equitable Life Assurance Society
of the United States
787 Seventh Avenue
New York, New York 10019
Attn: General Counsel

with a copy to:

Sidley & Austin
One First National Plaza
Chicago, Illinois 60603
Attn: Virginia L. Aronson

If to Manager:

Marriott Corporation
10400 Fernwood Road
Bethesda, Maryland 20058
Attn: Law Department Hotel Operations

with a copy to:

Marriott Corporation
10400 Fernwood Road
Bethesda, Maryland 20058
Attn: Treasury Department

or at such other address as the party to be served with notice may have furnished in writing to the party seeking or desiring to serve notice as a place for the service of notice.

10. Counterparts. This instrument may be executed in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

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11. Miscellaneous:

a. This Agreement contains the entire agreement between the parties. No provision of this Agreement may be waived, modified or amended except by an agreement in writing signed by Lender, Borrower and Manager. This Agreement and the respective rights and obligations of the parties hereto shall be governed by and construed in accordance with the laws of the State of Illinois.

b. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns, including, without limiting the generality of the foregoing, any assignee of or participant under the Note issued pursuant to the Loan Agreement, or any interest therein. For purposes of this Agreement, the term "Manager" shall be defined to include Manager and any permitted assignee of Manager pursuant to the terms of the Management Agreement.

c. Any action or proceeding in connection with this Agreement may be brought in a court of record of the State of Illinois, or the United States District Court for the Northern District of Illinois, the parties hereby consenting to the jurisdiction thereof; and service of process may be made upon any party by mailing a copy of the summons to such party, by registered or certified mail, return receipt request, at its address to be used for the giving of notices under this Agreement.

d. Without affecting the rights of Lender hereunder, Manager agrees and consents (i) to waive, and does hereby waive, any and all notice of the receipt and acceptance by Lender of this Agreement or of the creation, renewal, extension or accrual of the loan, in whole or in part, by Lender or of the reliance of Lender on this Agreement at any time; (ii) that without further notice to, or further assent by Manager, the liability of Borrower or any party or parties for or upon the Loan may, from time to time, in whole or in part, be renewed, extended, modified, accelerated, compromised or released by Lender as it may deem advisable; (iii) that the Loan, or any part thereof may, from time to time, in whole or in part, be sold or assigned by Lender as Lender may deem advisable; and (iv) that any balance or balances of funds with Lender at any time standing to the credit of Borrower may, from time to time, in whole or in part, be surrendered or released by Lender as Lender may deem advisable.

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e. Nothing contained in this Agreement shall in any way impair or affect the lien or other rights or interests created by the Mortgage.

f. This Agreement and the covenants herein contained are intended to run with and bind all land affected hereby.

g. The headings of Sections in this Agreement are for convenience only and do not limit, expand, or construe the contents of the Sections.

12. Waiver of Lien Rights. Manager hereby waives any lien rights or claims under the Illinois Revised Statutes, Chapter 82, Section 1, which Manager may at any time have against the Project arising under the Management Agreement.

13. Venture Exculpation. With the exception of liability for Environmental Matters, and except as set forth below, in any action brought to enforce the obligations of Borrower hereunder, the judgment or decrees shall be enforceable against Venture only to the extent of its interest in the Project or the Leasehold Estate and Venture's assets relating to the Project or the Leasehold Estate, and any such judgment or decrees shall not be subject to execution on, nor be a lien on, assets of Venture, other than as set forth herein. Further, with the exception of liability in connection with (i) Environmental Matters; (ii) material misrepresentations or (iii) fraud or misappropriation of funds; neither Venture, nor any subsequent owner of the Project or the Leasehold Estate, nor any partner, shareholder, employee, director, agent or principal (either known or disclosed or undisclosed) of Venture or any subsequent assignor shall have any personal liability for the payment of any judgment or decree hereunder nor the performance of any obligations hereunder. Notwithstanding anything to the contrary set forth above, the foregoing shall in no event be construed to prevent or limit the enforceability of the Guaranties.

14. Trustee's Exculpation. This Agreement is executed by American National Bank and Trust Company of Chicago in the exercise of the power and authority conferred upon and vested in it as such Trustee and it is expressly understood and agreed that nothing herein or in the Loan Documents shall be construed as creating any liability on said Trustee personally to pay the Note or any interest that may accrue thereon, or any indebtedness accruing hereunder, or to perform any covenant either express or implied herein contained, all such liability, if any, being expressly waived by Lender and by every person now or hereafter claiming any right or security hereunder, and that so far as Trustee is concerned, the legal holder or holders of the Note and the owner or owners of any indebtedness accruing hereunder shall look solely to the premises conveyed by the Mortgage for the payment thereof, and by the enforcement of the lien created by the Mortgage, in the manner therein provided. Nothing contained

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herein shall modify or discharge the personal liability of any Guarantor under any Guaranty or of Venture pursuant to any of the Loan Documents.

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IN WITNESS WHEREOF, the parties have signed and sealed this Agreement as of the day and year first above written.

MANAGER:

MARRIOTT CORPORATION, a Delaware corporation

By: [Signature]
Its: [Signature]

BORROWER:

MKDC BUCK HOTEL VENTURE, an Illinois general partnership

By: Buck Hotel Limited Partnership, an Illinois limited partnership, its general partner

By: Buck Hotel Corp., an Illinois corporation, its general partner

By: _____
Its: _____

By: MKDC 540 Michigan, an Illinois general partnership, a general partner

By: T. Klutznick Co. -M, a Colorado corporation, its general partner

By: _____
Its: _____

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, as Trustee as aforesaid

By: [Signature]
Its: _____

Property of Cook County Clerk's Office

44577-10-13

Notarized in the County of Cook, Illinois, on this 10th day of October, 1944.

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This instrument is executed by the undersigned Land Trustee, not personally but solely as Trustee in the exercise of the power and authority conferred upon and vested in it as such Trustee. It is expressly understood and agreed that all of the warranties, indemnities, representations, covenants, undertakings and agreements herein made on the part of the Trustee are undertaken by it solely in its capacity as Trustee and not personally. It is further understood and agreed that the Trustee merely holds title to the property herein described and has no agents, employees or control over the management of the property and no knowledge of other factual matters except as represented to it by the beneficiary(ies) of the Trust. No personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against the Trustee on account of any warranty, indemnity, representation, covenant, undertaking or agreement of the Trustee in this instrument, all such liability being expressly waived by every person now or hereafter claiming any right or security hereunder, and the owner of any indebtedness or cause of action for breach of any warranty, indemnity, representation, covenant, undertaking or agreement accruing hereunder shall look solely to the Trust estate for the payment thereof.

Property of **County Clerk's Office**

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IN WITNESS WHEREOF, the parties have signed and sealed this Agreement as of the day and year first above written.

MANAGER:

MARRIOTT CORPORATION, a Delaware corporation

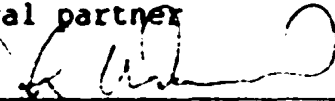
By: _____
Its: _____

BORROWER:

MKDG BUCK HOTEL VENTURE, an Illinois general partnership

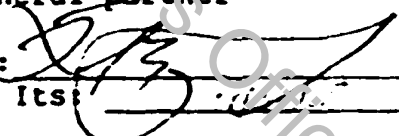
By: Buck Hotel Limited Partnership, an Illinois limited partnership, its general partner

By: Buck Hotel Corp., an Illinois corporation, its general partner

By: 
Its: _____

By: MKDG 510 Michigan, an Illinois general partnership, a general partner

By: T. Klutznick Co. -M, a Colorado corporation, its general partner

By: 
Its: _____

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, as Trustee as aforesaid

By: _____
Its: _____

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LENDER:

THE EQUITABLE LIFE ASSURANCE
SOCIETY OF THE UNITED STATES OF
AMERICA, a New York Corporation

By: _____
Its: _____

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STATE OF MARYLAND)
) SS.
COUNTY OF MONTGOMERY)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that John J. [unclear], personally known to me to be the Vice President of Marriott Corporation, a corporation organized under the laws of Delaware, and 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 that, as such Vice President, he signed and delivered the said instrument, pursuant to authority given by the Board of Directors of said company, as his free and voluntary act, and as the free and voluntary act and deed of said company, for the uses and purposes therein set forth.

Given under my hand and official seal, this 22nd day of November, 1989.

Gloria A. Underwood
Notary Public

My commission expires:

GLOPIA A UNDERWOOD
NOTARY PUBLIC STATE OF MARYLAND
My Commission Expires July 1, 1990

11-22-89

Clerk's Office

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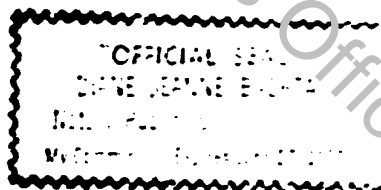
STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that _____, personally known to me to be a _____ of Buck Hotel Corp., an Illinois corporation, as general partner of Buck Hotel Limited Partnership, an Illinois limited partnership, as general partner of MKDG Buck Hotel Venture, an Illinois general partnership and 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 that, as such _____, he signed and delivered the said instrument, pursuant to authority given by the Board of Directors of said company, as his free and voluntary act, and as the free and voluntary act and deed of Buck Hotel Corp., as general partner of Buck Hotel Limited Partnership, as general partner of MKDG Buck Hotel Venture, for the uses and purposes therein set forth.

Given under my hand and official seal, this _____ day of _____, 1989.

Notary Public

My commission expires:



1157-25-13

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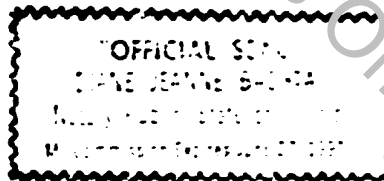
STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that _____, personally known to me to be a _____ of T. Klutznick Co.-M, a corporation organized under the laws of Colorado, as general partner of MKDG 540 Michigan, an Illinois general partnership, as general partner of MKDG Buck Hotel Venture, an Illinois general partnership and 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 that, as such _____, he signed and delivered the said instrument, pursuant to authority given by the Board of Directors of said company, as his free and voluntary act, and as the free and voluntary act and deed of T. Klutznick Co.-M, as general partner of MKDG 540 Michigan, as general partner of MKDG Buck Hotel Venture, for the uses and purposes therein set forth.

Given under my hand and official seal, this _____ day of _____, 1989.

Notary Public

My commission expires:



11-15-89

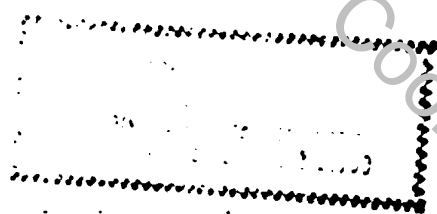
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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that Claire Rosati Foley, personally known to me to be a Trustee of American National Bank and Trust Company of Chicago, not personally but as Trustee under Trust Agreement dated June 24, 1969 and known as Trust No. 28443, 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 that, as such Trustee, he signed and delivered the said instrument, as his free and voluntary act, and as the free and voluntary act and deed of said bank, for the uses and purposes therein set forth.

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Given under my hand and official seal, this ___ day of November, 1989.



[Signature]
Notary Public

My commission expires:

88-09-45-13

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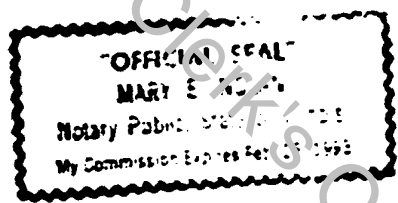
STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that Roy H. Darden, personally known to me to be the President of The Equitable Life Assurance Society of the United States, a corporation organized under the laws of New York, and 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 that, as such President, Officer, he signed and delivered the said instrument, pursuant to authority given by the Board of Directors of said company, as his free and voluntary act, and as the free and voluntary act and deed of said company, for the uses and purposes therein set forth.

Given under my hand and official seal, this 30th day of November, 1989.

Mary E. [Signature]
Notary Public

My commission expires:
7/25/89



11-30-89

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EXHIBIT A

LEGAL DESCRIPTION

Block 22 (except the East 75 feet thereof taken for the widening of North Michigan Avenue) in Kinzie's Addition to Chicago, being the North fraction of Section 10, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

Common Address: 540 North Michigan Avenue, Chicago, Illinois

PIN: 17-01-0000

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Fred*