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ATTORNMEN, CONSENT TO LEASE ASSIGNMENT,  
AND  
SUBORDINATION OF LEASE AGREEMENT

\$ 19.00

THIS AGREEMENT made this 26th day of October, 1990, by and between SEIGLE'S HOME AND BUILDING CENTERS, INC., a Delaware corporation ("Tenant"), and Continental Bank N.A. ("Lender").

RECITALS

WHEREAS, HARRY J. SEIGLE and MARK S. SEIGLE ("Landlord") holds fee simple ownership of certain land and improvements located in Cook County, Illinois, as legally described in Exhibit A attached hereto and made a part hereof ("Premises");

WHEREAS, Landlord and Tenant entered into a certain Lease, dated October 26, 1990, (if amended, with all amendments thereto, called the "Lease"), demising all or a portion of the Premises ("Leased Premises");

WHEREAS, Lender has provided financing to Landlord, and Landlord has executed and delivered to Lender a certain Mortgage Note, dated October 26, 1990 ("Note"). The Note is secured by a Mortgage, Assignment of Leases and Rents and Security Agreement ("Mortgage") of even date with the Note, wherein all existing and future leases of the Premises were collaterally assigned by Landlord to Lender. To induce Lender to make the Loan, Tenant is required to execute this Agreement.

AGREEMENTS

NOW, THEREFORE, in consideration of the mutual promises herein contained and other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, Tenant and Lender covenant and agree as follows:

1. Consent to Assignment. Tenant hereby consents to the collateral assignment by Landlord to Lender of the Lease and all rents, issues, profits, royalties and contract rights in connection with the Lease.

2. Attornment. If Lender (i) obtains title to the Premises through foreclosure, exercise of the power of sale or deed in lieu of foreclosure under the Mortgage or by any other method and Lender succeeds to the interest of Landlord under the Lease; or (ii) Lender takes possession of the Premises in accordance with the Mortgage, Tenant agrees to continue occupancy of the Premises under the same terms and conditions of the Lease and will attorn to the Lender, its successors or assigns, under all terms of the Lease for the balance of the Lease term, including all extensions and renewals, to the same extent and with the same force as if Lender were the Landlord under the Lease, unless Lender terminates

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the Lease as provided in Section 8 below. Lender shall be entitled, but not obligated, to exercise the claims, rights, powers, privileges, options and remedies of the Landlord under the Lease and shall be further entitled to the benefits of, and to receive and enforce performance of, all covenants to be performed by Tenant under the Lease as though Lender were named therein as the Lessor. By virtue of the Mortgage or this Agreement, Lender shall not be or become subject to any liability or obligation to Tenant under the Lease or otherwise, until Lender shall have obtained title to the Premises and then only to the extent of liabilities or obligations accruing subsequent to the date that Lender has obtained title to the Premises. Tenant agrees to recognize the rights of Lender under the Mortgage and agrees that it will not modify or terminate the Lease without Lender's consent. Lender shall not be bound by any amendment or modification of the Lease made without such consent.

3. Payment of Rent. Tenant shall not pay an installment of rent or any part thereof more than thirty (30) days prior to the due date of such installment. Lender shall be entitled to recover from Tenant as rent under the Lease any payment of rent or additional rent made by Tenant to Landlord more than one month in advance. After Lender notifies Tenant that the Lease rentals should be paid to Lender Tenant shall pay to or at the direction of Lender all rentals and other monies due and to become due to the Landlord under the Lease. Landlord hereby expressly authorizes Tenant to make such payments to Lender and hereby releases and discharges Tenant from any liability to Landlord on account of such payments.

4. Subordination. The Lease and Tenant's leasehold estate created thereby shall be and are completely and unconditionally subject and subordinate to the Mortgage, Note and the other documents securing the Loan and to all the terms, conditions and provisions thereof, to all advances made or to be made thereunder, and to any renewals, extensions, modifications or replacements thereof (collectively, "Loan Documents"). At the option of Lender, the Mortgage shall become subordinate, in whole or in part (but not with respect to priority or entitlement to insurance or condemnation awards or proceeds) to the Lease upon Lender's executing and recording a declaration to that effect in the appropriate County Recorder of Deeds office.

5. Interpretation. This Agreement shall inure to the benefit of and shall be binding upon Tenant and Lender, and their respective heirs, personal representatives, successors and assigns. If any one or more of the provisions of this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of Lender, not affect any

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other provisions of this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been included. This Agreement shall be governed by and construed according to the laws of Illinois.

6. Representations. Tenant hereby represents and warrants to Lender:

a. Tenant is in full and complete possession of the Leased Premises.

b. The improvements and space in the Leased Premises required to be furnished by Landlord under the terms of the Lease have been completed in all respects to Tenant's satisfaction.

c. Tenant is not entitled to any rent abatement inducements. All duties of an inducement nature required of the Landlord by the Lease have been fulfilled.

d. The Lease is in full force and effect. To the best of its knowledge, Tenant does not know of any existing default on the part of the Landlord or Tenant under the Lease terms. The Lease constitutes the entire rental agreement between Landlord and Tenant for the Leased Premises and has not been amended, modified, supplemented or superseded.

e. To the best of its knowledge, Tenant does not now have or hold any claim against Landlord which might be set off or credited against future accruing rents.

f. Tenant has received no notice of a prior sale, transfer, assignment, hypothecation or pledge by the Landlord of the Lease or of the rents secured therein, except the Mortgage.

7. Notices of Default and Right to Cure. In the event the Tenant sends written notice to Landlord of a default by Landlord under the Lease, the Tenant shall simultaneously send a copy of such written notice by registered or certified mail to Lender at the following address, whereupon Lender shall have the right, but not the obligation, to remedy such default within the time period set forth in the Lease for the curing of defaults thereunder, provided, however, that such time period shall not be deemed to commence as to Lender until Lender has received such written notice from the Tenant:

Continental Bank N.A.  
231 South LaSalle Street  
Chicago, Illinois 60697  
Attention: Northwest Suburban Office

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8. Non-Disturbance. Lender agrees that in the event of a default by Landlord under the terms of the Note, Mortgage or any of the other Loan Documents, and the exercise by Lender of any or all of its remedies set forth therein, the Lease shall continue in full force and effect in accordance with the covenants, agreements, terms, conditions, and warranties thereof and Lender shall not disturb the rights and interests of the Tenant thereunder so long as the Tenant shall not be in default under any of the covenants, agreements, terms, conditions, and warranties set forth in the Lease.

9. Financial Statements. Tenant shall furnish to the Lender:

(a) Annual Audit Report. Within 90 days after each fiscal year of the Tenant, a copy of the annual audit report of the Tenant prepared in conformity with generally accepted accounting principles and certified by an independent certified public accountant who shall be satisfactory to the Lender;

(b) Quarterly Financial Statement. Within 45 days after each fiscal quarter (except the last fiscal quarter) of each fiscal year of the Tenant, a copy of the unaudited financial statement of the Tenant prepared in the same manner as the audit report referred to in preceding clause (a), signed by Harry J. Seigle or Mark S. Seigle and consisting of at least a balance sheet as at the close of such fiscal quarter and statements of earnings and cash flows for such fiscal quarter and for the period from the beginning of such fiscal year to the close of such fiscal quarter;

10. Liens. Tenant shall not create or permit to exist any mortgage, pledge, title retention lien, or other lien, encumbrance or security interest with respect to any of its accounts receivable, cash or cash equivalents, or inventory without the prior written consent of the Lender.

11. Tangible Net Worth. Tenant shall not permit its Tangible Net Worth at any time to be less than the sum of (i) \$12,750,000 plus, (ii) the product of (A) the number of full or partial years which have elapsed since the date of Note, multiplied by (B) \$750,000. For the purposes of this Agreement, the term "Tangible Net Worth" shall mean, as of any date of determination, the sum of (1) cash, plus (2) the market value of marketable securities, plus (3) the amount of accounts receivable not more than 120 days past due, plus (4) the book value of inventory, real estate and fixed assets as of the date of determination, plus (5) unpaid income tax refunds, less the

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aggregate of all indebtedness, obligations, liabilities, reserves and other items which would be classified as liabilities on a balance sheet of the Tenant maintained in accordance with generally accepted accounting principles consistently applied (hereinafter called "Liabilities").

12. Liabilities to Tangible Net Worth. Tenant shall not permit the ratio of its Liabilities to Tangible Net Worth to exceed 3.0 to 1.0.

13. Current Ratio. Tenant shall not permit the ratio of its current assets to current liabilities (both determined in accordance with generally accepted accounting principles consistently applied) to be less than 2.0 to 1.0.

For purposes of calculating Tenant's current ratio, indebtedness of Tenant outstanding under its revolving loan agreement with American National Bank and Trust Company of Chicago shall be deemed to be a current liability.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed the day and year first above written.

ATTEST:

TENANT  
SEIGLER'S HOME AND BUILDING CENTERS,  
INC.

By: [Signature]

By: [Signature]

Its: [Signature]

Its: President

ATTEST:

LENDER  
CONTINENTAL BANK N.A.

By: [Signature]

By: [Signature]

Its: Banking Officer

Its: Vice President

This instrument was prepared  
by and should be returned to:  
Bruce Baker, Esq.  
Law Department (105/9)  
Continental Bank N.A.  
231 S. LaSalle Street  
Chicago, Illinois 60697

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STATE OF Illinois )  
COUNTY OF Kane ) SS.

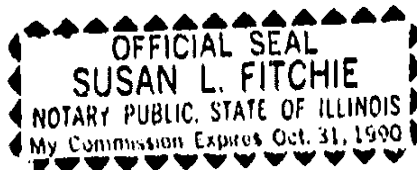
I, Susan L. Fitchie, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY that Harvey Seigle and Frank Joeschke, personally known to me to be the same persons whose names are, respectively, as President and Vice President of SEIGLE'S HOME AND BUILDING CENTER, INC., a Delaware corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged to me that they, being thereunto duly authorized, signed, sealed with the corporate seal of said corporation and delivered said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes set forth therein, all pursuant to authority granted by the Board of Directors of said corporation.

GIVEN under my hand and notarial seal this 25<sup>th</sup> day of October, 1990.

Susan L. Fitchie  
Notary Public

My Commission expires:

October 31, 1990



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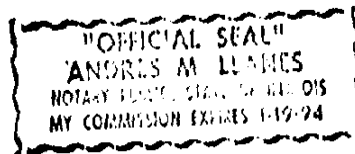
STATE OF ILLINOIS )  
COUNTY OF LARK ) SS.

I, ANDRES M. LLANES, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that G. WILLIAM MAXWELL, Vice President of the within named CONTINENTAL BANK N.A., a national banking association, and ANDREW SUDER, Banking Officer of said Bank, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Vice President and Banking Officer, respectively, and to me personally known to be such officers of said Bank, 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 deed, as the free and voluntary act and deed of said Bank, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 29th day of October, 1990.

Andres M. Llanes  
Notary Public

My Commission Expires:  
1-19-94



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## EXHIBIT A

### LEGAL DESCRIPTION

#### PARCEL 1:

LOTS 12, 13, 14, 15, 16, 17 AND THE WEST 1/2 OF LOT 18 IN F. H. WINSTON'S SUBDIVISION OF BLOCK 7 IN SHEFFIELD'S ADDITION TO CHICAGO IN SECTION 32, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

#### PARCEL 2:

THE EAST 1/2 OF LOT 18 AND ALL OF LOTS 19, 20, 21, 22, 23, 24 AND 25 AND THE WEST 3 FEET OF LOT 26 ALL IN F. H. WINSTON'S SUBDIVISION OF BLOCK 7 IN SHEFFIELD'S ADDITION TO CHICAGO, A SUBDIVISION OF SECTION 32, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

#### PARCEL 3:

LOTS 1, 2, 3, 4, 5 AND 6 IN THE RESUBDIVISION OF LOTS 28, 29 AND 30 IN WINSTON'S SUBDIVISION OF BLOCK 7 IN F. H. WINSTON'S SUBDIVISION OF BLOCK 7 IN SHEFFIELD'S ADDITION TO CHICAGO, A SUBDIVISION OF SECTION 32, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

#### PARCEL 4:

LOT 26 (EXCEPT THE WEST 3 FEET THEREOF) ALL OF LOTS 27, 31, 32 33, 34, 35, 36, 37, 38, 39, 40 AND 41, LOT 107 (EXCEPT THE WEST 1 FOOT THEREOF), LOTS 108, 109, 110, 111, 112 AND 113 IN F. H. WINSTON'S SUBDIVISION OF BLOCK 7 IN SHEFFIELD'S ADDITION TO CHICAGO IN SECTION 32, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

Property Address: 900 West North Avenue, Chicago, Illinois

Permanent Tax No.: 14-32-424-049  
14-32-424-063

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