

UNOFFICIAL COPY

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SUBORDINATION, NONDISTURBANCE AND ATTORNMENY AGREEMENT

THIS NONDISTURBANCE AND ATTORNMENY AGREEMENT is made to be effective as of the 10th day of MARCH, 1992, by and between LA SALLE BANK CHICAGO (the "Mortgagee"), and Pier 1 Imports (U.S.), Inc., successor in interest to Pier 1 Imports-Midwest, Inc. (the "Tenant").

RECITALS

A. Tenant has entered into a lease dated August 12, 1987, which was subsequently modified by a Letter Agreement dated August 18, 1987, and an Agreement dated March 28, 1989 all such documents hereinafter collectively referred to as the "Lease" with American National Bank and Trust Co. of Chicago under the Trust Agreement dated December 1, 1986 known as Trust #100789-05 (the "Landlord"), covering certain premises, together with all improvements thereon, more fully described in Exhibit A attached hereto and incorporated herein by reference (the "Demised Premises").

B. Mortgagee represents that Mortgagee will be the owner and holder of a Mortgage or Deed of Trust (the "Mortgage") to be recorded in the County Recorder's Office of Cook County, Illinois, which secures a note now payable to Mortgagee and which encumbers all or part of the Demised Premises.

C. Tenant and Mortgagee desire to enter into this Agreement to define their obligations to one another under the terms of the Lease and the Mortgage.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, Tenant and Mortgagee hereby agree as follows:

1. The Lease shall be subject and subordinate to the lien of the mortgage insofar as such lien affects the real property of which the Demised premises form a part, and to all renewals, modifications, consolidations, replacements and extensions of the Mortgage to the full extent of the principal sum secured thereby and any interest thereon.

2. So long as Tenant is not in default (beyond any period given Tenant to cure such default) in the payment of rent or in the performance of any of the terms, covenants or conditions of the Lease on Tenant's part to be performed, Tenant's possession of the Demised Premises and Tenant's rights and privileges under the Lease, or any extensions or renewals thereof which may be effected in accordance with any option granted in the Lease, shall not be diminished or interfered with by Mortgagee, and Tenant's occupancy of the Demised Premises shall not be disturbed by Mortgagee during the term of the Lease or any such extensions or renewals thereof.

3. So long as Tenant is not in default (beyond any period given Tenant to cure such default) in the payment of rent or in the performance of any of the terms, covenants or conditions of the Lease on Tenant's part to be performed, Mortgagee will not join Tenant as a party defendant for the purpose of terminating or otherwise affecting Tenant's interest and estate under the Lease, in any action of foreclosure or other proceeding brought by Mortgagee for the purpose of enforcing any of its rights in event of any default under the Mortgage; provided however, Mortgagee may join Tenant as a party in any such action or proceeding if such joinder is necessary under any statute or law for the purpose of effecting the remedies available to Mortgagee under the Mortgage but only for such purpose and not for the purpose of terminating the Lease, or affecting Tenant's right to possession.

4. If the interest of Landlord shall be transferred to and owned by Mortgagee by reason of foreclosure, sale under a private power contained in a deed of trust, or other proceedings brought by it, or by any other manner, and Mortgagee succeeds to the interest of Landlord under the Lease, Tenant shall be bound to Mortgagee, and Mortgagee shall be bound to Tenant, under all or the terms, covenants and conditions of the Lease for the balance of the term thereof remaining and any extensions or renewals thereof which may be effected in accordance with any option granted in the Lease, with the same force and effect as if Mortgagee were Landlord under the Lease, and Tenant does hereby attorn to Mortgagee as its landlord, said attornment to be effective and self-operative without the execution of any further instruments on the part of any of the parties hereto immediately upon Mortgagee succeeding to the interest of Landlord under the Lease, provided, however, that Tenant shall be under no obligation to pay rent to Mortgagee until Tenant receives written notice from Mortgagee, together with evidence satisfactory to demonstrate that it has succeeded to the interest of Landlord under the Lease and directing where such rent should be mailed. The respective rights and obligations of Tenant and Mortgagee upon such attornment, to the extent of then remaining balance of the term of the Lease shall be and are the same as set forth therein, it being the intention of the parties hereto for this purpose to incorporate the Lease in this Agreement by reference with the same force and effect as if set forth at length herein. If Mortgagee shall succeed to Landlord's interest in the Lease, then Mortgagee shall be bound to Tenant under all the terms, covenants and conditions of the Lease, and Tenant shall, from and after Mortgagee's succession to the interest of Landlord under the Lease, have the same remedies against Mortgagee for the breach of any agreement contained in the Lease that Tenant might have had under the Lease against Landlord. If Mortgagee had not succeeded to the interest of Landlord, except that Mortgagee shall in no event be responsible

5. The terms "holder of a mortgage" and "mortgagee" or any similar term either herein or in the Lease shall be deemed to include Mortgagee, the trustee under any deed of trust affecting the Demised Premises, and any of their agents, heirs, successors or assigns, including anyone who shall have succeeded to Landlord's interest by, through or under foreclosure of the Mortgage, deed in lieu of such foreclosure, sale under a private power contained in a deed of trust, or, by, through or under any other proceeding. The term "mortgage", or any similar term, either herein or in the Lease shall be deemed to include the Mortgage as defined herein, and any amendments or addenda thereto. The term "landlord" shall include Landlord as defined herein and the successors, assigns and sublessees of Landlord, the term "tenant" shall include Tenant as defined herein and the successors, assigns and sublessees of Tenant, and this Agreement shall inure to the benefit of and be binding upon such successors and assigns. The term "lease" shall include the lease and all amendments, addenda, extensions and renewals thereto.

IN WITNESS WHEREOF, the parties hereto have hereunto caused this Agreement to be signed and executed as of the day and year first above written. \$25.00

92224345 COUNTY RECORDER

(SIGNATURES ON NEXT PAGE)

**for the refund of any security deposit to Tenant unless actually received by Mortgagee and shall not be responsible to cure any defaults of Landlord existing prior to Mortgagee succeeding to the interest of Landlord. The preceding shall not in any way relieve Mortgagee of its obligations under the Lease as successors to Landlord once it has succeeded to the interest of Landlord, including maintenance or other obligations which are of an ongoing or continuing nature.

Box 420

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MORTGAGEE:

BY: Michael J. McGovern
Title: Vice President

TENANT:

Pier 1 Imports (U.S.), Inc.,
a Delaware corporation

BY: [Signature]
Title: Vice President

STATE OF Illinois
COUNTY OF Cook

This instrument was acknowledged before me by Michael McGovern, in his capacity as Vice President of Pier 1 Imports (U.S.), Inc., a corporation, on behalf of the corporation, this 10th day of March, 1992.

[Signature]
NOTARY PUBLIC
MY COMMISSION EXPIRES: NOV 27, 1993

STATE OF Texas
COUNTY OF Tarrant

This instrument was acknowledged before me by JAMES R. TENER, in his capacity as Vice President of Pier 1 Imports (U.S.), Inc., a corporation, on behalf of the corporation, this 7th day of February, 1992.

[Signature]
Notary Public
My commission expires: 10/6/94

This instrument was prepared by:

NOTARY PUBLIC
STATE OF TEXAS
MY COMMISSION EXPIRES: 10/6/94

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Property of Cook County Clerk's Office

EXHIBIT A
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LEGAL DESCRIPTION

Lots 6 to 14 inclusive, in the subdivision of Block 2 of Block 13 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 1: ALL OF LOTS 14 TO 22, INCLUSIVE; IN SUB-LOT 3 IN SHEFFIELD'S NURSERY SUBDIVISION OF BLOCK 13 IN SHEFFIELD'S ADDITION TO THE CITY OF CHICAGO, COOK COUNTY, ILLINOIS.

EXCEPTING THEREFROM,

ALL THAT PORTION OF LOTS 14 TO 19, BOTH INCLUSIVE, OF SUB-LOT 3 IN SHEFFIELD'S NURSERY SUBDIVISION OF BLOCK 13 IN SHEFFIELD'S ADDITION TO CHICAGO, COOK COUNTY, ILLINOIS, WHICH IS DESCRIBED AS FOLLOWS:

START AT THE NORTHEASTERLY CORNER OF SAID LOT 14; THENCE NORTHWESTERLY ALONG THE NORTHERLY LINE OF SAID LOTS 14 TO 19 WHICH COINCIDES WITH THE SOUTHERLY LINE OF CLYBOURN AVENUE 147.57 FEET TO A POINT IN A LINE WHICH IS PARALLEL TO AND 12.5 FEET EASTERLY. MEASURED AT RIGHT ANGLES, FROM THE CENTER LINE OF THE FORMER CHICAGO MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY'S MOST EASTERLY TRACK.

THENCE SOUTHERLY ALONG SAID PARALLEL LINE WHICH MAKES AN ANGLE OF 44 DEGREES 31 MINUTES 25 SECONDS WITH SAID SOUTHERLY LINE OF CLYBOURN AVENUE 143.01 FEET TO THE BEGINNING OF A CURVE TO THE LEFT WITH A RADIUS OF 455.84 FEET; THENCE SOUTHERLY ALONG SAID CURVE 55.66 FEET, MORE OR LESS, TO A POINT IN THE EASTERLY LINE OF SAID LOT 14 DISTANT 132 FEET SOUTHERLY OF THE NORTHEASTERLY CORNER THEREOF; THENCE NORTHERLY ALONG SAID LOT LINE 132 FEET TO THE PLACE OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

LOTS 1 AND 5 BOTH INCLUSIVE IN SUB-BLOCK 2 IN SUBDIVISION OF BLOCK 13 IN SHEFFIELD'S ADDITION TO CHICAGO:

ALSO

ALL THAT PART OF THE NORTHWESTERLY 33 FEET OF THAT PART OF HERNDON STREET SOUTHEASTERLY OF AND ADJOINING THE SOUTHEASTERLY LINE OF LOT 1, BLOCK 2, SHEFFIELD'S NURSERY SUBDIVISION OF BLOCK 13 IN SHEFFIELD'S ADDITION TO CHICAGO, IN SECTION 29, 31, 32 AND 33, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID PART OF SAID STREET BEING FURTHER DESCRIBED AS THE NORTHWESTERLY 33 FEET OF THAT PART OF HERNDON STREET EXTENDING SOUTHWESTERLY FROM THE SOUTHWESTERLY LINE OF CLYBOURN AVENUE A DISTANCE OF 135 FEET MORE OR LESS IN COOK COUNTY, ILLINOIS.

PARCEL 3:

THAT PART OF THE SOUTHEASTERLY 33 FEET OF THAT PART OF NORTH LAKEWOOD AVENUE (FORMERLY HERNDON STREET) LYING NORTHWESTERLY OF THE NORTHWESTERLY LINE OF LOT 22 IN THE SUBDIVISION OF BLOCK 3 IN THE SUBDIVISION OF BLOCK 13 OF SHEFFIELD'S ADDITION TO CHICAGO IN SECTION 32, TOWNSHIP 40 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, SITUATED IN THE CITY OF CHICAGO, COUNTY OF COOK AND STATE OF ILLINOIS.***

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