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SUBORDINATION, NONDISTURBANCE
AND ATTORNMENT AGREEMENT

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT ("Agreement"), made as of the 15th day of May, 1992, by and between CREDIT LYONNAIS CAYMAN ISLAND BRANCH, its successors and assigns ("collectively, Lender"), RITZ-CARLTON WATER TOWER, an Illinois general partnership ("Borrower"), and FOUR SEASONS HOTELS LIMITED, a corporation incorporated under the laws of the Province of Ontario ("Four Seasons").

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WITNESSETH : DEPT-01 RECORDING 459.50
T41111 TRAN 2061 05/22/92 11:13:00
#1589 + *--92-359169
COOK COUNTY RECORDER

WHEREAS, LaSalle National Bank, N.A., as Trustee under Trust Agreement dated July 25, 1974 and known as Trust Number 47753 ("Trustee") holds title to certain real estate in the City of Chicago, County of Cook, State of Illinois commonly known as the Ritz-Carlton Hotel (the "Premises"), which Premises are more particularly described on Exhibit A attached hereto and by this reference made a part hereof; and

WHEREAS, Borrower is the sole beneficiary of Trustee; and

WHEREAS, Four Seasons and Borrower are parties to that certain Hotel Management Agreement, dated as of September 30, 1977, as amended by amendments dated March 22, 1978, September 1, 1980, April 20, 1983, December 9, 1985 and December 31, 1990 (the Hotel Management Agreement, as so amended and as from time to time amended, supplemented, modified, restated or extended in accordance with the provisions hereof, is hereinafter referred to as the "Management Agreement"), pursuant to which Four Seasons has agreed, inter alia, to manage the Premises; and

WHEREAS, Lender, Trustee and Borrower have executed a Loan Agreement of even date herewith (as from time to time amended, supplemented, modified, restated or extended, the "Loan Agreement") pursuant to which the Lender has agreed to make a loan to Borrower and Trustee in the principal amount of up to \$30,000,000.00 (the "Loan") upon the terms and subject to the conditions contained therein; and

WHEREAS, the Loan is evidenced by a note of even date herewith in the maximum principal amount of \$30,000,000.00 (as from time to time amended, supplemented, modified, restated or extended, the "Note") and secured, inter alia, by (i) that certain Mortgage, Security Agreement and Assignment of Leases and Rents and Security Agreement of even date herewith covering, inter alia, the Premises (as from time to time

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amended, supplemented, modified, restated or extended, the "Mortgage"), and (iii) that certain Assignment of Hotel Documents of even date herewith covering, inter alia, the Management Agreement (as from time to time amended, supplemented, modified, restated or extended, the "Assignment of Hotel Management Agreement"), (the Loan Agreement, the Note, the Mortgage, the Assignment of Hotel Management Agreement, and all other documents executed now or hereafter to further evidence or secure the repayment of the Loan or otherwise being hereinafter collectively referred to as the "Loan Documents"); and

WHEREAS, Lender, as a condition of making the Loan, requires Four Seasons and Borrower to execute this Agreement; and

WHEREAS, Four Seasons is a general partner of Borrower and Four Seasons will derive substantial benefits, both direct and indirect, from the Loan;

NOW, THEREFORE, in consideration of the premises, of the mutual agreement, covenants and promises set forth herein, the parties, intending to be legally bound hereby, agree and covenant as follows:

1. The Management Agreement and Four Seasons' rights thereunder are and shall at all times be subject and subordinate in all respects to the Loan Documents and to any renewals, modifications, replacements, consolidations, and/or extensions thereof subject to the specific terms contained herein.

2. Provided that as of the date of Foreclosure (as defined below) Borrower does not have a right (whether exercised or not) to terminate the Management Agreement, if, after the Acceleration Date (as hereinafter defined), the Premises are conveyed to or acquired by the Lender, its nominee, or by any successors, assigns or participants of the Lender, by foreclosure or deed or assignment in lieu of foreclosure (any such acquisition of title being referred to herein as "Foreclosure") the Lender, its nominee, any successors, assigns or participants of the Lender as owner of the Premises or any purchaser at a foreclosure sale (any or all of the foregoing being hereinafter referred to as a "Foreclosure Purchaser") shall neither disturb Four Seasons' rights to manage the Premises pursuant to the Management Agreement nor adversely affect or extinguish the Management Agreement (other than in accordance with the terms of the Management Agreement), and, subject to the terms contained in the Management Agreement as modified hereby, said Management Agreement shall continue in full force and effect and shall be binding upon the Foreclosure

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Purchaser for the period or periods during which the Foreclosure Purchaser shall actually own the Premises just as if the Management Agreement had been executed directly with the Foreclosure Purchaser with respect to said period or periods and all of the terms and conditions of the Management Agreement shall continue in full force and effect, subject to the terms hereof, and shall be for the benefit of the Foreclosure Purchaser. For the purposes of this Agreement, the term "Acceleration Date" shall mean the date the Loan shall have become due and payable at maturity or by acceleration or otherwise.

3. Upon Foreclosure, Four Seasons shall be bound to the Foreclosure Purchaser under all of the terms, covenants and conditions of the Management Agreement, subject to the terms hereof, for the remainder of the term of the Management Agreement (including any renewal or extension of the term of the Management Agreement in accordance with the terms thereof) with the same force and effect as if the Foreclosure Purchaser were the "Owner" under the Management Agreement, and Four Seasons does hereby agree to attorn to the Foreclosure Purchaser as "Owner," said attornment to be effective and self-operative without the execution of any other instruments upon the Foreclosure Purchaser's succession to the interest of Borrower under the Management Agreement.

4. Unless and until an Event of Default under the Loan Agreement shall occur, and the Lender shall have given written notice of such Event of Default to Four Seasons, Four Seasons shall make all payments under the Management Agreement to the Borrower and accept all directions and notices, which under the terms of the Management Agreement shall or may be given by the Borrower, from the Borrower.

5. Following the occurrence, and written notification from Lender to Four Seasons, of any Event of Default under the Loan Agreement, all payments which otherwise would be payable by Four Seasons to the Borrower under the Management Agreement shall thereafter be paid by Four Seasons to Lender, or as the Lender may otherwise direct; and all directions and notices which the Borrower might otherwise be empowered or obligated to give as "Owner" under the Management Agreement shall thereafter, at the option of Lender (exercisable by written notice to Four Seasons), be given only by the Lender. The Borrower irrevocably directs Four Seasons, following the occurrence and notification of such Event of Default from Lender, to make all such payments to Lender, and to honor all notices and instructions from Lender, which otherwise, under the terms of the Management Agreement, would have been payable to, or should or could have been given by, the Borrower. Four Seasons shall have no obligation to investigate whether an

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Event of Default has in fact occurred. Borrower hereby releases Four Seasons from any other liability arising out of any action or inaction by Four Seasons which was based on the direction of Lender and undertaken in good faith. Borrower agrees to be bound by any decision or direction made by Lender during the continuance of an Event of Default (including, without limitation, any direction given by Agent to Four Seasons pursuant to Paragraph 15 (e) hereof).

6. As long as the Loan Agreement shall continue in effect or the Loan, interest thereon or other obligations under any of the Loan Documents shall be outstanding, anything in the Management Agreement to the contrary notwithstanding:

(a) No provision of the Management Agreement may be amended, modified or supplemented, nor may compliance by either party with any of its material obligations under any provision of the Management Agreement be waived nor shall any such amendment, modification, supplement or waiver be of any force or effect whatsoever, without prior written notice to, and written approval by, the Lender, which written approval shall not be unreasonably withheld. Any such amendment, modification, supplement or waiver which Lender fails to disapprove within thirty (30) days after Lender's receipt of the same shall be deemed approved. Any such amendment, modification, supplement or waiver (whether of a material obligation or a non-material obligation) which has not been approved or deemed approved by Lender shall not bind Lender or any Foreclosure Purchaser. Four Seasons, however, shall not bear any personal liability to Lender under this Agreement for Borrower's failure to procure Lender's approval of any amendment, modification, supplement or waiver.

(b) A counterpart of each "Annual Plan" pursuant to Section 2.01 of the Management Agreement, each summary forecast pursuant to Section 2.02 of the Management Agreement, each monthly cash flow statement, and each annual statement of profit and loss and other similar financial statements furnished to Borrower, shall also be furnished to Lender simultaneously with delivery to the Borrower; and Borrower and Four Seasons shall simultaneously send to the Lender copies of all notices of default given or made by such party pursuant to the Management Agreement. Upon the occurrence, and written notification to Four Seasons, of any Event of Default under the Loan Agreement, Four Seasons shall simultaneously deliver to Lender a counterpart of each and every plan, report, project and statement to be furnished by Four Seasons to Borrower under the provisions of the Management Agreement and copies of all notices and other instruments

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or communications required or permitted to be given or made by Four Seasons pursuant to the Management Agreement. Any plan, report, project, statement or notice, a counterpart or copy of which Four Seasons fails to deliver to Lender as required hereby, shall not be effective vis-a-vis Lender, or any Foreclosure Purchaser until such plan, report, project, statement or notice, as the case may be, is delivered to Lender. Four Seasons, however, shall bear no personal liability to Lender for its failure to deliver a counterpart or copy of any plan, report, project, statement or notice which Four Seasons has hereby agreed to deliver to Lender.

(c) Lender shall have the same rights of inspection of the books and records maintained by Four Seasons as are given to the Borrower under the Management Agreement provided Lender gives Borrower and Four Seasons written notice prior to exercising such rights of inspection and uses best efforts to not interfere with hotel operations during any such inspection.

(d) The proceeds of any casualty insurance and other condemnation awards shall be distributed or applied in the manner provided in the Loan Documents; and in the event of any inconsistency between the provisions of the Management Agreement and the Loan Agreement with respect to the disposition of such proceeds or awards, the provisions of the Loan Agreement shall govern; and if any insurance proceeds are made payable to Four Seasons or Borrower rather than to Lender, Four Seasons and Borrower each hereby appoints Lender as its attorney-in-fact, irrevocably, to endorse the instruments evidencing such proceeds to the order of Lender and otherwise to collect and receive such proceeds in accordance with the provisions of the Loan Documents. Notwithstanding the foregoing, Four Seasons does not hereby waive (i) any rights it may have to any component of insurance proceeds payable under any casualty insurance policy for the Premises maintained by Borrower or Four Seasons which policy specifically provides that such component is designed to compensate Four Seasons for lost fees under the Management Agreement resulting from a casualty involving the Premises, or (ii) any rights it may have under the Management Agreement against Borrower for such lost fees.

(e) In no event shall Borrower be entitled to terminate or to attempt to terminate the Management Agreement, nor shall any such termination or attempted termination, whether by reason of default of Four Seasons, pursuant to any express right or option to terminate contained in the Management Agreement, or by reason of any

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voluntary liquidation, dissolution, arrangement, bankruptcy or similar event affecting Borrower, or otherwise, be of any force or effect whatsoever, except with the prior written consent of Lender.

(f) Four Seasons shall not assign any of its rights or obligations under the Management Agreement except as expressly permitted under the terms of the Management Agreement without the prior written consent of Lender. Any assignment made by Four Seasons in violation of any provision of the Management Agreement shall not be effective as to Lender or any Foreclosure Purchaser and Four Seasons shall remain obligated under the terms of the Management Agreement notwithstanding such assignment. Four Seasons, however, shall bear no personal liability to Lender under this Agreement for its failure to procure Lender's consent to any assignment of its rights or obligations under the Management Agreement which is not expressly permitted under the terms of the Management Agreement.

(g) Upon the occurrence of an Event of Default under the Loan Agreement, Lender, for and in the name of Borrower, may at any time, but shall not be obligated to, perform any acts or covenants on the part of Borrower to be performed under the Management Agreement, or pay for the account of Borrower any and all sums, costs and expenses for the discharge of taxes, assessments, insurance and any other amounts and expenses necessary to perform any covenants and conditions to be performed on the part of Borrower under the Management Agreement.

7. Lender, Four Seasons and Borrower agree:

(a) For the purpose of the last sentence of Paragraph 2 of the Sixth Amendment to the Management Agreement, that the "Rent Deduction" for calendar year 1992 and each subsequent calendar year shall be deemed to be \$3,380,400;

(b) With regard to Section 16.07 of the Management Agreement, a Foreclosure shall be deemed a "sale"; and

(c) Nothing in Section 17.01 of the Management Agreement is intended to limit the liability of Four Seasons for breach of the express covenants set forth in the Management Agreement.

8. In the event that a Foreclosure Purchaser shall succeed to the interest of Borrower under the Management Agreement, the Foreclosure Purchaser shall not be:

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(a) Liable for any act or omission of a prior "Owner" under the Management Agreement;

(b) Subject to any offsets, counterclaims, claims or defenses which Four Seasons might have against any prior "Owner" under the Management Agreement (including Borrower); or

(c) Bound by any amendment or modification of the Management Agreement made without Lender's prior written consent.

Additionally, upon succession of the Foreclosure Purchaser to title, the Foreclosure Purchaser shall be entitled to a credit against the accrued Deferred Incentive Fees (as defined in the Management Agreement), if any, in an amount equal to the distributions received by Four Seasons (or any affiliate) in its capacity as a partner in Borrower after the date one year prior to the date on which the Loan became payable by acceleration or at maturity.

Nothing contained in this Paragraph 8 (but subject to Paragraph 13 hereof) shall constitute a waiver by Four Seasons of (a) the Foreclosure Purchaser's obligation to perform the obligations of the "Owner" under the Management Agreement continuing or accruing after Foreclosure; (b) any right that Four Seasons may have under the Management Agreement to terminate the Management Agreement for defaults occurring prior to Foreclosure which are not cured in accordance with the terms of the Management Agreement as modified hereby; (c) any right that Four Seasons may have to pursue Borrower personally for its failure to perform obligations under the Management Agreement; or (d) any right that Four Seasons may have under the Management Agreement to collect its prior accrued fees (other than Deferred Incentive Fees) and such other amounts belonging to Borrower to the extent to which Four Seasons is entitled under the terms of the Management Agreement from cash derived from operations of the Premises both prior and subsequent to Foreclosure and upon termination of the Management Agreement.

9. In order to induce Lender to make the Loan, Four Seasons makes to Lender the representations and warranties set forth in this Paragraph 9. Four Seasons acknowledges that, but for the truth and accuracy of the following representations and warranties, the Lender would not have agreed to make the Loan. Four Seasons agrees that it shall be forever estopped from denying the truth and accuracy of the representations and warranties set forth in this Paragraph 9. Four Seasons, however, shall bear no personal liability to Agent or the Lender under this Agreement if any representation or warranty

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set forth in this Paragraph 9 is untrue or inaccurate. Capitalized terms used in this Paragraph 9 and not defined elsewhere herein shall have the same meaning given to such terms in the Management Agreement.

(a) Four Seasons is a corporation duly organized, validly existing and in good standing under the laws of the Province of Ontario. Four Seasons is authorized to do business in, and in good standing under the laws of, the State of Illinois. Four Seasons has full power and authority to execute, deliver and perform its covenants, agreements, and obligations under this Agreement and under the Management Agreement. All necessary actions have been taken and all necessary consents and approvals received so that upon the execution and delivery to Lender by Four Seasons of this Agreement, the execution, delivery, and performance of this Agreement by Four Seasons will have been duly authorized.

(b) To the best knowledge of Four Seasons, there are no defaults by either party under the Management Agreement and no events which, with the passage of time or notice or both, would constitute a default by either party under the Management Agreement. Four Seasons has no offset, charge, lien, claim, termination right or defense which currently exists (or with the passage of time or the giving of notice, or both, will exist) under the Management Agreement.

(c) To the best knowledge of Four Seasons, Four Seasons has obtained and presently holds in full force and effect all permits, licenses and governmental approvals required to operate the businesses (the "Businesses") contemplated by the Management Agreement and there is no default under any of the same.

(d) To the best knowledge of Four Seasons, there is no existing, pending or threatened litigation, claims or charges by any third party affecting the Premises or the Businesses.

(e) To the best knowledge of Four Seasons, Borrower's execution, delivery and performance of the Loan Documents does not violate, give rise to a termination right or constitute a default under the Management Agreement.

(f) Isadore Sharp, his wife, lineal descendants, trusts for the benefit of any them or companies wholly owned by any of them, own such number of shares of Four Seasons as will permit them, collectively, to cast a sufficient number of votes (currently 51%) to effect any decision or action of Four Seasons, except for mergers, a

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sale of substantially all of its assets or amending its corporate charter or any other action which by law requires minority shareholder approval.

(g) The Management Agreement is unmodified as of the date hereof and is in full force and effect and there are no other agreements between the Owner and Four Seasons.

(h) The amount of accrued Deferred Incentive Fees as of the date hereof is zero.

10. Four Seasons consents to the execution, delivery and performance of the Loan Documents; without limiting the foregoing, Four Seasons consents to the terms of the Assignment of Hotel Management Agreement. Except for the statements set forth in Paragraph 9 hereof, Four Seasons disclaims all responsibility for the truth and accuracy of any factual statements contained in the Loan Documents.

11. Four Seasons shall send to Lender a copy of any notice of default from Four Seasons to Borrower simultaneously with transmission to Borrower. Four Seasons agrees that in the event of breach by Borrower of any of the terms and conditions of the Management Agreement or the occurrence of any other event or circumstance which would permit Four Seasons to terminate the Management Agreement, Four Seasons shall not have the right to terminate the Management Agreement except after giving Lender notice of such default or other event or circumstance and after affording Lender the opportunity to cure such default within thirty (30) days after receipt of notice thereof from Four Seasons, provided that if such default (excluding a monetary default) or other event or circumstance by its nature is not reasonably susceptible of cure by Lender without Lender obtaining possession of or title to the Premises or the appointment of a receiver and so long as further delay in effecting such cure would not materially, adversely affect the reputation of Four Seasons as an operator of luxury hotels or place Four Seasons materially at risk of civil or criminal liability, then so long as Lender commences efforts to obtain such possession or appointment of a receiver within such thirty (30) day period and after obtaining possession, title or appointment of a receiver shall diligently prosecute such cure Four Seasons shall not have the right to terminate the Management Agreement. Additionally, so long as Lender or a Foreclosure Purchaser holds any interest (including, without limitation, a mortgage interest) in the Premises, the Management Agreement shall not be terminated by reason of the occurrence with respect to Borrower of the "events of default" described in subsections (c) and (d) of Section 15.01 of the Management Agreement.

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12. If the Management Agreement shall be terminated for any reason (except for the default of the Foreclosure Purchaser after Foreclosure which default is not cured within the cure periods provided in the Management Agreement), Lender or the Foreclosure Purchaser shall be entitled to receive, and Four Seasons agrees to enter into, a new management agreement upon the same terms and conditions contained in the Management Agreement as modified herein (except such terms and conditions which have been discharged by Borrower) upon Lender's the Foreclosure Purchaser's satisfaction of the following:

(a) such party requests a new management agreement in writing within ninety (90) days after the termination of the Management Agreement, (b) all outstanding sums owed to Four Seasons under the Management Agreement are paid and such party undertakes to cure any other defaults under the Management Agreement unless such defaults are not susceptible of cure by such party, and (c) Four Seasons is compensated for managing the Hotel during the interim period from date of the termination of the Management Agreement to the date of the execution of the new management agreement as if the Management Agreement were in effect during such interim period.

13. Four Seasons acknowledges and agrees that, notwithstanding anything to the contrary contained in this Agreement or the Management Agreement, if the Foreclosure Purchaser is a Lender (or any affiliate), such Foreclosure Purchaser's liability under the Management Agreement shall be limited to (a) its interest in the Premises and in the Management Agreement, and (b) the Net Sales Proceeds (as hereinafter defined), if any, and no personal or other liability shall or may be claimed or asserted against Lender. For purposes of this Paragraph 13, "Net Sales Proceeds" shall mean (i) the sales proceeds that such Foreclosure Purchaser receives upon its transfer of its interest in the Premises and in the Management Agreement, less (ii) any customary costs and expenses incurred by such Foreclosure Purchaser in connection with such transfer, including, without limitation, brokers commissions, title and survey charges, transfer taxes, attorneys fees and the pay-off of any encumbrances on the Premises.

14. If at any time hereafter prior to repayment of all indebtedness evidenced or secured by the Loan Documents (other than through a Foreclosure), the License Agreement shall terminate, for so long as the Management Agreement remains in effect Four Seasons agrees to license and thereafter permit operation of (and operate) the Premises as a "Four Seasons" hotel, without charging any license fees additional to the fees payable under the Management Agreement. Four Seasons agrees to execute such documents as are reasonably requested by Lender (or a Foreclosure Purchaser) to evidence such licensing of the

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Premises as the "Four Seasons Water Tower Place" hotel (or a similar name satisfactory to the parties hereto). Four Seasons warrants that the licensing and operation of the Premises as a "Four Seasons" hotel does not violate the terms of any other agreement to which Four Seasons is party and agrees not to enter into any agreement which would by its terms prohibit the performance of this Paragraph 14.

15. (a) No provision of this instrument may be waived, modified or amended except by an agreement in writing signed by Lender, the Borrower and Four Seasons. This instrument and the respective rights and obligations of the parties thereto shall be governed by and construed in accordance with the laws of the State of Illinois.

(b) This instrument 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 the Note issued pursuant to the Loan Agreement, or any interest therein.

(c) Any action or proceeding in connection with this instrument 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 proceed may be made upon any party by mailing a copy of the summons to such party, by registered or certified mail, at its address to be used for the giving of notices under this instrument. In any action or proceeding relating to this instrument, the parties mutually waive trial by jury.

(d) Without affecting the rights of the Lender hereunder, Four Seasons agrees and consents (i) to waive, and does hereby waive, any and all notice of the receipt and acceptance by the Lender of this instrument or of the creation, renewal, extension or accrual of the Loan, in whole or in part, by Lender or of the reliance by Lender on this instrument at any time; (ii) that without further notice to, or further assent by Four Seasons the liability of the 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; (iii) that any lien for the Loan, or any part of the Loan may, from time to time, in whole or in part, be exchanged, sold or surrendered by Lender; and (iv) that any balance or balances of funds with Lender at any time standing to the credit of the Borrower may, from time to time, in whole or in part, be surrendered or released by Lender as Lender so acting may deem advisable.

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(e) Four Seasons hereby subordinates any lien that it may have under the Management Agreement to Lender's superior security interest in the real and personal property encumbered by the Mortgage or any of the other Loan Documents, provided that a Foreclosure shall not extinguish any indebtedness owed to Four Seasons under the Management Agreement. Lender agrees not to interfere with any right that Four Seasons has to use the Hotel Bank Accounts (defined in the Management Agreement) and the contents thereof for day-to-day operating expenses set forth in the Annual Plan then in effect pursuant to the terms of the Management Agreement. After Four Seasons has received written notification from Lender of the occurrence of an Event of Default under the Loan Agreement, Four Seasons shall not make a capital expenditure for any capital improvement without Lender's prior written consent (which consent shall not be unreasonably withheld and shall not be withheld to the extent the "Owner" would be obligated to approve such matter under the standards set forth in the Management Agreement) unless a capital expenditure for such capital improvement is specifically authorized by the Annual Plan then in effect pursuant to the terms of the Management Agreement and unless such capital improvement is in progress or on order or Four Seasons has otherwise entered into a commitment to a third party with respect thereto, which commitment cannot be cancelled without Four Seasons incurring liability, on the date that Four Seasons has received written notification from Lender of the occurrence of an Event of Default under the Loan Agreement.

(f) In the event of any inconsistency between the terms of this Agreement and the terms of the Management Agreement, the terms of this Agreement shall govern, control and prevail.

16. Lender shall not be obligated to perform or discharge any obligation, duty or liability of the Borrower under the Management Agreement as modified hereby by reason of this Agreement until Lender, if applicable, becomes the owner of the Premises.

17. If the Borrower shall pay the Loan as and when the same shall become due and payable and shall perform and discharge all obligations and agreements on the part of the Borrower under the Loan Agreement and the other Loan Documents, then the rights granted to Lender by this Agreement shall be cancelled and surrendered, and the Lender shall deliver a written instrument in recordable form surrendering and cancelling this Agreement.

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18. 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.

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

20. Upon the request of Lender, Four Seasons shall deliver to Lender, or, following a Foreclosure, any potential purchaser of the Premises, a certificate, executed on behalf of Four Seasons, stating that, to the best knowledge of Four Seasons, neither party is in default with respect to its obligations under the Management Agreement and that no condition exists which, with notice or lapse of time or both, would constitute a default under the Management Agreement (or, if either party is in default or such a condition does exist, identifying such default and/or condition in detail), that the Management Agreement is in full force and effect and such other matters as reasonably requested by Lender.

21. Any notice, demand, request or other communication which may be required or permitted hereunder or under the Management Agreement 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 (3) days after deposit in the United States mail) by United States registered or certified mail, postage prepaid, return receipt requested or (iii) upon receipt, if delivered by overnight express delivery courier or by telecopier or telefax, addressed as follows:

If to Four Seasons:

Four Seasons Hotels Limited
1165 Leslie Street
Toronto, Ontario M3C 2K8
Attention: Mr. Isadore Sharp
Telecopier: 416/441-4381

with a copy to:

Four Seasons Hotels Limited
1165 Leslie Street
Toronto, Ontario M3C 2K8
Attention: Mr. Roger Garland
Telecopier: 416/441-4381

and a copy to:

The General Manager of the Hotel

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If to Borrower:

Ritz-Carlton Water Tower Joint Venture
c/o JMB Realty Corporation
900 North Michigan Avenue
Chicago, Illinois 60611
Attention: Robert Chapman
Telecopier: 312/915-2310

with a copy to:

JMB/Urban Development Co.
900 North Michigan Avenue
Chicago, Illinois 60611
Attention: General Counsel
Telecopier: 312/915-3180

If to Lender:

c/o Credit Lyonnais
1301 Avenue of the Americas
New York, New York 10019
Attention: Hospitality Group - Farboud Tavangar

with a copy to:

Sonnenschein Nath & Rosenthal
900 Third Avenue, Suite 1600
New York, New York 10022
Attention: Mark R. Lehren

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

22. All capitalized terms used in this Agreement which are not expressly defined herein shall have the meaning assigned to such terms in the Loan Agreement.

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

FOUR SEASONS:

FOUR SEASONS HOTELS LIMITED, a corporation formed under the laws of the Province of Ontario

By: _____
Its: _____

BORROWER:

RITZ-CARLTON WATER TOWER, an Illinois general partnership

By: URBAN INVESTMENT & DEVELOPMENT CO., an Illinois general partnership, general partner

By: JMB REALTY CORP., a Delaware corporation, general partner

By: [Signature]
Its: Off. President

LENDER:

CREDIT LYONNAIS CAYMAN ISLANDS BRANCH

By: [Signature]
Its: Authorized Signatory

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

FOUR SEASONS:

FOUR SEASONS HOTELS LIMITED, a corporation formed under the laws of the Province of Ontario

By: Kathleen Taylor
Its: General Counsel

BORROWER:

RITZ-CARLTON WATER TOWER, an Illinois general partnership

By: URBAN INVESTMENT & DEVELOPMENT CO., an Illinois general partnership, general partner

By: JMB REALTY CORP., a Delaware corporation, general partner

By: _____
Its: _____

LENDER:

CREDIT LYONNAIS CAYMAN ISLANDS BRANCH

By: _____
Its: _____

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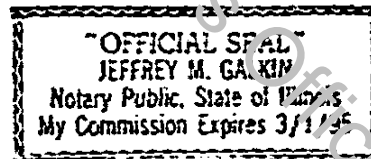
STATE OF Illinois)
)
COUNTY OF Cook) SS.:

On this 20th day of May, 1992, before me, the undersigned, a Notary Public in and for the State of Illinois, duly commissioned and sworn, personally appeared Roderick D. Rohrback, Signer, to me known to be the person who signed as Authorized President of CREDIT LYONNAIS CAYMAN ISLAND BRANCH, the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that he/she was duly elected, qualified and acting as said officer of the corporation, that he/~~she~~ was authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

Jeffrey M. Galkin
NOTARY PUBLIC in and for the State
OF Illinois.

My appointment expires



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PROVINCE)
OF) ss.:
Ontario)

On this 20th day of May, 1992, before me, the undersigned, a Notary Public in and for the Province of Ontario, duly commissioned and sworn, personally appeared Kathleen Taylor, to me known to be the person who signed as General Counsel of FOUR SEASONS HOTELS LIMITED, the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that he was duly elected, qualified and acting as said officer of the corporation, that he was authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

Jeffrey A. Cibron
NOTARY PUBLIC in and for the
Province of Ontario,
residing at Toronto.
My appointment expires _____



Prepared by: e mail to:

Jeffrey M. Gelkin
Sonnenschein Nath + Rosenthal
233 S. Wacker Suite 8000
Chicago, Ill. 60606 - 6404

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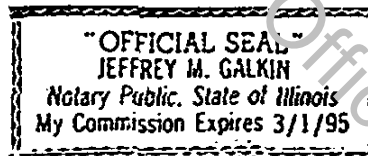
STATE OF ILLINOIS)
) ss.:
COUNTY OF COOK)

On this 20th day of May, 1992, before me, the undersigned, a Notary Public in and for the State of Illinois, duly commissioned and sworn, personally appeared Michael Hilbert, to me known to be the person who signed as Vice President of JMB REALTY CORPORATION, the managing general partner of URBAN INVESTMENT AND DEVELOPMENT CO., general partner of RITZ-CARLTON WATER TOWER, and the person that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said limited partnership for the uses and purposes therein mentioned, and on oath stated that he was duly elected, qualified and acting as said officer of the limited partnership, that he was authorized to execute said instrument.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

Jeffrey M. Galkin
NOTARY PUBLIC in and for the State
of Illinois.

My appointment expires



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EXHIBIT A

9 2 3 9 1 6 3

PARCEL 1:

LOTS 2, 3 and 19 to 29, BOTH INCLUSIVE, IN MARBAN RESUBDIVISION OF PART OF BLOCK 20 IN CANAL TRUSTEE'S SUBDIVISION OF THE SOUTH FRACTIONAL 1/4 OF SECTION 3, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 30, 1975 AS DOCUMENT NUMBER 23339677 AND FILED WITH THE REGISTRAR OF TITLES ON DECEMBER 30, 1975 AS DOCUMENT NUMBER LR2848886.

PARCEL 2:

EASEMENTS FOR THE BENEFIT OF PARCEL 1 AS RESERVED IN DEED FROM LASALLE NATIONAL BANK, AS TRUSTEE UNDER TRUST AGREEMENT DATED JUNE 10, 1970 AND KNOWN AS TRUST NUMBER 40940 TO KELVYN H. LAWRENCE, DATED MARCH 24, 1976, AND RECORDED MARCH 29, 1976 AS DOCUMENT NUMBER 23432348 AND FILED WITH THE REGISTRAR OF TITLES ON MARCH 29, 1976 AS DOCUMENT NUMBER LR2861198, OVER, UPON AND ACROSS THE FOLLOWING:

LOTS 1, 4 THROUGH 18, BOTH INCLUSIVE AND INCLUDING LOTS 7A, 7B, 7C, 7D, 7E, 7F, 11A AND 11B IN MARBAN RESUBDIVISION, BEING A SUBDIVISION OF A PART OF BLOCK 20 IN CANAL TRUSTEES' SUBDIVISION OF THE SOUTH FRACTIONAL 1/4 OF SECTION 3, TOWNSHIP 39, NORTH RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

EASEMENTS FOR THE BENEFIT OF PARCEL 1 AS DESCRIBED BY THE DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS ENTERED INTO AS OF MARCH 20, 1992, RECORDED MAY 1, 1992, AS DOCUMENT NUMBER 92299492 BY LASALLE NATIONAL BANK, AS TRUSTEE UNDER TRUST AGREEMENT DATED JUNE 10, 1970 AND KNOWN AS TRUST NUMBER 40940, OVER, UPON AND ACROSS THE FOLLOWING:

LOT 1 IN MARBAN RESUBDIVISION, BEING A SUBDIVISION OF A PART OF BLOCK 20 IN CANAL TRUSTEES' SUBDIVISION OF THE SOUTH FRACTIONAL 1/4 OF SECTION 3, TOWNSHIP 39, NORTH RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Property Index Numbers:	17-03-226-031
	17-03-226-032
	17-03-226-054
	17-03-226-055
	17-03-226-056
	17-03-226-057
	17-03-226-058
	17-03-226-059
	17-03-226-060
	17-03-226-061
	17-03-226-062
	17-03-226-063
	17-03-226-064

Common Address:

160 East Pearson Street
Chicago, Illinois 60611

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