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94882127

November 15, 1991

SUBLEASE

THIS SUBLEASE, made and entered into this 19th day of November, 1991, by and between PERKINS RESTAURANTS OPERATING COMPANY, L.P., a Delaware limited partnership, with a principal place of business at 6075 Poplar Avenue, Suite 800, Memphis, Tennessee 38119 ("Sublessor") and DELECTO ENTERPRISES, INC., an Illinois corporation, with a principal place of business at 2250 South Harlem, North Riverside, Illinois 60516 ("Sublessee").

- . DEPT-01 RECORDING \$45.50
- . T45555 TRAN 6983 10/14/94 13:40:00
- . 0906 4 JJ * - 94 - 882127
- . COOK COUNTY RECORDER

WITNESSETH:

WHEREAS, Federal Construction, Inc., as sole beneficiary with the power of direction under a Trust with The Dempster Plaza State Bank as Trustee under Trust No. 614, predecessor trustee to LaSalle National Bank as Trustee under Trust No. 112352 ("Prime Lessor") and Donald Smith ("Original Tenant") entered into an Agreement to Build and Lease dated August 1, 1984, and an undated Addendum thereto (the "Addendum to Lease") copies of which are attached hereto and made a part hereof as Exhibit "A" and Exhibit "B", respectively (collectively referred to herein as the "Master Lease") pursuant to which Prime Lessor leased to Original Tenant that certain property located at 2250 South Harlem Avenue, North Riverside, Illinois in North Riverside Plaza Shopping Center, more particularly described herein; and

WHEREAS, Original Tenant assigned the Master Lease to Perkins Restaurants, Inc., predecessor in interest to Sublessor pursuant to that certain Assignment Agreement dated March 18, 1986, a copy of which is attached hereto and made a part hereof as Exhibit "C"; and

WHEREAS, Sublessor has the right under the Master Lease to sublet the Property subject to the written consent of Prime Lessor which has been obtained and is evidenced in Exhibit "D" attached hereto and made a part hereof.

WHEREAS, Sublessor desires to sublet the Property to Sublessee and the latter desires to hire and take the aforesaid Property from Sublessor.



PETER G. KARAHALIOS
ATTORNEY AT LAW
23 POLO DR.
S. BARRINGTON, ILL 60010

Handwritten initials/signature: HSA

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NOW, THEREFORE, In consideration of the foregoing and other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. SUBLEASE OF PREMISES

For and in consideration of the rents and other charges herein agreed to be paid by Sublessee, and in consideration of the performance by Sublessee of the covenants and agreements by it to be performed and of the mutual promises of the parties hereto, all as herein provided, Sublessor does hereby demise, sublease and let unto Sublessee, and Sublessee does hereby hire and take from Sublessor the property situated in the city of North Riverside, Cook County, Illinois legally described on EXHIBIT "E" together with all of Sublessor's rights, title and interest in the building and any other improvements located thereon (the "Premises"). The Premises as herein defined shall also include the furniture, fixtures, equipment and smallwares now or hereinafter installed in or placed on the Premises by Sublessor, as more particularly described on Exhibit "F" attached hereto and made a part of this Sublease.

2. COMPLIANCE WITH MASTER LEASE

Except as otherwise stated herein, Sublessee assumes all privileges and obligations of Sublessor as assignee under the Master Lease, and agrees to pay all sums required to be paid under the Master Lease, including but not limited to Minimum Rent (as defined hereinbelow), percentage rent and common area maintenance charges. Sublessee also agrees to discharge and perform all duties of, and comply with all covenants and agreements of Sublessor as assignee under the Master Lease and to indemnify, defend and hold Sublessor harmless therefrom. Unless otherwise directed in writing by Sublessor, all performance by Sublessee under this Sublease is to be tendered to Sublessor.

3. USE OF PREMISES

Sublessee shall have the right to use the Premises solely for the purpose of operating a restaurant. Sublessee shall at all times operate the Premises in accordance with the terms of the Master Lease and this Sublease and all applicable governmental regulations. Sublessee may operate a service bar at the Premises, provided Sublessee obtains liquor liability insurance and all required liquor licenses and permits, to the satisfaction of Sublessor. Sublessee may open its restaurant twenty-four hours a day, seven days a week, at its option.

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Sublessee shall indemnify Sublessor and save Sublessor harmless from and against any and all claims, actions, damages, liabilities and expenses (including without limitation attorney's fees and disbursements) in connection with a loss of life, bodily injury, damage to property or business or personal injury arising from or related to, or in connection with the occupancy or use by Sublessee of the Premises, or occasioned wholly or in part by any act or omission of Sublessee, its contractors, subcontractors, Sublessee's assignees, licensees, or concessionaires, or its or their respective customers, agents, servants or employees.

4. TERM/RENEWAL OPTIONS

The term of this Sublease shall commence upon the date of execution of this Sublease, and shall expire on December 31, 2005 ("Term"). Sublessee shall have the options to extend the Term of this Sublease as set forth in Article 4.2 of the Master Lease, provided Prime Lessor agrees to relieve Sublessor from any and all liability during the extended terms of the Master Lease.

5. RENT

Sublessee shall pay Sublessor the fixed Minimum Rent required to be paid under the Master Lease plus Four Thousand Five Hundred and No/100 Dollars (\$4,500.00) per month ("Minimum Rent"); in equal monthly installments in advance on or before the 25th day of the month preceding the calendar month for which such Minimum Rent is due commencing February 25, 1992.

Percentage Rent attributable to the Term hereof, and as required under the Master Lease, shall be paid to Sublessor on or before five (5) days prior to the date it is due from Sublessor under the Master Lease.

Minimum Rent, percentage rent, common area maintenance charges or any other amounts not paid when due under this Sublease or the Master Lease shall bear interest from the respective due dates thereof at the highest rate permitted by applicable law.

All rental payments shall be due and payable at the office of Sublessor: Perkins Restaurants Operating Company, L.P., 6075 Poplar Avenue, Memphis, Tennessee 38119, Attention: Credit Manager, or at such other place as the Sublessor may hereafter designate in writing. All percentage rent, common area maintenance charges and real estate taxes required to be paid under the Master Lease shall be prorated

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between the parties for the calendar or lease year in which the Term commences. Thereafter, Sublessee shall assume full liability therefore in accordance with the terms of the Master Lease.

6. INSURANCE

Sublessee agrees to insure the Premises, at its expense, as required under the terms of the Master Lease. If Sublessee is permitted to serve alcoholic beverages on the Premises, Sublessee shall also maintain liquor liability insurance in the amount designated in the Master Lease for liability insurance. Sublessor, Prime Lessor and any other party designated in the Master Lease shall be named as an additional insured on Sublessee's policies of insurance. Upon execution of this Sublease, Sublessee shall submit to Sublessor and Prime Lessor a certificate of insurance issued by an insurance company acceptable to Sublessor and an acknowledgment stating that said coverage may not be canceled, altered or permitted to lapse or expire without thirty (30) days prior written notice to Sublessor and Prime Lessor.

7. REPAIRS/MAINTENANCE

Sublessee is not relying upon any representations by Sublessor or its agents as to the condition of the Premises on or prior to the date of this Sublease and Sublessee accepts the Premises "AS IS".

Sublessee shall not make any changes or alterations to the Premises without the prior written consent of Sublessor. All of said approved alterations and changes shall be made in a good and workmanlike manner, will not alter the structural integrity of the Premises in any way and will be made by licensed bonded contractors in the state of Illinois, who will provide lien waivers at the time of completion and prior to final payment for said alterations and changes. All alterations shall become the property of Sublessor upon the expiration or earlier termination of this Sublease, except, if Sublessee is not in default under this Sublease, Sublessee may remove its movable trade fixtures at the normal expiration of the Sublease, to the extent such removal is permitted by the Master Lease and Sublessee promptly repairs any damage caused by such removal. In the event Sublessee does not repair all damage caused by such removal, Sublessor may restore the Premises and recover any expense incurred thereby from Sublessee's security deposit under Section 12 of the Sublease.

In order to induce Sublessee to enter into this Sublease, Sublessee agrees to remodel the Premises and to acquire certain equipment for use at the Premises in accordance with the Scope of Work attached to this Sublease as Exhibit "G". During the period of such construction by Sublessee, Sublessor and its duly

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authorized representatives shall have access at all reasonable times to the Premises for the purpose of inspecting said improvements and for the purpose of determining whether the improvements were made in accordance with the attached Scope of Work. Said improvements shall be completed by Sublessee on or before March 1, 1992.

Sublessee's improvements to the Premises shall increase the value of the Premises by Two Hundred Fifty Thousand and No/100 Dollars (\$250,000.00).

8. PRIME LESSOR APPROVAL

This Sublease is specifically contingent upon Sublessor obtaining the prior written consent of Prime Lessor to the Sublease as set forth herein prior to Sublessor's execution hereof.

9. SUBLEESSEE'S OBLIGATION TO DEIDENTIFY THE BUILDING

Upon execution of this Sublease, Sublessor shall physically change all features on or about the Premises which are distinctive to a Merkins Family Restaurant so as to preclude all possibility of confusion on the part of the public as to Sublessee's change in status of the restaurant. Sublessee understands that he is not authorized to use Sublessor's trademarks and servicemarks and agrees to return to Sublessor all personal property identified by Sublessor's logo or trademark or that is considered proprietary in nature.

10. RIGHT OF SUBLEASE OR ASSIGNMENT

Sublessee shall not assign this Sublease or sublet the Premises, in whole or in part, without first securing the prior written consent of Sublessor, which consent shall not be unreasonably withheld or delayed. Such assignment or subletting shall not release Sublessee from its obligation to carry out all of the terms and conditions of this Sublease, nor shall such assigning or subletting be a waiver of any right of Sublessor or Prime Lessor to enforce the terms and covenants of this Sublease against the assignee or sublessee.

11. LIENS

Sublessee shall not permit any mechanics' or materialman's claim or lien or any other claim or lien to stand against the Premises as set forth in the Master Lease. Sublessee also agrees to release any and all liens presently existing on the Premises without cost to Sublessor.

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If Sublessee does not remove all liens within thirty (30) days after the execution of this Sublease, Sublessor may pay the lien. The amount so paid, with interest, shall be deemed additional rent under this Sublease, and shall be immediately payable with interest at the rate of twelve percent (12%) per annum from the date of such advance and with the same remedies to the Sublessor as in the case of default in the payment of rent.

12. SECURITY DEPOSIT

Immediately upon execution of this Sublease, Sublessee shall deposit and maintain with Sublessor a security deposit in the amount of Twenty Thousand and No/100 Dollars (\$20,000.00) as security for the performance of all covenants, obligations, and indebtedness of Sublessee hereunder. Sublessor may at any time or times apply all or any portion thereof in payment of any amounts due from Sublessee. Following any such application, Sublessee shall pay Sublessor on Sublessor's demand such additional amounts as may be required to restore the full amount of the security deposit. Sublessor is not required to segregate the security deposit or to place it in an interest bearing account. Any default by Sublessee under this subparagraph shall constitute an event of default under Paragraph 13 of this Sublease. Upon termination of the Sublease and full performance of all Sublessee's obligations hereunder, so much of the security deposit as remains unapplied shall be returned to Sublessee, without interest, subject to the exercise of Sublessee's option to purchase as forth in Section 14 of this Sublease.

13. DEFAULT

A. Events of default. The following shall be "Events of Default":

1. If Sublessee shall fail to pay when due any Minimum Rent, percentage rent, if any, or other sum of money due Sublessor hereunder and the amount or a portion thereof shall remain unpaid five (5) days after Sublessee's written notice thereof;
2. If Sublessee shall violate or fail to perform any provision of this Sublease or the Master Lease and shall fail to correct or perform or diligently commence same within fifteen (15) days after Sublessee's receipt of notice thereof from Sublessor or the Prime Lessor.
3. If Sublessee or any guarantor of Sublessee's obligations hereunder shall generally not pay its debts as they become due, or shall admit in writing its inability to pay its debts or shall make a general assignment for the benefit of creditors.

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4. If Sublessee or any such guarantor shall commence any case, proceeding or other action seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it, or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors or seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its property.
 5. If Sublessee or any such guarantor shall take any corporate action to authorize any of the actions set forth in paragraph (3) or (4) above.
 6. If any case, proceeding or other action against Sublessee or any guarantor of Sublessee's obligations hereunder shall be commenced seeking to have an Order for Relief entered against it or seeking reorganization, arrangement, adjustment, liquidation, dissolution, or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, or seeking appointment of a receiver, custodian, or other similar official for it, or for all or any substantial part of its property and such case, proceeding or other action results in the entry of an Order for Relief against it which is not fully stayed within seven (7) business days after the entry thereof, or remains undismissed for a period of forty-five (45) days.
 7. Sublessee shall vacate or abandon the Premises.
- B. Remedies on Default. If Sublessee commits an Event of Default, Sublessor shall have the right to declare the term ended and three days after Sublessee's receipt of written notice specifying the Event of Default, enter into the Premises or any part thereof and expel Sublessee or any person occupying the same, so to repossess and enjoy the Premises as in Sublessor's former estate. If Sublessor terminates this Sublease, Sublessor will use reasonable efforts to re-rent the Premises, applying said rent first to any costs incurred by Sublessor in re-taking possession of the Premises and re-renting same and then to any sums which may be due under this Sublease. Such termination, re-entry and repossession shall not work a forfeiture of the rents to be paid and the covenants to be performed by the Sublessee during the full term of this Sublease.

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In the event of a default by Sublessee, Sublessor shall have, in addition to any other remedies which it may have under this Sublease, the right to invoke any remedy allowed at law or in equity to enforce Sublessor's rights.

14. OPTION TO PURCHASE

Sublessor grants to Sublessee the option to purchase Sublessor's interest in the building and all other improvements located on the Premises, (including the furniture, fixtures, equipment and smallwares identified on Exhibit "F") at any time during the Term of the Sublease for a purchase price equal to the book value of said interest during the month Sublessee notifies Sublessor of its intent to exercise said option, as reflected on Exhibit "H" attached to this Sublease (the "Purchase Price"). Sublessee shall exercise said option by giving Sublessor no less than thirty (30) days prior written notice which shall be effective upon receipt by Sublessor; provided, however, that Sublessee shall not be in default at the time this option is exercised or at the time of closing.

In the event Sublessee exercises said option, Sublessor will agree to finance eighty percent (80%) of the Purchase Price for the remaining Term of this Sublease at the rate of one percent (1%) above the prime rate as established by First Tennessee Bank, N.A., Memphis, Tennessee. In no event shall the effective rate of interest exceed twelve percent (12%) per annum or fall below eight percent (8%) per annum. The unapplied amount of the security deposit required under Section 12 of this Sublease shall be credited toward the required down payment. Sublessee will not receive a credit against the Purchase Price for any rent or other expenses paid hereunder. Minimum Rent for the month in which the closing occurs shall be prorated.

Upon the purchase of Sublessor's leasehold interest in said building and other improvements by Sublessee, Minimum Rent shall decrease in the amount of Four Thousand Five Hundred and No/100 Dollars (\$4,500.00) per month.

15. SURRENDER OF PREMISES

At the expiration of this Sublease, Sublessee will peaceably quit and surrender the Premises hereby demised and the building and improvements thereon, except for Sublessee's fixtures, furnishings and equipment placed on said Premises, in as good condition as when said Premises were taken, reasonable

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wear and tear excepted. Sublessee shall repair any damage caused to the Premises by removal of its fixtures, furnishings and equipment in accordance with Section 7 of this Sublease.

16. COMPLIANCE WITH LAWS

Sublessee shall, throughout the demised term and at no expense whatsoever to Sublessor, promptly comply or cause compliance with all applicable laws and ordinances and the orders, rules and regulations and requirements of all Federal, state, county and municipal governments and appropriate departments, commissions, boards and offices thereof relating to the use and occupancy of the demised Premises.

17. RIGHT OF INSPECTION

Sublessor shall have the right to enter upon the demised Premises, by and through its agents, upon reasonable notice, at all reasonable hours for the purpose of inspecting the same and preventing waste to the demised Premises.

Sublessor shall have the right, by and through its agents, upon reasonable notice, to inspect all of Sublessee's books and records, including, but not limited to, financial statements, tax returns, real estate tax bills, vehicle certificates of title, checking account registers, statements, and canceled checks, savings accounts, certificates of deposit, and loan agreements.

18. BROKERS

Sublessor and Sublessee each represent to the other that they have not entered into any agreement or incurred any obligation in connection with this transaction which might result in the obligation to pay a brokerage commission to any other broker besides Deano Vass of Deano Vass Company, Inc. ("Broker").

Sublessor agrees to pay all fees and/or commissions due to said Broker in connection with this transaction. Each party agrees to indemnify and hold the other party harmless from and against any claim or demand by any other broker or other person for bringing about this Sublease who claims to have dealt with said indemnifying party, including any expenses incurred in defending any such claim or demand (including reasonable attorney's fees).

19. ENTIRE AGREEMENT

This Sublease which incorporates the Master Lease by reference sets forth all covenants, agreements, conditions and understandings between Sublessor and Sublessee concerning the Premises.

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No waiver, modification or amendment of this Sublease, or any provisions of this Sublease, shall be effective unless in writing, executed and acknowledged by Sublessor and Sublessee.

20. SEVERABILITY

If any provision of this Sublease shall be held by a court of competent jurisdiction to be invalid, void, unenforceable or inapplicable to any extent, this Sublease to the extent unaffected thereby, except as may be necessary to make the remaining provisions of this Sublease consistent with each other, shall remain valid and in force to the fullest extent permitted by law.

21. SUCCESSORS

This Sublease shall bind and inure to the benefit of the parties hereto and their heirs, successors and permitted assigns and legal representatives.

22. NOTICES

All notices, approvals or requests in connection with this Sublease shall be in writing, addressed to the party to whom it is directed, and sent by U.S. registered or certified mail or air express carrier, return receipt requested, and shall be deemed to have been duly given when enclosed in a properly sealed and addressed envelope or wrapped and deposited, postage or express cost prepaid, in a post office, branch post office or post office box regularly maintained by the United States Government or air carrier. Notices to Sublessor may be addressed to:

Perkins Restaurants Operating Company, L.P.
6075 Poplar Avenue, Suite 800
Memphis, Tennessee 38119-4709
Attn: General Counsel

Notices to Sublessee shall be addressed to:

Delecto Enterprises, Inc.
2250 South Harlem
North Riverside, Illinois 60546
Attn: John Karuntzos

or to any subsequent address which Sublessee, or its permitted assigns, may designate in writing.

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23. NOTICES FROM PRIME LESSOR

In the event Sublessee receives any notice, written notification or any verbal communication relating to its performance under this Sublease or the Master Lease or the operation of the Premises from Prime Lessor, Sublessee shall immediately forward to Sublessor a copy thereof or advise Sublessor of such verbal communication.

24. ATTORNEY'S FEES

In the event that either party shall find it necessary to engage attorneys to enforce its rights or the other party's performance under this Sublease, the non-prevailing party agrees to be responsible for the prevailing party's expenses thereof, including but not limited to court costs and reasonable attorney's fees, whether or not litigation is commenced.

IN WITNESS WHEREOF, Sublessor and Sublessee have caused these presents to be executed the day and year first above written.

SUBLESSOR:

PERKINS RESTAURANTS OPERATING COMPANY, L.P.
BY: PERKINS MANAGEMENT COMPANY, INC.
GENERAL PARTNER

By: [Signature]

Print Name: Jack Williamson

Its: V.P. Corp Development

ATTEST:

[Signature]
Betty R. Holley

SUBLESSEE:

DELECTO ENTERPRISES, INC.

By: [Signature]

Print Name: JOHN KARUNTZOS

Its: PRESIDENT

ATTEST:

[Signature]
George Panos

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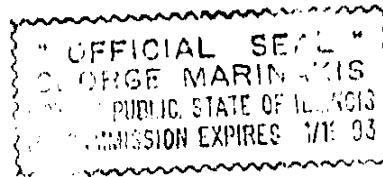
STATE OF ILLINOIS)
) ss.
COUNTY OF COOK)

I, GEORGE MARINAKIS a Notary Public in and for said county, in the state aforesaid, DO HEREBY CERTIFY that JOHN KARUNTZOS with whom I am personally acquainted, and who, upon oath, acknowledged himself to be the PRESIDENT of DELECTO ENTERPRISES, INC. the within named bargainor, an Illinois corporation and that as such PRESIDENT being authorized so to do, executed the foregoing instrument for the purpose therein contained, by signing the name of the corporation by himself.

GIVEN under my hand and official seal this 18th day of November, 1991.

George Marinakis
NOTARY PUBLIC

My Commission expires: 1-19-93



STATE OF TENNESSEE)
) ss.
COUNTY OF SHELBY)

I, Laurie G. Moffett a Notary Public in and for said county, in the state aforesaid, DO HEREBY CERTIFY that Tuck Willingham personally known to me to be the Vice President of PERKINS MANAGEMENT COMPANY, INC., a Delaware corporation, 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 executed the foregoing instrument as general partner of PERKINS RESTAURANTS OPERATING COMPANY, L.P. pursuant to the authority given by the Board of Directors of said corporation as his free and voluntary act and deed of said corporation, for the uses and purposes set forth.

GIVEN under my hand and official seal this 19th day of November, 1991.

Laurie G. Moffett
NOTARY PUBLIC

My Commission expires: October 16, 1991

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EDWARD J. ROSEWELL COOK COUNTY TREASURER
10/14/94 Receipt : 9514160 Employee : GARY Page : 1

P I N : 15-25-201-002-0000 Volume : 000183

Address : 8707 N SKOKIE 404 /SKOKIE, IL 600772289

Name : FEDERAL CENTER INC

Mailing : 8707 N SKOKIE 404 /SKOKIE, IL 600772283

Legal Description :

25-39-12 PT:P HF: QTRS:	PT: ACRES:	(ACREAGE)
25-39-12 PT: HF:E QTRS:NE	PT: ACRES:	(ACREAGE)
25-39-12 PT:P HF: QTRS:NE	PT: ACRES:	(ACREAGE)
25-39-12 PT: HF:E QTRS:EN	PT: ACRES:	(ACREAGE)

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