

SUBORDINATION, ATTORNMENT AND NON-DISTURBANCE AGREEMENT

THIS SUBORDINATION, ATTORNMENT AND NON-DISTURBANCE AGREEMENT ("Agreement") is made and entered into as of this 17 day of June, 1996, by and among THE MID-CITY NATIONAL BANK OF CHICAGO, (the "Lender"), Frank's Nursery & Crafts, Inc. (the "Tenant") and LaSalle National Trust N.A. as Trustee under Trust Agreement dated June 1, 1987, and known as Trust No. 112352 (the "Landlord").

WITNESSETH:

WHEREAS, Landlord and Tenant made and entered into that certain Lease, dated the 16th day of September, 1983, as amended by Amendment to Lease dated July 25, 1984 (the "Lease"), with respect to certain premises constituting a portion of the property described on Exhibit A attached hereto and made a part hereof (the "Property") therein described, commonly known as a portion of the Development outlined on Exhibit A of the Lease, together with buildings, improvements, and appurtenance to be constructed thereon (the "Leased Premises"); and

WHEREAS, on or about the date hereof, Landlord has entered into and delivered that certain Construction Mortgage in favor of the Lender to be recorded in the Office of the Records of Cook County, Illinois prior to the recording of this Agreement (such Construction Mortgage being hereinafter called the "Mortgage"), pledging Landlord's leasehold interest in the Property as security for the payment of the indebtedness described in the Mortgage; and

WHEREAS, on or about the date hereof, Landlord has entered into and delivered that certain Assignment of Rents and Leases in favor of the Lender (the "Assignment of Leases") to be recorded in the Office of the Records of Cook County, Illinois prior to the recording of this Agreement, assigning all of Landlord's right, title and interest as lessor under the Lease to further secure the indebtedness described in the Mortgage; and

WHEREAS, the parties hereto desire to enter into this Agreement;

NOW, THEREFORE, for and in consideration of the mutual covenants hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Lender, Tenant and Landlord hereby covenant and agree as follows:

1. Estoppel. Tenant hereby certifies to the Lender that (i) the Lease, as described above, is the true, correct and complete Lease, and has not been modified or amended, except as indicated above, and constitutes the entire agreement between Landlord and Tenant, and (ii) as far as is known to Tenant, there are no defaults of Landlord under the Lease and there are no existing circumstances which with the passage of time, or giving of notice, or both, would give rise to a default under the Lease, allow Tenant to terminate the Lease, or both.

2. Subordination. Tenant hereby subordinates all of its right, title and interest as lessee under the Lease to the right, title and interest of the Lender under the Mortgage, and Tenant further agrees that the Lease now is and shall at all times continue to be subject and subordinate in each and every respect to the Mortgage and to any and all increases, renewals, modifications, extensions, substitutions, restatements, replacements or consolidations of the Mortgage.

3. Attornment. Unless the Lease is terminated in accordance with Paragraph 4, if the interests of the lessor under the Lease shall be transferred by reason of the exercise of the power of sale contained in the Mortgage (if applicable), or by any foreclosure or other proceeding for enforcement of the Mortgage, or by deed in lieu of foreclosure or such other proceeding, or if the Lender takes possession of the Property pursuant to any provisions of the Mortgage or the Assignment of Leases, the lessee thereunder

PTN: 15-25-701-002

PTA: Southwest corner of the intersection of Lemay Rd. & Hoffman Ave. in North Riverside

BOX 333-CTI

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shall be bound to the Lender or the person acquiring the interest of the lessor under the Lease as a result of any such action or proceeding (hereinafter called the "Purchaser"), as the case may be, under all of the terms, covenants and conditions of the Lease for the balance of the term thereof and any extensions or renewals thereof which may be effected in accordance with any option therefor in the Lease, with the same force and effect as if the Purchaser or the Lender were the lessor under the Lease, and Tenant, as lessee under the Lease, does hereby agree to attorn to the Purchaser or the Lender, as its lessor under the Lease, if and when either of them takes possession of the Property. Such attornment shall be effective and self-operative without the execution of any further instruments upon the succession by Purchaser to the interest of the lessor under the Lease or the taking of possession of the Property by the Lender. Nevertheless, Tenant shall, from time to time, execute and deliver such instruments evidencing such attornment as Purchaser or the Lender may require. The respective rights and obligations of Purchaser, the Lender and of the lessee under the Lease upon such attornment, to the extent of the then remaining balance of the term of the Lease and any such extensions and renewals, shall be and are the same as now set forth in the Lease except as otherwise expressly provided in Paragraph 4.

4. Non-Disturbance. So long as no default exists, beyond applicable cure period, the Lease shall not be terminated, nor shall such lessee's use, possession or enjoyment of the Leased Premises or rights under the Lease be interfered with in any foreclosure or other action or proceeding in the nature of foreclosure instituted under or in connection with the Mortgage or in case the Lender takes possession of the Property pursuant to any provisions of the Mortgage or the Assignment of Leases, unless the lessor under the Lease would have had such right if the Mortgage or the Assignment of Leases had not been made, except that neither the Purchaser nor the Lender if either of them takes possession of the Property shall be (a) liable for any act or omission of any prior lessor under the Lease; or (b) liable for the return of any security deposit which lessee under the Lease has paid to any prior lessor under the Lease unless the same shall have been delivered to Lender; or (c) subject to any offsets or defenses which the lessee under the Lease might have against any prior lessor under the Lease; or (d) bound by any base rent, percentage rent or any other payments which the lessee under the Lease might have paid for more than the current month to any prior lessor under the Lease; or (e) bound by termination of the Lease made without the Lender's prior written consent; or (f) bound by any release of lessee from its obligations under the Lease given in connection with any assignment of sublease of the lessee's interest in the Lease made without also obtaining the Lender's prior written consent; or (g) personally liable for any default under the Lease or any covenant or obligation on its part to be performed thereunder, as lessor, it being acknowledged that Tenant's sole remedy in the event of such default shall be to proceed against Purchaser's or the Lender's interest in the Property.

5. Assignment of Leases. Tenant hereby acknowledges that all of Landlord's right, title and interest as lessor under the Lease is being duly assigned to the Lender pursuant to the terms of the Mortgage and the Assignment of Leases, and that pursuant to the terms thereof all rental payments under the Lease shall continue to be paid to Landlord in accordance with the terms of the Lease unless and until Tenant is otherwise notified in writing by the Lender. Upon receipt of any such written notice from the Lender, Tenant covenants and agrees to make payment of all rental payments then due or to become due under the Lease directly to the Lender or to the Lender's agent designated in such notice, whether or not the Lender has made entry or become mortgagee in possession pursuant to the Mortgage, and to continue to do so until otherwise notified in writing by the Lender. Landlord hereby irrevocably directs and authorizes Tenant to make rental payments directly to the Lender following receipt of such notice, and covenants and agrees that Tenant shall have the right to rely on such notice without any obligation to inquire as to whether any default exists under the Mortgage or the Assignment of Leases or the indebtedness secured thereby, and notwithstanding any notice or claim of Landlord to the contrary, and that Landlord shall have no right or claim against Tenant for or by reason of any rental payments made by Tenant to the Lender following receipt of such notice. Tenant further acknowledges and agrees: (a) that under the provisions of the Mortgage and the Assignment of Leases, the Lease cannot be terminated (nor can Landlord accept any surrender of the Lease) or modified in any of its terms, or consent be given to

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the waiver or release of Tenant from the performance or observance of any obligation under the Lease, without the prior written consent of the Lender, and without such consent no rent may be collected or accepted by Landlord more than one month in advance; and (b) that the interest of Landlord as lessor under the Lease has been assigned to the Lender for the purposes specified in the Mortgage and the Assignment of Leases, and the Lender assumes no duty, liability or obligation under the Lease, except only under the circumstances, terms and conditions specifically set forth in the Mortgage and the Assignment of Leases.

6. Notice of Default by Lessor. Tenant, as lessee under the Lease, hereby covenants and agrees to give the Lender written notice properly specifying wherein the lessor under the Lease has failed to perform any of the covenants or obligations of the lessor under the Lease, simultaneously with the giving of any notice of such default to the lessor under the provisions of the Lease. Tenant agrees that the Lender shall have the right, but not the obligation, within the same periods after receipt by the Lender of such notice as are provided to Landlord under the Lease to correct or remedy, or cause to be corrected or remedied, each such default before the lessee under the Lease may take any action under the Lease by reason of such default. Such notices to the Lender shall be delivered in duplicate to:

The Mid-City National Bank of Chicago  
7222 West Cermak Road  
North Riverside, Illinois 60546  
Attn: Real Estate Division

or to such other address as the Lender shall have designated to Tenant by giving written notice to Tenant at 6399 East Nevada, Detroit, Michigan 48224 or to such other address as may be designated by written notice from Tenant to the Lender.

7. As to Landlord and Tenant. As between Landlord and Tenant, Landlord and Tenant covenant and agree that nothing herein contained nor anything done pursuant to the provisions hereof shall be deemed or construed to modify the Lease.

8. As to Landlord and Lender. As between Landlord and the Lender, Landlord and the Lender covenant and agree that nothing herein contained nor anything done pursuant to the provisions hereof shall be deemed or construed to modify the Mortgage or the Assignment of Leases.

9. Titles of Paragraphs. The titles of the paragraphs of this agreement are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this agreement.

10. Governing Law. This agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

11. Provisions Binding. The terms and provisions hereof shall be binding upon and shall inure to the benefit of the heirs, executors, administrators, successors and permitted assigns, respectively, of the Lender, Tenant and Landlord. The reference contained to successors and assigns of Tenant is not intended to constitute and does not constitute a consent by Landlord or the Lender to an assignment by Tenant, but has reference only to those instances in which the lessor under the Lease and the Lender shall have given written consent to a particular assignment by Tenant thereunder.

IN WITNESS WHEREOF, the parties have hereunto set their respective hands and seals as of the day, month and year first above written.

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THE MID-CITY NATIONAL BANK OF CHICAGO

By: [Signature]  
Title: SVP

DEPT-01 RECORDING \$31.00  
T#0012 TRAN 1243 07/08/96 11:19:00  
\$9513 # ER \*-96-518164  
COOK COUNTY RECORDER  
DEPT-10 PENALTY \$28.00

TENANT

FRANK'S NURSERY & CRAFTS, INC.  
a Michigan corporation

By: [Signature]  
Title: [Signature]

LANDLORD

LaSalle National Trust N.A. as Trustee under Trust Agreement dated June 1, 1987, and know as Trust No. 112352 and not personally

By: [Signature]  
Title: ASSISTANT VICE PRESIDENT

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RIDER ATTACHED TO AND MADE A PART OF DOCUMENT  
DATED 6-19-96 UNDER TRUST NO. 112352

This instrument is executed by LA SALLE NATIONAL TRUST, N.A., not personally but solely as Trustee, as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee. All the terms, provisions, stipulations, covenants and conditions to be performed by LA SALLE NATIONAL TRUST, N.A., are undertaken by it solely as Trustee, as aforesaid, and not individually and all statements herein made are made on information and belief and are to be construed accordingly, and no personal liability shall be asserted or be enforceable against LA SALLE NATIONAL TRUST, N.A., by reason of any of the terms, provisions, stipulations, covenants and/or statements contained in this instrument.

FORM XX 0421

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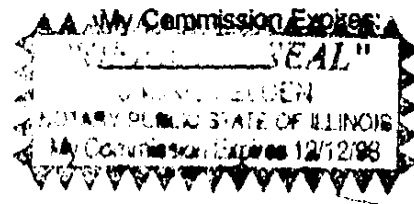


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STATE OF IL  
COUNTY OF COOK ) SS

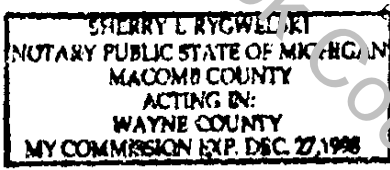
On this 19th day of June, 1996, before me personally appeared ROSEMARY COLLINS who being by me duly sworn did say that (s)he is the Assistant Vice President of LA SALLE NATIONAL BANK, INC. and that (s)he executed, delivered and sealed said instrument on behalf of said corporation

Jackie Felder  
Notary Public



STATE OF IL  
COUNTY OF COOK ) SS

On this 19th day of June, 1996, before me personally appeared Robert M. Long who being by me duly sworn did say that (s)he is the President of Small Business and that (s)he executed, delivered and sealed said instrument on behalf of said corporation

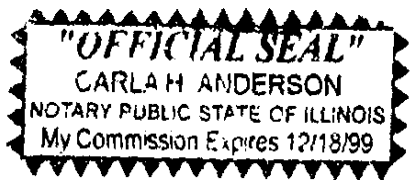


Sherry L. Rygwel  
Notary Public

My Commission Expires: 12/27/98

STATE OF IL  
COUNTY OF COOK ) SS

On this 20 day of June, 1996, before me personally appeared Ryan Griffin who being by me duly sworn did say that (s)he is the SVP of USA, a corporation and that (s)he executed, delivered and sealed said instrument on behalf of said corporation



Carla H. Anderson  
Notary Public

My Commission Expires: 12/18/99

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## EXHIBIT A

*By & Mail to  
Richard W. Pease, Esq.  
Wagon & Strawn  
35 West Wacker Drive  
Chicago, IL 60601*

THE NORTH 1228.90 FEET OF THE EAST 1173.75 FEET OF THE NORTH EAST 1/4 OF SECTION 25, TOWNSHIP 39 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPT THE SOUTH 726 FEET OF THE NORTH 776 FEET OF THE WEST 300 FEET OF SAID EAST 1173.75 FEET OF SAID NORTH EAST 1/4) AND (EXCEPT THE LAND FALLING WITHIN THE EAST 50 FEET OF SAID EAST 1173.75 FEET DEDICATED FOR SOUTH HARLEM AVENUE) AND (EXCEPT THE LAND FALLING WITHIN THE NORTH 33 FEET OF SAID EAST 1173.75 FEET TAKEN AND USED FOR CERMAK ROAD) AND (EXCEPT THAT PART OF SAID EAST 1173.75 FEET FALLING WITHIN THE PREMISES CONDEMNED FOR THE WIDENING OF HARLEM AVENUE AND CERMAK ROAD IN CASE NUMBER 63-C-1247 DESCRIBED AS FOLLOWS:

THAT PART OF THE NORTH EAST 1/4 OF SECTION 25, TOWNSHIP 39 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS, TO WIT:

BEGINNING AT THE NORTH EAST CORNER OF SAID SECTION 25; THENCE SOUTH ALONG THE EAST LINE OF SAID SECTION 25, A DISTANCE OF 837.0 FEET TO A POINT; THENCE WEST IN A STRAIGHT LINE MEASURED AT RIGHT ANGLES FROM THE LAST DESCRIBED COURSE, A DISTANCE OF 54.0 FEET TO A POINT; THENCE NORTHWESTERLY IN A STRAIGHT LINE, A DISTANCE OF 337.15 FEET TO A POINT DISTANT 64.0 FEET WEST MEASURED AT RIGHT ANGLES FROM SAID EAST LINE OF SECTION 25; THENCE NORTH PARALLEL WITH SAID EAST LINE OF SECTION 25, A DISTANCE OF 364.13 FEET TO A POINT OF CURVATURE, DISTANT 64 FEET WEST, MEASURED AT RIGHT ANGLES FROM SAID EAST LINE OF SECTION 25; THENCE NORTHWESTERLY ALONG A CURVED LINE CONCAVE TO THE SOUTH WEST HAVING A RADIUS OF 66.0 FEET AND A CENTRAL ANGLE OF 89 DEGREES 53 MINUTES 15 SECONDS, A DISTANCE OF 103.55 FEET TO A POINT OF TANGENCY, DISTANT 70.0 FEET SOUTH MEASURED AT RIGHT ANGLES FROM THE NORTH LINE OF SAID SECTION 25; THENCE WEST PARALLEL TO SAID NORTH LINE OF SECTION 25, A DISTANCE OF 70.0 FEET TO A POINT; THENCE NORTHWESTERLY IN A STRAIGHT LINE A DISTANCE OF 500.53 FEET TO A POINT, DISTANT 50.0 FEET SOUTH, MEASURED AT RIGHT ANGLES FROM SAID NORTH LINE OF SECTION 25; THENCE WEST PARALLEL WITH SAID NORTH LINE OF SECTION 25, A DISTANCE OF 470.50 FEET TO A POINT IN THE EAST LINE OF THE ILLINOIS CENTRAL RAILROAD RIGHT OF WAY; THENCE NORTH ALONG SAID EAST LINE OF THE ILLINOIS CENTRAL RAILROAD RIGHT OF WAY, A DISTANCE OF 50.0 FEET TO A POINT IN SAID NORTH LINE OF SECTION 25; THENCE EAST ALONG SAID NORTH LINE OF SECTION 25, A DISTANCE OF 1174.5 FEET TO THE POINT OF BEGINNING, EXCEPTING FROM SAID CONDEMNED PREMISES THE EAST 50 FEET THEREOF PREVIOUSLY DEDICATED FOR HARLEM AVENUE AND THE NORTH 33 FEET TAKEN OR USED FOR CERMAK ROAD), ALL IN COOK COUNTY, ILLINOIS.

ALSO, EXCEPTING:

THAT PART OF THE EAST 1173.75 FEET OF THE NORTHEAST QUARTER OF SECTION 25, TOWNSHIP 39 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE NORTHEAST QUARTER OF SECTION 25 AFORESAID; THENCE ON AN ASSUMED BEARING OF NORTH 89 DEGREES 48 MINUTES 51 SECONDS WEST 873.75 FEET TO THE EAST LINE OF THE WEST 300.00 FEET OF THE EAST 1173.75 FEET OF THE AFORESAID NORTHEAST QUARTER; THENCE SOUTH 00 DEGREES 04 MINUTES 25 SECONDS WEST 50.00 FEET TO THE POINT OF BEGINNING OF THIS PARCEL DESCRIPTION; THENCE SOUTH 89 DEGREES 48 MINUTES 51 SECONDS EAST 173.79 FEET; THENCE SOUTH 87 DEGREES 31 MINUTES 26 SECONDS EAST 283.97 FEET; THENCE NORTH 89 DEGREES 49 MINUTES 27 SECONDS WEST 457.51 FEET TO THE EAST LINE OF THE WEST 300.00 FEET OF THE EAST 1173.75 FEET OF AFORESAID NORTHEAST QUARTER; THENCE NORTH 00 DEGREES 04 MINUTES 25 SECONDS EAST ALONG SAID EAST LINE 11.43 FEET; TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

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