FOR RECORDERS USE ONLY

97863828 Fage 1 of 4161/0138 36 001 1997-11-18 15:44:13 Cook County Recorder 33.00

· (

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

THIS AGREEMENT is made and entered into as of the day of November, 1997, by and between ARPAC, L.P., a Delaware finited partnership ("Tenant"), and FIRSTAR BANK ILLINOIS ("Mortgagee").

RECITALS:

- A. Mortgagee is the holder of a certain Mortgage dated November \mathcal{U} , 1997, to be recorded concurrently herewith (the "Mortgage") encumbering the Real Estate (hereinafter defined) and securing a principal indebtedness in an amount equal c \$1,400,000.
- B. Tenant has entered into a lease agreement (such lease agreement, together with all amendments and modifications thereof, is hereinafter referred to as the "Lease") dated November 1, 1997 with 9555 Irving Park, L.L.C. (the "Landlord"), pursuant to which Tenant leased certain premises (the "Leased Premises") in the building (the "Building") on the parcel of land (the "Land") legally described in Exhibit A attached hereto and commonly known as 9555 West Irving Park Road, Schiller Park, Illinois (the Land and Building herein being collectively referred to as the "Real Estate").

This instrument was prepared by and, after

recording, return to:

Permanent Real Estate Tax Index Nos.:

12-16-415-042

Schwartz, Cooper, Greenberger & Krauss.

Chartered

180 North LaSalle Street

Suite 2700

Chicago, Illinois 60601

Attn: Daniel J. Kopp, Esq.

Common Address:

9555 West Irving Park Road Schiller Park, Illinois

80X 333-CTI

Property of Coot County Clert's Office

NOW, THEREFORE. in consideration of the mutual covenants and agreements herein contained and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby covenant and agree as follows:

- 1. Tenant represents and warrants to Mortgagee that the Lease is the only document or agreement governing the tenancy of Tenant with respect to the Leased Premises.
- 2. Tenant has executed and delivered to Mortgagee a certain Tenant Estoppel Certificate (the "Estoppel Certificate") dated on or about the date hereof. The provisions of the Estoppel Certificate are hereby incorporated into this Agreement as if fully set forth in this Agreement is their entirety, and Tenant acknowledges that Mortgagee will be relying on the statements made in the Estoppel Certificate in determining whether to disburse the proceeds of the loan secured by the Mortgage and whether to enter into this Agreement.
- 3. Prior to pursuing any remedy available to Tenant under the Lease, at law or in equity as a result of any failure of Landlord to perform or observe any covenant, condition, provision or obligation to be reformed or observed by Landlord under the Lease (any such failure hereinafter referred to as a 'Landlord's Default"), Tenant shall: (a) provide Mortgagee with a notice of Landlord's Default specifying the nature thereof, the section of the Lease under which same arose and the remedy which Terant will elect under the terms of the Lease or otherwise, and (b) allow Mortgagee sixty usys following receipt of such notice of Landlord's Default to cure the same; provided, however, 'nat, if such Landlord's Default is not readily curable within such sixty day period, Tenant shall give Mortgagee such additional time as Mortgagee may reasonably need to cure such Landl rr2's Default so long as Mortgagee is diligently pursuing a cure. Tenant shall not pursue any remedy available to it as a result of any Landlord's Default unless Mortgagee fails to cure same within the time period specified above. For purposes of this Paragraph 3, a Landlord's Default shall not be deemed to have occurred until all grace and/or cure periods applicable thereto under the Lease have lapsed without Landlord having effectuated a cure thereof.
- 4. Tenant covenants with Mortgagee that the Lease shall be subject and subordinate to the lien and all other provisions of the Mortgage and the other documents e videncing or securing the loan secured by the Mortgage (the "Other Loan Documents") and to a!' modifications and extensions thereof, to the full extent of all principal, interest and a'l other amounts secured thereby and with the same force and effect as if the Mortgage and the Other Loan Documents had been executed and delivered prior to the execution and delivery of the Lease. Without limiting the generality of the foregoing subordination provision, Tenant hereby agrees that any of its right, title and interest in and to insurance proceeds and condemnation awards (or other similar awards arising from eminent domain proceedings) with respect to damage to or the condemnation (or similar taking) of any of the Real Estate, shall be subject and subordinate to Mortgagee's right, title and interest in and to such proceeds and awards.
- 5. Tenant acknowledges that Landlord has collaterally assigned to Mortgagee all leases affecting the Real Estate, including the Lease, and the rents due and payable under such

Property of Coot County Clert's Office

leases. In connection therewith, Tenant agrees that, upon receipt of a notice of a default by Landlord under such assignment and a demand by Mortgagee for direct payment to Mortgagee of the rents due under the Lease, Tenant will honor such demand and make all subsequent rent payments directly to Mortgagee.

- 6. Mortgagee agrees that so long as Tenant is not in default under the Lease (or under any other instruments evidencing or securing a loan from Mortgagee to Tenant):
 - (a) Tenant shall not be named or joined as a party in any suit, action or proceeding for the foreclosure of the Mortgage or the enforcement of any rights under the Mortgage; and
 - The possession by Tenant of the Leased Premises and Tenant's rights thereto shall not be disturbed, affected or impaired by, nor will the Lease or the term thereof be terminated or otherwise materially adversely affected by (i) any suit, action or proceeding for the foreclosure of the Mortgage or the enforcement of any rights under the Mortgage, or by any judicial sale or execution or other sale of the Leased Premises, or any deed given in lieu of foreclosure, or (ii) any default under the Mortgage;
- 7. If Mortgagee or any future holder of the Mortgage shall become the owner of the Real Estate by reason of foreclosure of the Mortgage or otherwise, or if the Real Estate shall be sold as a result of any action or proceeding to foreclose the Mortgage or transfer of ownership by deed given in lieu of foreclosure, the Lease shall continue in full force and effect, without necessity for executing any new lease, as a direct lease between Tenant and the new owner of the Real Estate as "landlord" upon all the same terms, coverants and provisions contained in the Lease (subject to the exclusions set forth in subparagraph (b) below), and in such event:
 - (a) Tenant shall be bound to such new owner under all of the terms, covenants and provisions of the Lease for the remainder of the term thereof (including the extension periods, if Tenant elects or has elected to exercise its options to extend the term), and Tenant hereby agrees to attorn to such new owner and to recognize such new owner as "landlord" under the Lease;
 - (b) Such new owner shall be bound to Tenant under all of the terms, covenants and provisions of the Lease for the remainder of the term thereof (including the extension periods, if Tenant elects or has elected to exercise its options to extend the term); provided, however, that such new owner shall not be:
 - (i) liable for any act or omission of any prior landlord (including Landlord);
 - (ii) subject to any offsets or defenses which Tenant has against any prior landlord (including Landlord);

Property of Cook County Clerk's Office

UNOFFICIAL COPTS63828 Page 4 of 7

- (iii) bound by any base rent, percentage rent, additional rent or any other amounts payable under the Lease which Tenant might have paid in advance for more than the current month to any prior landlord (including Landlord);
- (iv) liable to refund or otherwise account to Tenant for any security deposit not actually paid over to such new owner by Landlord;
- (v) bound by any amendment or modification of the Lease made without Mortgagee's consent;
- (vi) bound by, or liable for any breach of, any representation or warranty or indemnity agreement contained in the Lease or otherwise made by any prior landlord (including Landlord);
- (vii) liable for the payment of any allowance or other amount payable to the Tenant under the Lease or the performance of any work required to be performed by the Landlord under the Lease; or
- (viii) personally liable or obligated to perform any such term, covenant or provision, such new owner's liability being limited in all cases to its interest in the Lease Premises.
- 8. Any notices, communications and weivers under this Agreement shall be in writing and shall be (i) delivered in person, (ii) mailed, pestage prepaid, either by registered or certified mail, return receipt requested, or (iii) by overnight express carrier, addressed in each case as follows:

To Mortgagee:

Firstar Bank Illinois

30 North Michigan Avenue Chicago, Illinois 60602

Attn: Mr. Craig B. Collinson, First Vice President

With copy to:

Schwartz Cooper Greenberger & Krauss, Chtd.

180 North LaSalle Street, Suite 2700

Chicago, Illinois 60601 Attn: Daniel J. Kopp, Esq.

To Tenant:

ARPAC, L.P.

9511 West River Street Schiller Park, Illinois 60176

Attn: Mr. Michael Levy, President

Property of Coot County Clert's Office

With copy to:

Levenfeld, Eisenberg, Janger & Glassberg

33 West Monroe Street, 21st Floor Chicago, Illinois 60603-5448 Attn: Michael J. Tuchman, Esq.

or to any other address as to any of the parties hereto, as such party shall designate in a written notice to the other party hereto. All notices sent pursuant to the terms of this Paragraph shall be deemed received (i) if personally delivered, then on the date of delivery, (ii) if sent by overnight, express carrier, then on the next federal banking day immediately following the day sent, or (iii) if sent by registered or certified mail, then on the earlier of the third federal banking day following the day sent or when actually received.

- 9. To nant acknowledges and agrees that Mortgagee will be relying on the representations, volranties, covenants and agreements of Tenant contained herein and that any default by Tenant hereunder shall permit Mortgagee, at its option, to exercise any and all of its rights and remedies at low and in equity against Tenant and to join Tenant in a foreclosure action thereby terminating Tenant's right, title and interest in and to the Leased Premises.
- 10. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors an assigns and any nominees of Mortgagee, all of whom are entitled to rely upon the provisions hereof. This Agreement shall be governed by the laws of the State of Illinois.
- 11. This Agreement may be executed in inultiple counterparts and all of such counterparts together shall constitute one and the same Agreement.

IN WITNESS WHEREOF, the parties hereto have executed these presents the day and year first above written.

Tenant:

Mortgagee:

ARPAC, L.P., a Delaware limited partnership

FIRSTAR BANK ILLINGIS

By:__ Title:

T.\43343\29097\Subordination, Non-Disturbance-v3 wpd

By:___

Probery of Coot County Clert's Office

STATE OF LILLING 15)
COUNTY OF Cook) SS.
COUNTY OF COUNTY OF
I, Michael J. Tuchman, a Notary Public in and for said County in the State aforesaid, do hereby certify that Lighted Low, a Problem of ARPAC, L.P., a Delaware limited partnership, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such problem to appeared before me this day in person and acknowledged that he/she signed and delivered such instrument as his/her own free and voluntary act and as the free and voluntary act of said partnership/corporation, for the uses and purposes set forth therein. Given under my hand and notarial seal on November, 1997. MICHAEL J TUCHMAN MY COMMISSION EXPIRES: UT NOR 1998
WA COWWIREPION EXHITER OF THE PROPERTY OF THE
4
STATE OF ILLINOIS)
COUNTY OF (cold) SS.
a Notary Public in and for said County in the State aforesaid, do hereby certify that College (college), a FIRSTAR BANK ILLINOIS, who is personally known to be to be the same person whose name is subscribed to the foregoing instrument as such
Given under my hand and notarial seel on November 1997
Given under my hand and notarial seal on November, 1997.
X the
Notary Public
roomy rubite of the
My Commission Expires: "OFFICIAL SEAL" DANIEL J. KOPP Notary Public, State of Illinois Au Commission Expires July 12, 2000

Property of Cook County Clerk's Office

97863828 Page 7 of 7

STREET ADDRESS: 9555 IRVING PARK ROAD

CTTY: SCHILLER PARK

COUNTY: COOK

TAX NUMBER: 12-16-411-001-0000

LEGAL DESCRIPTION:

LOT 1 IN IRVING PARK ROAD SUBDIVISION BEING A SUBDIVISION OF PART OF SECTION 15 AND 16 NOR.

ATRICE

NOR.

ATRICE

OFFICE

OF IN TOWNSHIP 40 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS ACCORDING TP THE PLAT THEREOF RECORDED OCTOBER 25, 1995 AS DOCUMENT NUMBER 95727017

Property of Cook County Clerk's Office