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- . DEPT-01 RECORDING \$37.00
- . T#0000 TRAN 0701 10/13/98 09:23:00
- . #4415 # CG *-98-914287
- . COOK COUNTY RECORDER
- . DEPT-10 PENALTY... \$34.00

(SPACE ABOVE THIS LINE FOR USE BY RECORDER OF DEEDS)

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SN

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

THIS AGREEMENT, dated this 8th day of October, 1998, by and between **FIRSTAR BANK ILLINOIS**, an Illinois Banking Corporation, having its address at 136 S. Washington Street, Attn: Commercial Loan Dept., Naperville, Illinois, 60540 (herein called "**Mortgagee**") and **INSERTS U.S.A., INC.**, an Illinois Corporation, having its offices at 4546 West 47th Street, Chicago, Illinois, 60632-4408 (herein called "**Tenant**").

WITNESSETH:

WHEREAS, Tenant has entered into a certain industrial-commercial Lease (herein called the "**Lease**") originally dated November 1, 1995 (and as amended by Amendment to Lease Agreement dated October 8, 1998) (collectively the "**Lease**") wherein **COLMAR PROPERTIES, L.L.C.**, an Illinois Limited Liability Company (as successor to the prior record title holding land trust-landlord), is the Landlord (herein called "**Landlord**") demising approximately 44,000+/- S.F. of space in the building and commercial-industrial real property commonly known as 4546 W. 47TH STREET/4620 S. KOLMAR, CHICAGO (COOK COUNTY), ILLINOIS, being part of premises legally described on Exhibit "A" attached hereto (herein called the "**Premises**"); and

WHEREAS, Mortgagee has made or is about to make a certain commercial first mortgage refinance loan to Landlord for refinance of the Premises, which Loan is or will be secured in part by a first Mortgage, Assignment of Rents and Security Agreement (the "**Mortgage**") and recorded or to be recorded in Cook County, Illinois creating a first mortgage lien encumbering the Premises; and

WHEREAS, the Mortgagee is the holder of the Note (herein called the "**Note**") secured by the Mortgage; and

WHEREAS, it is an express condition of such Loan and further disbursement thereunder that Tenant provide an estoppel statement as to the status and terms of the Lease (as further hereinbelow provided) and that Tenant's interest under the Lease be expressly subordinate to Mortgagee's aforesaid lien and security interest and that this Agreement be executed by Tenant to be in addition to any other subordination, attornment and estoppel covenants or terms of the Lease; and

BOX 333-CT1

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WHEREAS, Tenant acknowledges that Mortgagee is relying upon Tenant's statements, warranties, representations, covenants and undertakings hereunder as a partial inducement to so make disbursement of proceeds under its Note and Loan;

WHEREAS, in return for Tenant's covenants herein mortgagee is willing to provide Tenant with a non-disturbance covenant as further set forth hereinbelow;

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants herein and other good and valuable consideration, the mutual sufficiency and receipt of which is hereby acknowledged, and as an inducement to Mortgagee to make further disbursement of the Loan, it is hereby agreed as follows:

1. **Incorporation of Recitals.** The foregoing recitals are true and correct in substance and in fact and are hereby incorporated herein by reference as if the same were fully set forth herein.
2. **Tenant's Estoppel Statement.** Tenant acknowledges, warrants and represents to Mortgagee that as of this date:
 - (i) the Lease is in full force and effect in accordance with its terms and that as of this date the Lease is free from any breach or event of default on the part of the Landlord or (to Tenant's best knowledge) any event or condition which with the giving of notice and expiration of any cure periods in the Lease could become a breach or event of default of the Landlord;
 - (ii) the current term of the Lease extends through December 31, 2005;
 - (iii) the current monthly base rent due from and paid by Tenant pursuant to such Lease is \$ 15,000 per month plus such items of additional rent as are required to be paid pursuant to the terms of the Lease; and
 - (iv) Tenant further hereby agrees that in the event of any default by Landlord under such Lease, Tenant shall contemporaneously furnish Mortgagee with copies of any demands or default notice served upon Landlord by Tenant and in the event Mortgagee, in its sole discretion elects to tender any required cure or performance on behalf of Landlord, Tenant agrees to accept the same.
3. **Subordination.** The Lease is hereby declared to be subject and subordinate to the Mortgage and Mortgagee's other security interests with respect to the Premises, and to all renewals, modifications, consolidations, replacements and extensions thereof, to the full extent of the principal sum secured thereby (including any future advances or modified and increased principal) and interest and other charges thereon.
4. **Non-Merger.** If any indebtedness evidenced by the Note and secured by the Mortgage remains unpaid and (whether pursuant to the exercise of an Option or otherwise) title to the Premises and the interest of Tenant under the Lease shall be or become vested in a single person or entity, then notwithstanding such event: (a) the title to the Premises and leasehold estate created by the Lease shall not merge; (b) the Lease shall remain in full force and effect; (c) Tenant shall remain obligated upon and liable for all of the terms, provisions and

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agreements on its part to be performed and observed under the Lease (including the obligation to pay rent) as fully and with the same effect as if such event had not occurred, and (d) the rights of Mortgagee as assignee of the Lease pursuant to the Mortgage shall remain unaffected.

5. **Attornment.** Tenant agrees that it will not, without Mortgagee's prior written consent, pay rent, additional rent and/or other charges due under the Lease more than one (1) month in advance. Tenant agrees that it will attorn to and recognize any purchaser at a foreclosure sale under the Mortgage, any transferee who acquires the Premises by deed in lieu of foreclosure, and the successors and assigns of such purchasers or transferees as its landlord for the unexpired balance (and extensions if exercised) of the term of the Lease upon the same terms and conditions set forth in the Lease, as modified from time to time.
6. **Non-Disturbance.** In the event that it should become necessary to foreclose the Mortgage, Mortgagee and its successors in interest under the Mortgage will not terminate the Lease nor join Tenant in summary or foreclosure proceedings so long as Tenant is not in default (beyond any grace period set forth in the Lease for curing such default) under any of the terms, covenants or conditions of the Lease. In the event that Mortgagee, its successors, assigns, nominees, or any other party shall come into possession of the Premises by foreclosure, deed in lieu of foreclosure or by any other means and Tenant is not then in default (beyond any grace period set forth in the Lease for curing such default) with respect to any covenants or conditions of the Lease to be performed by Tenant, Tenant shall peaceably hold and enjoy the Premises for the remainder of the unexpired term thereof, including any extensions, which possession shall be without hindrance or interruption. The Lease shall be deemed to be a direct lease between Tenant and Mortgagee in such event.
7. **Waiver/Exculpation of Mortgagee.** In the event that Mortgagee shall succeed to the interest of any Landlord under the Lease and except to the extent Mortgagee may be liable or obligated under applicable law, Mortgagee shall not be:
 - (a) liable for any act or omission of any prior landlord (including the Landlord and any predecessor landlords), or
 - (b) liable for the return of any security deposits; or
 - (c) bound by any rent or additional rent which Tenant paid for more than the current month to Landlord or any prior landlord; or
 - (d) bound by any amendment or modification of the Lease made by any of the Landlord and/or any predecessor landlord without Mortgagee's prior written consent; or
 - (e) bound by any provision in the Lease relating to the application of insurance proceeds or condemnation awards.
8. **Tenant's Financials.** Tenant covenants and agrees to furnish Lender with annual accountant reviewed financial statements of Tenant, in form and content reasonably sufficient for Lender to determine whether Tenant is in compliance with any "Financial Covenants" (identified in the Loan and Security Agreement respecting the Loan) which pertain to Tenant.

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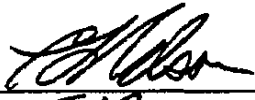
9. **Miscellaneous.** In the event and to the extent any term of provision hereof is inconsistent with the terms of the Lease, the terms and provisions of this Agreement shall govern and control. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, and their respective heirs, successors and assigns. This Agreement shall be governed by the law of the State of Illinois and anything in the Lease notwithstanding venue for all disputes or claims hereunder shall at Mortgagee's election be in either the Illinois Circuit Court having jurisdiction in the County wherein the Premises are situated or in the Circuit Court of DuPage County, Wheaton, Illinois.

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

TENANT:
INSERTS U.S.A., INC.
an Illinois Corporation

By: _____
Its: _____

MORTGAGEE:
FIRSTAR BANK ILLINOIS,
an Illinois Banking Corporation

By: 
Its: FVP

This Instrument prepared by:
J. Steven Butkus, Esq.
GUERARD, KALINA & BUTKUS
100 West Roosevelt Road, Suite A-1
Wheaton, Illinois 60187

After Recording Return to:
Firstar Bank Illinois
Attn: Commercial Loan Department
(c/o Thomas Nelson, First V.P.
and Division Head)
136 S. Washington Street.
Naperville, Illinois 60540

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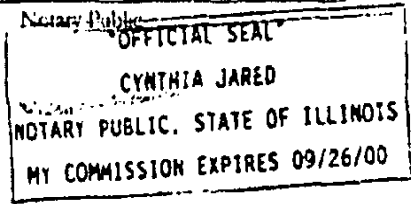
CORPORATE TENANT NOTARY

STATE OF ILLINOIS)
) SS
COUNTY OF Cook)

President

I, the undersigned, a Notary Public, in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Frank J. Puzis's personally known to me to be the Manager of INSERTS U.S.A., INC., an Illinois 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 Manager he/she signed and delivered said instrument and caused the corporate seal of said corporation to be affixed thereto, pursuant to authority given by the Board of Directors of said corporation, as his/her free and voluntary act, and as the free and voluntary act and deed to said corporation, for the uses and purposes therein set forth. GIVEN under my hand and official seal, this 8th day of October, 1998.

[Signature]

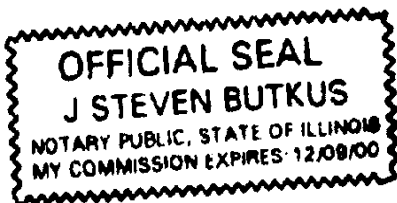


MORTGAGEE'S NOTARY

STATE OF ILLINOIS)
) SS
COUNTY OF DuPage)

I, the undersigned, a Notary Public, in and for said County, in the State aforesaid, DO HEREBY CERTIFY that THOMAS NELSON personally known to me to be the 1st Vice President of FIRSTAR BANK ILLINOIS, an Illinois Banking Corporation, and [Signature] personally known to me to be [Signature] Secretary of said corporation, and personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such 1st Vice President and [Signature] Secretary, they signed and delivered said instrument and caused the corporate seal of said corporation to be affixed thereto, pursuant to authority given by the Board of Directors of said corporation, as their free and voluntary act, and as the free and voluntary act and deed to said corporation, for the uses and purposes therein set forth. GIVEN under my hand and official seal, this 8th day of OCTOBER, 1998.

[Signature]
Notary Public



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EXHIBIT "A"

Legal Description of Premises

SEE ATTACHED

Property of Cook County Clerk's Office

P.I.N.: 19-03-316-003
19-03-316-008

19-03-316-012-0001
19-03-316 012 -6002

Common Address:
4546 W. 47TH STREET
CHICAGO, ILLINOIS 60632

98914287



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CHICAGO TITLE INSURANCE COMPANY

ORDER NUMBER: 1401 007767318 D2
STREET ADDRESS:
CITY: COUNTY: COOK
TAX NUMBER:

LEGAL DESCRIPTION:

PARCEL 1:

A RECTANGULAR PARCEL OF LAND IN THE SOUTHWEST 1/4 OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, AND BEING A PART OF LOT "B" IN CIRCUIT COURT PARTITION OF THE SOUTH 1/2 AND PART OF THE NORTHWEST 1/4 OF SAID SECTION, WHICH PARCEL IS BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTH LINE OF SAID SOUTHWEST 1/4, 1,035.9 FEET WEST OF THE NORTH AND SOUTH CENTER LINE OF SAID SECTION, AND RUNNING THENCE NORTHWARDLY TO A POINT ON A LINE 933 FEET NORTH OF AND PARALLEL WITH SAID SOUTH LINE OF THE SOUTHWEST 1/4, THAT IS 1,032.22 FEET WEST OF SAID NORTH AND SOUTH CENTER LINE, THENCE WESTWARDLY 270 FEET ON SAID LINE WHICH IS 933 FEET NORTH OF AND PARALLEL WITH SAID SOUTH LINE, THENCE SOUTHWARDLY 933 FEET TO THE SOUTH LINE OF SAID SOUTHWEST 1/4, THENCE EASTWARDLY 270 FEET TO THE PLACE OF BEGINNING (EXCEPTING THEREFROM THE SOUTH 33 FEET WHICH IS THE NORTH 1/2 OF THE WEST 47TH STREET AS NOW OPENED, ALSO EXCEPT THEREFROM AREA OCCUPIED BY THE NORTH ABUTMENT AND WINGWALL OF THE WEST 47TH STREET UNDERPASS), ALL IN COOK COUNTY, ILLINOIS.

PARCEL 2:

EASEMENT FOR THE BENEFIT OF THE EAST 200 FEET OF PARCEL 1 CREATED BY INSTRUMENT RECORDED FEBRUARY 28, 1950 AS DOCUMENT NUMBER 14743183 FOR THE ESTABLISHMENT OF A PERMANENT ROADWAY FOR THE USE OF VEHICLES AND PEDESTRIANS OVER AND UPON AND ALONG THE FOLLOWING DESCRIBED PROPERTY: A RECTANGULAR PIECE OF LAND IN THE SOUTHWEST 1/4 OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT IN THE SOUTH LINE OF SAID SOUTHWEST 1/4 1000.9 FEET WEST OF THE NORTH AND SOUTH CENTER LINE OF SAID SECTION; THENCE NORTHEASTERLY 933 FEET ON A STRAIGHT LINE TO A POINT 997.22 FEET WEST OF SAID NORTH AND SOUTH CENTER LINE; THENCE WESTERLY 35 FEET ON A LINE WHICH IS 933 FEET NORTH OF AND PARALLEL WITH SAID SOUTH LINE; THENCE SOUTHERLY 933 FEET TO THE SOUTH LINE OF SAID SOUTHWEST 1/4; THENCE EASTERLY 35 FEET TO THE POINT OF BEGINNING (EXCEPTING THEREFROM THE SOUTH 33 FEET WHICH IS THE NORTH 1/2 OF WEST 47TH STREET AS NOW OPENED) IN COOK COUNTY, ILLINOIS.

PARCEL 3:

EASEMENT FOR THE BENEFIT OF THE WEST 70 FEET OF PARCEL 1 CREATED BY INSTRUMENT RECORDED JUNE 30, 1965 AS DOCUMENT NUMBER 19512243 TO CONSTRUCT, INSTALL AND MAINTAIN SUPPORTS AND FOOTINGS FOR ANY BUILDING OR STRUCTURE WHICH MAY BE

(CONTINUED)



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CHICAGO TITLE INSURANCE COMPANY

ORDER NUMBER: 1401 007767318 D2

STREET ADDRESS:

CITY:

COUNTY: COOK

TAX NUMBER:

LEGAL DESCRIPTION:

ERECTED ON PARCEL 1 OVER, ACROSS, UNDER AND THROUGH THE FOLLOWING DESCRIBED PROPERTY; A RECTANGULAR PIECE OF LAND IN THE SOUTHWEST 1/4 OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTH LINE OF SAID SOUTHWEST 1/4 1305.90 FEET WEST OF THE NORTH AND SOUTH CENTER LINE OF SAID SECTION, AND RUNNING THENCE NORTHERLY TO A POINT ON A LINE 933 FEET NORTH OF AND PARALLEL WITH SAID SOUTH LINE OF THE SOUTHWEST 1/4, THAT IS 1302.22 FEET WEST OF SAID NORTH AND SOUTH CENTER LINE; THENCE WESTERLY 3 FEET ON SAID LINE WHICH IS 933 FEET NORTH OF AND PARALLEL WITH SAID SOUTH LINE; THENCE SOUTHERLY 933 FEET TO THE SOUTH LINE OF SAID SOUTHWEST 1/4; THENCE EASTERLY 3 FEET TO THE POINT OF BEGINNING (EXCEPTING THEREFROM THE SOUTH 33 FEET WHICH IS THE NORTH 1/2 OF WEST 47TH STREET AS NOW OPENED) IN COOK COUNTY, ILLINOIS.

PROPERTY OF Cook County Clerk's Office

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CHICAGO TITLE INSURANCE COMPANY

ORDER NUMBER: 1401 007767318 02
 STREET ADDRESS:
 CITY: COUNTY: COOK
 TAX NUMBER:

LEGAL DESCRIPTION:

PARCEL 4:

NON-EXCLUSIVE EASEMENT FOR THE BENEFIT OF PARCELS 1, 2 AND 3 FOR VEHICULAR AND PEDESTRIAN INGRESS AND EGRESS OVER, UPON AND ACROSS THE FOLLOWING DESCRIBED LAND AS DISCLOSED BY INSTRUMENT RECORDED AS DOCUMENT --:

THAT PART OF LOT B IN THE CIRCUIT COURT PARTITION OF THE SOUTH 1/2 AND THAT PART OF THE NORTHWEST 1/4 LING SOUTH OF THE ILLINOIS AND MICHIGAN CANAL RESERVE OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF AS DOCUMENT 2530529 DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF WEST 47TH STREET (A PUBLIC STREET) SAID NORTH LINE BEING 33 FEET NORTH OF AND PARALLEL TO THE SOUTH LINE OF SAID SECTION 3 AND A LINE DRAWN FROM A POINT 1000.77 FEET WEST OF THE EAST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 3 AND 33 FEET NORTH OF THE SOUTH LINE OF SAID SECTION 3 TO A POINT 1980.06 FEET NORTH OF SAID SOUTH LINE AND 993.13 FEET WEST OF THE EAST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 3; THENCE NORTHERLY ALONG THE LAST DESCRIBED LINE 90 FEET TO A POINT THENCE EASTERLY AT RIGHT ANGLES TO THE LAST DESCRIBED LINE 20 FEET TO A POINT; THENCE SOUTHERLY ON A STRAIGHT LINE 403.29 FEET TO A POINT WHICH IS 529.71 FEET NORTH OF THE SOUTH LINE OF SAID SECTION 3 AND 978.82 FEET WEST OF THE NORTH AND SOUTH CENTER LINE OF SAID SECTION 3 BEING THE NORTHWEST CORNER OF THE PROPERTY CONVEYED BY THE FIRST NATIONAL BANK OF CHICAGO TO THE TRUSTEES OF THE CENTRAL MANUFACTURING DISTRICT BY DEED DATED MARCH 9, 1951 AND RECORDED IN THE RECORDERS OFFICE OF COOK COUNTY, ILLINOIS ON MARCH 14 1951 AS DOCUMENT 15030425 IN BOOK 46571 AT PAGE 180, THENCE SOUTH ALONG A LINE 978.82 FEET WEST OF THE NORTH AND SOUTH CENTER LINE OF SAID SECTION 3 BEING THE WEST LINE OF THE PROPERTY CONVEYED BY SAID DOCUMENT 15030425 A DISTANCE OF 496.71 FEET TO THE SAID NORTH LINE OF WEST 47TH STREET, THENCE WEST ALONG SAID STREET LINE 21.95 FEET TO THE PLACE OF BEGINNING, IN COOK COUNTY ILLINOIS

Recorder's Office

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