This Document Prepared by and after Recording Returned:

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SUBCADINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

THIS ACREEMENT is made and entered into as of April 2, 2004, by and between Clear Lam Packaging, Inc., an Illinois corporation, ("Tenant"), Sanfilippo Holdings, L.L.C., an Illinois limited liability company ("Landlord"), and First American Bank, a state banking association, its successors and assigns ("Mortgagee").

<u>RECITALS</u>;

- A. Mortgagee is the holder of a certain Mortgage and a certain Assignment of Rents and Leases, both dated as of April 2, 2004, to be recorded concurrently herewith (each as amended from time to time, collectively referred to as the "Mortgage") encumbering the Real Estate (hereinafter defined) and securing initially a principal indebtedness in an amount equal to Fourteen Million Eight Hundred Thousand Dollars (\$1-5,800,000) and other future indebtedness and obligations described in the Mortgage.
- B. Tenant has entered into two Industrial Building Leases (such leases, together with all amendments and modifications thereof, hereinafter being referred to collectively as the "Leases" and each a "Lease") dated April 8, 2001 and April 1, 2004, respectively, with Landlord (or Landlord's predecessor-in-interest), pursuant to which Tenant leased the properties known as 1900 Pratt, 1950 Pratt and 2000 Pratt Avenue, Elk Grove Village. Illinois ("Leased Premises") containing industrial buildings with approximately 111,338, 156,780 & 270,450 rentable square feet of space, respectively (collectively, the "Buildings") on three parcels of land (the "Land") legally described on Exhibit A attached hereto (the Land and Buildings herein being collectively referred to as "Real Estate").

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

- 1. Tenant represents and warrants to Mortgagee that the Leases constitute all and the entire set of agreements between Tenant and Landlord with respect to the Leased Premises and there are no other agreements, written or verbal, 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 in 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. Pror to pursuing any remedy available to Tenant under the Leases, 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 performed or observed by Landlord under the Leases (any such failure hereinafter refer e'l to as a "Landlord's Default"), Tenant shall: (a) provide Mortgagee with a notice of Landloru's Default specifying the nature thereof, the Section of the Lease under which same arose and the regredy which Tenant will elect under the terms of the Lease or otherwise, and (b) allow Mortgagee not less than thirty (30) days following receipt of such notice of Landlord's Default to cure the same; provided, however, that, if such Landlord's Default is not readily curable within such thirty (30) (a) period, Tenant shall give Mortgagee such additional time as Mortgagee may reasonably need to obtain possession and control of the Real Estate and to cure such Landlord'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 applicable Lease have lapsed without Landlord having effectuated a cure thereof.
- 4. Tenant covenants with Mortgagee that each of the Leases shall be subject and subordinate to the lien and all other provisions of the Mortgage and to all modifications and extensions thereof, to the full extent of all principal, interest and all other amounts now or hereafter secured thereby and with the same force and effect as if the Mortgage had been executed and delivered prior to the execution and delivery of the Leases. 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 the Leases, and the rents and other amounts, including, without limitation, lease termination fees, if any, due and payable under each Lease. 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 and Lease, Tenant will honor such demand and make all subsequent rent payments directly to Mortgagee. Tenant further agrees that any lease termination fees payable under the Leases shall be paid jointly to Landlord and Mortgagee.
 - 6. Mortgagee agrees that so long as Tenant is not in default under the Leases:
 - (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 (unless Tenant is a necessary party under applicable law); and
 - (b) The possession by Tenant of the Leased Premises and Tenant's rights thereto shall not be disturbed, affected or impaired by, nor will any Lease or the term thereof be terminated or otherwise materially adversely affected by (i) any suit, action or proceeding for the foreclesure 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 (whether in one, two or three separate parceis), as a result of any action or proceeding to foreclose the Mortgage or transfer of ownership by deed given in lieu of foreclosure, each separate Lease shall continue in full force and effect without necessity for executing any new lease (except as may be requested by Mortgage as provided in subparagraph (c) below), as a direct lease between Tenant and the new owner of the Real Estate as "landlord" upon all the same terms, covenants and provisions contained in the applicable 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 each separate Lease, as applicable, 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 applicable Lease without any additional documentation to effect such attornment (provided, however, if applicable law shall require additional documentation at the time Mortgagee exercises its remedies then Tenant shall execute such additional documents evidencing such attornment as may be required by applicable law);

- (b) Such new owner shall be bound to Tenant under all of the terms, covenants and provisions of the applicable 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) unless Tenant shall have provided Mortgagee with (A) notice of the Landlord's Default that gave rise to such offset or defense and (B) the opportunity to cure the same, all in accordance with the terms of Section 4 above;
 - (iii) bound by any base rent, percentage rent, additional rent or any other amounts payable under the applicable 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 ariendment or modification of the applicable Lease made without Mortgagee's consent;
 - (vi) bound by, or liable 101 any breach of, any representation or warranty or indemnity agreement contained in the applicable Lease or otherwise made by any prior landlord (including Landlord), or
 - (vii) 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 Real Estate.
 - (c) To facilitate a sale or transfer of the Real Estate by Mortgagee after the occurrence of an Event of Default under the Mortgage, if Mortgagee requests Tenant or Tenant and Borrower in writing, Tenant or Tenant and Borrower, as the case may be, will execute a new lease for each separate parcel of Real Estate covered by the Lease dated April 1, 2004 (the "April 1 Lease") on the same terms as the April 1 Lease except rent which will be divided between the two new leases on the basis of the square footage of each Building.

8. Any notices, communications and waivers under this Agreement shall be in writing and shall be (i) delivered in person, (ii) mailed, postage prepaid, either by registered or certified mail, return receipt requested, or (iii) by overnight express carrier, addressed in each case as follows:

To Mortgagee:

David B. Lahl, Senior Vice President

First American Bank 1650 Louis Avenue

Elk Grove village, Illinois 60007

With a copy to:

James Berton, Esq. First American Bank 1650 Louis Avenue

Elk Grove village, Illinois 60007

To Tenent:

James Sanfilippo, President Clear-Lam Packaging, Inc.

1950 Pratt Blvd.

Elk Grove Village, Illinois 60007

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. Tenant acknowledges and agrees that Mor gagee will be relying on the representations, warranties, 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 law and in equity against Tenant and to join Jenant in a foreclosure action thereby terminating Tenant's right, title and interest in and to any of the applicable Leased Premises.
- 10. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors and 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 multiple counterparts and all of such counterparts together shall constitute one and the same Agreement.

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UNOFFICIAL COPY

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

Tenant.

	Totale.
	Clear-Lam Packaging, Inc. By:
	Name. James J. Sanfilippo Title: President
	<u>Landlord</u> :
Stopology Of Coof C	Sanfilippo Holdings, L.L.C.
9	By:
Op	Title Manager
	By:
02	Name: John E. Sanfilippo
τ_{\circ}	Title: Manager
	Ву:
	Name: Jasper B: Sanfilippo, Jr.
	Title: Manager
	Mortgag :e:
	First American Bank
	By: Jacker RW. H
	Name: Nillan Web
	Title: VP

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STATE OF ILLINOIS Un Page COUNTY OF COOK	,
I, Maria 7 Cardo	Mea Notary Public in and for said County in the State aforesaid, do
hereby certify that Natha	しいしし , a <u>V. P.</u> of FIRST AMERICAN BANK , a

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 Bank, for the uses and purposes set forth

state banking association, who is personally known to be to be the same person whose name is

therein.

STATE OF ILLINOIS

Given under my hard and notarial seal on Opul

16/4's Office

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STATE OF Illinais
STATE OF Illumins) SS. COUNTY OF VIu Page)
I, Maria Landon a Notary Public in and for said County in the State aforesaid, do hereby certify that Aurice Landon and for said County in the State aforesaid, do hereby certify that Aurice Landon and Landon a
STATE OF Illuais COUNTY OF Vilu Page) SS.
I, Making Tourdon la Notary Public in and for said County in the State aforesaid, do hereby certify that James J. Sanfilippo, John E. Sanfilippo, and Jasper B. Sanfilippo, each a Manager of SANFILIPPO HOLDINGS, L.L.C., an Illinois limited liability company, who are personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such managers, appeared before me this day in reason 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 company, for the uses and purposes set forth therein.
Given under my hand and notarial seal on Opula, 2004. "OFFICIAL SEAL" MARIA F CARDONE Notary Public, State of Ulirois My Commission Expired, 12/10/05 My Commission Expired, 12/10/05

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EXHIBIT A

LEGAL DESCRIPTION

PARCEL 1 (1900 Pratt Blvd.):

The West 360 feet of Lot 2 in Centex Industrial Park, being a subdivision in Section 35 Township 41 North, Range 11, East of the Third Principal Meridian, Cook county, Illinois.

Parcel #08-35-300-010

PARCEL 2 (1950 Prati Blvd.):

Lot 2 (except the West 360 feet thereof) and the West 390 feet of Lot 6 in Centex Industrial Park, being a subdivision in Section 35, Township 41 North, Range 11, East of the Third Principal Meridian, in Cook County, Illinois, according to the plat thereof recorded November 26, 957 as Document Number 17075036.

OHUR

Parcel #08-35-300-011-0000

PARCEL 3 (2000 Pratt Blvd.):

Lot 2 in Pratt-Nicholas Resubdivision of Lot 6 (except the West 390 feet thereof) in Centex Industrial Park, being a subdivision in Section 35, "For nship 41 North, Range 11, East of the Third Principal Meridian and Lot 8 in Center Industrial Park Unit 2, being a subdivision in Section 35 as aforesaid, recorded April 36, 1997 as Document No. 97301251, all in Cook County, Illinois.

Parcel #08-35-300-015

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