COOK COUNTY, ELLINOIS FALED FOR RECORD

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1987 FEB 13 PH 1:59

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RECORDING REQUESTED BY WHEN RECORDED RETURN TO:

E. F. HUTTON LIFE INSURANCE COMPANY 888 West Sixth Street, 9th Floor Los Angeles, California 90017 ATTN: Daniel B. Gorham

THIS DOCUMENT WAS PREPARED BY:

87086464

Brian T. Seltzer, Esq.
SELTZER CAPLAN WILKINS & MCMAHON
P. O. Box X33999
3003-3043 Fourth Avenue
San Diego, California 92103

#16.00

SUBORDINATION, NONDISTURBANCE AND ATTOMMENT AGREEMENT

NOTICE: THIS AGREEMENT RESULTS IN THE LEASE-HOLD ESTATE IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

THIS AGREEMENT is made this 23rd day of may , 1986, between E. F. HUTTON LIFE INSURANCE COMPANY ("Lender") and WORNER MANAGEMENT, INC. dba Friedman's Microwave Ovens ("Tenant"), who agree as follows:

- 1. This Agreement is executed in contemplation of the following facts and circumstances:
 - a. Lender is or is about to be the owner and holder of a Mortgage and accompanying Security Agreement and Assignment of Leases (collectively "Mortgage") now or hereafter encumbering that certain real property described in Exhibit X attached hereto and incorporated by this reference, and the buildings, improvements, and personal property thereon ("Premises") securing the payment of a Secured Non-recourse Promissory Note in the stated principal amount of \$8,650,000 executed by SCOTTSDALE LIMITED PARTNERSHIP, An Illinois limited partnership ("Borrower") to the order of Lender ("Secured Promissory Note").

Tenant No. 10

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- b. Tenant is the tenant under a lease ("Lease")

 dated August 15, 1984, as amended none

 made by LASALLE NATIONAL BANK, as

 Trustee Under Trust Agreement No. 10-36180-09, dated
 November 30, 1979, as landlord (said landlord and its
 successors and assigns occupying the position of landlord
 under the Lease are referred to herein as "Landlord"),
 covering a part of the Premises ("Demised Premises").
- c. Tenant and Lender desire to confirm their understanding with respect to the Lease and the Mortgage.
- 2. The Lease (and the leasehold estate created thereunder and all fights and privileges of Tenant thereunder) shall now, and shall at all times hereafter continue to be, subject and subordinate in each and every respect, to the Mortgage and to any and all increases, renewals, modifications, extensions, substitutions, replacements and(or) consolidations of the Mortgage, provided that any and all such increases, renewals, modifications, extensions, substitutions, replacements and(or) consolidations shall nevertheless be subject to the terms of this Agreement.
- 3. So long as Tenant is not in default (beyond any period given Tenant to cure such default) in the payment of rent or additional rent or in the performance of any of the terms, covenants or conditions of the Lease on Tenant's part to be performed: (a) Tenant's possession of the Demised Premises and Tenant's rights and privileges under the Lease, or any extensions or renewals thereof or arquisition of additional space which may be effected in accordance with any option therefor in the Lease, shall not be diminished or interfered with by Lender in the exercise of any of its rights under the Mortgage; (b) Tenant's occupancy of the Demised Premises or any such additional space shall not be disturbed by Lender in the exercise of any of its rights under the Mortgage during the term of the Lease or any such extensions or renewals thereof; and, (c) Lender will not join Tenant as a party defe dant in any action or proceeding for the purpose of terminating Tenant's interest and estate under the Lease because of any default under the Mortgage.
- 4. In the event any proceedings are brought for the foreclosure of the Mortgage or if the Premises are sold pursuant to a trustee's sale under the Mortgage, or a deed is given in lieu thereof, Tenant shall and hereby agrees to attorn to the purchaser or transferee upon any such foreclosure sale, trustee's sale or transfer and shall recognize such purchaser/transferee as the Landlord under the Lease. Such attornment shall be effective and self-operative without the execution of any further instrument on the part of any of the parties hereto. Tenant agrees, however, to execute and deliver at any time and from time to time, upon the request of Landlord

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holder(s) of any of the indebtedness or or of any Mortgage obligations secured by the any or purchaser/transferee, any instrument or certificate which, in the sole judgment of Landlord or of such holder(s) or such purchaser/transferee, may be necessary or appropriate in any such foreclosure proceeding or otherwise to evidence such Tenant hereby irrevocably appoints Lender and any attornment. future holders of the indebtedness other or obligations **secured** by: the Mortgage OF any **such** purchaser/transferee jointly and severally the special agent and at orney in fact of Tenant to execute and deliver for and on behalf of Tenant any such instrument or certificate. Such power of Attorney shall not terminate on disability of the principal, and shall be deemed coupled with an interest. the event of any such attornment, Tenant further waives the provisions of any statute or rule of law, now or hereafter in effect, which may give or purport to give Tenant any right or election to terminate or otherwise adversely affect the Lease and the obligation of Tenant thereunder as a result of any such foreclosure proceeding which does not involve a breach of this agreement.

- If Lender shall succeed to the interest of Landlord under the Lease in any manner, or if any purchaser/transferee acquires the Demised Premises upon any foreclosure of the Mortgage or any trustee's sale under the Mortgage or any deed given in lieu thereof, Lender or such purchaser/transferee, as the case may be, shall have the same femedies by entry, action or otherwise in the event of any default by Tenant (beyond any period given Tenant to cure such defaul() in the payment of rent or additional rent or in the performance of any of the terms, covenants and conditions of the Lease on Tenant's part to be performed that Landlord had or would have had if Lender or such purchaser had not succeeded to the interest of Landlord, provided, however, that in no event shall Lender or such purchaser/transferee be: (a) liable for any act or omission of any prior landlord (including Landlord); subject to any offsets or defenses which Tenant might have against any prior landlord (including Landlord); (c) bound by any rent or additional rent which Tenant might have paid for more than the current month to any prior landlord (including landlord) or for the repayment of any security deposit; (d) bound by any amendment or modification of the Lease made without its consent; or, (e) liable for any act or omission of any subsequent Landlord, other than Lender as Landlord.
- 6. If Lender shall succeed to the interest of Landlord under the Lease in any manner, or if any purchaser/transferee acquires the Demised Premises upon any foreclosure of the Mortgage or any trustee's sale under the Mortgage or any deed given in lieu thereof, Lender or such purchaser, as the case may be, shall have the right to transfer, assign, and convey, in whole or in part, the Demised Premises and any and

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all of its rights under the Lease, and in the event the Lender assigns its right under the Lease and such assignee assumes the obligations of Landlord under the Lease, Lender shall thereby be released from any further obligations hereunder and Tenant agrees to look solely to such successor in interest of the Lender for performance of such obligations.

- 7. Nothing herein contained is intended, nor shall it be construed, to abridge or adversely affect any right or remedy of Landlord under the Lease in the event of any default by Tenant (beyond any period given Tenant to cure such default) in the payment of rent or additional rent or in the performance of any of the terms, convenants or conditions of the Lease on Tenant's part to be performed.
 - 8. Temont declares, agrees and acknowledges that:
 - a. Lender, in making disbursements under such Secured Promissory Note, is under no obligation or duty to, nor has Lender represented that it will, see to the application of such proceeds by the person or persons to whom Lender disburses such proceeds and any misapplication of the same shall not defeat the subordination made hereunder either in whole or in part; and,
 - b. It intentionally and unconditionally waives, relinquishes, subjects and subordinates the Lease, the leasehold estate created thereby together with all rights and privileges of Tenant thereunder in favor of the lien and charge of the Mortgage and understands that in reliance upon, and in consideration of, this waiver, relinquishment, subjection and subordination, specific loans and advances are being and will be made and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment, subjection and subordination.
- g. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto or their respective successors in interest. This Agreement shall inure to the benefit of and be binding upon the parties hereto, their heirs, personal representatives, successors and assigns, and any purchaser or purchasers at foreclosure of the Premises, or transferee where a deed is given in lieu thereof, and their respective heirs, person reprentatives, successors and assigns.
- 10. To the extent that the Lease shall entitle the Tenant to notice of any deed of trust, this Agreement shall constitute such notice to the Tenant with respect to the Mortgage and to any and all other deeds of trust which may hereafter be subject to the terms of this Agreement as provided above.

NOTICE: THIS AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR LEASE TO OBTAIN A LOAN A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENTS OF THE PROPERTY.

LENDER:

E. F. HUTTON LIFE INSURANCE COMPANY, a California corporation

Name: Title:

ATTEST:

TENANT:

WORNER MANAGEMENT, INC.

DOOR OF CORY

State of III.

County of Will

subscribed and Sworn to before me this

TICOR TITLE INSURANCE

CAT. NO. NN00737 TO 1945 CA (8~84) (Corporation)

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES **3**S.

JULY 30, 1986

before me, the undersigned, a Notary Public in and for PAUL W. FARRELL

said State, personally appeared personally known to me or proved to me on the basis

of satisfactory evidence to be the person who executed the within instrument as the ASSISTANT VICE

proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as the XXXXXXXXXXXX Secretary of the Corporation that executed the within instrument and acknowledged to me that such corporation executed the within instrument pursuant to jes by laws or a resolution of its board of directors.
WITNESS of hand an

87086464



OFFICIAL SEAL THZABETH ACUPAR HOTARY PUBLIC - CALIFORNIA LOS ANGELES COUNTY My comm. expires OCI 11, 1986

(This area for official notarial seal)

Property or Cook County Clerk's Office

> LEGAL DESCRIPTION EXHIBIT X

LOT A IN SCOTTSDALE FOURTH ADDITION BEING RAYMOND I. LUTGERTS RESURDIVISION OF THE NORTH WEST 1/4 OF THE NORTH WEST 1/4 OF SECTION 3++ TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY. ILLINOIS. EXCEPT THAT PART OF SAID LOT "A" DEEDED TO THE STATE OF ILLUIDIS AND DESCRIBED AS FOLLOWS: BEGINNING AT THE POINT OF INTERSECTION OF THE PRESENT SOUTH LINE OF WEST 77TH STREET WITH THE PRESENT FAST LINE OF SOUTH LICERO AVENUE. SAID POINT OF INTERSECTION BEING DISTANT. AD FEET SOUTH, MEASURED AT RIGHT ANGLES FROM THE NORTH LINE OF SAID SECTION 34 AND ALSO DISTANT, SO FEET EAST MEASURED AT RIGHT ANGLES FROM THE WEST LINE OF SECTION 34; THENCE EAST ALONG SAID SOUTH LINE OF WEST TOTAL STREET, 64.00 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF A CIRCLE CUNCAVE TO THE SOUTH EAST, HAVING A PADIUS OF 50 FEET, A DISTANCE OF 78.54 FEET TO A PUINT OF TANGENCY, DISTANT 14 FEET EAST MEASURED AT KIGHT ANGLES FROM SAID EAST LINE OF THE SOUTH CICERU AVENUE: THENCE SOUTH PARALLER FITH GALD EAST LINE OF SOUTH CICERO AVENUE ITO AMICH THE LAST DESCRIBED CURVED LINE IS TANGENT) 271.50 FEET THENCE SOUTHWESTERLY IN A STRAIGHT LINE 428.73 FEET TO AN INTERSECTION WITH SAID EAST LINE OF SOUTH CICERT AVENUE: THENCE NORTH ALONG SAID SEF 1 BAST LINE OF SOUTH CICERO AVENUE, 750 REFT TO THE POINT OF LEGINALIS. IN COOK COUNTY+ ILLIMOIS.

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19-34-100-004 and 19-34-100-005 DIN:

STREET ADDRESS: 79th and Cicero, Chicago, Illinois

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