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THIS INSTRUMENT PREPARED BY
AND AFTER RECORDING MAIL TO:
WES W. FRANGUL
HARRIS BANK ROSELLE
Commercial Loan Department
110 East Irving Park Road
Roselle, IL 60172

DEPT-11 $29.50
T#7777 TRAN 1250 08/25/92 13:29:00
#2562 # *-92-629271
COOK COUNTY RECORDER

SUBORDINATION, ATTORNMENT AND NONDISTURBANCE AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT MAY RESULT IN YOUR LEASEHOLD INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER INSTRUMENT.

THIS SUBORDINATION, ATTORNMENT AND NONDISTURBANCE AGREEMENT (this "Agreement") is entered into as of August 10, 1992, among RAYMOND BOZIN whose address is 505 North Lake Shore Drive, Unit 5002, Chicago, Illinois 60611 (hereinafter "Landlord"), and KEEN FASTENING SYSTEMS, INC., f/k/a KEEN SCREW PRODUCTS, INC., an Illinois corporation whose address is 605 Bonnie Lane, Elk Grove Village, Illinois 60007, (hereinafter "Tenant"), and HARRIS BANK ROSELLE, an Illinois bank ("Lender"), whose address is 110 East Irving Park Road, Roselle, Illinois 60172, (hereinafter "Lender").

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RECITALS:

A. The real property (the "Property") which is the subject of this Agreement is located in the City of Elk Grove Village, County of Cook, State of Illinois, and is more particularly described on Exhibit A attached hereto and incorporated herein by reference.

B. By the lease referred to in Section 1.1 hereof (hereinafter the "Lease"), Landlord leased the Property and the improvements thereon or a portion thereof (the "Premises") as described in the Lease.

C. Landlord has applied to Lender for a loan (the "Loan") in the original amount of $ 575,000.00 for a term of eighty four (84) months. The terms of such application required, among other things, the execution of a Promissory Note, a Mortgage and Security Agreement (the "Real Property Security Instrument") an Absolute Assignment of Rents and of Landlord's Interest in Leases (the "Assignment"), this Agreement and other documents related to the Loan. All of said documents are hereinafter collectively referred to as the "Loan Documents."

D. Pursuant to certain provisions of the Loan Documents, upon execution thereof, Landlord shall grant, sell, and assign to Lender all of Landlord's right, title and interest as Landlord in and to the Lease and any renewal or extension of the Lease, upon the terms and conditions herein set forth.

NOW THEREFORE, in consideration of the making of the Loan and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged:

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SECTION 1. LANDLORD'S AND TENANT'S REPRESENTATIONS:

Landlord and Tenant hereby represent to Lender the following:

1.1 That the Lease (including all amendments and addenda), consists of the following:

ITEM	DATE
Lease between Landlord and Tenant for an initial term from June 1, 1986 to May 31, 1992 as extended to May 31, 1997 pursuant to Lease Extension Agreement dated June 1, 1990	May 7, 1986

full and correct copies of which have been submitted previously to Lender; that the Lease is in full force and effect and has not been modified or amended except as provided above; that all rents and other charges due thereunder have been paid; that the Lease is otherwise in good standing; and that there are no defaults by any of the parties thereto. The Lease or a memorandum thereof is of record in _____

1.2 That neither of the parties to the Lease has assigned, transferred, hypothecated, pledged, mortgaged or otherwise alienated any interest that it has in the Lease.

1.3 That all construction and all installation of tenant improvements required to be performed by or paid for by Landlord have been completed and the Premises have been accepted by Tenant. Landlord represents that Landlord has made all expenditures and paid all costs required of Landlord, and Tenant represents that Tenant has made all expenditures and paid all costs required of Tenant for such improvements, provided, however, that the following items remain to be done: (if none, write in word "None"; otherwise, describe)

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SECTION 2. SUBORDINATION OF LEASE TO LOAN DOCUMENTS

Landlord, Tenant and Lender hereby agree that the Lease shall be and the same is hereby made subject and subordinate to the lien of the Real Property Security Instrument and of all the other Loan Documents and to any extensions, amendments and modifications thereof and supplements thereto to the extent of all sums secured thereby whether heretofore or hereafter advanced, and Tenant and Landlord hereby agree to execute such other instruments as may be requested by Lender to effectuate such subordination. The subordination of the Lease established hereby shall have the same force and effect as if the Loan Documents had been executed, acknowledged, delivered, and recorded prior to the execution and delivery of the Lease.

SECTION 3. RIGHTS AND OBLIGATIONS

In addition to all other obligations of the respective parties to the Lease and the Loan Documents, the parties shall have the following rights and obligations:

3.1 Notwithstanding the absolute assignment of rents to Lender under the Loan Documents, Landlord shall have a revocable license to collect all rents and exercise all of Landlord's rights under the Lease, which license may be revoked by Lender upon a default by Landlord under the Loan Documents. In consideration thereof, Landlord agrees that any failure of Landlord to perform any of Landlord's obligations to Tenant under the Lease may, at the option of Lender, be construed as a default of Landlord under the terms of the Loan Documents.

3.2 Landlord and Tenant agree that they will make no changes, modifications or amendments of the Lease, nor will they make any assignment of any interest of any of the parties to the Lease without the prior written consent of Lender having first been obtained.

3.3 Notwithstanding any provision to the contrary in the Lease, Tenant will not make and Landlord will not accept any prepayment of rents for more than one month, nor any concession or discounts of any amounts due under the Lease nor shall there be any surrender, cancellation or termination of any leasehold interest without the prior written consent of Lender having first been obtained.

SECTION 4. CASUALTY LOSS

4.1 In the event of partial or total destruction of the Premises which constitutes an insured loss, and does not result in a termination of the Lease, the proceeds of any policy of insurance naming Lender as the mortgagee payable, loss payee or additional insured shall be deposited with Lender and used for the following purposes:

(a) (i) Landlord shall, within sixty (60) days of such loss, damage or destruction, submit to Lender plans and specifications for the repair, rebuilding and restoration of the Premises and other improvements on the Property which have been damaged or destroyed. Said plans and specifications shall be subject to approval by Lender, which approval shall not be unreasonably withheld provided that such plans and specifications contemplate restoration of the Premises and such other improvements to a condition and quality at least equal to that prior to such damage or destruction.

(ii) Landlord shall, within thirty (30) days of approval by Lender of the plans and specifications, submit to Lender a fixed price contract for the work or construction contemplated by such plans and specifications. Said contract shall be subject to Lender's approval which shall not be unreasonably withheld.

(iii) Landlord shall deposit with Lender, within ten (10) days of Lender's approval of the contract described in (a)(ii) above, an amount equal to the excess of the total cost of construction as set forth in said contract and the insurance proceeds deposited with Lender.

(iv) The insurance proceeds deposited pursuant to 4.1 above and the Landlord's deposit pursuant to (a)(iii) above shall be placed in a non-interest bearing loans-in-process account and disbursed in accordance with Lender's customary procedures for disbursement of construction loan proceeds.

(b) In the event the conditions set forth in subsection 4.1(a) above are not accomplished within 120 days of the event of partial or total destruction of the Premises and/or other improvements on the Property, Lender may at its option use the insurance proceeds deposited with Lender to reduce the balance of the Loan or pay the Loan in full.

(c) In the event the insurance proceeds exceed the amount needed to repair the damage to the Premises and any other improvements on the Property or needed to pay the Loan in full, the balance remaining shall be paid to Landlord and Tenant in accordance with the terms of the Lease.

4.2 There shall be no abatement of rents payable under the Lease during any periods of repair or reconstruction when there has been a partial or total destruction of the Premises which does not result in a termination of the Lease.

4.3 In the event of a partial or total destruction of the Premises which constitutes an insured loss and results in termination of the Lease, the proceeds of any policy of insurance naming Lender as the mortgagee payable, loss payee or additional insured shall be distributed as follows:

(a) First, all or part of said funds shall be used, at Lender's option, to reduce the unpaid balance owing on the Loan or pay the Loan in full; and

(b) Second, the remaining sums, if any, shall be paid to the parties, as their interest might appear under the insurance policy.

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SECTION 5. EMINENT DOMAIN

In the event the Premises shall be taken under a decree of condemnation (which for the purposes hereof shall include any and all agreements and settlements relating to an actual or contemplated action for condemnation), all sums awarded or agreed to (hereinafter "Award") in connection therewith shall be divided between the parties as follows:

5.1 **PARTIAL TAKING.** In the event of any partial taking of the Premises which does not result in a termination of the Lease, the Award shall be used and distributed in the same manner as insurance proceeds are used and distributed pursuant to subsection 4.1 hereof.

5.2. **TOTAL TAKING.** In the event of any total taking of the Premises, the Award shall be distributed as follows:

(a) First, all or part of the funds, at Lender's option, shall be used to reduce the unpaid balance of the Loan or pay the Loan in full; and
(b) Second, the balance, if any so remaining, shall be paid to the Tenant and the Landlord in accordance with the terms of the Lease.

SECTION 6. RIGHTS ON DEFAULT

In addition to the rights conferred upon the parties hereto in the Loan Documents and in the Lease, in connection with a default by any party hereto, the parties shall have the following rights and obligations:

6.1 **Landlord's Default Under Lease.** In the event of any default by Landlord under the Lease whereby it might be terminated by Tenant by reason thereof, Tenant shall give written notice thereof to Lender and Landlord concurrently and shall grant to Landlord 30 days and Lender 45 days after it gives such notice to cure or undertake the elimination of such default; provided, however, that if the default is a nonmonetary default and Lender cannot effect cure in such 45-day period and so long as Lender commences within such 45-day period to diligently prosecute foreclosure, then Tenant agrees not to terminate the Lease by reason of such default and agrees that, in the event the Lease does terminate due to such default, Tenant shall enter into a new lease with the purchaser at the foreclosure proceedings, which purchaser may be Lender, or a subsequent purchaser from Lender (the "Purchaser") on the same terms and conditions as the Lease (as modified herein) and for the remaining term of the Lease, except with such modifications as may be necessary to reflect the provisions of this Agreement. This subsection 6.1 shall not in any way be deemed to create an obligation on the part of Lender to cure or undertake the elimination of such default unless Lender elects to do so. Further provided, that this subsection shall not in any way be deemed to abrogate any of Landlord's obligations under said Lease.

6.2 **Tenant's Default Under Lease.** Landlord shall not be deemed to be in default under the Loan Documents by reason of any default by Tenant under the Lease only so long as Landlord shall diligently exercise all of its rights under the Lease and perform all of its obligations in connection therewith.

6.3 **Landlord's Default Under Loan Documents.** In the event of Landlord's default under the Loan Documents, Lender shall have the right (but not the obligation) to give written notification to the Tenant of the existence of such default. Upon such written notification, Tenant shall make all payments which are required to be paid to the Landlord under the Lease, instead to Lender or to a designated receiver or other representative acting on behalf of Lender. Tenant shall be given credit for such payments as though the same had been made directly to Landlord under the Lease. Tenant may conclusively presume that such written notification from Lender is valid notwithstanding any claim by Landlord contesting the validity of the default claimed by Lender. If Lender should exercise its rights as provided in this subsection 6.3, the following shall prevail:

(a) Lender shall be required to account only for such rentals and payments as are actually collected by it. Nothing herein contained shall be deemed to create any liability on the part of Lender for failure to make any collections or to perform any of Landlord's obligations under the Lease.

(b) Lender shall not be liable for any damage to any person or property where such damage arises out of the operation of or in connection with the Premises.

(c) All payments received by Lender or its designated receiver or representative may be used by it from time to time for any one of the following purposes in such order of priority as Lender in its sole discretion may determine, any statute, law, custom or use to the contrary notwithstanding:
(i) For the making of any expenditures required of Landlord under the Lease;
(ii) For the making of any payments due Lender from Landlord; or
(iii) For a reduction of the outstanding principal balance of the Loan.

The failure of Lender to avail itself of any of the rights, powers or provisions under this Section shall not be construed at any time as a waiver of its right to exercise any of its rights in connection with the Loan at any future time, or to create any obligations to any other party hereto.

SECTION 7. RIGHTS AFTER LOAN FORECLOSURE

In the event Lender should foreclose its Real Property Security Instrument by foreclosure sale, or otherwise, the Lease shall remain in full force and effect to the Purchaser, except that if Purchaser requires, Tenant shall enter into an amendment of the Lease to reflect the provisions of subsection 3.2, subsection 3.3, Section 4 and Section 6 and subsection 6.1 hereof. The Tenant under the Lease shall attorn to the Purchaser and the Purchaser shall be entitled to all of the rights, privileges and benefits of the Landlord under the Lease, provided:

7.1 The Purchaser shall not have responsibility to refund or account for any security deposit or prepayment which may have been made in connection with the Lease, nor shall any such security deposit or prepayment be applied by the party depositing same to any obligation owing under the Lease.

7.2 The Purchaser shall not be responsible to the Tenant for any defaults committed by Landlord or its successors in interest prior to obtaining possession of the Premises by such Purchaser nor shall the Purchaser be subject to any offsets or defenses which Tenant might have against Landlord or its successors in interest prior to obtaining possession of the Premises by the Purchaser.

7.3 The Purchaser shall not be bound by any amendment or modification of the Lease made without the written consent of the Lender.

SECTION 8. NONDISTURBANCE

Provided that Tenant is not in default under the Lease (beyond any period given for Tenant to cure), neither Lender nor Purchaser shall interfere with Tenant's possession of the Premises and its rights under the Lease nor disturb Tenant's quiet enjoyment thereunder.

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SECTION 9. MISCELLANEOUS

9.1 **Surrender.** Notwithstanding anything to the contrary contained in the Lease, no voluntary or involuntary surrender of the Premises shall give rise to a termination of the Lease without the consent of Lender thereto having first been obtained.

9.2 **Tax Contests.** If Tenant contests, protests, objects to, or opposes the legality of the amount of any tax, assessment, license, fee, or public charge payable by Tenant under the Lease, such contest or protest shall be at the sole cost and expense of Tenant, and Tenant shall keep and hold Lender harmless from any and all costs and expenses including court costs and attorney's fees, as may be incurred by Lender as a result of any such contest and shall, if Lender requests, post a bond to cover such costs and expenses.

9.3 **Right to Accelerate.** In the event that Landlord should sell or transfer all or any part of its interest in the Property, whether or not such transfer shall be to Tenant pursuant to any option to purchase or right of first refusal contained in the Lease or pursuant to other right, Lender's right to accelerate the Loan under the Loan Documents shall be retained. Nothing contained herein shall be deemed to limit or impair Lender's right to so accelerate the Loan in such event, or in any other event giving such right under the Real Property Security Instrument.

9.4 **General Provisions.** Time is of the essence of the performance of all conditions hereof of which time is a factor. The masculine shall include the feminine and/or neuter and the singular shall include the plural whenever the context so requires. This Agreement shall be construed according to the laws of the state where the Property is located.

9.5 **Partial Invalidity.** Any provision hereof determined to be invalid by a court of competent jurisdiction shall in no way affect any other provision hereof. In such event each and every such other provision shall remain in full force and effect.

9.6 **Captions.** The captions used herein are for convenience only and shall not be used in construction or interpretation of this Agreement.

9.7 **Notice.** All notices, demands and requests given hereunder by a party hereto shall be in writing and shall be by: (a) hand delivery to the address for notices; or (b) delivery by overnight courier service to the address for notices; or (c) by certified mail, return receipt requested, addressed to the address for notices by United States mail, postage prepaid. All notices shall be deemed received upon the earliest to occur of: (i) the hand delivery of such notice to the address for notices; or (ii) one day after the deposit of such notice with any overnight courier service addressed to the address for notices;

or (iii) three days after depositing the notice in the United States mail as set forth in (c) above. All notices shall be sent to the address set forth in the initial paragraph hereof or to such other person or at such other place as any party hereto may by notice designate as a place for service of notice.

IN WITNESS WHEREOF, this Agreement is executed under seal as of the day and year first above mentioned.

LANDLORD:

RAYMOND BOZIN

TENANT:

ATTEST:

By: Keen Fastening Systems
Name: Marc Kramer
Title: Exec. V.P.

KEEN FASTENING SYSTEMS, INC.,
an Illinois corporation

By:
Name: Robert O. Kramer
Title: President

LENDER:

ATTEST:

By: David O. Franzen
Name: DAVID O. FRANZEN
Title: Asst Secy.

HARRIS BANK ROSELLE,
an Illinois bank

By:
Name: Vicki W. Trangel
Title: Asst. Vice Pres.

STATE OF ILLINOIS)
) SS.
COUNTY OF Cook)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that RAYMOND BOZIN, 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 severally acknowledged that he signed and delivered the said instrument as his free and voluntary act for the uses and purposes therein set forth.

Given under my hand and official seal this 12th day of August, 1992.

My Commission Expires:

"OFFICIAL SEAL"
KATHLEEN M. GIBBONS
Notary Public, State of Illinois
My Commission Expires 4/3/96

Kathleen M. Gibbons
Notary Public

STATE OF ILLINOIS)
) SS.
COUNTY OF Cook)

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I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that Robert O. Kramer, President of KEEN FASTENING SYSTEMS, INC., an Illinois corporation, and Mark E. Kramer, Secretary of said corporation, are 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 President and Secretary they signed and delivered the said instrument, pursuant to authority, as their free and voluntary act, and as the free and voluntary act and deed of said corporation as aforesaid, for the uses and purposes therein set forth.

Given under my hand and official seal this 5th day of August, 1992.

My Commission Expires:

" OFFICIAL SEAL "
ROBERT D. LAWLOR
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 5/23/95

Robert D. Lawlor
Notary Public

STATE OF ILLINOIS)
) SS.
COUNTY OF Cook)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that Vicki W. Trangel, Asst Vice President of HARRIS BANK ROSELLE, and David O. Franzen, Asst Secretary of said bank, are 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 Asst Vice President and Asst Secretary they signed and delivered the said instrument, pursuant to authority, as their free and voluntary act, and as the free and voluntary act and deed of said bank as Trustee as aforesaid, for the uses and purposes therein set forth.

Given under my hand and official seal this 12th day of August, 1992.

My Commission Expires:

"OFFICIAL SEAL"
KATHLEEN M. GIBBONS
Notary Public, State of Illinois
My Commission Expires 4/3/96

Kathleen M. Gibbons
Notary Public

EXHIBIT A

LEGAL DESCRIPTION

LOT 21 IN TRITON INDUSTRIAL PARK UNIT 12, BEING A SUBDIVISION OF PART OF THE EAST 1/2 OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF SECTION 27, TOWNSHIP 41 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED IN THE REGISTRAR'S OFFICE OF COOK COUNTY, ILLINOIS, ON SEPTEMBER 10, 1975 AS DOCUMENT LR 2828608, IN COOK COUNTY, ILLINOIS

PERMANENT INDEX NUMBER: 08-27-102-084

COMMON ADDRESS: 605 Bonnie Lane, Elk Grove Village, Illinois

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