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COOK COUNTY RECORDER

[THIS SPACE FOR RECORDER'S USE ONLY]

SUBORDINATION AND LESSEE-LESSOR ESTOPPEL AGREEMENT

(1501 Tonne Road, Elk Grove Village, Illinois)

This Agreement is entered into as of June 29, 1995, by and between C.R. Laurence Cr., Inc. ("Lessee"), a California corporation whose address is 2503 marc Vernon Avenue, Los Angeles, California 90058-1897 and MetLife Capital Financial Corporation ("METLIFE").

RECLIALS:

- A. Lessee is the present lessee under a lease (the "Lease") dated April 19, 1988, made by The Norar Company, a California general partnership, as Lessor (the "Lessor"), demising all or a portion of the premises described on Exhibit A (the "Leased Fremises").
- B. Lessee has been advised that the Lease has been or will be assigned to METLIFE as security for a loan with or original principal balance of Nine Hundred Fifty-Four Thousand To Hundred Dollars (\$954,200) (the "Loan") secured by a Mortgage (the 'Mortgage") to be recorded contemporaneously herewith covering the Leased Premises.
- C. A condition precedent to METLIFE's disbursement of Loan proceeds is that Lessor obtain this Agreement from Lessee in order to confirm certain matters and to subordinate the Lease and Lessee's interest in the Leased Premises to the lien of the Mortgage.
- D. It will be of benefit to Lessee if METLIFE disburses the Loan proceeds to Lessor. First American Title Order #

Prepared By, Recording Requested By And After Recording Return To:

(C 8386.) PK

METLIFE CAPITAL FINANCIAL CORPORATION Real Estate Department

10900 N.E. 4th St. Su Bellevue, Washington 08-34-101-041

Loan No. 2402995-002

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Now, therefore, the parties hereto agree as follows:

- 1. Leasee represents and warrants to METLIFE as follows:
- (a) Lessee has accepted possession and is in occupancy of the Leased Premises pursuant to the terms of the Lease, and the Lease is in full force and effect.
- (b) The improvements and space required to be furnished according to the Lease have been completed in all respects, all amounts owing from Leaser to Leasee in connection with delivery and construction of the Leased Premises (including, without limitation, tonant improvement costs, liquidated damages, and charges for construction delays) have been paid, and Leasee hereby waives any and all rights and remedies which Leasee may nave against Leaser (including, without limitation, any right to terminate the Lease) as a result of any breach by Leaser of any of its obligations under the Lease relating to the delivery, construction or condition of the Leased Premises.
- (c) Lessor has (u)filled all of its duties of an inducement nature.
- (d) The Lease has not been modified, altered or amended, except

 First Amendment to Lease dated June 22, 1995
- (e) There are no offsets or credits against rentals, nor have rentals been prepaid except as provided by the Lease terms, except None

 (Insert "None," if none.)
- (f) Rental commenced to accrue on May 1, 1988, current monthly rent is \$15,170.00, and there is currently no outstanding unpaid rent. The primary Lease term commenced or. May 1, 1988, and expires on April 30, 1998.
- (g) Lessee has no notice of a prior assignment, hypothecation or pledge of rents on the Lease.
- (h) Lessee has no claims to or interest in the Leased Premises legal or equitable, or any contract or option therefor other than as a Lessee under the Lease. The Lease does not contain, and Lessee does not have, an outstanding option to purchase the Leased Premises or an outstanding

option to extend or renew the term of the Lease except as follows

Lessee may renew for two additional consecutive terms of ten years each.

(Insert "None," if none.)

- (1) The existing parking facilities are located on the property described on Exhibit A and meet Lessee's Lease requirements.
- (j) There are no concessions or inducements which have been promised by Lessor or any other party to Lessee other than as set forth in the Lease.
- Lessor is not in default of any of its obligations under the Lease and no events have occurred which, with notice, the passage of time or both, would constitute a default in any of Lessor's obligations under the Lease.
- (1) Lessee has paid Lessor \$36,787.50 as a security or similar type deposit.
- 2. Lesses shall or mptly provide METLIFE at its Real Estate Department, 10900 N.E. 4th Street, Suite 500, Bellevue, Washington 98004, with a written notice of any default on the part of the Lessor under the Lesse, and Lesses hereby grants to METLIFE the option to cure said default within a reasonable length of time. Lesses further agrees that it shall not invoke any of its ramedies under this Lesse or any other remedies available to Lesses at law or in equity during any period that METLIFE is proceeding to cure any such default with due diligence, or is taking steps with due diligence to obtain the legal right to enter the Lessed Premises and cure any such default.
- 3. Without the prior written consent of MLTLIFE, Lessee shall not (a) modify or in any manner alter the terms of the lease; (b) pay the rent or any other sums becoming due under the terms of the Lease more than one month in advance; (c) accept Lessor's waiver of or release from the performance of any obligations under the Lease; (d) assign or sublet any interest under the Lease; (e) make any structural changes to the Leased Premises; or (f) agree with Lessor to terminate the Lease.
- 4. Should METLIFE advise Lessee that Lessor is in default in the indebtedness to METLIFE and request that payment of all future rentals be made directly to METLIFE, Lessee shall make all future rental payments under the Lease directly to METLIFE until instructed otherwise by METLIFE. Lessee shall not be liable to Lessor for any rental payments actually paid to METLIFE pursuant to this <u>Section 4</u>.
- 5. Notwithstanding anything in the Lease or any other document to the contrary, Lessee hereby agrees that the Lease and all right, title and interest of Lessee in, to and under the Lease (including, without limitation, all options or rights of first refusal to purchase the Leased Premises) are now, and shall at all times continue to be, unconditionally subject and subordinate in each and every respect, to

the Mortgage and to any and all renewals, modifications, extensions, substitutions, replacements and/or consolidations of the Mortgage. Lessee hereby agrees that METLIFE shall not be bound by any nondisturbance provisions in the Lease. Lessee hereby agrees that, for so long as the Mortgage is a lien on the Leased Premises, Lessee will not subordinate the estate of Lessee in the Lease to any other mortgages or deeds of trust or any other security instruments.

- 6. To the extent that the Lease shall entitle Leases to notice of any deed of trust, this Agreement shall constitute such notice to Leasee with respect to the Mortgage and Leasee hereby waives notice of any and all renewals, modifications, extensions, substitutions, replacements, and/or consolidations of the Mortgage.
- 7. The terms "holder of any deed of trust/mortgage on the fee title of the building", "fee deed of trust/mortgage", "holder of a deed of trust/mortgage" or any similar terms in the Lease shall be deemed to include METLIFE, its successors and assigns, including anyone who shall have succeeded to Lessor's interest by, through or under foreclosure of the Mortgage or deed in lieu of such foreclosure. The terms "deed of trust/mortgage affecting the real property," "deed of trust/mortgage," or any similar terms, shall be deemed to include the Mortgage to be recorded simultaneously herewith securing the Loan.
- 8. This Agreement min be modified only by an agreement in writing signed by the parties hereto or their respective successors in interest. This Agreement shall inura to the benefit of and be binding upon METLIFE, Lessor and Lessee, and their successors and assigns.
- 9. Notwithstanding anything in the Lease to the contrary, upon Lessee's default under the Lease, Lessor and METLIFE shall have all rights and remedies available to them at law or in equity.
- 10. To the extent of any conflict between the provisions of the Mortgage and the Lease which govern the application and disbursement of insurance and condemnation proceeds, the provisions of the Mortgage shall control. Notwithstanding anything in the Lease to the contrary, Lessee may not terminate the Lease because of damage to or condemnation of the Leased Premises unless (a) Lessee's use and operation of the Leased Premises is materially impaired by the damage to or condemnation of the Leased Premises, or (b) at least twenty-five percent (25%) of the net rentable area of the Leased Premises is damaged or condemned. Notwithstanding anything in the lease to the contrary, Lessee may not terminate the Lease because of any delay in repairing or rebuilding the Leased Premises unless the Leased Premises are not repaired or rebuilt within one hundred eighty (180) days after the date of damage or condemnation.
- 11. In the event suit or action is instituted to enforce or interpret this Agreement, the prevailing party shall be entitled to recover all expenses reasonably incurred at, before or after trial and on appeal, whether or not taxable as costs, or in any bankruptcy proceeding, including, without limitation, attorneys' fees, witness fees (expert and otherwise), deposition costs, copying charges and other expenses.

- 12. Lesgee agrees that upon the request of METLIFE from time to time (but no more than annually, if no Event of Default shall have occurred and be continuing), Lessee shall furnish to METLIFE a copy of Lessee's balance sheet and profit and loss statement, which shall be prepared in accordance with generally accepted accounting principles and practices consistently applied.
- 13. Lessee warrants, represents, covenants and agrees that it will not use, produce, store, release, dispose of or bring into the Leased Premises any hazardous waste or materials or allow any other entity or person to do so except as incidentally related to the operation and meintenance of the Leased Premises and equipment located therein, such as small amounts of posticides, insecticides, cleaning supplies, and "Level 3" lerosols used or sold in Lessee's operation of the Leased Premises, which substances shall be stored and used in accordance with applicable laws and regulations and used in a prudent manner. herein, the term "hazardous waste or materials" includes any substance, waste or material defined or designated as hazardous, toxic or dangerous (or any similar term) by any federal, state or local statute, regulation, rule or ordinance new or hereafter in effect including, without limitation, petroleum products and by-products, asbestos, polychlorinated biphenyle, chlorinated solvents, and urea formaldehyde. Lessee agrees to indemnify and hold harmless lessor and METLIFE against any and all losses, liabilities, sults, chigations, fines, damages, judgments, penalties, claims, charges, cleanur costs, remedial actions, costs and without limitation, attorneys' (including, disbursements) which may be imposed (n. incurred or paid by, or asserted against Lessor and/or METLIFE directly or indirectly arising from or attributable to any misrepresentation or oreach of any warranty, covenant or agreement by Lassee under this section. The provisions of this section shall survive expiration or termination of the Lease.
- 14. Lessee hereby agrees that if METLIF4 elects at any time to have the Lease superior to its Mortgage and gives notice of its election to Lessee, then the Lease shall be superior to the lien of any such Mortgage and all renewals, modifications, extensions substitutions, replacements and/or consolidations thereof, whether the Leas 13 dated or recorded before or after the Mortgage or mortgage. If NETLITE shall become the owner of the Leased Premises, or if the Leased Premises shall be sold by reason of foreclosure or other proceedings brought to enforce the Mortgage, or if the Leased Premises shall be transferred by diec in lieu of foreclosure, then at METLIFE's sole option (i) the Lease shall continue in full force and effect as a direct lease agreement between Lessee and the then owner of the Leased Premises (including METLIFE or the grantee under any deed given as a result of any foreclosure or in lieu of foreclosure), upon and subject to all of the terms, covenants and conditions of the Lease for the balance of the term thereof remaining and any extensions or renewals thereof which may be effected in accordance with any option therefor in the Lease, and (ii) Lessee shall attorn to METLIFE or any other such owner as its Lessor, said attornment to be effective and self-operative without the execution of any further instruments. From and after METLIFE's or other such owner's succession to the interest of Lessor under the Lease, Lessee shall have the same remedies against METLIFE or such other owner for the breach of any

covenant contained in the Lease that Lease might have had under the Lease against Leasor, except that neither METLIFE nor any other such owner shall be:

- (a) liable for any act or omission of, or for the performance of any obligation of, any prior lessor (including Lessor), including without limitation any obligation to repair, restore or expand any part of the Lessed Premises; or
- (b) subject to any offsets or defenses which Lessee might have against any prior lessor (including Lessor); or
- (c) bound by any prepayment of rent or additional rent which Leasee might have paid for more than the current month or by payment of any security deposits to any prior leasor (including Lessor), except such security deposits as have accurally been received by METLIFE; or
- (d) bound by any amendment or modification of the Lease or by any waive, or forbearance on the part of any prior leasor (including Leasor) made or given without the written consent of METLIFE or any subsequent holder of the Mortgage; or
- (e) bound by any representations or warranties of Lessor under the Lease.

However, METLIFE or such other owner shall not be required to recognize the rights of Lessee under the Lease, and the rights of Lessee thereunder (including any options thereunder) shall at the sole election of and upon notice by METLIFE or such other owner cease and terminate upon acquisition of title to or upon possession of the Leased Premises by METLIFE, or such owner or their respective successors and assigns, including any purchaser at a foreclosure sale.

- 15. Notwithstanding anything in the Lease to the contrary, Leasee hereby waives any rights it may have to an award for a taking by eminent domain, except to the extent that the award (1) compensates Leasee for moving expenses, business interruption, goodwill or taking of the property of Lessee (other than Leasee's leasehold interest), (b) is awarded separately in the eminent domain proceeding, and (c) does not reduce the amount of Lessor's award in the eminent domain proceeding.
- 16. Notwithstanding anything in the Lease to the contrary, Lessee agrees that any option or right or first refusal that it may have to purchase the Leased Premises shall not apply to a sale by foreclosure or a deed in lieu of foreclosure, and shall automatically be void and of no further force and effect following such sale by foreclosure or a deed in lieu of foreclosure. Lessee shall execute promptly whatever documents METLIFE may reasonably request from time to time in order to confirm the foregoing.

IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS AGREEMENT SHOULD BE READ CAREFULLY BECAUSE, AMONG OTHER THINGS, IT AFFECTS THE

954416ZE

UNOFFICIAL COPY

PRIORITY OF YOUR LEASE AND BECAUSE ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. NO OTHER TERMS OR ORAL PROMISES NOT CONTAINED IN THIS WRITTEN AGREEMENT MAY BE LEGALLY ENFORCED. YOU MAY CHANGE THE TERMS OF THIS AGREEMENT ONLY BY ANOTHER WRITTEN AGREEMENT.

Dated as of the date first above written.

Stopony Ox Coo

LESSEET

C. R. LAURENCE CO., INC., a California corporation

Donald E. Friese, President and CEO

Attest: Aby Was

[SEAL]

LENDERT

MUTLIFE CAPITAL FINANCIAL CORPORATION, a Delaware corporation

By:
Title: Lloyd R. Worthen

[SEAL]

Lessor joins in the execution of this document for the purpose of acknowledging and confirming the matters herein set forth.

LESSOR:

THE NORAN COMPANY, a California general partnership

Donald E. Friese, General Partner

Exhibits:

Exhibit A - Leased Premises NORAN.718/D5, June 27, 1995, 07:00:23 PM

COUNTY OF LOS AUGULES)
on the 20 day of June, 1995, Donald E. Friese personally appears before me and being first duly sworn by me severally acknowledged that he signed the foregoing document as President and Chief Executive Officer of C. R. Laurence Co., Inc., a California corporation, for the uses an purposes set forth therein. 1) WITNESS WHEREOF, I have hereunto set my hand and seal, the
day and year pefore written.
My Commission Expires: 1047-97
[SEAL.] JULIE ANN BACTAT Comm. # 1005013 NOTARY PUBLIC - CALIFORNIA Los Angeles County My Comm. Expires Cct. 17, 1997
Clark's Office

95441628

STATE	OF	V	NOTONIHEAN)	
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COUNTY	0	r	KING)	

ACKNOWLEDGEMENT

On this day of June, 1995, before me, a Notary Public in and for the State of Washington, personally appeared Lloyd R. Worthen, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed this instrument, on oath stated that he as authorized to execute the instrument, and acknowledged it as the Vice Prosident of METLIFE CAPITAL FINANCIAL CORPORATION to be the free and voluntary act and deed of said corporation for the uses and purposes montioned in the instrument.

IN WITHERS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

NOTARY PUBLIC in and for the State of Washington,

appoi A appointment expires 3.31-99

STATE	OF.	<u>CA</u>	
COUNTY	OF.	Las Abaces	

PERSONALLY before me, the undersigned, a Notary Public in and for said State, personally appeared Donald E. Friese, to me well known and known by me [or proven on the basis of satisfactory evidence] to be a general partner of the general partnership that executed the within instrument, and acknowledged to me that he and such general partnership executed the same.

> wirks my hand and official seal this 29 day of Jun 1995. rs. [Skal]

My commission expires:

County Clark's Office JULIE ANN BACTAT

NORAN.718/05

COUNTY OF LOS AUGUS

ACKNOWLEDGEMENT

PERSONALLY before me, the undersigned, a Notary Public in and for said State, personally appeared Ralph Jonas, Trustee of the 1989 Bernard P. Harris Business Interests Trusts, to me well known and known by me jor proven on the basis of satisfactory evidence; to be a general partner of the general partnership that executed the within instrument, and acknowledged to me that he and such general partnership executed the same.

WITNESS my hand and official seal this A day of June 1995.

Notary Public

My commission expires: 10-17-97

रसङ्गरा,

JULIE ANN BACTAT
TO COmm. # 1006013
NOTARY PUBLIC - CALIFORNIA
Los Angeles County
My Comm. Expires Oct. 17, 1997

NORAN.718/DS

9544152

Loan No: 2402995-002

EXHIBIT A

(1501 Tonne Road, Elk Grove, Illinolu)

Legal Description:

Cente orthwest st of th.
: Streets), i..

Ar: 08-34-101-041 \

Continue Con Lot 329 in Centex Industrial Park Unit 202, being a subdivisor in the Northwest 1/4 of Section 34, North, Range 11, East of the third principal meridian, (except that part dedicated for streets), in Cook County, Illinois.

Permanent Index Number: 08-34-101-041 Volume No. 050

NORAN . 61/05