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SUBORDINATION, ATTORNMENT AND NON-DISTURBANCE AGREEMENT

THIS AGREEMENT, made as of the 3rd day of November, 1992, among OHIO SAVINGS BANK (hereinafter referred to as "Lender"), BUILDERS SQUARE, INC., a Delaware corporation (hereinafter referred to as "Tenant"), and HAMMOND CENTER ASSOCIATES LIMITED PARTNERSHIP, an Ohio limited partnership (hereinafter referred to as "Landlord").

W I T N E S S E T H:

WHEREAS, Landlord's predecessor-in-interest, Oxford First Associates, a joint venture, entered into a certain Lease dated November 6, 1985, as amended by an Amendment to Lease dated April 10, 1986, a Second Amendment to Lease dated May 27, 1986 and a Third Amendment to Lease dated ~~11-6-85~~ 1992 (collectively, the "Amendments"), a memorandum of which lease is recorded in Book 960, Page 27 in the Register's Office of Lake County, Indiana (said lease as amended being hereinafter referred to as the "Lease") relating to certain premises located in Lake County, Indiana and being more particularly described in the Lease (the "Premises"); and

WHEREAS, Lender has made a loan to Landlord in the principal amount of Eight Million Five Hundred Thousand Dollars (\$8,500,000.00), which loan is evidenced by a Mortgage Note dated June 20, 1986, and is secured by a Mortgage and Security Agreement covering the Premises dated June 20, 1986 and recorded as Document No. 860139 in the Register's Office of Lake County, Indiana (hereinafter referred to as the "Mortgage"); and

WHEREAS, Tenant desires that, in the event that Lender becomes the owner of the Premises by foreclosure, conveyance in lieu of foreclosure or otherwise, Lender will recognize the Lease and the rights of Tenant thereunder, and Lender desires that in such event Tenant will attorn to and recognize Lender as the Landlord under the Lease.

NOW THEREFORE, for and in consideration of the mutual covenants herein contained, the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and notwithstanding anything in the Lease to the contrary, it is hereby agreed as follows:

1. The Lease and the rights and interest of Tenant thereunder are hereby subordinated in all respects and at all times to the lien and encumbrance of the Mortgage and to all of the terms, conditions and provisions thereof, and to all advances made or to be made thereunder, to the full extent of the principal sum thereof and interest thereon from time to time

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secured thereby, and to any and all renewals, substitutions, extensions, modifications or replacements thereof.

2. Lender does hereby acknowledge the Lease and agree with Tenant that, so long as Tenant is not in default under the Lease (beyond any period given Tenant by the terms of the Lease to cure such default), (a) Lender will not interfere with, diminish or disturb Tenant's possession or use of the Premises or other rights under the Lease, (b) in the event Lender becomes the owner of the Premises by foreclosure, conveyance in lieu of foreclosure or otherwise, the Premises shall be subject to the Lease and Lender shall recognize Tenant as the tenant of the Premises for the remainder of the term of the Lease (including any extensions and renewals thereof) in accordance with the provisions thereof, and (c) Lender will not join Tenant as a party defendant in any action or proceeding foreclosing the Mortgage unless such joinder is necessary to foreclose the Mortgage and then only for such purpose and not for the purpose of terminating the Lease and if Lender joins Tenant in any judicial foreclosure proceeding, Lender shall reimburse Tenant for all reasonable legal expenses and fees incurred by Tenant in defending the same. **NOT OFFICIAL!** **This Document is the property of the Ipiw County Recorder** that nothing herein contained shall impose any obligations upon Lender to perform any of the obligations of Landlord under the Lease unless and until Lender shall become owner or mortgagee in possession of the Premises and Lender shall have no personal liability to Tenant beyond Lender's interest in the real property of which the Premises are a part. Lender shall not be liable for any act or omission of any prior Landlord, except that Lender shall be subject to those offsets and defenses which Tenant might have against any prior Landlord which arose out of such Landlord's default and for which Tenant had notified Lender and given Lender an opportunity to cure as hereinbelow provided, nor shall Lender be bound by any rent which Tenant might have paid more than thirty (30) days in advance to any prior Landlord, nor shall Lender be bound by any amendment or modification of the Lease made without its prior written consent, not to be unreasonably withheld or delayed. In no event shall Lender be bound by any provision in the Lease which obligates Landlord to erect or complete any building or to perform any construction work or to make any improvements or additions to the Premises, except in connection with Landlord's obligation to (i) maintain the parking ratio and erect fences and barricades to control unauthorized use of the common areas of the Shopping Center of which the Premises are a part (the "Shopping Center") pursuant to Article 10 of the Lease, (ii) repair and maintain the Premises and the common areas of the Shopping Center in accordance with the obligations set forth in Articles 14, 16 and 21 of the Lease, (iii) comply with governmental regulations pursuant to Article 17 of the Lease (iv) restore, rebuild and/or raze any buildings in the event of a casualty pursuant to Article 19 of the Lease, (v) restore and

rebuild any buildings in the event of condemnation pursuant to Article 20 of the Lease to the extent of the condemnation proceeds received by the Lender, and/or (vii) maintain ingress and egress to the Premises pursuant to Article 23 of the Lease.

3. If Lender shall become the owner of the Premises or the Premises shall be sold by reason of foreclosure or other proceedings brought to enforce the Mortgage or the Premises shall be transferred by deed in lieu of foreclosure or otherwise, the Lease shall continue in full force and effect as a direct Lease between the then owner of the Premises, who shall succeed to the rights and duties of the Landlord, and Tenant, subject to the terms and provisions contained in this Agreement. Tenant shall attorn to Lender or any other such owner as its Landlord, said attornment to be effective and self-operative without the execution of any further instruments. Except as set forth in Paragraph 4 below, Tenant shall be under no obligation to pay rent to Lender or any such other owner until Tenant receives written notice from Lender or any such other owner that it has succeeded to Borrower's interest under the Lease, which notice shall be binding upon Landlord and Tenant. The notice shall be provided to Tenant at least thirty (30) days prior to Tenant having any obligation to pay rent to the Lender or any other owner that has succeeded to Borrower's interest under the Lease.

4. Tenant acknowledges and agrees that the Lease has been assigned by Landlord to Lender as security for Landlord's obligations under the Note and Mortgage. Tenant agrees that, upon receipt of notice from Lender in accordance with the requirements of applicable law, if any, that Landlord has defaulted under the Note or Mortgage, or any instrument or document collateral thereto, Tenant shall make all rental and other payments required to be made by Tenant pursuant to the Lease directly to Lender.

5. So long as the Mortgage remains outstanding and unsatisfied, simultaneously with the delivery of notice to Landlord, Tenant will mail or deliver to Lender at the address and in the manner below provided, a copy of all notices of any default by Landlord which would allow Tenant to cancel the Lease or abate the rentals thereunder. At any time before the rights of the Landlord shall have been forfeited or adversely affected because of any default of the Landlord, or within the time permitted the Landlord for curing any default under the Lease as therein provided (but not less than forty-five (45) days from the receipt of notice), Lender may, but shall have no obligation to, pay any taxes and assessments, make any repairs and improvements, make any deposits or do any other act or thing required of the Landlord by the terms of the Lease; and all payments so made and all things so done and performed by Lender shall be as effective to prevent the rights of the Landlord from being forfeited or

adversely affected because of any default under the Lease as the same would have been done if done and performed by the Landlord; such right of Lender to cure any default of Landlord shall be exercised by Lender within the forty-five (45) day period following receipt by Lender of such written notice from Tenant, provided that if the reason for such default is of such a nature that it cannot be cured within such forty-five (45) day period, Lender shall have such longer period of time as is reasonably required to cure such default, provided that Lender institutes curative action within such forty-five (45) day period and proceeds diligently with such curative action to completion. Anything contained in the Mortgage to the contrary notwithstanding, Landlord's failure to cure any defaults under the Lease within any applicable grace or cure period provided under the Lease shall constitute an immediate default under the Mortgage.

6. Tenant shall not voluntarily subordinate the Lease to any lien, encumbrance or mortgage without the prior written consent of Lender. This Document is the property of the Lake County Recorder. Tenant shall have the right to (i) contest any taxes and/or non-consensual liens on the Premises under the terms of the Lease and (ii) assign or sublet the Lease pursuant to Article 21 of the Lease. Tenant shall not enter into any amendment or modification to the Lease without the prior written consent of Landlord, not to be unreasonably withheld or delayed.

7. Nothing contained in this Agreement shall in any way impair or affect the lien and encumbrance of the Mortgage, except as specifically set forth herein.

8. Landlord acknowledges that the Lease has been assigned to Lender pursuant to the Mortgage and a certain Assignment of Rents and Leases, subject to Landlord's right to collect rentals and other charges under the Lease as long as Landlord is not in default under the Note or Mortgage, and Landlord covenants, acknowledges and agrees that Lender shall be entitled to collect and receive rents and other charges pursuant to the Lease upon default by Landlord as provided herein and in said Assignment of Rents and Leases, and Tenant is hereby authorized to make all such payments to Lender upon receipt by Tenant of written notice from Lender that Landlord has defaulted under the Lease.

9. Landlord shall give notice to Tenant of the reconveyance or other release of the Mortgage within 30 days of the date the reconveyance or other release is recorded.

10. This Agreement shall not apply to any equipment owned or leased by Tenant which is now or hereafter placed or installed on the Premises, and Tenant shall have the full right to remove said equipment at the expiration of the Lease term.

11. Any and all notices, elections or demands permitted or required to be made under this Agreement shall be in writing, signed by the party giving such notice, election or demand and shall be delivered personally or sent by registered or certified United States mail, postage prepaid, to the other party at the address set forth below, or at such other address within the continental United States of America as may have theretofore been designated in writing. The date of personal delivery or the date of mailing, as the case may be, shall be the date of such notice, election or demand. For purposes of this Agreement, notices, elections or demands shall be sent as follows:

To Lender at: Ohio Savings Bank
200 Ohio Savings Plaza
1801 East Ninth Street
Cleveland, Ohio 44114
Attn: Senior Vice President,
Construction Loan Department

To Tenant at: Builders Square, Inc.
9725 Data Point Drive
San Antonio, Texas 78229
Attn: Real Estate Department

With a copy to: Kmart Corporation
3100 W. Big Beaver Road
Troy, Michigan 48084
Attention: Senior Vice President,
Real Estate Department

To Landlord at: Hammond Center Associates Limited
Partnership
c/o Oxford Realty Group, Inc.
950 Milwaukee Avenue, Suite 208
Glenview, Illinois 66025

12. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors, successors-in-title and assigns. When used herein, the term "Landlord" refers to Landlord and to any successor to the interest of Landlord under the Lease.

13. The Lender certifies to Tenant that this Agreement has been approved by the board of directors or the loan committee of Lender, which approval is reflected in the minutes of said board or committee, and further undertakes to continuously maintain the Agreement as part of the Lender's official records.

14. This Agreement may be executed in any number of counterparts, each of which shall constitute an original, but all of which when taken together shall constitute one (1) agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement under seal as of the date first above written.

LENDER:

OHIO SAVINGS BANK

By: *Barbara Rosenthal*

Its: *Andrea S. Seng*



LANDLORD:

HAMMOND CENTER ASSOCIATES LIMITED PARTNERSHIP, an Ohio limited partnership

By: FIRST CENTERS DEVELOPMENT CO., an Ohio general partnership

By: EQUITY INVESTORS CENTERS CO., an Ohio general partnership, its Partner

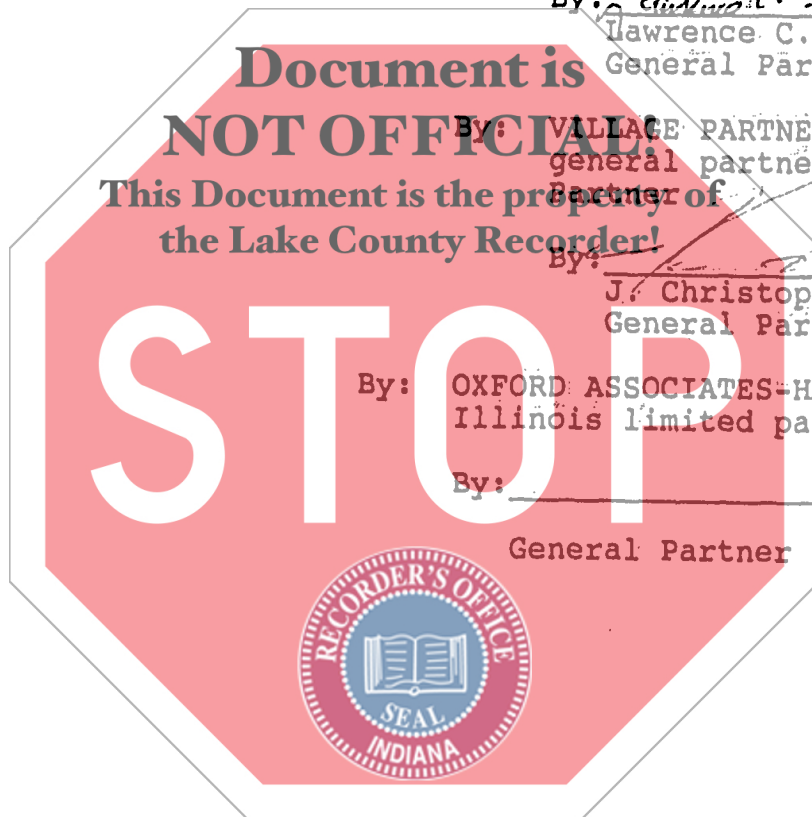
By: Lawrence C. Sherman
Lawrence C. Sherman,
General Partner

Document is NOT OFFICIAL.
By: VILLAGE PARTNERS, an Ohio general partnership, its Partner
This Document is the property of the Lake County Recorder!

By: J. Christopher Rodeno
J. Christopher Rodeno
General Partner

By: OXFORD ASSOCIATES-HAMMOND, an Illinois limited partnership

By: _____
General Partner



LANDLORD:

HAMMOND CENTER ASSOCIATES LIMITED
PARTNERSHIP, an Ohio limited
partnership

By: FIRST CENTERS DEVELOPMENT CO.,
an Ohio general partnership

By: EQUITY INVESTORS CENTERS
CO., an Ohio general
partnership, its Partner

By: Lawrence C. Sherman,
General Partner

Document is
NOT OFFICIAL

By: VILLAGE PARTNERS, an Ohio
general partnership, its
Partner

This Document is the property of
the Lake County Recorder!

J. Christopher Rodeno
General Partner

By: OXFORD ASSOCIATES-HAMMOND, an
Illinois limited partnership

By: General Partner
General Partner



TENANT:

BUILDERS SQUARE, INC., a Delaware corporation

By: *[Signature]*

Its: Chairman

GUARANTOR:

KMART CORPORATION, a Michigan corporation

By: _____

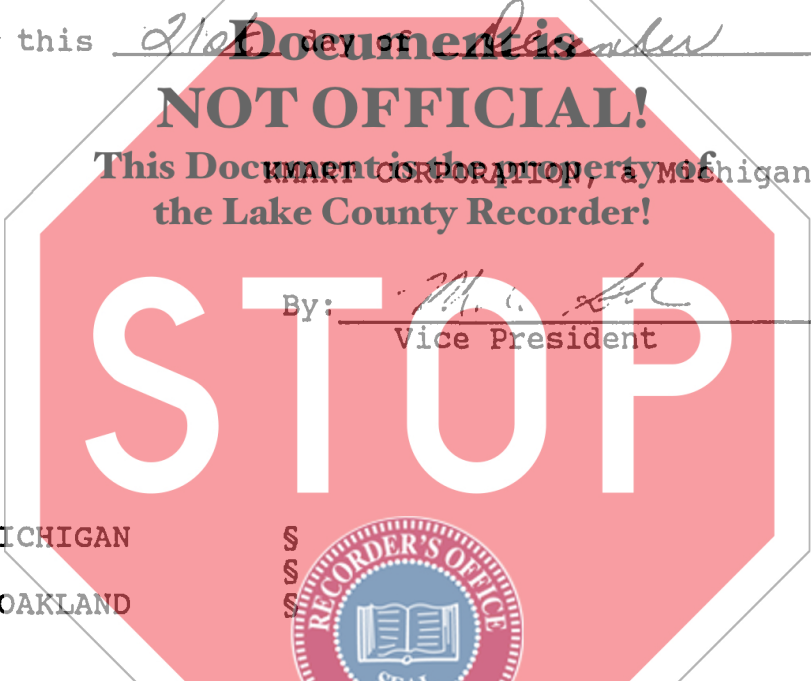
Its: _____



CONSENT OF LEASE GUARANTOR

The undersigned has absolutely and unconditionally guaranteed the full and punctual performance and observance by Tenant of all of the terms, conditions, covenants and obligations to be performed and observed by Tenant under the foregoing Lease pursuant to that certain Lease Guaranty Agreement dated November 6, 1985 for real property located in the City of Hammond, County of Lake, and State of Indiana, between Landlord and the undersigned. The undersigned consents to the foregoing Subordination, Nondisturbance and Attornment Agreement and acknowledges and agrees that the obligations of the undersigned pursuant to the Lease Guaranty Agreement shall remain in full force and effect.

Dated this 21st day of December, 1992.



NOT OFFICIAL!
This Document is the property of Kmart Corporation, a Michigan corporation the Lake County Recorder!

By: [Signature]
Vice President

STATE OF MICHIGAN
COUNTY OF OAKLAND



The foregoing instrument was acknowledged before me this 21st day of December, 1992 by W. S. Skiles, Senior Vice President of Kmart Corporation, on behalf of the corporation.

[Signature: Linda S. Metzger]
Notary Public

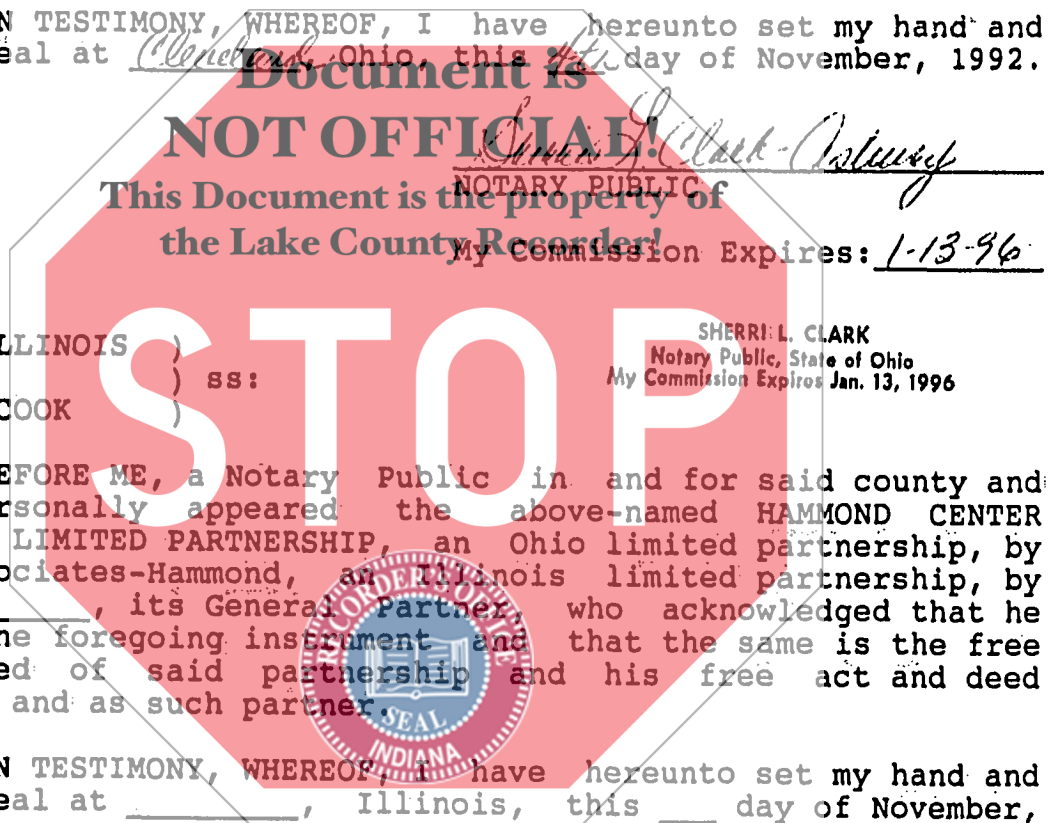
My commission expires: _____

SEAL

STATE OF OHIO)
COUNTY OF Cuyahoga) ss:

BEFORE ME, a Notary Public in and for said county and state, personally appeared the above-named HAMMOND CENTER ASSOCIATES LIMITED PARTNERSHIP, an Ohio limited partnership, by First Centers Development Co., an Ohio partnership, by Village Partners, an Ohio general partnership, its Partner, by J. Christopher Rodeno, its General Partner, who acknowledged that he did sign the foregoing instrument and that the same is the free act and deed of said partnership and his free act and deed personally and as such partner.

IN TESTIMONY, WHEREOF, I have hereunto set my hand and official seal at Cleveland, Ohio, this 14th day of November, 1992.



STATE OF ILLINOIS)
COUNTY OF COOK) ss:

SHERRIL L. CLARK
Notary Public, State of Ohio
My Commission Expires Jan. 13, 1996

BEFORE ME, a Notary Public in and for said county and state, personally appeared the above-named HAMMOND CENTER ASSOCIATES LIMITED PARTNERSHIP, an Ohio limited partnership, by Oxford Associates-Hammond, an Illinois limited partnership, by _____, its General Partner, who acknowledged that he did sign the foregoing instrument and that the same is the free act and deed of said partnership and his free act and deed personally and as such partner.

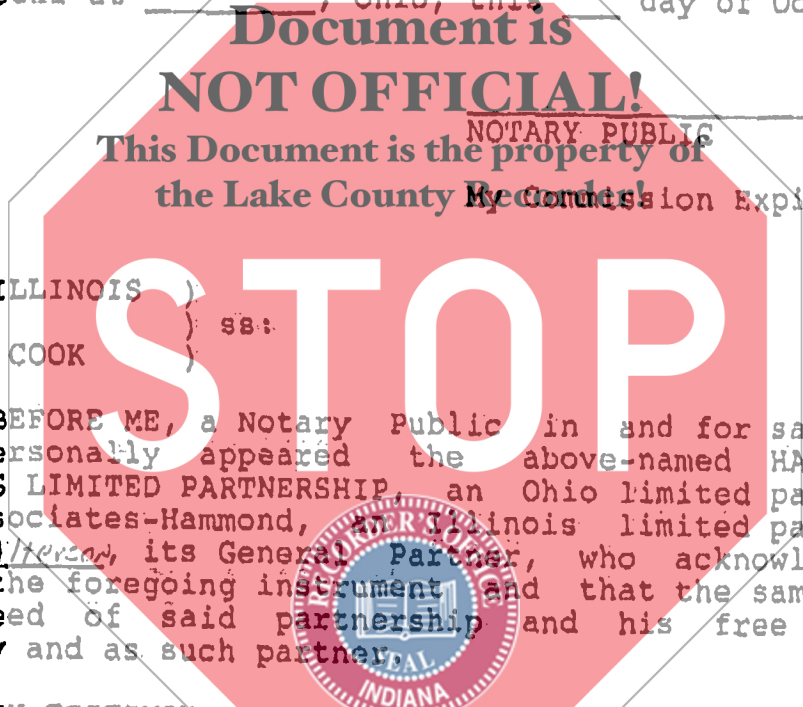
IN TESTIMONY, WHEREOF, I have hereunto set my hand and official seal at _____, Illinois, this _____ day of November, 1992.

NOTARY PUBLIC
My Commission Expires: _____

STATE OF OHIO)
) ss:
COUNTY OF _____)

BEFORE ME, a Notary Public in and for said county and state, personally appeared the above-named HAMMOND CENTER ASSOCIATES LIMITED PARTNERSHIP, an Ohio limited partnership, by First Centers Development Co., an Ohio partnership, by Village Partners, an Ohio general partnership, its Partner, by J. Christopher Rodeno, its General Partner, who acknowledged that he did sign the foregoing instrument and that the same is the free act and deed of said partnership and his free act and deed personally and as such partner.

IN TESTIMONY, WHEREOF, I have hereunto set my hand and official seal at _____, Ohio, this _____ day of October, 1992.



STATE OF ILLINOIS)
) ss:
COUNTY OF COOK)

BEFORE ME, a Notary Public in and for said county and state, personally appeared the above-named HAMMOND CENTER ASSOCIATES LIMITED PARTNERSHIP, an Ohio limited partnership, by Oxford Associates-Hammond, an Illinois limited partnership, by Howard Alterson, its General Partner, who acknowledged that he did sign the foregoing instrument and that the same is the free act and deed of said partnership and his free act and deed personally and as such partner.

IN TESTIMONY, WHEREOF, I have hereunto set my hand and official seal at Glenview, Illinois, this 3rd day of October, 1992. *November*

Janice Topel
NOTARY PUBLIC

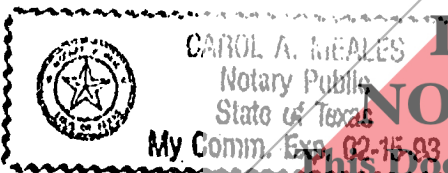
My Commission Expires: 7-29-94

"OFFICIAL SEAL"
JANICE TOPEL
Notary Public, State of Illinois
My Commission Expires 7/29/94

STATE OF TEXAS)
) SS:
COUNTY OF BEXAR)

BEFORE ME, a Notary Public in and for said county and state, personally appeared the above-named BUILDERS SQUARE, INC. a Delaware corporation, by H.R. Milke, its President, who acknowledged that he did sign the foregoing instrument and that the same is the free act and deed of said corporation and his free act and deed personally and as such officer.

IN TESTIMONY, WHEREOF, I have hereunto set my hand and official seal at San Antonio, Texas, this 9 day of November, 1992. December



Document is

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This Document is the property of the Lake County Recorder!

NOTARY PUBLIC

My Commission Expires: 2-15-93

STATE OF MICHIGAN)
) SS:
COUNTY OF OAKLAND)

BEFORE ME, a Notary Public in and for said county and state, personally appeared the above-named KMART CORPORATION, a Michigan corporation by _____, its _____, who acknowledged that he did sign the foregoing instrument and that the same is the free act and deed of said corporation and his free act and deed personally and as such officer.

IN TESTIMONY, WHEREOF, I have hereunto set my hand and official seal at Troy, Michigan, this _____ day of November, 1992.



NOTARY PUBLIC

My Commission Expires: _____

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OXFORD REALTY GROUP, INC.

Howard Alterson
Vice-President

950 Milwaukee Avenue
Suite 208
Glenview, Illinois 60025
708-824-2030

EXHIBIT A

LEGAL DESCRIPTION FOR BUILDERS SQUARE PARCEL EAST OF K MART IN HAMMOND, INDIANA

PART OF THE EAST $\frac{1}{2}$ OF SECTION 17, TOWNSHIP 36 NORTH, RANGE 9, WEST OF THE SECOND PRINCIPAL MERIDIAN, IN THE CITY OF HAMMOND, LAKE COUNTY, INDIANA, DESCRIBED AS FOLLOWS: COMMENCING AT A POINT ON THE EAST LINE OF INDIANAPOLIS BOULEVARD 973.10 FEET NORTHWESTERLY OF THE THREAD OF THE STREAM OF THE LITTLE CALMUT RIVER (LOCATED AND DESCRIBED IN DOCUMENT NO. 481268 AND RECORDED MAY 13, 1963) AS MEASURED ALONG THE EAST LINE OF SAID INDIANAPOLIS BOULEVARD (SAID EAST LINE OF INDIANAPOLIS BOULEVARD HAVING A BEARING AND DISTANCE FROM THE THREAD OF THE STREAM OF NORTH $35^{\circ}12'30''$ WEST, AT A DISTANCE OF 553.10 FEET, AND NORTH $37^{\circ}21'$ WEST, AT A DISTANCE OF 420.0 FEET); SAID POINT ALSO BEING 60.0 FEET SOUTH $37^{\circ}21'$ EAST OF STATION 71 PLUS 80 OF LINE AA (+80,87 FEET) AS RECORDED IN INDIANA STATE HIGHWAY COMMISSION RIGHT-OF-WAY GRANT DOCUMENT NO. 457419; AND IN BOOK 608 PAGE 473) AND AS MEASURED ALONG SAID EAST LINE OF INDIANAPOLIS BOULEVARD; THENCE NORTH $52^{\circ}39'$ EAST, A DISTANCE OF 840 FEET TO THE POINT OF BEGINNING; THENCE NORTH $52^{\circ}39'$ EAST, 60.0 FEET TO A POINT OF CURVE; THENCE EASTERLY ALONG A CURVE CONVEX NORTHERLY AND HAVING A RADIUS OF 200.00 FEET, AN ARC DISTANCE OF 186.75 FEET; THENCE EASTERLY ALONG A CURVE CONVEX NORTHERLY AND HAVING A RADIUS OF 1050.0 FEET (THE CHORD OF SAID COURSE HAVING A BEARING OF NORTH $75^{\circ}31'55''$ EAST), AN ARC DISTANCE OF 364.27 FEET; THENCE SOUTH $36^{\circ}28'59''$ EAST, 378.45 FEET; THENCE SOUTH $53^{\circ}31'01''$ WEST, 262.0 FEET; THENCE NORTH $36^{\circ}28'59''$ WEST, 580.0 FEET; THENCE SOUTH $53^{\circ}31'01''$ WEST, 296.0 FEET; THENCE NORTH $36^{\circ}28'59''$ WEST, 580.0 FEET TO THE POINT OF BEGINNING, ALL IN LAKE COUNTY, INDIANA AND CONTAINING 6.384 ACRES, MORE OR LESS.

