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STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

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MICHAEL B. BROWN
RECORDER

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

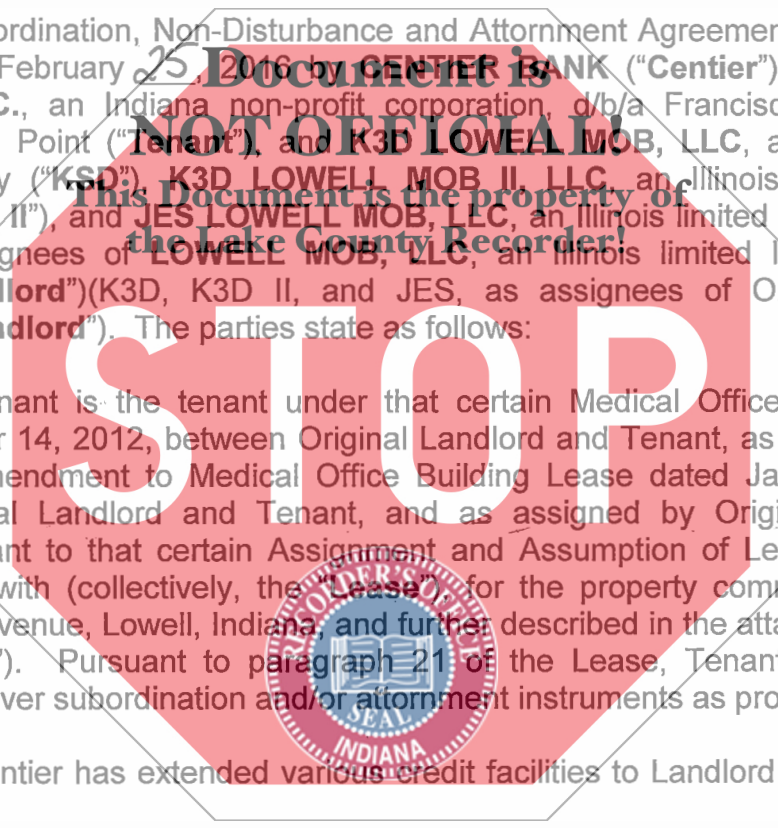
This Subordination, Non-Disturbance and Attornment Agreement ("**Agreement**") is made as of February 25, 2016 by CENTIER BANK ("**Centier**"), FRANCISCAN ALLIANCE, INC., an Indiana non-profit corporation, d/b/a Franciscan St. Anthony Health – Crown Point ("**Tenant**"), and K3D LOWELL MOB, LLC, an Illinois limited liability company ("**K3D**"), K3D LOWELL MOB II, LLC, an Illinois limited Liability Company ("**K3D II**"), and JES LOWELL MOB, LLC, an Illinois limited liability company ("**JES**") as assignees of LOWELL MOB, LLC, an Illinois limited liability company ("**Original Landlord**") (K3D, K3D II, and JES, as assignees of Original Landlord, collectively, "**Landlord**"). The parties state as follows:

A. Tenant is the tenant under that certain Medical Office Building Lease dated December 14, 2012, between Original Landlord and Tenant, as modified by that certain First Amendment to Medical Office Building Lease dated January 23, 2014, between Original Landlord and Tenant, and as assigned by Original Landlord to Landlord pursuant to that certain Assignment and Assumption of Lease dated as of even date herewith (collectively, the "**Lease**"), for the property commonly known as 4500 W. 181st Avenue, Lowell, Indiana, and further described in the attached Exhibit "A" (the "**Premises**"). Pursuant to paragraph 21 of the Lease, Tenant is obligated to execute and deliver subordination and/or attornment instruments as provided therein.

B. Centier has extended various credit facilities to Landlord (collectively, the "**Loan**").

C. Repayment and all other obligations of the Landlord under and with respect to the Loan are secured by various interests in the Premises granted to Centier, including but not limited to the following:

1. a Mortgage and Security Agreement (Financing Statement) of even date herewith, recorded or to be recorded in Porter County, Indiana; and
2. an Assignment of Rents and Leases of even date herewith, recorded or to be recorded in Porter County, Indiana




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(collectively, the "**Mortgages**"), which encumber all of the Premises.

D. Tenant desires to be assured that, if Centier should foreclose any one or more of the Mortgages, provided Tenant is not then in default under or with respect to the Lease beyond any applicable cure periods, Centier will recognize and not disturb the leasehold estate and rights of Tenant under the Lease.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties, intending to be legally bound, mutually covenant and agree as follows:

1. **Acknowledgment of Lease.** Tenant and Landlord hereby acknowledge and agree that:

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- (a) Landlord is currently the "Landlord" under and with respect to the Lease, and no other person or entity has any rights or interests as "Landlord" under or with respect to the Lease. Tenant is currently the "Tenant" under and with respect to the Lease, and no other person or entity has any rights or interests as "Tenant" under or with respect to the Lease.
 - (b) The Lease is currently in full force and effect and has not been amended or modified, and Tenant is in full and sole possession of the Premises. The term of the Lease began on or about February 1, 2014, and will end on January 31, 2033.
 - (c) To the best of the current actual knowledge of each of Tenant and Landlord, the other party is not currently in material default under or with respect to the Lease.
 - (d) Rent is due and payable under the Lease as provided in paragraph 2, Schedule I and Exhibit E, as applicable.
 - (e) Tenant has no option or right of first refusal to purchase or otherwise obtain title to the Premises or any portion thereof.

2. **Lessor's Work and Tenant Buildout.** Landlord and Tenant each hereby acknowledge and agree that:

(a) the construction of the building, as provided in paragraph 4 of the Lease, and as further described in the Work Letter attached as Exhibit C to the Lease, has been fully performed and completed, and that Landlord has no further obligations under or with respect thereto; and

(b) all costs and expenses of construction and with respect thereto have been fully paid, and Landlord has fully and finally paid all costs and expenses with respect

thereto which Landlord was obligated to pay, and neither Landlord nor Tenant has any further obligations under or with respect thereto.

3. **Subordination.** Tenant hereby subordinates the Lease, all extensions, modifications and renewals thereof, and all of Tenant's rights and interests thereunder, to the liens of the Mortgages and to all modifications, renewals and extensions of the same made in accordance herewith.

4. **Acknowledgment of Assignment of Lease.** Tenant acknowledges that, pursuant to the Mortgages, Landlord has made a collateral assignment to Centier of the Lease and all rights of Landlord under the Lease, including but not limited to the right to receive rents. Tenant further acknowledges that, upon any default by Landlord under or with respect to the Loan, Centier and its successors and/or assigns will have the right to collect all rents due under the Lease.

5. **Non-Disturbance.** Provided Tenant is not in default under or with respect to the Lease beyond any applicable cure periods, in the event of any foreclosure or deed in lieu thereof with respect to the Premises and/or any portion thereof pursuant to rights arising under the Mortgages, Centier and its successors and/or assigns will not disturb Tenant's possession of the Premises under the Lease, nor will the rights of Tenant under or with respect to the Lease be affected or extinguished thereby, and Tenant's rights to the Premises pursuant to the terms of the Lease will continue. In such event, Tenant will attorn to, recognize and acknowledge Centier and its successors and/or assigns as substitute landlord under the Lease, provided that such substitute landlord will have no obligations, responsibilities or liabilities of any sort arising from or relating to any events occurring or accruing prior to the time Centier and its successors and/or assigns may become such substitute landlord. In addition, provided Tenant is not in default under or with respect to the Lease beyond any applicable cure periods, Centier agrees not to name Tenant in any proceeding instituted to foreclose the Mortgages, unless Centier determines that such inclusion is necessary or appropriate in order to properly foreclose the same and then such foreclosure will in any event be made and remain subject to these non-disturbance provisions set forth in this paragraph 4.

6. **Notice to Centier.** If Tenant or Landlord give any notice or demand to the other under or with respect to the Lease, including but not limited to any notice of default, the party giving such notice will also deliver a copy of such notice to Centier by personal, by mail (by registered or certified mail), by nationally recognized overnight courier delivery service, or by fax, at:

Centier Bank
c/o Zoran Koricanac
9701 Indianapolis Blvd.
Highland, Indiana 46322-2620
fax: 219-922-2409

or such other address as Centier may designate from time to time.

7. **Miscellaneous.**

(a) **Counterparts.** This Agreement may be executed in several counterparts, each of which will be deemed an original, but all of which will constitute one and the same instrument. In addition, this Agreement may contain more than one counterpart of the signature page and this Agreement may be executed by the affixing of all the signatures of each of the parties hereto to one of such counterpart signature pages; all of such counterpart signature pages will be read as though one, and they will have the same force and effect as though all the signers had signed a single signature page.

(b) **Execution of Agreement.** The signatures of the parties hereto indicate their mutual intention and agreement that this Agreement will be effective upon delivery of signed copies hereof to each other by facsimile transmission or by e-mail of scanned copies, and that no delivery of copies of this Agreement with original signatures will be necessary for this Agreement to become or remain effective.

(c) **Governing Law.** The laws of the State of Indiana will govern this Agreement and its validity, enforcement and interpretation.

(d) **Modifications.** No modification, amendment, waiver or release of any provision of this Agreement or of any right, obligation, claim or cause of action arising hereunder will be valid or binding for any purpose whatsoever unless in writing and duly executed by the party against whom the same is sought to be asserted.

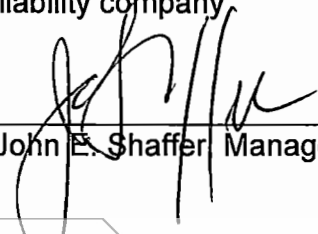
(e) **Successors and Assigns.** This Agreement will inure to the benefit and will be binding upon the parties hereto and their respective successors and assigns; provided, however, that in the event of the assignment or transfer of the interest of Centier, all obligations and liabilities of Centier under this Agreement arising from or after the date of such assignment or transfer by will terminate as to the entity that is then "Centier" hereunder, and thereupon all such obligations and liabilities will be the responsibility of the party to whom Centier's interest is assigned or transferred.

* * * * *

[Signatures appear on the following pages]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

Landlord: **K3D LOWELL MOB, LLC**, an Illinois limited liability company

By: 
John E. Shaffer, Manager

STATE OF Illinois
COUNTY OF Cook



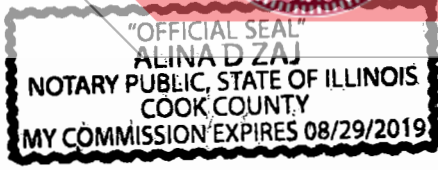
BEFORE ME, the undersigned, a Notary Public, on February 19th, 2016, personally appeared John E. Shaffer, personally known to me to be the same person whose name is subscribed to the foregoing document as Manager of K3D Lowell MOB, LLC, an Illinois limited liability company, and being first duly sworn by me upon oath, acknowledged that such person has read and understands the foregoing and that such person has affixed such person's name to and delivered said document as such person's own free and voluntary act and as the free and voluntary act of said entity for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal.





Alina D. Zaj, Notary Public

Commission Expires: _____ County of Residence: Cook



Landlord:

K3D LOWELL MOB II, LLC, an Illinois limited liability company

By: 
Douglas K. Jones, Manager

JES LOWELL MOB, LLC, an Illinois limited liability company


By: 
Douglas K. Jones, Manager



STATE OF Illinois
COUNTY OF Cook

BEFORE ME, the undersigned, a Notary Public, on February 19th, 2016, personally appeared Douglas K. Jones, personally known to me to be the same person whose name is subscribed to the foregoing document as Manager of K3D Lowell MOB II, LLC and of JES Lowell MOB, LLC and being first duly sworn by me upon oath, acknowledged that such person has read and understands the foregoing and that such person has affixed such person's name to and delivered said document as such person's own free and voluntary act and as the free and voluntary act of said entity for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal.


Alina D. Zaj, Notary Public
Cook

Commission Expires: _____ County of Residence: _____



EXHIBIT A

Legal Description of Property on which Premises are Situated

LOT 1, LOWELL PROFESSIONAL CENTER, AN ADDITION TO THE TOWN OF LOWELL, AS PER PLAT THEREOF, RECORDED IN PLAT BOOK 106, PAGE 38, RECORDED 5-17-13, AS DOCUMENT NO. 2013035802, IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA.

Commonly known as: 4500 West 181st Avenue, Lowell, Indiana
PIN: 45-20-19-376-011.000-008

