

After recording, mail to:

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ATTORNEYS AT LAW
P. O. BOX 154
COLUMBIA, S. C. 29202

BOOK 1147 PAGE 879

SLEY

SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT

THIS AGREEMENT, made as of this 12th day of March, 1981, between WACHOVIA BANK & TRUST COMPANY, N. A., having its offices located at Post Office Box 31608, Charlotte, North Carolina 28231, ("Mortgagee"); CENTER ASSOCIATES, Assignee of Edens & McTeer, Inc., whose address is P.O. Box 12208, Columbia, South Carolina 29211 ("Lessor") and FOOD TOWN STORES, INC. whose mailing address is P. O. Box 1330, Salisbury, N. C. 28144 ("Lessee").

WITNESSETH:

WHEREAS, Lessee and Lessor have entered into a certain Lease dated 9/24/79, amended 6/6/80, 6/26/80, relating to a store premises in a shopping center on the property described in Exhibit "A" attached hereto and by this reference made a part hereof (the "Premises"); and

WHEREAS, Mortgagee has committed to make a loan to Lessor in the original principal amount of \$3,800,000.00 secured by a Mortgage and Security Agreement ("the Mortgage") and an Assignment of Rents and Leases from Lessor to Mortgagee covering the Premises; and

WHEREAS, Lessee has agreed that its Lease shall be subject and subordinate to the Mortgage held by the Mortgagee provided Lessee is assured of continued occupancy of its Premises under the terms of said Lease;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and the sum of ONE DOLLAR (\$1.00) by each party in hand paid to the other, the receipt whereof is hereby acknowledged, and notwithstanding anything in said Lease to the contrary, it is hereby agreed as follows:

1. The Lease is and shall be subject and subordinate to the Mortgage and to all renewals, modifications, consolidations, replacements, increase in amount and extensions thereof, but shall not be subordinate to any other lien or mortgage except a subsequent first-in-priority mortgage.

2. In the event foreclosure of the Mortgage or should Mortgagee obtain title by deed in lieu thereof, Lessor and Mortgagee, for itself, its successors and assigns, agrees that Lessee may continue its occupancy of its Premises in accordance with the terms and provisions of the Lease, so long as Lessee continues to pay rent and otherwise to perform its obligations thereunder. Mortgagee agrees not to name Lessee as a party defendant in any foreclosure action.

3. Lessee agrees to attorn to (a) Mortgagee when in possession of the Premises; (b) a Receiver appointed in an action or proceeding to foreclose the Mortgage or otherwise; or (c) to any party acquiring title to the Premises as a result of foreclosure of the Mortgage or deed in lieu thereof. This provision shall operate automatically without further acknowledgment or instrument of attornment; however, Lessee further covenants and agrees to execute and deliver upon request of Mortgagee, or its assigns, an appropriate agreement of attornment to any subsequent title holder of the Premises.

4. So long as the Mortgage on the demised Premises remains outstanding and unsatisfied, Lessee will mail to Mortgagee at its place of business hereinabove set forth, a copy of all notices permitted or required to be given to Lessor by Lessee pursuant to which the Lessee proposes to abate or reduce the rental payable under the Lease or to terminate or cancel the Lease under and pursuant to the terms and provisions of said Lease, and that no such notices to Lessor shall be effective unless a copy of such notices is also mailed to Mortgagee. At any time before the rights of Lessor shall have been forfeited or adversely affected because of any default of Lessor, or within the time permitted Lessor for curing any default under the Lease as therein provided (but not less

*11/7/80 and 2/ 11/81. (Memorandum recorded in Greenville County RMC Office in Deed Book 1131 at page 448. Amended Memorandum recorded at 1143 at page 10.)

**relating to default or bankruptcy only

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