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GARY W. OTT
RECORDER, SALT LAKE COUNTY, UTAH
FIRST AMERICAN TITLE
BY: KAM, DEPUTY - MI 8 P.

THE TALON GROUP
AW# Accom. 03-869

Drafted by and when recorded, return to:
Edmund C. Michalak, Esq.
SEG Stores, Inc.
c/o Borman's, Inc.
P.O. Box 33446
Detroit, MI 48232-5446

COURTESY RECORDING

This document is being recorded solely as a courtesy and an accommodation to the parties named herein. First American Title Insurance Company hereby expressly disclaims any responsibility or liability for the accuracy or the content thereof.

**SUBORDINATION, RECOGNITION
AND NON-DISTURBANCE AGREEMENT**

THIS SUBORDINATION, RECOGNITION AND NON-DISTURBANCE AGREEMENT ("Agreement"), is made as of July 28, 2003, between, Protective Life Insurance Company having a mailing address of P.O. Box 2606, Birmingham, AL 35202 (hereinafter called "Mortgagee") and SEG Stores, Inc., a Utah corporation having an office at 18718 Borman Avenue, Detroit, Michigan 48228 (hereinafter called "Tenant").

WITNESSETH:

WHEREAS, Mortgagee is about to make a loan to Hillside Plaza Properties (hereinafter called "Landlord") secured by a mortgage or deed of trust (hereinafter called the "Mortgage") covering a parcel of land owned by Landlord and described on Exhibit A annexed hereto and made a part hereof, together with the improvements now or hereafter erected thereon (said parcel of land and improvements thereon being hereinafter called the "Mortgaged Property"); and

WHEREAS, by a certain lease heretofore entered into between Landlord and Tenant dated as of July 31, 1974 and amended by Lease Modification Agreement dated September 12, 1974, Lease Modification Agreement dated December 20, 1974, Lease Modification Agreement dated April 1, 1975, Letter Agreement dated August 10, 1976 and Fourth Lease Modification Agreement dated August 11, 1979 (hereinafter collectively called the "Lease"), Landlord leased to Tenant a portion of that certain parcel of land described on Exhibit A annexed hereto and made a part hereof together with the building now or hereafter erected on the land leased to Tenant (said land and

the improvements on or to be erected thereon being hereinafter called the "Demised Premises"); and

WHEREAS, a Short Form, Memorandum or Notice of the Lease has been recorded on October 10, 1974 in the County of Salt Lake City, Records in Book 3700, Page 221 ; and

WHEREAS, a copy of the Lease has been delivered to Mortgagee, the receipt of which is hereby acknowledged; and

WHEREAS, Mortgagee is unwilling to make said loan to Landlord unless the Lease is subordinate to the lien of the Mortgage; and

WHEREAS, paragraph 32 of the Lease provides that the Lease shall become subject and subordinate to the lien of a first mortgage of the entire fee interest of the Demised Premises made to certain institutional lenders if and when a non-disturbance agreement is entered into with respect to such mortgage; and

WHEREAS, the parties hereto desire to effect the subordination of the Lease to the lien of the Mortgage and to provide for the non-disturbance of Tenant by Mortgagee.

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

1. Mortgagee hereby consents to and approves the Lease.
2. Tenant covenants and agrees with Mortgagee that the Lease is hereby made and shall continue hereafter to be subject and subordinate to the lien of the Mortgage (as the same may be modified and extended) without regard to the order of priority of recording the Mortgage and the Short Form, Memorandum or Notice of the Lease, subject, however, to the provisions of this Agreement.
3. Tenant certifies that the Lease is presently in full force and effect.
4. Mortgagee agrees that so long as the Lease shall be in full force and effect:
 - (a) Except as may be required under applicable law, Tenant shall not be named or joined as a party defendant or otherwise in any suit, action or proceeding for the foreclosure of the Mortgage or to enforce any rights under the Mortgage or the bond or note or other obligation secured thereby;

- (b) The possession by Tenant of the Demised Premises and the Tenant's rights thereto shall not be disturbed, affected or impaired by, nor will the Lease or the term thereof be terminated or otherwise affected by, (i) any suit, action or proceeding upon the Mortgage or the bond or note or other obligation secured thereby, or for the foreclosure of the Mortgage or the enforcement of any rights under the Mortgage or any other documents held by the Mortgagee, or by any judicial sale or execution or other sale of the Mortgaged Property or by any deed given in lieu of foreclosure, or by the exercise of any other rights given to the Mortgagee by any other documents or as a matter of law, or (ii) any default under the Mortgage or the bond or note or other obligation secured thereby;
 - (c) All condemnation awards and insurance proceeds paid or payable with respect to the Mortgaged Property shall be applied and paid in the manner set forth in the Lease.
- 5. Mortgagee hereby acknowledges and agrees that all fixtures and equipment whether owned by Tenant or any subtenant or leased by Tenant from a lessor/owner (hereinafter called the "Equipment Lessor") installed in or on the Mortgaged Property, regardless of the manner or mode of attachment, shall be and remain the property of Tenant or any such Equipment Lessor and may be removed by Tenant or any such Equipment Lessor at any time. In no event (including a default under the Lease or Mortgage) shall Mortgagee have any liens, rights or claims in Tenant's or Equipment Lessor's fixtures and equipment, whether or not all or any part thereof shall be deemed fixtures; and Mortgagee expressly waives all rights of levy, distraint or execution with respect to said fixtures and equipment. Mortgagee agrees to execute and deliver to Tenant and Equipment Lessor, within ten (10) days after request therefor, any document required by Tenant or Equipment Lessor in order to evidence the foregoing.
- 6. If the Mortgagee shall become the owner of the Mortgaged Property by reason of foreclosure of the Mortgage or otherwise, or if the Mortgaged Property shall be sold as a result of any action or proceeding to foreclose the Mortgage or by a deed given in lieu of foreclosure, the Lease shall continue in full force and effect, without necessity for executing any new lease, as a direct lease between Tenant, as tenant thereunder, and the then owner of the Mortgaged Property, as landlord thereunder, upon all of the same terms, covenants and provisions contained in the Lease, and in such event:
 - (a) Tenant shall be bound to such new owner under all of the terms, covenants and provisions of the Lease for the remainder of the term thereof (including the Renewal Periods, if Tenant elects or has elected to exercise its options to extend the term) and Tenant

hereby agrees to attorn to such new owner and to recognize such new owner as landlord under the Lease; and

- (b) Such new owner shall be bound to Tenant under all of the terms, covenants and provisions of the Lease for the remainder of the term thereof (including the Renewal Periods, if Tenant elects or has elected to exercise its options to extend the term) which terms, covenants and provisions such new owner hereby agrees to assume and perform.

7. Notwithstanding anything to the contrary contained elsewhere in this Agreement, Tenant agrees that:

- (a) except for Landlord's unperformed maintenance, repair, replacement obligations and for which Tenant shall have all the remedies therefor set forth in the Lease and for which unperformed Landlord obligations Mortgagee shall be liable, Mortgagee shall not be liable for any other act or omission of Landlord or any prior lessor;
- (b) Mortgagee shall not be liable for any claim for damages against Landlord or any prior lessor;
- (c) Mortgagee shall not be bound by any rent or additional rent that Tenant may have paid for more than the current month to Landlord or any prior lessor except as specifically provided to the contrary in the Lease;
- (d) Mortgagee shall not be liable for any amendment or modification of the Lease that reduces the term of the Lease or Tenant's payment obligations thereunder (excluding, however, any rent offset permitted under the terms and provisions of the Lease as a result of any uncured Landlord default) or increases Landlord's obligations thereunder or any consensual termination of the Lease without Mortgagee's express prior written consent;
- (e) Except for Mortgagee's own acts or omissions during the time that it is the owner of the Mortgaged Property, Mortgagee shall not be liable to Tenant under the Lease or otherwise as a result of the acts or omissions of others after Mortgagee ceases to own the Mortgaged Property;
- (f) Tenant shall look solely to Mortgagee's interest in the Mortgaged Property and all of Mortgagee's receipts therefrom (whether in the form of rents or sale proceeds or other payments to Mortgagee therefor and therefrom) for recovery of any judgment or damages awarded Tenant against the Mortgagee;
- (g) Upon Mortgagee's compliance with applicable Utah law with respect to Mortgagee's collection of rent pursuant to any assignment of rents from Landlord to Mortgagee it shall pay all fixed annual rent and Charges due under the terms and provisions of the Lease to Mortgagee until Mortgagee directs otherwise;

- (h) Tenant shall give Mortgagee copies of all notices of default sent to Landlord in the manner of giving of notices as provided in Section 8 of this Agreement and an additional thirty (30) days beyond the time afforded Landlord under the terms and provisions of the Lease to cure any such Landlord default. Mortgagee acknowledges and agrees that the mere commencement of any action or proceeding to foreclose the Mortgage shall not be deemed the commencement of a cure of any Landlord breach of the Lease.
8. Any notices or communications given under this Agreement shall be in writing and shall be given by registered or certified mail, return receipt requested, postage prepaid, or overnight delivery service with evidence of delivery or personal delivery with receipt of such delivery (a) if to Mortgagee, at the address of Mortgagee as hereinabove set forth or at such other address as Mortgagee may designate by notice, or (b) if to Tenant, then in triplicate (under separate cover), one copy to the attention of the Vice President of Real Estate at The Great Atlantic & Pacific Tea Company, Inc., 2 Paragon Drive, Montvale, New Jersey, 07645 and one copy to the attention of the Real Estate Law Director at The Great Atlantic & Pacific Tea Company, Inc., 470 Chestnut Ridge Road, Woodcliff Lake,

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New Jersey 07675 and one copy to the Group Director of Real Estate of Tenant at the address of Tenant as hereinabove set forth or at such other address as Tenant may designate by notice. During the period of any postal strike or other interference with the mail, personal delivery or overnight delivery service shall be substituted for registered or certified mail. Notices shall be deemed given when received (at any time) or when delivery is first attempted (during normal office business hours), whichever first occurs.

9. This Agreement shall bind and inure to the benefit of and be enforceable by the parties hereto and their respective heirs, personal representatives, successors and assigns.
10. This Agreement contains the entire agreement between the parties and cannot be changed, modified, waived or canceled except by an agreement in writing executed by the party against whom enforcement of such modification, change, waiver or cancellation is sought.
11. This Agreement and the covenants herein contained are intended to run with and bind all lands affected thereby.

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

WITNESS:

Natalie B. Reid
Rebecca T. Carter

PROTECTIVE LIFE INSURANCE COMPANY

By: Charles M. Prior
Name: Charles M. Prior
Its: VP, Investments
Street Address: 2801 Hwy 280 South
City, State, Zip: Birmingham, AL 35223

WITNESS:

Deborah King
DEBORAH KING
Jacqueline Sauseda
Jacqueline Sauseda

SEG STORES, INC.

By: Edmund C. Michalak
Name: Edmund C. Michalak
Its: Authorized Signatory
Street Address: 18718 Borman Ave.
City, State, Zip: Detroit, MI 48228

STATE OF Alabama)
) ss.
COUNTY OF Jefferson)

The foregoing instrument was acknowledged before me this 28th day of July, 2003, by Charles N. Prie, of Protective Life Insurance Company, on behalf of the corporation.

Linda C. Gerstein
Notary Public
Jefferson County, Alabama
My Commission Expires: MY COMMISSION EXPIRES APRIL 2, 2006

STATE OF MICHIGAN)
) ss.
COUNTY OF WAYNE)

The foregoing instrument was acknowledged before me this 3rd day of June, 2003, by Edmund C. Michalak, Authorized Signatory, of SEG Stores, Inc., on behalf of the corporation.

Jacqueline Sauseda
Notary Public
Wayne County, Michigan
My Commission Expires: 12/09/04

Drafted by and when recorded, return to:
Edmund C. Michalak, Esq.
SEG Stores, Inc.
c/o Borman's, Inc.
P.O. Box 33446
Detroit, MI 48232-5446

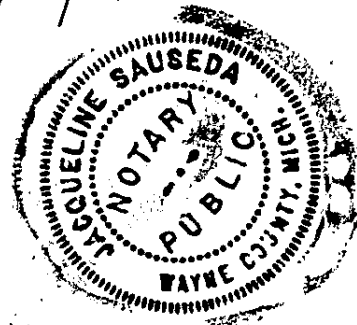


EXHIBIT "A"

(Legal Description of Property)

Parcel 1:

Beginning at a point on the East line of 2300 East Street, said point being South 0 deg. 14'40" West 40.01 feet and South 89 deg. 51'30" East 33.00 feet from the North quarter corner of Section 27, Township 2 South, Range 1 East, Salt Lake Base and Meridian; and running thence South 89 deg. 51'30" East 830.752 feet; thence South 39 deg. 30'00" East 116.859 feet; thence South 39 deg. 10'00" West 243.69 feet; thence South 45 deg. 11'35" West 720.00 feet; thence South 66 deg. 22'30" West 102.47 feet; thence North 89 deg. 45'20" West 150.00 feet to the East line of 2300 East Street; thence North 0 deg. 14'40" East 828.99 feet to the point of beginning.

Parcel 2:

TOGETHER WITH AND SUBJECT TO all of the rights, easements, privileges, benefits and restrictions which are provided for in that certain "Declaration of Restrictions and Reciprocal Easements" dated as of August 1, 1976, executed by Hillside Plaza Associates, a Utah Limited Partnership, affecting the tract of real property described above and a certain parcel located immediately to the Northeast of, and contiguous with, said tract, and recorded in the office of the County Recorder of Salt Lake County as Entry No. 2849657.

Less and Excepting therefrom a parcel approximately 1 acre in size which will be more correctly described in an upcoming ALTA Survey.

Tax I.D. No. 22-27-201-007