

RECORDING REQUESTED BY:  
WHEN RECORDED, MAIL TO:  
WEB SERVICE COMPANY, INC.  
3690 REDONDO BEACH AVENUE  
REDONDO BEACH, CALIFORNIA 90278  
ATTN: MLB

200 FEB -4 AM 11: 22

Vol M00 Page 3721

MTC 50076  
"THIS DOCUMENT MAY BE SIGNED IN COUNTERPARTS"

LEASE SUBORDINATION  
**SUBORDINATION AGREEMENT**

THIS SUBORDINATION, ATTORNMENT AND NONDISTURBANCE AGREEMENT made and entered into this 26th day of January, 2000, by and between WEB SERVICE COMPANY, INC., a California corporation (hereinafter referred to as "Lessee"), and StanCorp Mortgage Investors, LLC, a corporation (hereinafter referred to as "Lender").

WHEREAS, Lessee has heretofore entered into a Lease (hereinafter referred to as "Lease") dated April 18, 1997, which lease was recorded November 12, 1997, in book Vol. M97, page 37225, by and between itself and Old Stratford LLC, A Nevada Limited Liability Company (hereinafter referred to as "Lessor"), as Lessor and Lessee and relating to certain real property (hereinafter referred to as the "Property"), located at 2660 Shasta Way, Klamath Falls, in Klamath County, Oregon, which is more fully described in Exhibit "A" attached hereto, and by this reference incorporated herein as though fully set forth.

WHEREAS, concurrently herewith, the Lender is making a loan to the Lessor or his successor in interest which is to be evidenced by a promissory note and said note dated January 14, 2000, payable to the order of the Lender in the original principal amount of One Million Three Hundred Thousand Dollars and 00/100 (\$1,300,000.00) and which is secured by, among other things, a deed of trust, assignment of rents and security agreement (hereinafter referred to as "deed of trust") and all dated January 14, 2000, made by Lessor or his successor in interest in favor of Lender, covering Lessor's interest in the Property as well as the other property described therein.

WHEREAS, as a condition of making the loan referenced to above, Lender has required that in accordance with its demands, Lessee shall subordinate Lessee's interest in the Property under the Lease to the lien of the deed of trust and for the Lessee to agree to attorn to the purchaser in any foreclosure sale of the Demised Premises held under the deed of trust.

WHEREAS, in order to induce Lender to make the loan described above to Borrower, and in consideration for the Lessee's agreement to subordinate Lessee's interest in the Property under the Lease to the lien of the deed of trust and to attorn to any purchaser at a foreclosure sale of the Property held under the deed of trust, the Lender agrees on behalf of itself and any successors or purchasers of the Property at such foreclosure sale to recognize Lessee's interest and its Lease, and not to disturb Lessee's possession of the Property under the Lease upon such foreclosure so long as Tenant is not in default under the Lease at that time.

NOW, THEREFORE, in consideration of the mutual promises hereinafter contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessee and Lender hereby covenant and agree as follows:

1. The Lease and all of Tenant's rights, title, and interest in and to the Property thereunder shall be, and the same are hereby expressly made subject to, subordinate and inferior to the deed of trust, and the lien thereof, on the hereinafter related terms and conditions.

2. Lessee shall attorn to the purchaser or grantee upon any such foreclosure and sale or deed in lieu of foreclosure and shall recognize such a purchaser or grantee as the Lessor under said Lease.

3. In the event of (i) a foreclosure and sale or other suit, sale or proceeding under the deed of trust, judicial or non-judicial, or (ii) a deed in lieu of foreclosure is given, Lender hereby covenants that so long as Lessee is not in default under said Lease, that Lessee's possession of the leased premises and its rights under said Lease shall not be interfered with by Lender or any successor or assign, and any such purchaser or grantee shall recognize the Lessee and the Lessee's interest thereunder, and observe and agrees to be bound by the Lease terms and conditions.

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4. Whether or not the Lessee is in default under the Lease, under no circumstances and at no time shall the Lender's deed of trust be construed as nor shall it in fact cover or in any way encumber, lien or cloud any fixtures or equipment used by Lessee in its business on the Property.

5. This Subordination, Attornment and Nondisturbance Agreement shall be binding upon and inure to the benefit of the successors and/or assigns of the parties hereto.

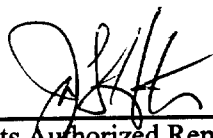
IN WITNESS WHEREOF, the parties have each caused this Subordination, Attornment and Nondisturbance Agreement to be executed on its behalf on the date and year first above written, and each declares to the other, its full authority and power to enter into this Agreement.

"LESSEE"

"LENDER"

WEB SERVICE COMPANY, INC.

By: \_\_\_\_\_  
its Authorized Representative

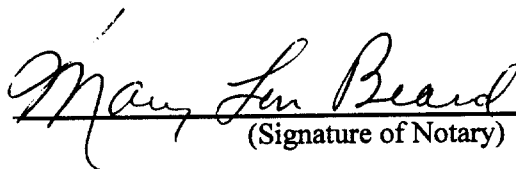
By:   
its Authorized Representative  
James L. Hunter, Vice President

STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES

On January 26, 2000 before me, Mary Lou Beard, Notary Public personally appeared James L. Hunter personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal:



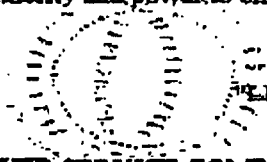
  
(Signature of Notary)

3723

4. Whether or not the Lessee is in default under the Lease, under no circumstances and at no time shall the Lender's deed of trust be construed as nor shall it in fact cover or in any way encumber, lien or cloud any fixtures or equipment used by Lessee in its business on the Property.

5. This Subordination, Attornment and Nondisturbance Agreement shall be binding upon and inure to the benefit of the successors and/or assigns of the parties hereto.

IN WITNESS WHEREOF, the parties have each caused this Subordination, Attornment and Nondisturbance Agreement to be executed on its behalf on the date and year first above written, and each declares to the other, its full authority and power to enter into this Agreement.



WEB SERVICE COMPANY, INC.

By: \_\_\_\_\_  
its Authorized Representative

LENDER:

StanCorp Mortgage Investors, LLC,  
an Oregon limited liability company

By: \_\_\_\_\_  
its Authorized Representative

Its: Gregg D. Harrod, Vice President

Attest: \_\_\_\_\_  
Susan M. Deters, Assistant Secretary

STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES

On \_\_\_\_\_ before me, \_\_\_\_\_ personally appeared \_\_\_\_\_ personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal:

\_\_\_\_\_  
(Signature of Notary)

STATE OF OREGON                    )  
  ) ss:  
COUNTY OF MULTNOMAH        )

On this 27<sup>th</sup> day of January, 2000, before me appeared GREGG D. HARROD and SUSAN M. DETERS, both to me personally known, who being duly sworn did say that he, the said GREGG D. HARROD is the Vice President, and she, the said SUSAN M. DETERS is the Assistant Secretary of STANCORP MORTGAGE INVESTORS, LLC, an Oregon limited liability company, the within named limited liability company, and that the said document was signed in behalf of said limited liability company, and GREGG D. HARROD and SUSAN M. DETERS acknowledge said document to be the free act and deed of said limited liability company.

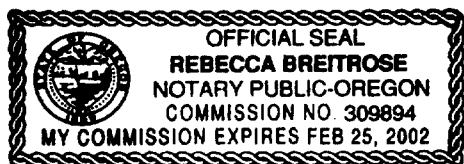
IN TESTIMONY WHEREOF, I have hereunto set my hand and seal the day and year last written.



Rebecca Breitrose

Notary Public for Oregon

My Commission Expires: February 25, 2002



**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

A portion of Tract 36 and 43 ENTERPRISE TRACTS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, more particularly described as follows:

Beginning on the Southerly line of Shasta Way, South 0 degrees 00 1/2' East 73 feet and North 89 degrees 54' East 280 feet form the section corner common to Sections 33 and 34, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, and Sections 3 and 4, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon; thence South 0 degrees 00 1/2' East parallel with the West line of said Tract 43 along the East line of the tracts of land described in 2 deeds recorded in Deed Volume 225 at page 261 and Deed Volume 255 at page 613, 659.44 feet to the Northeast line of Pershing Way; thence South 55 degrees 50 1/2' East 277.99 feet along said Northeasterly line of Pershing Way; thence North 0 degrees 00 1/2' West 820 feet more or less to the Southerly line of Shasta Way; thence South 89 degrees 54' West 230 feet to the point of beginning.

State of Oregon, County of Klamath  
Recorded 2/04/00, at 11:22 a m.  
In Vol. M00 Page 3721  
*Linda Smith*,  
County Clerk      Fee \$ 4/<sup>00</sup>