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State of Oregon, County of Klamath
Recorded 11/20/03 11:29 a m
Vol M03 Pg 85749-51
Linda Smith, County Clerk
Fee \$ 31.00 # of Pgs 3

Recording Requested By
And After Recording Return To:
Wells Fargo Bank, National Association
Private Banking - Portland
1300 S.W. Fifth Avenue, 15th Floor
Portland, OR 97201
Attn: Ms. Nancy K. Russell

MTC 61788

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENMENT AGREEMENT

THIS AGREEMENT made as of this 11th day of September, 2003, by and between THRIFTY PAYLESS, INC., whose business address is P.O. Box 3165, Harrisburg, Pennsylvania 17105, hereinafter referred to as "Tenant", and WELLS FARGO BANK, NATIONAL ASSOCIATION CORPORATION, whose address is 1300 S.W. Fifth Avenue, 15th Floor, Portland, Oregon 97201, hereinafter referred to as "Mortgagee".

Reference is made to that certain lease (hereinafter referred to as the "Lease") dated November 1, 1998, from C-3 Investments, Inc., as Landlord, or Landlord's successors and assigns ("Landlord"), to Tenant, as Tenant of premises at 2521 South 6th Street, Klamath Falls, Oregon, more fully described therein.

Reference is further made to a certain mortgage dated September 22, 2003, now held by Mortgagee, as heretofore amended and extended (the "Mortgage"), covering the property demised by the Lease, the Mortgage having been recorded in Klamath County, OR
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Tenant and Mortgagee hereby agree as follows:

1. The Lease and the rights of Tenant thereunder are hereby subordinated and shall be and remain subordinated to the Mortgage and the lien thereof, and to any and all renewals, replacements, modifications, consolidations, spreaders and extensions thereof.

2. Mortgagee hereby consents to the Lease and agrees that:

(a) notwithstanding the Mortgage and the lien thereof, or any renewal, modification, consolidation, spreader or extension thereof or any other restriction, lien, encumbrance, right, title or interest now or hereafter held by Mortgagee, or any default, expiration, termination, foreclosure, sale, entry or other act or omission under, pursuant to or affecting any of the foregoing, Tenant shall not be disturbed in peaceful enjoyment of the Premises or the Shopping Center or the Lease terminated or canceled at any time, except in the event Landlord shall have the right to terminate the Lease under the terms and provisions expressly set forth therein.

21.00
am

(b) in the event Mortgagee should succeed to Landlord's rights, title and interest as Landlord under the Lease, Mortgagee will perform, fulfill and observe all of Landlord's representations, warranties and agreements set forth in the Lease while it is Landlord thereunder.

3. In the event of a foreclosure of the Mortgage, Tenant agrees to attorn to and recognize the purchaser at the foreclosure sale as Landlord under the Lease for the balance of the then remaining term of the Lease subject to all of the terms and provisions of the Lease.

4. The agreements contained herein shall bind and inure to the benefit of the successors and assigns in interest of the parties hereto, and, without limitation of the foregoing generality, the agreements of Mortgagee herein shall specifically be binding upon any purchaser or successor of said property at a sale foreclosing said Mortgage or in lieu of such foreclosure.

5. If the loan made by Mortgagee is secured by a deed of trust or security deed rather than a mortgage, all reference herein to Mortgage shall be construed as referred to such other type of security interest.

IN WITNESS WHEREOF, the parties hereof have caused the execution hereof as of the day and year first above written.

Witness:

THRIFTY PAYLESS, INC.

Melissa Shultz

Lisa M. Winnick
By:

Name: Lisa M. Winnick

Title: Authorized Representative

COMMONWEALTH OF PENNSYLVANIA)

85751

COUNTY OF CUMBERLAND)

On the 11 day of September, 2003, before me, the undersigned officer, personally appeared Lisa M. Winnick, who acknowledged herself to be the Authorized Representative of THRIFTY PAYLESS, INC., a corporation, and that she as such Authorized Representative, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by herself as Authorized Representative.

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal.

Heather L. Leninger
My Commission Expires:



STATE OF _____)

COUNTY OF _____)

On the _____ day of _____, 2003, before me, the undersigned officer, personally appeared _____, who acknowledged himself/herself to be the _____ of _____ a corporation, and that he/she as such _____, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself/herself as _____.

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal.

My Commission Expires: