

Recording Requested By and
When Recorded Mail To:
Oppenheimer Wolff & Donnelly LLP
45 South Seventh Street
Plaza VII, Suite 3400
Minneapolis, Minnesota 55402
Attn: Duane L. Paulson
FCL Loan No. 3481

Inst # 1999-27500

06/30/1999-27500
03:45 PM CERTIFIED
SHELBY COUNTY JUDGE OF PROBATE
24.50
007 HHS

SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT

FIRST COLONY LIFE INSURANCE COMPANY, a Virginia corporation ("Lender"), whose address is P.O. Box 490, Seattle, Washington, 98111-0490, ATTN: Real Estate Department, has agreed to make a loan (the "Loan") to PELHAM INDUSTRIAL ENTERPRISES NINE, L.L.C., an Alabama limited liability company ("Landlord"), to be secured by a Mortgage, Assignment of Rents and Leases, Security Agreement and Fixture Financing Statement (the "Mortgage") on the property commonly known as 301-305 Cahaba Valley Parkway North, Pelham, Alabama 35124 (the "Property"), which Property is more particularly described on attached Exhibit A. The parties acknowledge that the Mortgage is being recorded concurrently with the recording of this instrument, or, if recording information is hereafter inserted in this sentence, that the Mortgage was recorded on _____, 1999 with the following recording information _____.

(The parties hereby authorize the title company to insert the appropriate Mortgage recording information when available.)

BLUE CROSS AND BLUE SHIELD OF ALABAMA ("Tenant"), has a lease dated November 11, 1998 (the "Lease") with Landlord on all or a portion of the Property (the "Leased Premises").

Lender needs assurances from Tenant in order to make the Loan. Tenant is willing to give those assurances if Lender will agree not to disturb Tenant's possession of the Leased Premises so long as Tenant is not in default under the Lease. Tenant also understands that, in making the Loan, Lender will rely on the assurances and statements made in this agreement.

NOW, THEREFORE, Lender and Tenant agree as follows:

1. Subordination. Tenant agrees that the Lease, and the rights of Tenant in, to and under the Lease and the Property, are hereby subjected and subordinated, and shall remain in all respects and for all purposes subject and subordinate, to the lien of the Mortgage, and to any and all renewals, modifications and extensions of the Mortgage, and any and all other instruments held by Lender as security for the Loan.

2. Tenant not to be Disturbed. Lender agrees that, so long as Tenant is not in default under the Lease (beyond any period given Tenant by the terms of the Lease to cure such default):
 - a. Tenant's possession of the Leased Premises shall not be diminished or interfered with by Lender, and Tenant's occupancy of the Leased Premises shall not be disturbed by Lender during the term of the Lease.
 - b. Lender will not join Tenant as a party defendant in any action or proceeding foreclosing the Mortgage unless such joinder is necessary to foreclose the Mortgage, and then only for such purpose and not for the purpose of terminating the Lease.
3. Tenant to Attorn to Lender. If Lender becomes the owner of the Premises by reason of foreclosure or other proceedings brought to enforce the Mortgage or by deed in lieu of foreclosure, the Lease shall continue in full force and effect as if Lender were the original Landlord and Tenant hereby attorns to Lender as its lessor, except Lender shall not be:
 - a. Liable for any act or omission of any prior lessor (including Landlord), except those of a continuing nature of which it has received notice under paragraph 7 below; or
 - b. Subject to any offsets or defenses which Tenant might have against any such prior lessor, except those of a continuing nature of which it has received notice under paragraph 7 below; or
 - c. Bound by any prepayment of rent which Tenant might have paid, except as otherwise expressly required by the terms of the Lease; or
 - d. Bound by any amendment or change in any material term of the Lease or by any waiver of any material term of the Lease, but Lender will not within its discretion unreasonably withhold its consent to such amendment or change.
4. Third-Party Owner. If someone acquires the Property through Lender, whether at a trustee or foreclosure sale or otherwise, that person shall have the same rights to continue the Lease with Tenant as Lender would have under the preceding paragraph 3.
5. Rental Payments. Tenant agrees that it will pay rent under the Lease to Lender upon written demand from Lender.
6. Purchase Options. Any option to purchase, right of first refusal, or other right that Tenant has to acquire all or any of the Property is set forth in the Lease. Tenant agrees that, under paragraph 1 above, any such option or right is hereby made

subject and subordinate to the lien of the Mortgage and to any and all renewals, modifications and extensions of the Mortgage, and any and all other instruments held by Lender as security for the Loan.

7. Lender's Option to Cure Landlord's Default. Tenant agrees that it will notify Lender if Landlord is in default under the Lease and will give Lender thirty (30) days after receipt of such notice in which to cure the default, extended by such additional time as may be reasonable under the circumstances so long as the Lender commences such cure within said thirty (30) day period and diligently pursues a cure, before Tenant invokes any of its remedies under the Lease.
8. Assignment of Lease. Tenant understands that Landlord's interest in the Lease has been assigned to Lender as security under the Mortgage. Until Lender becomes owner of the Property, however, Lender assumes no duty, liability or obligation to Tenant under the Lease.
9. Notices. Any notices under this agreement shall be sent by certified mail. Any notice sent to Lender shall be sent to Lender at the address set forth in the first paragraph of this agreement. Any notice sent to Tenant shall be sent to Tenant at the address set forth below its signature hereon.
10. Successors and Assigns. This agreement shall be binding upon and shall inure to the benefit of the parties and their heirs, administrators, representatives, successors, and assigns.
11. Governing Law. This agreement is governed by and is to be construed in accordance with the law of the state in which the Property is located.

DATED this 17th day of JUNE, 1999.

BLUE CROSS AND BLUE SHIELD OF
ALABAMA, a ALABAMA corporation

By: _____

Its: VP

Address: _____

250 Riverchase Parkway E.
Birmingham, AL 35244

STATE OF Alabama)
) SS
COUNTY OF Jefferson)

I, the undersigned, a Public Notary in and for County in said State, hereby certify that John P. Kovac, whose name as Vice-President of Blue Cross and Blue Shield of Alabama, a Alabama corporation, is signed to the foregoing instrument and who is known to me to be such Vice-President acknowledged that (s)he, being informed of the contents of the instrument, executed the same voluntarily as such Vice-President of Blue Cross and Blue Shield of Alabama on the day the same bears date.

Given under my hand and official seal this 17th day of June, 1999.

Sharon K. Cochran
Notary Public

My Commission Expires 10/07/2000

By: Berkeley H. Pabon
Its: Loan Closing Specialist

STATE OF Virginia)
) SS
COUNTY OF Henrico)

Given under my hand and official seal this 2nd day of June, 1999.

My Commission Expires 6/30/2002

EXHIBIT A
TO
SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT

Legal Description

The Property referred to in this Subordination, Nondisturbance and Attornment Agreement is situated in the County of Shelby, State of Alabama, and is legally described as follows:

[TO BE INSERTED]

add

JP

Lot 7, of Cahaba Valley Business Park, Resurvey Number 4, as recorded in Map Book 25 page 102 in the Probate Office of Shelby County, Alabama and being more particularly described as follows:

Part of Block 3 of Cahaba Valley Park North as recorded in Map Book 13 page 140, in the Office of the Judge of Probate of Shelby County, Alabama, being more particularly described as follows: Commence at the NE corner of the NW 1/4 of the NE 1/4 of Section 31, Township 19 South, Range 2 West, Shelby County, Alabama, said 1/4 1/4 Section corner being 1,331.88 feet, measured (1,331.96 feet, record) West of the Northeast corner of Section 31, Township 19 South, Range 2 West, said point being the Northeast corner of said Block 3 of Cahaba Valley Park North and the Northeast corner of the survey of the Alagasco Site by Joseph A. Miller, Jr. dated 03/02/95, and the Northwest corner of the survey of the Drivers Mart Site by Joseph A. Miller, Jr. dated 12/18/96; thence run West along the North line of said NW 1/4 of the NE 1/4 of said Section 31 and along the North line of said Block 3 and the North line of said Alagasco Site for 588.83 feet to a point on the East right of way line of Cahaba Valley Parkway North, said point being 60.08 feet East of the Northwest corner of said Block 3; thence 92 deg. 39 min. 22 sec. left and run Southerly along the East right of way line of said Cahaba Valley Parkway North and along the West property line of the Alagasco Site for 427.54 feet to the NW corner of Lot 5 of Cahaba Valley Business Park Resurvey No. 2, as recorded in Map Book 23 page 42, in the Office of the Probate Judge of Shelby County, Alabama; thence continue Southerly along the last stated course, and along the East right of way line of said Cahaba Valley Parkway North, and along the West line of said Lot 5 for 365.33 feet to the SW corner of said Lot 5, and the NW corner of Lot 6, Cahaba Valley Business Park, Resurvey No. 3, as recorded in Map Book 24 page 145 in the Judge of Probate of Shelby County; thence continue Southerly along the last stated course and along said right of way line and along the West line of said Lot 6 of Cahaba Valley Business Park for 295.46 feet to the SW corner of said Lot 6, said point being the point of beginning of the parcel herein described; thence continue Southerly along the last stated course and along said right of way line for 9.48 feet to the beginning of a curve to the left, said curve subtending a central angle of 14 deg. 40 min. 52 sec. and having a radius of 1,359.64 feet; thence run Southerly along the arc of said curve and along said right of way line for 348.38 feet; thence from tangent of said curve turn 89 deg. 09 min. 26 sec. left and run Northeasterly for 30.55 feet to the beginning of a curve to the right, said curve subtending a central angle of 07 deg. 51 min. 56 sec. and having a radius of 1,070.97 feet; thence run Northeasterly along the arc of said curve for 147.02 feet to the end of said curve; thence at tangent to said curve run Northeasterly for 417.85 feet to a point on the Southwest line of said Drivers Mart Survey; thence 153 deg. 02 min. 00 sec. left and run Northwesterly along the Southwest line of said Drivers Mart Survey for 66.87 feet to an angle point; thence turn 69 deg. 43 min. 00 sec. right and run Northerly along the West line of said Drivers Mart Survey for 254.07 feet to the SE corner of said Lot 6 of Cahaba Valley Business Park; thence turn 90 deg. 42 min. 38 sec. left and run Northwesterly along the South line of said Lot 6 of Cahaba Valley Business Park for 575.08 feet to the point of beginning; being situated in Shelby County, Alabama.

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