


2012026545 00155

 FORSYTH CO, NC FEE \$26.00
 PRESENTED & RECORDED

06-18-2012 11:36:14 AM

 C. NORMAN HOLLEMAN
 REGISTER OF DEEDS
 BY: RANDY L SMITH
 DPTY

BK: RE 3064
PG: 4298-4306

Return after recording to:
 Brooks, Pierce, McLendon, Humphrey &
 Leonard, LLP
 Attn: Anna P. McLamb
 1600 Wells Fargo Capitol Center
 150 Fayetteville Street
 Raleigh, NC 27601

ENVELOPE

**STATE OF NORTH CAROLINA SUBORDINATION, ATTORNMENT
 AND NON-DISTURBANCE AGREEMENT
 COUNTY OF FORSYTH**

THIS SUBORDINATION, ATTORNMENT AND NON-DISTURBANCE AGREEMENT (this "Agreement") is made as of this 4th day of June, 2012, among Z. SMITH REYNOLDS FOUNDATION, INCORPORATED, a North Carolina non-profit corporation ("Tenant"), LIBERTY PLAZA, LLC, a North Carolina limited liability company and FLIPS LIBERTY, LLC, a North Carolina limited liability company (collectively, "Landlord"), and PREMIER FEDERAL CREDIT UNION, a federally chartered credit union ("Bank").

RECITALS:

1. By that Lease Agreement dated May 23, 2012 ("Lease"), Tenant leased from Landlord a deemed 9,127 rentable square feet of space on the 11th floor of the building having an address of **102 West Third Street, Winston-Salem, North Carolina, 27101** (the "Premises"), which is located upon that parcel of land described on Exhibit A attached hereto and made a part hereof by this reference ("Property").

2. The Bank has made a loan to the Landlord in the original principal amount of \$7,000,000, secured by a Deed of Trust, Security Agreement and Assignment of Leases and Rents, encumbering the Property being recorded in Book 2874, Page 2866, Forsyth County Register of Deeds ("Deed of Trust").

3. The Tenant and the Bank desire to confirm their understanding with respect to the Lease and the Deed of Trust.

AGREEMENT:

NOW, THEREFORE, in consideration of the sum of TEN DOLLARS (\$10.00), of the mutual covenants and agreements herein contained and of other good and valuable consideration, the receipt and sufficiency of which being hereby acknowledged, the Bank and the Tenant agree and covenant as follows:

1. So long as the Tenant is not in default (beyond any cure period) in the payment of rent or additional rent or in the performance of any of the terms, covenants or conditions of the Lease, or is not in default under this Agreement, the Tenant's possession of Premises described in the Lease and the Tenant's rights and privileges under the Lease, or any extensions or renewals which may be effected in accordance with any option in the Lease, shall not be diminished or interfered with by the Bank (or any other "Successor", as defined herein) and the Tenant's occupancy of the Premises shall not be disturbed by the Bank, or any other Successor, for any reason whatsoever during the term of the Lease or any extensions or renewals thereof.

2. If the interests of the Landlord are transferred to and owned by the Bank, or any party other than the Bank (the Bank or any such other party, the "Successor"), by reason of foreclosure or other proceedings brought by the Bank or by any other manner, and if the Successor succeeds to the interest of the Landlord under the Lease, then Tenant shall be bound to the Successor under all of the terms, covenants and conditions of the Lease for the balance of the term remaining and any extensions or renewals which may be effected in accordance with any option in the Lease, with the same force and effect as if the Successor were the Landlord under the Lease. The Tenant does hereby attorn to the Successor as its Landlord, such attornment to be effective and self-operative without the execution of any further instruments on the part of either of the parties immediately upon the Successor succeeding to the interest of the Landlord under the Lease. The Tenant, however, shall be under no obligation to pay rent to the Successor, as the Landlord, pursuant to this Agreement until the Tenant has received notice from the Successor that it has succeeded to the interests of the Landlord under the Lease, or that the Bank has exercised its rights under any assignment of leases and rents from Landlord.

3. If the Successor should succeed to the interest of the Landlord under the Lease, such Successor shall be bound to the Tenant under all terms, covenants and conditions of the Lease, and the Tenant shall, from and after the Successor's succession to the interest of the Landlord under the Lease, have the same remedies against the Bank for the breach of an agreement contained in the Lease that the Tenant might have had under the Lease against the Landlord if the Successor had not succeeded to the interest of the Landlord. The Successor, however, shall not be:

(a) liable for any act or omission of any prior landlord (including the Landlord) unless the act or omission is a continuing violation which is capable of cure; or

(b) subject to any offsets or defenses which the Tenant might have against any prior landlord (including the Landlord), except pursuant to the Special Provisions that are attached to and which form a part of the Lease, unless the Bank has received prior written notice thereof from Tenant; or

(c) bound by any rent or additional rent which the Tenant might have paid for more than the current month to any prior landlord (including the Landlord), other than the "Pre Paid Rent" (as defined in Section 1.1 of the Lease), which is to be applied by Landlord to Tenant's rental obligation due March 1, 2013; or

(d) bound by any amendment or modification of the Lease made without the Bank's consent which materially alters the obligations of the parties; or

(e) liable for the retention, application or return of any security deposit to the extent not paid over to the Bank or the Successor; or

(f) obligated to construct or finish the construction of any improvements on the Premises, unless it expressly assumes such obligation in writing after it succeeds to the interest of the Landlord under the Lease.

4. The Lease now is, and shall at all times continue to be subject and subordinate to the Deed of Trust and to any and all renewals, modifications and extensions thereof, but any and all such renewals, modifications and extensions shall be subject to and entitled to the benefits of the terms of this Agreement. The Tenant agrees to execute such other and further appropriate estoppel certificates as may be requested by the Bank in connection with any such renewals, modifications, and extensions.

5. The Tenant and Landlord shall not agree to any material alteration, modification, amendment, waiver or to a termination of the Lease without first obtaining the Bank's prior written consent.

6. The Tenant shall notify the Bank, by registered or certified mail, return receipt requested, or by nationally recognized overnight courier, of any default under the Lease on the part of the Landlord which would entitle the Tenant to cancel the Lease or to abate the rent payable thereunder, and agrees that notwithstanding any provision of the Lease, no notice of the cancellation thereof, nor any abatement shall be effective unless the Bank has received notice and has failed, within 30 days of the receipt thereof, to cure such default, or if such default is of a nature which requires a greater length of time to cure, has failed to commence and to diligently prosecute the cure of the Landlord's default which gave rise to such right of cancellation or abatement (but in no case shall such extended cure period exceed 60 days, inclusive of the 30-day period granted above in this sentence).

7. All notices hereunder shall be in writing and shall be sufficient if sent by, first-class registered or certified mail, postage prepaid, return receipt requested as follows:

If to the Bank:

Premier Federal Credit Union
1400 Yanceyville St.
Greensboro, NC 27405

Attn: Eric Tapio, Vice President of Lending

If to the Tenant:

Z. Smith Reynolds Foundation, Incorporated
102 West Third Street, 11th Floor
Winston Salem, North Carolina 27101
Attention: Terry Lockamy, Business Manager

or to such other addresses of which notice has been given as provided above.

9. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto.

10. This Agreement may be executed in counterparts, which when taken together shall constitute a complete original. This Agreement may be recorded by the Tenant.

11. The Bank hereby consents to and approves the recording by Tenant and Landlord of a memorandum of the Lease, whether recorded prior to or subsequent to the recording of this Agreement.

[signatures begin on following page]

[signatures continued from previous page]

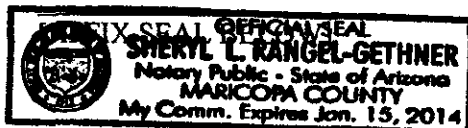
FLIPS LIBERTY, LLC

By: [Signature] (SEAL)Name: Andrew J FilipowskiTitle: PartnerSTATE OF ArizonaCOUNTY OF Maricopa

I, the undersigned, a Notary Public of Maricopa County, Arizona, certify that the following persons personally appeared before me this day, and acknowledged to me that they voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: Partner

Witness my hand and official seal this the 4th day of June, 2012.

My commission expires:


[Signature]
 Notary Public

Sheryl Rangel-Gethner
 Printed Name

[signatures continue on next page]

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

BANK:

PREMIER FEDERAL CREDIT UNION

By: 

Lori Thompson, President and CEO

STATE OF NORTH CAROLINA

COUNTY OF GUILFORD

I, the undersigned, a Notary Public of GUILFORD County, North Carolina, certify that the following persons personally appeared before me this day, and acknowledged to me that they voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: Lori Thompson, President and CEO.

Witness my hand and official seal this the 16 day of May, 2012.

My commission expires:

6-21-16

[AFFIX SEAL BELOW]

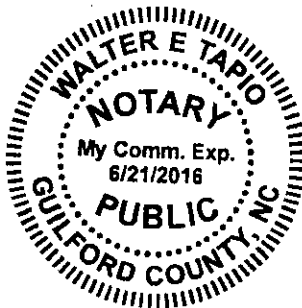


Notary Public

WALTER E. TAPIO

Printed Name

[signatures continue on next page]



TENANT:

Z. SMITH REYNOLDS FOUNDATION,
INCORPORATEDBy: Terry LockamyName: Terry LockamyTitle: Assistant Treasurer

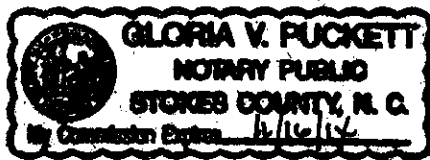
STATE OF NORTH CAROLINA

COUNTY OF Stokes

I, the undersigned, a Notary Public of Stokes County, North Carolina, certify that the following persons personally appeared before me this day, and acknowledged to me that they voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: Terry Lockamy Assistant Treasurer

Witness my hand and official seal this the 17 day of May, 2012.

My commission expires:

11/16/14
[AFFIX SEAL BELOW]Gloria V. Puckett
Notary PublicGloria V. Puckett
Printed Name

signatures continue on next page]

LANDLORD:

LIBERTY PLAZA, LLC

By: Loyd R DanielName: Loyd R DanielTitle: Member/ManagerSTATE OF SCCOUNTY OF Horry

I, the undersigned, a Notary Public of Horry County, SC, certify that the following persons personally appeared before me this day, and acknowledged to me that they voluntarily signed the foregoing document for the purpose stated therein and in the capacity indicated: Loyd R Daniel

Witness my hand and official seal this the 23rd day of May, 2012.

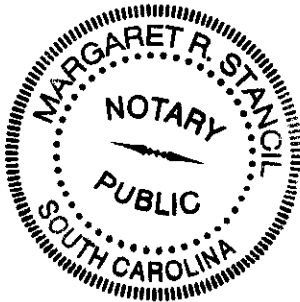
My commission expires:

Feb 12 2014

[AFFIX SEAL BELOW]

Margaret R Stancil
Notary Public

Margaret R Stancil
Printed Name



[Landlord signatures continue on next page]

Exhibit A

Legal Description of Property

LYING AND BEING in Winston Township and beginning at an iron stake located at the Intersection of the south right-of-way line of Third Street with the west right-of-way line of Liberty Street; and running thence from said beginning point and with the west right-of-way line of Liberty Street, South 7 degrees 47' East 480.36 feet to an iron stake located at the intersection of the west right of way line of Liberty Street with the north right of way line of Second Street; running thence with said right of way line of Second Street South 82 degrees 10'50 inches West 335.86 feet to an iron stake located at the intersection of said north right-of-way line of Second Street with the east right of way line of Trade Street; running thence with said right-of-way line of Trade Street North 6 degrees 46'40" West 265.05 to an existing nail; running thence with the south line of a 16,219 (more or less) square feet tract of land the two (2) following courses and distances: (1) North 82 degrees 10'50" East 126.22 feet to an existing nail and cap, and (2) North 7 degrees 47'50" West 129.65 feet to a point, the southeast corner of the property belonging to First Home Federal Savings and Loan (see Book 1358 at page 967 of the Forsyth County Registry), running thence with the east line of said property North 7 degrees 50'20" West 87.86 feet to a point in the south right-of-way line of Third Street North 82 degrees 47 East 205 feet to an existing iron, the point and place of beginning and containing 3.047 acres, (more or less). The foregoing description was taken from a plat of survey prepared by Gizinski Surveying Company dated July 30, 1986 entitled "BDF Associates, a North Carolina General Partnership".