

SUBORDINATION, ATTORNMENT AND
NONDISTURBANCE AGREEMENT

THIS AGREEMENT made as of the 28th day of December, 2001, by and between MOHAWK COMMUNITY BANK, a Federal Banking corporation, having an address of 11 Division Street, Amsterdam, New York 12010 ("Mortgagee"), SOUTHIPPI, LLC, a New Jersey limited liability company, having an address of 222 Grand Avenue, Englewood, New Jersey 07631 ("Landlord") and TGI FRIDAY'S INC., a New York corporation, having an address of 7540 LBJ Freeway, Suite 100, Dallas, Texas 75251 ("Friday's" or "Tenant").

WITNESSETH:

WHEREAS, Mortgagee has made or proposes to make a loan to Paul Schmidt, Sr. in the face amount of SIX HUNDRED FIFTY THOUSAND SIX HUNDRED FORTY SIX and 00/100 DOLLARS (\$650,646.00) secured or to be secured by, among other things, a mortgage or deed of trust dated or to be dated December 28th, 2001 (the "Mortgage"), which Mortgage created or will create a first lien against the lands and premises described on Exhibit A attached hereto and made a part hereof (the "Property"), and

WHEREAS, Landlord, as lessor, and Friday's, as lessee, have entered into a certain lease agreement dated as of December 28th, 2001 (the "Lease"), covering all or a portion of the Property (such leased area and any improvements located thereon being hereinafter referred to as the "Demised Premises") and subject only to those permitted exceptions as listed on Exhibit B.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. Lease Certification. Landlord and Tenant certify that the Lease has been fully executed and is in full force and effect, unmodified and unamended except as may be set forth on Exhibit C attached hereto and made a part hereof. Landlord and Tenant further certify that to the best of their knowledge, there are no defaults as of the date hereof under any of the terms of the Lease.

2. Lease Recognition. Mortgagee irrevocably recognized and accepts the Lease and consents to the execution, delivery and performance of the Lease by Landlord and Friday's.

3. Subordination. Subject to the provisions of this Agreement, the Lease and any option to purchase which may be contained therein is subject and subordinate to the Mortgage and to all renewals, modifications, consolidations, replacements and extensions thereof, and to each advance made or hereafter to be made thereunder.

4. Attornment. In the event of any foreclosure under the Mortgage, deed in lieu thereof or otherwise, and the resulting succession to the interests of Landlord by Mortgagee or by any purchaser of said interests through foreclosure sale or deed in lieu thereof or otherwise (which Mortgagee or purchaser shall hereinafter be referred to as the "Successor Landlord"), the Successor Landlord shall be bound to Friday's under all of the terms and conditions of the Lease, and Friday's shall attorn to and shall be bound to Successor Landlord under all of the terms and conditions in the Lease, for the balance of the term plus any extension or extensions thereof; said attornment to be effective and self-operative without the execution of any further instruments on the part of any of the parties hereto immediately upon Successor Landlord succeeding to the interest of the lessor under the Lease; provided, however, that Friday's shall be under no obligation to pay rent to Successor Landlord until Friday's receives written notice from Successor Landlord that it has succeeded to the interest of the lessor under the Lease. Any purchaser taking title to the Demised Premises and/or Common Areas of the Property by reason of foreclosure, deed in lieu thereof or otherwise shall take title subject to the provisions of this Agreement.

5. Non-Disturbance. In the event of any foreclosure under the Mortgage, deed in lieu thereof or other action thereunder, if Landlord shall not have declared a default which is then continuing beyond the period allowed Friday's for cure under the Lease: (a) any Successor Landlord shall acquire and accept the Demised Premises and/or Common Areas of the Property subject to the Lease; (b) the Lease and the rights of Friday's thereunder shall not be affected or disturbed, but shall continue in full force and effect as a direct lease between the Successor Landlord and Friday's; (c) Friday's shall be entitled to lawful, quiet and peaceful possession and occupation of the Demised Premises and shall enjoy, subject to the provisions of the Lease, all of the rights therein granted without any hindrance, ejection, molestation or interference by any person; and (d) Friday's shall not be named as a party in any proceedings which may be instituted in connection with the Mortgage.

6. Liability. Upon Successor Landlord's succession to the interest of the lessor under the Lease, Friday's shall thereafter have the same remedies against Successor Landlord for breach of the Lease that Friday's might have had against Landlord if Successor Landlord had not

succeeded to the interest of lessor provided however, in no event shall Successor Landlord (a) be liable to Friday's for any damages arising against Landlord, or (b) be bound by any rent which Friday's might have paid to Landlord for more than the current month, or (c) be bound by any substantive amendment or modification of the Lease made after the date hereof without Mortgagee's consent (which consent shall not be unreasonably withheld or delayed).

7. Damage: Cure. Friday's agrees that it will give prompt written notice to Landlord and the Mortgagee of any material casualty damage to the Demised Premises, and further agrees that it will give prompt written notice to Mortgagee of any default on the part of Landlord declared by Friday's under the Lease. Mortgagee shall be provided a concurrent (within the time to cure provided to Landlord after notice to Landlord under the Lease) opportunity to cure such default prior to the exercise by Tenant of any of its rights as to such default under the Lease, it being agreed that the correction of any such default by Mortgagee shall have the same effect and be treated as a correction by the Landlord.

8. Friday's Fixtures. The Mortgage shall not cover, nor shall the lien thereof extend to, Friday's leasehold interest in the Lease or Friday's Fixtures and Equipment (defined in the Lease to include Friday's chandeliers, lamps, stained glass, leaded glass, marble tops, art objects, stoves, refrigerators, bars, walk-in cold storage boxes, restaurant and office equipment, softwares and other personal property whether or not affixed to the Demised Premises.

9. Restoration Proceeds. The holder of the Mortgage shall permit proceeds received by Friday's or Landlord from insurance, eminent domain, condemnation and the like and relating to the Demised Premises to be used as required by the provisions of the Lease.

10. Estoppel Certificate. Friday's agrees at any time and from time to time to execute, acknowledge and deliver to Landlord, to Mortgagee or to any third party designated by Landlord or by Mortgagee, within thirty (30) days following Landlord's or Mortgagee's written request therefor, a statement in writing certifying whether the Lease is in full force and effect, that Landlord is not in default thereunder (or specifying any defaults by Landlord which Friday's alleges), that rent has not been prepaid more than one (1) month in advance, and specifying any further information about the Lease or the Demised Premises which Landlord or Mortgagee or said third party may reasonably request. Landlord and Mortgagee agree to provide similar statements to Friday's upon request therefor.

11. Amendment. No amendment or modification of this Agreement shall be valid or binding unless in writing, signed by the party or parties to be bound thereby. No amendment or modification of the Lease after the date hereof shall be binding against Mortgagee unless in writing and approved in writing by Mortgagee, which approval shall not be unreasonably withheld or delayed.

12. Notice. Whenever and wherever in this Agreement, the Lease, the Mortgage or in any proceedings involving the foreclosure or attempt to foreclose pursuant to the Mortgage, it shall be required or permitted that notice, request or demand be given or served by any party, such notice, request or demand shall be in writing and be deemed to have been given or served upon receipt or refusal of receipt after being mailed, postage prepaid, by certified, registered or express mail, return receipt requested, or when delivered in person and addressed as follows:

To Landlord: SOUTHIPPI, LLC
222 Grand Avenue
Englewood, New Jersey 07631
Attn.: Andrew Shapiro, Member

with a copy to: HERTEN, BURSTEIN, SHERIDAN,
CEVASCO, BOTTINELLI & LITT, L.L.C.
Court Plaza North, 25 Main Street
Hackensack, New Jersey 07601
Attn.: Susan M. Marra, Esq.

To Friday's: TGI FRIDAY'S INC.
7540 LBJ Freeway, Suite 100
P.O. Box 809062
Dallas, Texas 75380
Attn: General Counsel

To Mortgagee: MOHAWK COMMUNITY BANK
11 Division Street
Amsterdam, New York 12010
Attn.: _____

or to such other addresses as may hereafter be designated by any party not less than thirty (30) days in advance by proper notice to the others.

13. Successors. This Agreement shall be binding upon and inure to the benefit of the respective heirs, successors and assigns of the parties hereto.

14. Execution. This Agreement shall be void and of no force or effect unless an original is fully executed by Landlord and Mortgagee and returned to Tenant within forty-five (45) days of the day first above written. The provisions of this Paragraph 14 may be waived by Friday's in its sole discretion.

15. Counterpart. This Subordination, Attornment and Nondisturbance Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute and the same instrument.

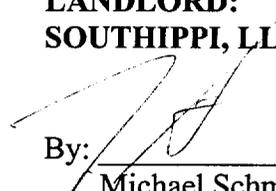
16. Construction. This Agreement shall be construed without reference to titles of paragraphs, which titles are inserted for convenient reference only.

ATTEST (or Witness):



(Seal)

**LANDLORD:
SOUTHIPPI, LLC**

By: 

Michael Schmidt, Member

ATTEST (or Witness):

(Seal)

**MORTGAGEE:
MOHAWK COMMUNITY BANK**

By: _____

ATTEST:

By: _____
_____, Assistant Secretary

**TENANT:
TGI FRIDAY'S, INC.**

By: _____
_____, Vice President

State of New Jersey, County of Bergen ss.

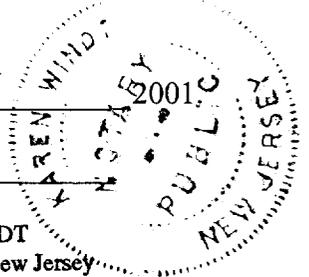
I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Michael Schmidt, personally known to me to be the same person whose name subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he signed, sealed and delivered the said instrument as Member of Southippi, LLC, a New Jersey limited liability company, as his free and voluntary act, for uses and purposes therein set forth on behalf of Southippi, LLC.

Given under my hand and official seal, this 28th day of December

Karen Windt

NOTARY PUBLIC

KAREN WINDT
A Notary Public of New Jersey
My Commission Expires May 19 2004



State of New York, County of Montgomery ss.

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that _____, personally known to me to be the same person whose name subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he signed, sealed and delivered the said instrument as _____ of Mohawk Community Bank, a _____ corporation, as his free and voluntary act, for uses and purposes therein set forth on behalf of Mohawk Community Bank.

Given under my hand and official seal, this _____ day of _____ 2001.

NOTARY PUBLIC

State of Texas, County of Dallas ss.

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that _____, personally known to me to be the same person whose name subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he signed, sealed and delivered the said instrument as Vice President of TGI Friday's, Inc., a New York corporation, as his free and voluntary act, for uses and purposes therein set forth on behalf of TGI Friday's, Inc.

Given under my hand and official seal, this _____ day of _____ 2001.

NOTARY PUBLIC

State of New Jersey, County of Bergen ss.

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Michael Schmidt, personally known to me to be the same person whose name subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he signed, sealed and delivered the said instrument as Member of Southippi, LLC, a New Jersey limited liability company, as his free and voluntary act, for uses and purposes therein set forth on behalf of Southippi, LLC.

Given under my hand and official seal, this _____ day of _____ 2001.

NOTARY PUBLIC

State of New York, County of Montgomery ss.

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that _____, personally known to me to be the same person whose name subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he signed, sealed and delivered the said instrument as _____ of Mohawk Community Bank, a _____ corporation, as his free and voluntary act, for uses and purposes therein set forth on behalf of Mohawk Community Bank.

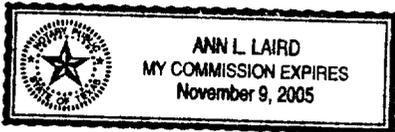
Given under my hand and official seal, this _____ day of _____ 2001.

NOTARY PUBLIC

State of Texas, County of Dallas ss.

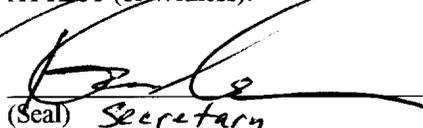
I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Carol M. Chopp, personally known to me to be the same person whose name subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he signed, sealed and delivered the said instrument as Vice President of TGI Friday's Inc., a New York corporation, as his free and voluntary act, for uses and purposes therein set forth on behalf of TGI Friday's Inc.

Given under my hand and official seal, this 20th day of December 2001.

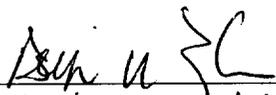


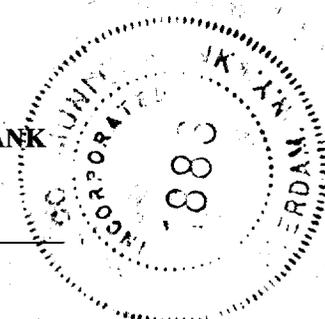
Ann L. Laird
NOTARY PUBLIC

ATTEST (or Witness):


(Seal) Secretary

**MORTGAGEE:
MOHAWK COMMUNITY BANK**

By: 
Benjamin N. Riskin



ATTEST:

**TENANT:
TGI FRIDAY'S, INC.**

By: _____,
Assistant Secretary

By: _____
Vice President

State of New Jersey, County of Bergen ss.

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Michael Schmidt, personally known to me to be the same person whose name subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he signed, sealed and delivered the said instrument as Member of Southippi, LLC, a New Jersey limited liability company, as his free and voluntary act, for uses and purposes therein set forth on behalf of Southippi, LLC.

Given under my hand and official seal, this _____ day of _____ 2001.

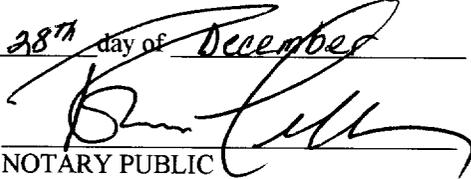
NOTARY PUBLIC

State of New York, County of Montgomery ss.

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Benjamin W. Ziskin personally known to me to be the same person whose name subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he signed, sealed and delivered the said instrument as Exec. Vice President of Mohawk Community Bank, a corporation, as his free and voluntary act, for uses and purposes therein set forth on behalf of Mohawk Community Bank.

Given under my hand and official seal, this 28th day of December 2001.

ROBERT KELLY
Notary Public for New York
No. 4520301
Qualified in Montgomery County
~~Comm. expires~~ 8/31/2002
~~State of Texas, County of Dallas ss.~~


NOTARY PUBLIC

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that _____, personally known to me to be the same person whose name subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he signed, sealed and delivered the said instrument as Vice President of TGI Friday's, Inc., a New York corporation, as his free and voluntary act, for uses and purposes therein set forth on behalf of TGI Friday's, Inc.

Given under my hand and official seal, this _____ day of _____ 2001.

NOTARY PUBLIC

EXHIBIT A

P BK 92 PG 486

Legal Description

A 1.58, MORE OR LESS, ACRE PARCEL OF LAND BEING SITUATED IN SECTION 30, TOWNSHIP 1 SOUTH, RANGE 7 WEST, CITY OF SOUTHAVEN, DESOTO COUNTY, MISSISSIPPI, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 30, TOWNSHIP 1 SOUTH, RANGE 7 WEST, CITY OF SOUTHAVEN, DESOTO COUNTY, MISSISSIPPI; THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS EAST, 555.59 FEET TO A POINT; THENCE NORTH 00 DEGREES 00 MINUTES 00 SECONDS EAST, 58.16 FEET TO AN IRON PIN (FOUND), SAID IRON PIN BEING THE TRUE POINT OF BEGINNING OF THE HEREIN DESCRIBED TRACT; THENCE NORTH 00 DEGREES 01 MINUTE 37 SECONDS EAST, ALONG THE EAST LINE OF THE PYAMID PONTIAC LOT, 291.27 FEET TO AN IRON PIN (SET); THENCE NORTH 89 DEGREES 40 MINUTES 08 SECONDS EAST, ALONG A LINE DIVIDING LOT 8 OF DESOTO STATION SUBDIVISION, 235.64 FEET TO A CHISEL MARK (SET); THENCE SOUTH 00 DEGREES 28 MINUTES 07 SECONDS EAST, ALONG THE WEST RIGHT OF WAY LINE OF MALCO BOULEVARD, 291.26 FEET TO A CHISEL MARK (FOUND); THENCE SOUTH 89 DEGREES 40 MINUTES 08 SECONDS WEST, ALONG THE NORTH RIGHT OF WAY LINE OF GOODMAN ROAD, 238.16 FEET TO THE POINT OF BEGINNING.

EXHIBIT B

P BK 92 PG 487

Permitted Exceptions

1. Any prior reservation or conveyance, together with release of damages, of minerals of every kind and character, including, but not limited to, oil, gas, sand, clay, and gravel in, on, and under subject property.
2. Ad valorem taxes and special assessments for 2001 and subsequent years not yet due and payable, but which constitute a lien against the subject property.
3. Covenants or Restrictions other than City or county ordinances, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, or national origin to the extent such covenants, conditions or restrictions violate 42 USA 3604(c): None.
4. Subdivision Restrictions, Building Lines and Easements; 5' utility easement, 10' utility easement, 50' and 20' minimum building setback lines, M P & L Perpetual Power Line Easement, 20' buffer yard, all as shown of record in Plat Book 60, Page 21, in the Office of the Chancery Clerk of DeSoto County, Mississippi (First Amendment [sic] to the Fourth Revision DeSoto Station). NOTE: This exception omits any covenant, condition or restriction based on race, color, religion, sex, handicap, familial status or national origin as provided in 42 U.S.C. Section 3604, unless and only to the extent that the covenant (a) is not in violation of state or federal law, (b) is exempt under 42 U.S.C. Section 3607, or (c) relates to a handicap, but does not discriminate against handicapped people.
5. 15' Sewer, Water and Utility Easement and Restrictions at Deed Book 170, Page 383, in the Office of the Chancery Clerk of DeSoto County, Mississippi (the "Records"), as shown on survey by Smith Engineering Firm, Inc., Ben W. Smith, P.S. No. 1909, surveyor., dated December 8, 2000 (the "Survey").
6. 15' Sewer, Water and Utility Easement and Restrictions at Deed Book 170, Page 397 in the Records, as shown on said Survey.
7. Declaration of Covenants and Conditions and Reciprocal Easement Agreement at Book 329, Page 118, in the Records.
8. Sewer line along the south end of the land as shown on said Survey.
9. 4' concrete walk along the east side of the land as shown on the Survey.
10. 75' building setback along Malco Boulevard established in Deed Book 329, Page 120 in the Records, as shown on the Survey.
11. Agreement Regarding Restrictive Covenants at Deed Book 387, Page 107, in the

Records.

12. Declaration of Cross Easement and Restrictions Agreements at Deed Book 387, Page 113, in the Records; amended in Book 395 at Page 191.
13. Right of Way to Entergy Mississippi, Inc., filed for record on 8/20/01 at 1:18 PM in Book 398 at Page 10.
14. Memorandum of Lease between Southippi, LLC, as Landlord, and TGI Friday's, Inc., as Tenant, to be recorded.

EXHIBIT C

Modifications or Amendments to Lease

None

p2 SYSTEMS - DESOTO CO.
JAN 7 4 33 PM '02

BK 92 PG 476
W.E. DAVIS CH. CLK.

PLEASE RECORD & RETURN TO:
LAWYER B. MILLER
12 WOODGATE DRIVE
SUITE C
BRANDON, MISS. 39042