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DESOTO COUNTY, MS
W.E. DAVIS, CH CLERK

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DESOTO COUNTY, MS
W.E. DAVIS, CH CLERK

Prepared By:

Seyfarth Shaw LLP
1075 Peachtree Street, N.E.
Suite 2500
Atlanta, GA 30309-3962
Attention: Lori H. Whitfueld, Esq.
404-885-1500

Return To:

✓ First American Title Insurance Company
2001 Airport Road, Suite 301
Flowood, MS 39232
601-366-1222

Subordination, Non-Disturbance and Attornment Agreement

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**PREPARED OUT-OF-STATE BY AND
~~WHEN RECORDED MAIL TO:~~**

Seyfarth Shaw LLP
 1075 Peachtree Street, N.E.
 Suite 2500
 Atlanta, Georgia 30309-3962
 Attention: Lori H. Whitfield, Esq.
 Deal Name: US Industrial REIT II Portfolio
 Prudential Loan Number: 706108465

**SUBORDINATION, NON-DISTURBANCE
AND ATTORNMENMENT AGREEMENT**

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENMENT AGREEMENT ("**Agreement**") made as of the 27 day of May, 2011, between THE PRUDENTIAL INSURANCE COMPANY OF AMERICA (together with its successors or assigns in interest, collectively "**Lender**") and WHITMOR, INC. (successor-in-interest to Earle Industries, Inc.) ("**Tenant**"), and US INDUSTRIAL REIT II ("**USIRII**").

RECITALS:

- A. Lender is the owner and the holder of a loan evidenced by certain Promissory Notes (collectively, the "**Note**") dated May 27, 2011 made by USIRII payable to the order of Lender in the aggregate face amount of \$59,900,000.00. The Note is secured, in part, by a Deed of Trust, Assignment of Leases and Rents, Security and Fixture Filing Agreement by USIRII (the "**Mortgage**") dated the same date as said Note, and to be recorded in the Real Property Records of De Soto County, Mississippi, covering the real property described therein (the "**Mortgaged Premises**").
- B. Tenant is the tenant under that certain Industrial Building Lease dated December 10, 2008 between Tenant (as successor-in-interest to Earle Industries, Inc.) and USIRII (USIRII, together with its successors and assigns under the Lease hereinafter called "**Landlord**"), as amended by that certain First Amendment to Industrial Building Lease dated February 25, 2009, and as assigned by that certain Assignment dated December 21, 2010 (as amended and assigned, the "**Lease**"), covering all or part of the Mortgaged Premises as set forth under the Lease (hereinafter called the "**Demised Premises**").
- C. Tenant and Lender desire to confirm their understanding with respect to the Lease and the Mortgage.

THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good valuable consideration, the receipt and sufficiency of which are hereby acknowledged by all parties, Lender and Tenant agree as follows:

1. Subordination. The Lease is now, and will at all times and for all purposes be, subject and subordinate, in every respect, to the Mortgage, with the provisions of the Mortgage and this Agreement controlling over the provisions of the Lease. The Lease is subordinate and subject, in each and every respect, to any and all increases, renewals, modifications, extensions, substitutions, replacements and/or consolidations of the Mortgage (collectively a "**Modification**"), and all other loan documents securing the Note, provided that any and all Modifications shall nevertheless be subject to the terms of this Agreement.

2. Non-Disturbance. So long as Tenant complies with all of the terms, provisions, agreements, covenants, and obligations set forth in the Lease, Tenant's possession of the Demised Premises under said Lease shall not be disturbed or interfered with by Lender.

3. Attornment. If Lender or any other party succeeds to the interest of Landlord under the Lease in any manner, including but not limited to foreclosure, exercise of any power of sale, succession by deed in lieu or other conveyance (a "**Succession**"), Tenant will attorn to and be bound to such party (whether Lender or another party) upon such Succession and will recognize Lender or such other party as the landlord under the Lease. Such attornment is effective and self-operative without the execution of any further instrument. Tenant, upon request, will sign and deliver any instruments reasonably requested to evidence such attornment. Tenant waives the provisions of any statute or rule of law, now or hereafter in effect, which may give or purport to give Tenant any right or election to terminate or otherwise adversely affect the Lease and the obligations of Tenant thereunder as a result of any such foreclosure or trustee's sale.

4. Limitation On Lender's Liability. Upon any Succession, Lender shall not be (a) liable for any act or omission of the Landlord under said Lease, (b) subject to any offsets or defenses which Tenant may have against the Landlord arising or occurring prior to the Succession, (c) bound by any rent or additional rent which Tenant may have paid to Landlord for more than the current month, (d) bound by any amendment or modification of the Lease made without Lender's prior written consent, (e) liable for any security deposit paid by Tenant to Landlord unless such deposit is delivered to Lender, (f) liable for or obligated to pay for repairs, replacements, damages or allowances not made, performed or paid by the Landlord if such performance or payment was due prior to the Succession, or (g) liable for the payment of any leasing commissions, the triggering event for which arose or occurred prior to the Succession. Any reference to Landlord includes all prior landlords under the Lease. Neither Lender nor any party taking under a Succession shall be liable for the performance of the obligations of the Landlord under the Lease, except for those obligations which arise during the period of Lender's or such entity's or person's ownership of the Mortgaged Premises. Upon any Succession, the liability of Lender (or any other party taking under a Succession) shall be limited to its interest in the Mortgaged Premises.

5. Option to Terminate. Tenant hereby agrees that in the event Tenant elects to exercise its option to terminate during the term of the Mortgage whether pursuant to Article XXVII of the Lease or otherwise (collectively, the "**Termination Option**"), Tenant shall pay directly to Lender the entire amount of any termination fee and other amounts payable by Tenant as a result of its exercise of such Termination Option. Landlord hereby consents to Tenant's making such payment directly to Lender. Landlord further agrees that Tenant shall be entitled to make the aforementioned payment without any further inquiry.

6. Tenant's Warranty. Tenant warrants to Lender, as of the date hereof, that (a) Tenant has delivered to Lender a true, correct and complete copy of the Lease, (b) there are no known defaults on the part of Landlord, (c) the Lease is a complete statement of the agreement of the parties with respect to the leasing of the Demised Premises, (d) the Lease is validly executed by Tenant and in full force and effect, and (e) all conditions to the effectiveness or continuing effectiveness thereof required to be satisfied as of the date hereof have been satisfied. Tenant acknowledges and warrants to Lender that it has not subordinated the Lease or any of its rights under the Lease to any lien or mortgage other than the Mortgage.

7. Lender Cure Rights. Thirty (30) days before exercising any of its rights and remedies under the Lease for a landlord default, Tenant will send written notice to Lender at The Prudential Insurance Company of America, c/o Prudential Asset Resources, Inc., 2100 Ross Avenue, Suite 2500, Dallas, Texas 75201, Attention: Asset Management Department, referencing Loan Number 706108465, by certified mail, return receipt requested, of the occurrence of any default by Landlord and will specify with reasonable clarity the events constituting such default. If the referenced default would entitle Tenant to cancel the Lease or abate the rent payable thereunder, no such cancellation or abatement of rent will be effective unless Lender receives notice in the form and manner required by this Paragraph and fails (a) within thirty (30) days of the date of the receipt of such notice by Lender to cure or cause to be cured any default which can be cured by the payment of money and (b) to cure or caused to be cured within sixty (60) days of the receipt of such notice any default which cannot be cured by the payment of money ("Non-Monetary Default"); provided, however, that if the Non-Monetary Default is not capable of cure within such sixty-day period, no cancellation or abatement by Tenant will be effective as to Lender unless Lender fails within the original sixty (60) day period to commence and diligently prosecute the cure of such default to completion. Tenant will accept cure of any Landlord default by Lender.

8. Rent Payment. Immediately upon written notice to Tenant (a) that Lender is exercising its rights under the Mortgage or any other loan documents acting to secure the Note following a default under the Loan, or (b) of Lender's succeeding to the Landlord's interest under the Lease, Tenant agrees to pay all rents due under the Lease directly to Lender (in accordance with the Lease).

9. Complete Agreement. This Agreement supersedes, as between the parties hereto, all of the terms and provisions of the Lease which are inconsistent herewith.

10. No Oral Modification/Binding Effect. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto or their respective successors in interest. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their successors and assigns.

11. Laws. This Agreement shall be construed in accordance with the laws of the State where the Mortgaged Premises are located.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]
[SIGNATURES BEGIN ON NEXT PAGE]

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

TENANT:

WHITMOR, INC., a Delaware corporation

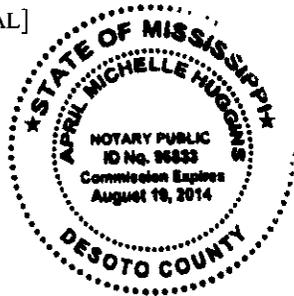
By: *Peter S. Felrenthal*
Name: Peter S. Felrenthal
Title: CEO

[CORPORATE SEAL]

STATE OF Mississippi
COUNTY OF DeSoto

Personally appeared before me, the undersigned authority in and for the said county and state, on this 11th day of May, 2011, within my jurisdiction, the within named Peter Felrenthal, who acknowledged that (he)(she) is CEO of WHITMOR, INC., a Delaware corporation, and that for and on behalf of the said trust, and as its act and deed (he)(she) executed the above and foregoing instrument, after first having been duly authorized by said trust so to do.

[NOTARY SEAL]



April Michelle Huggins
Signature of Notarial Officer

April Michelle Huggins
Printed Name of Notary Public

My Commission expires: 08/19/2014

[SIGNATURES CONTINUED ON NEXT PAGE]

[SIGNATURES CONTINUED FROM PREVIOUS PAGE]
[SIGNATURE PAGE TO SUBORDINATION, NON-DISTURBANCE AND
ATTORNMEN T AGREEMENT]

LANDLORD:

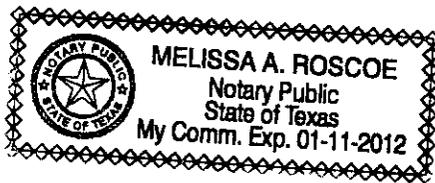
US INDUSTRIAL REIT II, a Texas real estate investment trust

TMF By: *Stanley R. Alterman*
Name: **STANLEY R. ALTERMAN**
Title: **Executive Managing Director**

STATE OF Texas
COUNTY OF Bexar

Personally appeared before me, the undersigned authority in and for the said county and state, on this 18th day of May, 2011, within my jurisdiction, the within named Stanley R. Alterman, who acknowledged that (he)(she) is the Executive Managing Director of US INDUSTRIAL REIT II, a Texas real estate investment trust, and that for and on behalf of the said corporation, and as its act and deed (he)(she) executed the above and foregoing instrument, after first having been duly authorized by said corporation so to do.

[NOTARY SEAL]



Melissa A. Roscoe
Signature of Notarial Officer
Melissa A. Roscoe
Printed Name of Notary Public
My Commission expires: 1-11-2012

[SIGNATURES CONTINUED ON NEXT PAGE]

[SIGNATURES CONTINUED FROM PREVIOUS PAGE]
[SIGNATURE PAGE TO SUBORDINATION,
NON-DISTURBANCE AND ATTORNMENT AGREEMENT]

LENDER:

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA, a New Jersey corporation

By: *J. P. Hensley*
Name: James P. Hensley
Title: Vice President

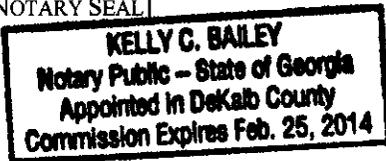


STATE OF GEORGIA

COUNTY OF DEKALB

Personally appeared before me, the undersigned authority in and for the said county and state, on this 17th day of May, 2011, within my jurisdiction, the within named James P. Hensley, who acknowledged that (he)(~~she~~) is Vice President of THE PRUDENTIAL INSURANCE COMPANY OF AMERICA., a New Jersey corporation, and that for and on behalf of the said corporation, and as its act and deed (he)(~~she~~) executed the above and foregoing instrument, after first having been duly authorized by said corporation so to do.

[NOTARY SEAL]



Kelly C. Bailey
Signature of Notarial Officer

Kelly C. Bailey
Printed Name of Notary Public

My Commission expires: 2/25/2014