

conveying title in lieu of foreclosure. Upon the election by Lender or said other entity to make the New Lease effective, then Lender or said other entity and Ingles shall be bound by such election, and Ingles shall thereafter lease the demised premises on the terms and conditions specified in said New Lease.

3. The Old Lease shall be and is hereby made subject, inferior and subordinate to the lien of the Mortgage and to all the terms, conditions and provisions thereof, to all advances made or to be made thereunder, and to any renewals, extensions, modifications or replacements thereof.

4. It is agreed between the Landlord and Ingles that notwithstanding any foreclosure of the Mortgage or conveyance in lieu of foreclosure and notwithstanding the termination of the Old Lease as contemplated herein, for the entire lease term up to and including such date, the Landlord shall continue to be bound to Ingles upon all the terms, covenants and conditions of the Old Lease and Ingles shall be further entitled to the benefits of and be entitled to receive and enforce performance of all of the covenants to be performed by the Landlord under the Old Lease. Ingles may enforce any of its rights under the Old Lease against the Landlord by way of suit for damages or injunctive relief, or as otherwise provided by law, and may exercise any offsets or defenses which Ingles might have against the Landlord in respect of any prior defaults by Landlord or any prior violations by Landlord of the terms, covenants, and conditions of the Old Lease. Similarly, Ingles shall remain responsible to the Landlord for the payment of rentals and due performance of all other terms, covenants and conditions of the Old Lease up to and including its termination by foreclosure of the Mortgage or conveyance in lieu of foreclosure.

5. Ingles agrees that it will give notice to any holder of the Mortgage, provided such holder (other than Lender) shall have notified Ingles in writing of its name and address, of any defaults of the Landlord which would entitle Ingles to terminate the Old Lease or abate the rental payable thereunder, specifying the nature of the default by the Landlord, and thereupon the holder of the Mortgage shall have the right, but not the obligation, to cure such default and Ingles will not terminate the Old Lease or abate the