

After recording return to: A10 Capital, LLC Attn: Jackie Cox 950 W. Bannock Street, Suite 950 Boise, Idaho 83702



1036322070 Fee: \$54.00 Eugene "Gene" Moore RHSP Fee:\$10.00

Cook County Recorder of Deeds

Date: 12/29/2010 02:33 PM Pg: 1 of 10

Premises: 1155 W. Dundee Road, Arlington Heights, Illinois

Loan No. AC-IL-GC-10-018-001

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

THIS SUBCADINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT (this "Agreement") is entered into as of December 16, 2010, by and among VTech Electronics North America, L.L.C., a Delayere limited liability company ("Tenant"); NAAOC, L.L.C., an Illinois limited liability company ("Landlora"); and A10 Capital, LLC, a Delaware limited liability company (the "Lender").

RECITALS:

BOX 15

- Landlord is the owner in the simple of certain real property commonly known as 1155 W. A. Dundee Road, Arlington Heights, Illinois, and note particularly described on Exhibit A attached hereto, together with the improvements located thereon (the "Property");
- Landlord and Tenant have entered into a certain Lease dated January 15, 2004, as amended per First Amendment to Lease dated January 16, 2005, which was further amended per the Second Amendment to Lease dated February 22, 2008 (as the same may have been or may hereafter be amended, modified, renewed, extended or replaced, the "Least"), which Lease covers certain premises described in the Lease and being part of the Property;
- Lender has made a loan to Landlord and certain other parties collectively as borrower, in the principal amount of \$4,500,000.00 (the "Loan"), which Loan is evidenced by a Promissory Note (the "Note") in the amount of the Loan and secured by, among other things, a certain Mortgage With Assignment of Leases and Rents, Security Agreement and Fixture Filing (the Security Instrument") encumbering the Property, which Security Instrument is recorded in the Official Public Records of Cook County, Illinois as Document No. 1036322058
- In connection therewith, Lender, Landlord and Tenant desire to confirm their understanding with respect to the Lease and the Loan and the rights of Tenant and Lender thereunder.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and notwithstanding anything in the Lease to the contrary, the parties hereto agree as follows:

FIDELITY NATIONAL TITLE

999010327 NL



- Lender, Tenant and Landlord do hereby covenant and agree that the Lease with all rights, options, liens and charges created thereby, is and shall continue to be subordinate in all respects to the Security Instrument and the liens thereof and all advances and rights of Lender thereunder, and to any and all renewals, modifications, consolidations, replacements and extensions thereof, as fully and as if the Security Instrument and all of its renewals, modifications, consolidations, replacements and extensions had been executed, delivered and recorded prior to execution of the Lease. Without affecting the foregoing subordination, Lender may, from time to time: (a) extend, in whole or in part, by renewal or otherwise, the terms of payment or performance of any obligation secured by the Security Instrument; (b) release, surrender, exchange or modify any obligation secured by the Security Instrument, or any security for such obligation; or (c) settle or compromise any claim with respect to any obligation secured by the Security Instrument or against any person who has given security for any such obligation.
- 2. Any option to purchase, right of first refusal, or other right that Tenant has to acquire all or any portion 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 Security Instrument and any and all other instruments held by Lender as security for the Loan, and to any and all renewals, modifications and extensions thereof. Completion of the foreclosure of the Security Instrument or delivery of a deed in lieu of foreclosure shall not entitle Tenant to exercise any such option or right, but such option or right shall reneate exercisable, upon and subject to the terms of the Lease, after foreclosure of the Security Instrument or deed given in lieu of foreclosure.
- 3. In the event it should become necessary to foreclose the Security Instrument or Lender should otherwise come into possession of the Property, Lender will not join Tenant under said Lease in summary or foreclosure proceedings and will not disturb the use and occupancy of Tenant under the Lease so long as (i) Tenant is not in default under any of the terms, covenants, or conditions of the Lease and (ii) Tenant has not prepaid the rent except monthly in advance as provided by the terms of the Lease (although absent another default, Tenant's rights he ender shall not be disturbed due to any such prepayment, but Tenant shall not be entitled to credit therefore.
- Tenant agrees that in the event Lender or its successors, assigns or designees or any other purchaser (a "Successor Landlord"), shall acquire the interest of Londlord under the Lease by reason of the exercise of the power of sale contained in the Security Instrument or by foreclosure or other proceedings brought to enforce the rights of the holder thereof, by deed in lieu of foreclosure or by any other method, Successor Landlord shall be substituted as Tenant's landlord under the Lease, and Tenant shall attorn to Successor Landlord without the necessity of attornment or other act or agreement, and the Lease shall continue in full force and effect as, or as if it were, a direct lease between Successor Landlord and Tenant. Said purchaser by virtue of such foreclosure shall be deemed to have assumed and agreed to be bound, as Successor Landlord, by the terms and conditions of the Lease until the resale or other disposition of its interest by such purchaser; provided, however, Successor Landlord shall not be subject to any claims, offsets, or defenses which Tenant might have against any prior landlord (including Landlord) nor shall Successor Landlord be liable for any act or omission of any prior landlord (including Landlord), nor shall Successor Landlord be bound by any rent or additional rent which Tenant might have paid for more than the current month or any security deposit or other prepaid charge paid to any prior landlord (including Landlord) nor shall it be bound by any amendment or modification of the Lease made without its written consent. All rights and obligations of the parties herein and hereunder shall continue as though such foreclosure proceedings had not been brought, except as aforesaid. Tenant agrees to execute and deliver to any such purchaser such further assurance and other documents, including a new lease upon the same terms and conditions as the Lease, confirming the foregoing as such purchaser may reasonably request. Tenant waives the provisions of any statute or rule of law now or hereafter in effect

which may give or purport to give it any right or election to terminate or otherwise adversely affect the Lease and the obligations of Tenant thereunder by reason of any such foreclosure proceeding.

- 5. Tenant acknowledges that Landlord has executed and delivered to Lender an assignment of leases and rents and all other sums due thereunder as security for the Loan, and Tenant hereby expressly consents to such assignment. Tenant agrees to notify Lender of any default by Landlord under the Lease. Lender shall have the same right to cure such default as is provided to Landlord under the Lease. In the event that Lender notifies Tenant of a default under the Security Instrument, and demands that Tenant pay its rent and all other sums due under the Lease to Lender, Tenant shall honor such demand and pay its rent and all other sums due under the Lease directly to Lender or as otherwise required pursuant to such notice. Landlord shall have no claim against Tenant for any amounts paid to Lender product any such notice.
- 6. Clenant agrees to promptly execute and deliver all further instruments and documents, and take any and all further action, as may be necessary or desirable or that Lender may reasonably request to implement the terms of this Agreement.
- This Agreement has been delivered to and accepted by Lender in the State of Idaho, and this Agreement shall be governed by and construed in accordance with the laws of the State of Idaho. The parties further agree that jurisdiction and venue for any legal action, suit or proceeding arising out of or relating to this Agreement shall rest solely with the federal or state court having jurisdiction over Ada County, Idaho, and each party hereby weives any objection which such party may now or hereafter have to the laying of the venue of any such court, suit or proceeding, and irrevocably submits to the jurisdiction of any such court. Nothing contained herein shall prevent or delay Lender from seeking, in any court of competent jurisdiction, specific performance or other equitable remedies in the event of any breach or intended breach by Landlord or Tenant of their obligations hereunder.
- 8. This Agreement and the obligations of Landord and Tenant and the rights and privileges of Lender hereunder shall continue until payment in full of 1! obligations of Borrower to Lender relating to the Loan which are secured by the Property or any part thereo.
- Any and all notices required or permitted to be given under this Agreement shall be in writing and either shall be mailed by certified mail, postage prepaid, return receipt requested, or sent by overnight air courier service, or personally delivered to a representative of the receiving party, or sent by facsimile (provided that for facsimile delivery, an identical notice is also sent smultaneously by mail, overnight courier or personal delivery as otherwise provided in this Section 9). All such notices shall be mailed, sent or delivered, addressed to the party for whom it is intended, at its address set forth below.

If to Tenant:

VTech Electronics North America, L.L.C. 1155 W. Dundee Road, Suite 130 Arlington Heights, Illinois 60004 Attn: William To

Facsimile No.: 847.400.3601

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If to Landlord:

NAAOC, L.L.C.	
c/o First American Management, Inc.	
3436 Kennicott Avenue, Suite 100	
Arlington Heights, Illinois 60004	
Attn:	
Facsimile No.:	

If to Lender:

A10 Capital, LLC Attn: Dale Conder 950 W. Bannock Street, Suite 950 Boise, Idaho 83702

Facsimile No.: 208.577.5050

Any notice so addressed and sent by United States mail or overnight courier shall be deemed to be given on the earliest of (1) when actually delivered, (2) on the first business day after deposit with an overnight air courier service, or (3) on the third business day after deposit in the United States mail, postage prepaid, in each case to the address of the intended addressee. Any notice so delivered in person shall be deemed to be given when receipted for by, or actually received by the recipient party. If given by facsimile, a notice shall be deemed given and received when the facsimile is transmitted to the party's facsimile number specified above and confirmation of complete receipt is received by the transmitting party during normal business hours or on the next Business Day if not confirmed during normal business hours, and an identical notice is also sent simultar eously by mail, overnight courier, or personal delivery as otherwise provided in this Section 9. Except for notices sent via facsimile as expressly described above, no notice hereunder shall be effective if sent or delivered by electronic means. Either party may designate a change of address by written notice to the other by giving at least ten (10) days prior written notice of such change of address.

- 10. This Agreement and all provisions contained herein shall be binding upon and shall inure to the benefit of the respective successors and assigns of the parties here:

 "Landlord" refers to Landlord and to any successor to the interest of Landlord under the Lease, and the term "Lender" refers to Lender and to any successor-in-interest of Lender under the Security Instrument.
- 11. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original and all of which taken together shall constitute or e and the same Agreement. Any signature page of this Agreement may be detached from any counterpart of this Agreement without impairing the legal effect of any signatures thereon and may be attached to another counterpart of this Agreement identical in form hereto but having attached to it one or more additional signature pages.

[The remainder of this page is intentionally left blank.]

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

LANDLORD:

NAAOC, L.L.C.,

an Illinois limited liability company

STATE OF <u>Illinois</u>

COUNTY OF COOK

This instrument was acknowledged before me, a notary public, on this 3 day of December, 2010, by Max Plank, as member of NAAOC, L. of NAAOC, L. L. C.,

an Illinois limited liability company.

Name:

My commission expires:

NOTARY PUBLIC - STATE OF 'LLINOIS

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TENANT:

VTech Electronics North America, L. L.C.,
A Delaware limited liability company

By:

Name:

Title:

FRESIDEM

COUNTY OF COOK

This instrument was act no wledged before me, a notary public, on this \underline{Q} day of November, 2010, by November, 2010, by North America, L.L.C., a Delaware finited liability company.

Notify Public, State of ILLINOIS

Nanc. Johnne Fenerer

My compission expires: 23 13

OFFICIAL SEAL
JUANNE FEDDELER
Notary Public - State of Illinois
My Commission Expires Feb 3, 2013

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LENDER:

A10 Capital, LLC,

a Delaware limited liability company

Dale Conder, Chief Risk Officer

STATE OF IDAHO

COUNTY OF ADA

This instrument was acknowledged before me, a notary public, on this 13th day of December, 2010, by Dale Conder, Chief Risk Officer of A10 Capital, LLC, a Delaware limited liability company.

Notary Public) State of Idaho Name: Jacqueline C. Cox

niss. My commission expires: July 19, 2011

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EXHIBIT A TO SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

Property Description

Parcel 1:

That part of Lot 2 in Arlington Industrial and Research Center Unit No. 12, a resubdivision of Lots 2 and 3 in Arlington Industrial and Research Center Unit No. 9, being a subdivision in part of the Northwest 1/4 of Section 7, Township 42 North, Range 11 East of the Third Principal Meridian, according to the plat thereof recorded July 13, 1978 as Document 24533497, in Cook County, Illinois, described as follows: commencing at the northeast corner of Lot 2; thence South 89 degrees, 50 minutes, 12 seconds West along the most portherly line of said Lot 2 a distance of 96.0 feet to the Point of Beginning; thence South 0 degrees, 04 minutes, 09 seconds West on a line parallel with the east line of said Lot 2 a distance of 194.0 feet; thence North 89 degrees, 55 minutes, 51 seconds West on a line perpendicular to the east line of said Lot 2 a distance of 124.0 feet; thence South 0 degrees, 04 minutes, 09 seconds West on a line parallel with the east line of said Lot 2 a distance of 141.0 feet; thence North 89 degrees, 55 minutes, 51 seconds West on a line perpendicular to the east line of said Lot 2 a distance of 112.50 feet; thence South 0 degrees, 04 minutes, 09 seconds west on a line parallel with the east line of said Lot 2 a distance of 50.05 feet; thence North 89 degrees, 55 minutes, 51 seconds West on a line perpendicular to the east line of said Lot 2 a distance of 285.68 feet to 2 point on the west line of said Lot 2, said point being 336.0 feet South of the northwest corner of said Lot 2, thence North 0 degrees, 01 minutes, 21 seconds West along the west line of said Lot 2 a distance of 336.0 feet to the northwest corner of said Lot 2; thence North 89 degrees, 58 minutes, 39 seconds East along the northerly line of said Lot 2 a distance of 440.40 feet; thence North 0 degrees, 04 minutes, 09 seconds Last on a line parallel with the east line of said Lot 2 a distance of 48.03 feet to a point on the most northerly line of said Lot 2; thence North 89 degrees, 50 minutes, 12 seconds East along the most northerly line of said Lot 2 a distance of 82.30 feet to the Point of Beginning, all in Cook County, Illinois.

Parcel 2:

That part of Lot 2 in Arlington Industrial and Research Center Unit No. 12, a resubdivision of Lots 2 and 3 in Arlington Industrial and Research Center Unit No. 9, being a subdivision in part of the Northwest Quarter of Section 7, Township 42 North, Range 11 East of the Third Principal Meridian, according to the plat thereof recorded July 13, 1978 as Document 24533497 in Cook County, Illinois, described as follows: Beginning at the northeast corner of said Lot 2; thence South 89 degrees, 50 minutes, 12 seconds West on the most northerly line of said Lot 2, a distance of 96.0 feet; thence South 0 degrees, 04 minutes, 09 seconds West on a line parallel with the east line of said Lot 2, a distance of 194.0 feet; thence North 89 degrees, 55 minutes, 51 seconds West on a line perpendicular to the east line of said Lot 2, a distance of 124.0 feet; thence South 0 degrees, 04 minutes, 09 seconds West on a line parallel with the east line of said Lot 2, a distance of 141.0 feet; thence North 89 degrees, 55 minutes, 51 seconds West on a line perpendicular to the east line of said Lot 2 a distance of 112.50 feet; thence South 0 degrees, 04 minutes, 09 seconds West on a line parallel with the east line of said Lot 2 a distance of 165.0 feet; thence South 89 degrees, 55 minutes, 51 seconds East on a line perpendicular to the east line of said Lot 2 a distance of 115.0 feet; thence South 0 degrees, 04 minutes, 09 seconds West on a line parallel with the east line of said Lot 2, a distance of 76.50 feet; thence South 89 degrees, 55 minutes, 51 seconds East on a line perpendicular to the east line of said Lot 2, a distance of 82.50 feet; thence South 0 degrees, 04 minutes, 09 seconds West on a line parallel with the east line of said Lot 2, a distance of 31.0 feet; thence South 89 degrees, 55 minutes, 51 seconds East on a line perpendicular to the east line of said Lot 2, a distance of 9.0 feet; thence South 0 degrees, 04 minutes, 09 seconds West on a line parallel with the east

line of said Lot 2, a distance of 108.32 feet to a point on the south line of said Lot 2, said point being 125.99 feet West of the southeast corner of said Lot 2; thence North 89 degrees, 53 minutes, 30 seconds East along the south line of said Lot 2, a distance of 125.99 feet to the southeast corner of said Lot 2; thence North 0 degrees 04 minutes, 09 seconds East along the east line of said Lot 2 a distance of 715.82 feet to the Point of Beginning, all in Cook County, Illinois.

Parcel 3:

That part of Lot 2 in Arlington Industrial and Research Center Unit No. 12, a rebsubdivision of Lots 2 and 3 in Arlington Industrial and Research Center Unit No. 9, being a subdivision in part of the Northwest Quarter of Section 7, Township 42 North, Range 11 East of the Third Principal Meridian, according to the plat thereof recorded July 13, 1978 as Document 24533497, in Cook County, Illinois, described as follows: Leginning at the northeast corner of said Lot 2; thence South 0 degrees, 04 minutes, 09 seconds West along the east line of said Lot 2, a distance of 715.82 feet to the southeast corner of said Lot 2; thence South 39 degrees, 53 minutes, 30 seconds West along the south line of said Lot 2, a distance of 125.99 feet to the Point of Beginning; thence South 89 degrees, 53 minutes, 30 second West along the south line of said Lo. 2, a distance of 491.65 feet to the southwest corner of said Lot 2; thence North 0 degrees, 01 minutes, 21 seconds West along the west line of said Lot 2, a distance of 332.28 feet to a point on the west line of said Lot 2, said point being 336.0 feet south of the northwest corner of said Lot 2; thence South 89 degrees, 55 injutes, 51 seconds East along a line perpendicular to the east line of said Lot 2, a distance of 285.68 feet; the acc South 0 degrees, 04 minutes, 09 seconds West along a line parallel with the east line of said Lot 2, a distance of 114.95 feet; thence South 89 degrees, 55 minutes, 51 seconds East along a line perpendicular to the cast line of said Lot 2 a distance of 115.0 feet; thence South 0 degrees, 04 minutes, 09 seconds West along a line parallel with the east line of said Lot 2, a distance of 76.50 feet; thence South 89 degrees, 55 minutes, 51 seconds East along a line perpendicular to the east line of said Lot 2, a distance of 82.50 feet; thence South 0 degrees, 04 minutes, 09 seconds West along a line parallel with the east line of said Lot 2 a distance of 31.0 feet; thence South 89 degrees, 55 minutes, 51 seconds East along a line perpendicular to the east fine of said Lot 2, a distance of 9.0 feet; thence South 0 degrees, 04 minutes, 09 seconds West along a line parallel with the east line of said Lot 2, a distance of 108.32 feet to the Point of Beginning, in Cook County, Illinois.

Parcel 4:

- A. Easement Grant recorded May 22, 1980 as Document No. 25/154701 creating a non-exclusive easement for ingress and egress and for installation of utility lines and the right, permission and authority to construct, reconstruct, repair, replace, operate and maintain sanitary and sterm sewer and water lines, under, over and through the easement areas as shown on Exhibit C of said document.
- Affects part of Parcel 1 for the benefit of Parcels 2 & 3.
- B. Easement Grant recorded May 22, 1980 as Document No. 25464702 creating a non-exclusive easement for ingress and egress and for installation of utility lines and the right, permission and authority to construct, reconstruct, repair, replace, operate and maintain sanitary and storm sewer and water lines, under, over and through the easement areas as shown on Exhibit C of said document.
- Affects part of Parcel 2 for the benefit of Parcels 1 & 3.
- C. Easement Grant recorded May 22, 1980 as Document No. 25464703 creating a non-exclusive easement for ingress and egress and for installation of utility lines and the right, permission and authority to construct, repair, replace, operate and maintain sanitary and storm sewer and water lines, under, over and through the easement areas as shown on Exhibit C of said document.
- Affects part of Parcel 3 for the benefit of Parcels 1 & 2.

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Address of Property: 3426 N. Kennicott Avenue,

1156 W. Shure Drive, and 1155 W. Dundee Road Arlington Heights, IL

Permanent Parcel Number(s): 03-07-102-007

Property of Cook County Clark's Office