

(This Space for Recording Use Only)

THIS DOCUMENT SHOULD BE RETURNED TO AFTER RECORDING:

WALGREEN CO.
104 Wilmot Road, MS 1420
Deerfield, Illinois 60015
Attn: Community & Real Estate Law Department
Store # 10104

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

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT made in multiple copies as of the 10TH day of DECEMBER, 2014, by and between ZIONS FIRST NATIONAL BANK ("Mortgagee"), S3 PROPERTIES L.P. and WESMAR LAND CO., (collectively, as "Landlord") and WALGREEN CO., an Illinois corporation ("Tenant");

WITNESSETH:

WHEREAS, Mortgagee is the holder of a Note in the original principal amount of \$3,000,000.00, secured by a Mortgage or Deed of Trust ("Mortgage") dated NOV. 28, 2014, recorded on DECEMBER 12, 2014, as Entry No. 89715:2014 in the Official Records of Utah County Recorder's Office, State of Utah, covering the property legally described on Exhibit "A" attached hereto and made a part hereof;

WHEREAS, by Lease dated October 29, 2007 ("Lease"), recorded by Memorandum of Lease of even date, on November 26, 2007, as Entry No. 164884:2007 in the Official Records of Utah County Recorder's Office, State of Utah, Landlord, as successor landlord, leased to Tenant, as tenant, the property on the corner of State Route 86 and State Route 73, in the City of Saratoga Springs, County of Utah, State of Utah, legally described on Exhibit "A" ("Leased Premises");

WHEREAS, Mortgagee, Tenant and Landlord desire to confirm their understanding with respect to said Lease and said Mortgage;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and promises contained herein and other good and valuable consideration, the parties agree as follows:

1. Subject to the covenants, terms and conditions of this Agreement, in the event of a default under the Note, the lien of said Lease is hereby subordinated to the lien of said Mortgage. If there shall be a conflict between the terms of said Lease and the terms of said Mortgage, the terms of said Lease shall prevail.
2. In the event Mortgagee or any other party (collectively "Successor Landlord") acquires title or right of possession of the Leased Premises under said Mortgage through foreclosure, or other procedure related to a default under the Note, said Lease shall remain in full force and effect and Tenant shall continue occupancy of the Leased Premises in accordance with the terms and provisions of said Lease. In such event, during the period that it holds title to or possession of the Leased Premises, Successor Landlord shall be in all respects bound by said Lease as Landlord and by all of Tenant's rights thereunder. Successor Landlord's remedies pursuant to the Lease will be in full force and effect once Successor Landlord succeeds to the interest of Landlord under the Lease and once Successor Landlord is bound by all of the terms and conditions of said Lease.
3. So long as Successor Landlord shall be bound by the terms and conditions of said Lease, Tenant shall attorn to Successor Landlord when Successor Landlord is in possession of the Leased Premises, whether such possession is pursuant to Mortgagee's rights under said Mortgage (which such attornment shall be effective and self operative without the execution of any further instrument on the part of any of the parties hereto), or other procedure related to a default under the Note and will continue occupancy of the Leased Premises under the same terms and conditions of said Lease.
4. Mortgagee shall not include Tenant in any foreclosure proceeding involving the Leased Premises, unless required by applicable state law for Mortgagee to accomplish the foreclosure and then not to interfere with or diminish Tenant's rights under said Lease or disturb Tenant's possession.
5. In the event that Successor Landlord succeeds to the interest of Landlord under such Lease, Successor Landlord shall not be:
 - a). Liable for any act or omission of any prior landlord (including Landlord) or subject to any offsets or defenses which Tenant might have against any prior landlord (including

Landlord), except for any defaults or remedies of which Tenant has notified Mortgagee prior to Successor Landlord becoming bound by the Lease in accordance with paragraph 2. Successor Landlord will not be held liable for any consequential damages for defaults of any prior Landlord; or

b). Bound by any payment of any rent or additional rent which Tenant might have paid for more than the current month to any prior landlord (including Landlord); or

c). Bound by any amendment or modification of the Lease made without Mortgagee's written consent.

6. During the continuance of said Mortgage, Tenant shall use reasonable efforts to give written notice to Mortgagee of all defaults by Landlord of those obligations under said Lease which are of a nature as to give Tenant a right to terminate said Lease, reduce rent, or to credit or offset any amounts against future rents, and Mortgagee shall have the same opportunity as provided to Landlord in said Lease (but shall not be required) to cure the same. In any event (except as otherwise provided in the next sentence of this paragraph), Tenant's failure to provide Mortgagee such written notice shall not impair any rights granted or derived by Tenant under said Lease and/or this Agreement. In no event shall Tenant terminate the Lease as a result of any breach or default of the Lease unless Tenant has provided Mortgagee notice and afforded the Mortgagee the same opportunity to cure such breach or default as provided to Landlord in said Lease; provided, however, that Mortgagee shall not be obligated to remedy or cure any default of Landlord under the Lease.

7. Tenant hereby agrees that upon receipt of written notice from Mortgagee of a default by Landlord under said Mortgage, all checks for rent and other sums payable by Tenant under said Lease to Landlord shall, from the date of Tenant's receipt of such written notice, be delivered to and drawn to the exclusive order of Mortgagee until Mortgagee or a court of competent jurisdiction shall direct otherwise. Such an assignment of rent shall not relieve Landlord of any of its obligations under said Lease and shall not modify or diminish any rights granted to Tenant by said Lease or this Agreement, including but not limited to, any rights contained in said Lease which allow Tenant the right of so-called self help, offsets or deductions in the event of default or otherwise. Landlord hereby consents and agrees to the provisions of this paragraph and hereby authorizes Tenant to direct all rental and other payments under said Lease as provided by this paragraph. Landlord hereby relieves Tenant from any liability by reason of Tenant's payment of any sums under said Lease as required by this paragraph. Tenant shall have no

obligation to verify the existence of any such default stated in the notice from Mortgagee under this paragraph.

8. (a) Subject to the terms of (b) below, Tenant agrees that the covenants of Landlord in Article 8 of the Lease shall not be binding upon land owned by Successor Landlord that acquires the interest of Landlord in the Leased Premises through foreclosure of the Mortgage or a deed in lieu thereof, (provided that Successor Landlord owned or mortgaged such land prior to the date that it acquires the interest of Landlord in the Leased Premises), but shall apply to any subsequent purchaser or transferee that is not an affiliate or subsidiary of Successor Landlord.

(b) Upon Successor Landlord's acquisition of Landlord's interest, during the period that it holds title to the Leased Premises, Successor Landlord will not execute any agreement that violates the restrictions set forth in Article 8 of the Lease or agree to any modification of a then existing agreement which extends the right of any third party to operate in a manner inconsistent with the restrictions set forth in Article 8 of the Lease.

9. In the event Successor Landlord acquires title or right of possession of the Leased Premises, Tenant acknowledges and agrees that the liability of such Successor Landlord under the Lease shall be limited to its interest in the property described on Exhibit "A" and the rents, income and profits therefrom. Notwithstanding anything herein to the contrary, Tenant shall have all of its equitable remedies against Successor Landlord. Nothing contained herein shall otherwise limit Tenant's rights or remedies as provided in the Lease.

10. All notices under this Agreement shall be deemed to have been duly given if made in writing and sent by United States certified or registered mail, postage prepaid, or by overnight delivery service providing proof of receipt, and addressed as follows:

If to Mortgagee: Zions First National Bank
 Treasure Valley Commercial Banking Center
 800 W. Main Street, Ste. 700
 Boise, Idaho 83702

If to Tenant: 104 Wilmot Road, MS 1420
 Deerfield, Illinois 60015

If to Landlord: PO Box 4210
 616 North 3rd Street, Suite 103
 McCall, Idaho 83638

provided that each party by like notice may designate any future or different addresses to which subsequent notices shall be sent. Notices shall be deemed given upon receipt or upon refusal to accept delivery.

11. Tenant agrees that the right of first refusal shall not apply to Successor Landlord through a foreclosure, deed-in-lieu of foreclosure or any other enforcement action under the Mortgage; provided, however, such right of first refusal shall apply to subsequent purchasers of the Leased Premises. It is the express intention of Landlord and Tenant that the acquisition by either party of the right, title, interest and estate of the other party in and to the Leased Premises shall not result in termination or cancellation of the Lease by operation of the principle of merger of estates or otherwise, notwithstanding any applicable law to the contrary.

12. To facilitate execution, this Agreement may be executed in as many counterparts as may be convenient or required. It shall not be necessary that the signature and acknowledgment of, or on behalf of, each party, or that the signature and acknowledgment of all persons required to bind any party, appear on each counterpart. All counterparts shall collectively constitute a single instrument. It shall not be necessary in making proof of this Agreement to produce or account for more than a single counterpart containing the respective signatures and acknowledgment of, or on behalf of, each of the parties hereto. Any signature and acknowledgment page to any counterpart may be detached from such counterpart without impairing the legal effect of the signatures and acknowledgments thereon and thereafter attached to another counterpart identical thereto except having attached to it additional signature and acknowledgment pages.

13. This Agreement shall also bind and benefit the heirs, legal representatives, successors and assigns of the respective parties hereto, and all covenants, conditions and agreements herein contained shall be construed as running with the land.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement, under seal, as of the day and year first above written.

(Signature Page to follow)

WALGREEN CO.

By: [Signature]
Name: Richard N. Steiner
Title: Director

ZIONS FIRST NATIONAL BANK

By: [Signature]
Name: Larry Ick
Title: Vice President

S3 PROPERTIES L.P.

By its General Partner,
K.G. SMITH L.P.,
By its General Partner
SSI MANAGEMENT CORPORATION,

By: [Signature]
Name: Kirk G. Smith
Title: President

WESMAR LAND CO.

By: [Signature]
Name: Kirk G. Smith
Title: President

EXHIBIT "A"

LEGAL DESCRIPTION (STORE #3642)**PARCEL 1:**

Lot 2, **SARATOGA TOWN CENTER**, according to the official plat thereof, filed October 3, 2006 as Entry No. 131021:2006, Map Filing No. 11899, in Map Book 66, at Map Page 170, of the Official Records of the Utah County Recorder.

EXCEPTING THEREFROM the following described portion conveyed to the CITY OF SARATOGA SPRINGS in that certain Quit Claim Deed recorded May 17, 2007 as Entry No. 73036:2007 of the Official Records of the Utah County Recorder, to-wit:

A part of Lot 2, Saratoga Town Center, within the Northeast Quarter of Section 14, Township 5 South, Range 1 West, Salt Lake Base and Meridian, U.S. Survey in Utah County, Utah: Beginning at the front Lot Corner common to Lots 1 and 2 of said Saratoga Town Center located 1071.01 feet South 0°36'41" West along the Quarter Section Line and 58.37 feet South 89°23'19" East from the North Quarter Corner of said Section 14; and running thence South 89°26'15" East 3.00 feet along the Lot Line common to said Lots 1 and 2; thence Southerly along the arc of a 5792.65 foot radius curve to the right a distance of 199.71 feet (Central Angle equals 1°58'31" and Long Chord bears South 0°55'15" East 199.70 feet) along a Line concentric with and being 3.00 feet radially distant Easterly from the Easterly Line of Redwood Road as it has been dedicated to 60.00 foot half-width to the Southwesterly Line of said Lot 2; thence North 37°01'33" West 4.98 feet along said Southwesterly Line to the Easterly Line of said Redwood Road; thence Northerly along the arc of a 5789.65 foot radius curve to the left a distance of 195.77 feet (Central Angle equals 1°56'15" and Long Chord bears North 0°56'28" West 195.76 feet) along said Easterly Line of Redwood Road as it has been dedicated to 60.00 foot half-width to the point of beginning.

TAX ID No. 66-170-0029

PARCEL 1A:

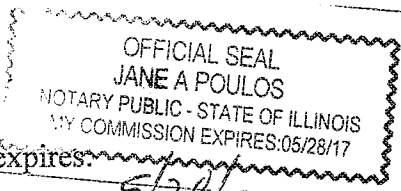
Nonexclusive easements for ingress, egress and utility lines and facilities, appurtenant to **PARCEL 1** described herein, as provided for by "Declaration Of Easements, Covenants, Conditions And Restrictions And Common Area Maintenance Agreement", recorded October 6, 2006 as Entry No. 132916:2006 of the Official Records of the Utah County Recorder.

LESS AND EXCEPTING FROM PARCELS 1 AND 1A described herein any and all outstanding oil and gas, mining and minerals rights, including, but not limited to, the oil, gas, petroleum, naphtha, other hydrocarbon substances and minerals of whatsoever kind and nature reserved by the FEDERAL LAND BANK OF BERKELEY in that certain Special Warranty Deed recorded December 12, 1945 as Entry No. 12574, in Book 435, at Page 573, of the Official Records of the Utah County Recorder, and the minerals, coal, carbons, hydrocarbons, oil, gas, chemical elements and compounds whether in solid, liquid, or gaseous form, and all steam and other forms of thermal energy on, in, or under the above-described land, as reserved by the CORPORATION OF THE PRESIDING BISHOP OF THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS, in that certain Special Warranty Deed recorded July 27, 1993 as Entry No. 49987, in Book 3204, at Page 387, of the Official Records of the Utah County Recorder, and in that certain Quit Claim Deed recorded July 27, 1993 as Entry No. 49988, in Book 3204, at Page 389, of the Official Records of the Utah County Recorder, and re-recorded October 26, 1993 as Entry No. 75849, in Book 3278, at Page 64, of the Official Records of the Utah County Recorder.

STATE OF ILLINOIS §
§
COUNTY OF LAKE §

On this 13th day of November 2014, before me appeared **Richard N. Steiner**, to me personally known, who, being by me duly sworn, did say that he is the **Director of Walgreen Co.**, an Illinois corporation, and that said instrument was signed in behalf of said corporation by authority of its board of directors, and acknowledged said instrument to be the free act and deed of said corporation.

(Seal)



My term expires:

5/28/17

Jane A. Poulos
Notary Public

STATE OF IDAHO §
§
COUNTY OF Ada §

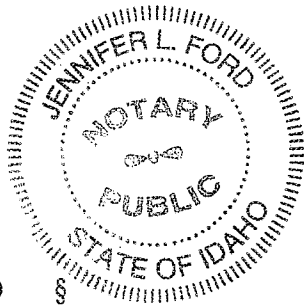
On this 9th day of December 2014, before me appeared Larry Iik, to me personally known, who, being by me duly sworn, did say that he is the Vice President of **Zions First National Bank**, the national banking association that executed the foregoing instrument and the person whose name is subscribed to the within instrument, and acknowledged to me that said national banking association executed the same.

Mary Kay Alandt
NOTARY PUBLIC, State of Idaho
Residing at Boise, Idaho
Commission Expires: 5/14/2018

STATE OF IDAHO §
 §
COUNTY OF Valley §

On this 10 day of December 2014, before me, the undersigned Notary Public in and for said State, personally appeared Kirk G. Smith, known or identified to me to be the president of SSI Management Corporation, an Idaho corporation, as general partner of K.G. Smith L.P., a Nevada limited partnership, as general partner of S3 Properties L.P., the Nevada limited partnership that executed the foregoing instrument and the person whose name is subscribed to the within instrument, and acknowledged to me that said limited partnership executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

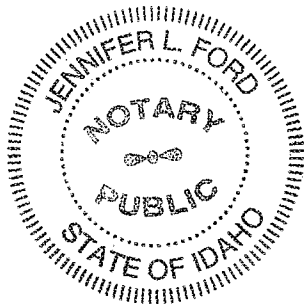


Jennifer L. Ford
NOTARY PUBLIC, State of Idaho
Residing at McCall Idaho
Commission Expires: 4/23/20

STATE OF IDAHO §
 §
COUNTY OF Valley §

On this 10 day of December 2014, before me, the undersigned Notary Public in and for said State, personally appeared Kirk G. Smith, known or identified to me to be the president of Wesmar Land Co., the Idaho corporation that executed the foregoing instrument and the person whose name is subscribed to the within instrument, and acknowledged to me that said corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Jennifer L. Ford
NOTARY PUBLIC, State of Idaho
Residing at McCall Idaho
Commission Expires: 4/23/20