

8:30 Security Land Title - Escrow
Omaha
Pd 70.50 CK 157969

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THE STATE OF NEBRASKA } ss.
MADISON COUNTY }

0343

This instrument filed for record

the 3 day of July 20 06

at 2:30 P.M. and recorded in

2006-07 Page 0343-0356

Linda Sue Stiles

Register of Deeds Deputy Register of Deeds

**BARCLAYS CAPITAL REAL ESTATE INC., and
CITIGROUP GLOBAL MARKETS REALTY CORP.**
(Lender)

- and -

SHOPKO STORES OPERATING CO., LLC
(Tenant)

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

Dated: As of May 31, 2006

PREPARED BY:

Klehr, Harrison, Harvey, Branzburg
& Ellers LLP
260 South Broad Street - 4th Floor
Philadelphia, Pennsylvania 19102
Attention: Matthew H. Werthman, Esq.

UPON RECORDATION RETURN TO:

First American Title Insurance Company
National Commercial Services - Chicago
30 North LaSalle Street - Suite 310
Chicago, IL 60602
Attn: James W. McIntosh

File No.: 13923-0003

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

THIS **SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT** (this "**Agreement**") is made as of the 31st day of May, 2006 by and between **BARCLAYS CAPITAL REAL ESTATE INC.**, a Delaware corporation, having its principal place of business at 200 Park Avenue, New York, New York 10166, its successors and/or assigns ("**Barclays**"), and **CITIGROUP GLOBAL MARKETS REALTY CORP.**, a New York corporation, having its place of business at 388 Greenwich Street, 11th Floor, New York, NY 10013, its successors and/or assigns ("**Citigroup**"; Barclays and Citigroup, individually and collectively, as the context may require, "**Lender**") and **SHOPKO STORES OPERATING CO., LLC**, having an address at 700 Pilgrim Way, Green Bay, Wisconsin 54304 ("**Tenant**").

RECITALS:

A. Lender has advanced a loan to **SPIRIT SPE PORTFOLIO 2006-1, LLC**, a Delaware limited liability company, and **SPIRIT SPE PORTFOLIO 2006-2, LLC**, a Delaware limited liability company (collectively, the "**Borrower**") and certain affiliates of Borrower in the principal sum of **FIVE HUNDRED FORTY FIVE MILLION SIX HUNDRED FIFTY FIVE THOUSAND TEN AND 00/100 DOLLARS (\$545,655,010.00)** (the "**Loan**") advanced pursuant to that certain Loan Agreement of even date herewith between Borrower, certain affiliates of Borrower and Lender (together with all extensions, renewals, modifications, substitutions and amendments thereof, the "**Loan Agreement**").

B. The Loan is secured by, among other things, the Security Instruments (as defined in the Loan Agreement) which grants Lender a first lien on the Properties (as defined in the Loan Agreement) encumbered thereby (including, among others, that certain parcel or parcels of real property legally described on Exhibit A attached hereto) and is further evidenced by the Note (as defined in the Loan Agreement).

C. Borrower has entered into a certain Lease Agreement dated as of the date hereof (the "**Lease**") with Tenant, which Lease relates to certain Properties.

D. Tenant has agreed to confirm the subordination of the Lease to the Security Instruments and to the liens thereof on the terms and conditions hereinafter set forth.

AGREEMENT:

For good and valuable consideration, Tenant and Lender agree as follows:

1. **Subordination.** The Lease is and shall at all times continue to be subject and subordinate in all respects to the terms, covenants and provisions of the Security Instrument and to the liens thereof, including without limitation, all renewals, increases, modifications, spreaders, consolidations, replacements and extensions thereof and to all sums secured thereby and advances made thereunder with the same force and effect as if the Security Instrument had been executed, delivered and recorded prior to the execution and delivery of the Lease.

2. **Non-Disturbance and Attornment.** If Lender or any other subsequent purchaser of the Properties shall become the owner of the Properties by reason of the foreclosure of the Security Instrument or the acceptance of a deed or assignment in lieu of foreclosure or by reason of any other enforcement of the Security Instrument (Lender or such other purchaser being hereinafter referred as "**Purchaser**"), provided no event of default exists under the Lease, (a) Purchaser shall not (i) disturb Tenant's possession of the Properties nor (ii) name Tenant as a party to any foreclosure or other proceeding to enforce the terms of the Security Instrument and (b) any sale or other transfer of the Properties or of Borrower's interest in the Lease, pursuant to foreclosure of the Security Instrument or the acceptance of a deed or assignment in lieu of foreclosure or by reason of any other enforcement of the Security Instrument, will be subject and subordinate to Tenant's possession and rights under the Lease; and (c) the Lease shall not be terminated or affected thereby but shall continue in full force and effect as a direct lease between Purchaser and Tenant upon all of the terms, covenants and conditions set forth in the Lease and in that event, Tenant agrees to attorn to Purchaser and Purchaser by virtue of such acquisition of the Properties shall be deemed to have agreed to accept such attornment, provided, however, that Purchaser shall not be (i) liable for the failure of any prior landlord (any such prior landlord, including Borrower and any successor landlord, being hereinafter referred to as a "**Prior Landlord**") to perform any of its obligations under the Lease which have accrued prior to the date on which Purchaser shall become the owner of the Properties; (ii) subject to any offsets, defenses, abatements or counterclaims which shall have accrued in favor of Tenant against any Prior Landlord prior to the date upon which Purchaser shall become the owner of the Properties; (iii) liable for the return of rental security deposits, if any, paid by Tenant to any Prior Landlord in accordance with the Lease unless such sums are actually received by Purchaser; (iv) bound by any payment of rents, additional rents or other sums which Tenant may have paid more than one (1) month in advance to any Prior Landlord unless such sums are actually received by Purchaser; (v) bound by any modification or amendment of the Lease, or any waiver of the terms of the Lease, made without Lender's written consent; or (vi) any consensual or negotiated surrender, cancellation, or termination of the Lease, in whole or in part, agreed upon between Borrower and Tenant, unless effected unilaterally by Tenant pursuant to the express terms of the Lease. Notwithstanding anything to the contrary contained in this Agreement, in the case of clauses (i) and (ii) herein, the foregoing shall not limit either (1) Tenant's right to exercise any offsets, defenses, claims, reductions, deductions or abatements otherwise available to Tenant because of events occurring before or after the date of attornment to the extent Lender has received notice thereof and the opportunity to cure within the time periods set forth in this Agreement (it being further agreed that offsets, reductions, deductions or abatements under the Lease that were deducted by Tenant prior to the date upon which Purchaser succeeds to the interest of Prior Landlord shall not be subject to challenge), or (2) Purchaser's liability for any defaults that continue after the date of attornment that violate Purchaser's obligations as landlord under the Lease. In the event that any liability of Purchaser does arise pursuant to this Agreement, such liability shall be limited and restricted to Purchaser's interest in the Properties and shall in no event exceed such interest.

3. **Notices.** All notices required or permitted hereunder shall be given and become effective as provided in Loan Agreement. Notices to the Tenant shall be addressed as follows:

ShopKo Stores Operating Co., LLC

700 Pilgrim Way
 Green Bay, Wisconsin 54304
 Attention: Chief Financial Officer and General Counsel
 Facsimile No.: (920) 429-4225 and (920) 429-7401

and

Sun Capital Partners, Inc.
 5200 Town Center Circle, Suite 470
 Boca Raton, Florida 33486
 Attention: C. Deryl Couch and Scott King
 Facsimile No.: (561) 394-0540

and

Klehr, Harrison, Harvey, Branzburg & Ellers LLP
 260 South Broad Street, 4th Floor
 Philadelphia, Pennsylvania 19102
 Attention: Bradley A. Krouse, Esq.
 Facsimile No.: (215) 568-6603

4. **Lender's Right of Access.** Tenant agrees that Lender shall have rights of access to the Properties for the purpose of curing a default under the Lease as granted to Borrower pursuant to the terms of the Lease and Lender agrees not to disturb the normal business operations of Tenant at such Properties in connection therewith.

5. **Notice to Lender.** Notwithstanding anything to the contrary in the Lease or this Agreement, before exercising any offset right or termination right, Tenant agrees that it shall deliver to Lender a copy of any written notice of the breach or default by Borrower giving rise to same (the "**Default Notice**"), and, thereafter, the opportunity to cure such breach or default as provided for below.

6. **Cure.** After Lender receives a Default Notice, Lender shall have a period of thirty (30) days beyond the time available to Landlord under the Lease in which to cure the breach or default by Borrower. Lender shall have no obligation to cure (and shall have no liability or obligation for not curing) any breach or default by Borrower, except to the extent that Lender agrees or undertakes otherwise in writing. In addition, as to any breach or default by Lender the cure of which requires possession and control of a Property, provided that Lender undertakes by written notice to Tenant to exercise reasonable efforts to cure or cause to be cured by a receiver such breach or default within the period permitted by this paragraph, Lender's cure period shall continue for such additional time (the "**Extended Cure Period**") as Lender may reasonably require to either: (a) obtain possession and control of the applicable Property with due diligence and thereafter cure the breach or default with reasonable diligence and continuity; or (b) obtain the appointment of a receiver and give such receiver a reasonable period of time in which to cure the default.

7. **Proceeds and Awards.** Lender agrees that, notwithstanding any provision hereof to the contrary, provided that Tenant is not in default under the terms of the Lease beyond

any applicable cure periods, the terms of the Lease shall continue to govern with respect to the disposition of any insurance proceeds or eminent domain awards.

8. **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of Lender, Tenant and Purchaser and their respective successors and assigns.

9. **Governing Law.** This Agreement shall be deemed to be a contract entered into pursuant to the laws of the State of Nebraska and shall in all respects be governed, construed, applied and enforced in accordance with the laws of the State of Nebraska.

10. **Miscellaneous.** This Agreement may not be modified in any manner or terminated except by an instrument in writing executed by the parties hereto. If any term, covenant or condition of this Agreement is held to be invalid, illegal or unenforceable in any respect, this Agreement shall be construed without such provision. This Agreement may be executed in any number of duplicate originals and each duplicate original shall be deemed to be an original. This Agreement may be executed in several counterparts, each of which counterparts shall be deemed an original instrument and all of which together shall constitute a single Agreement. The failure of any party hereto to execute this Agreement, or any counterpart hereof, shall not relieve the other signatories from their obligations hereunder. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa.

[NO FURTHER TEXT ON THIS PAGE]

IN WITNESS WHEREOF, Lender and Tenant have duly executed this Agreement as of the date first above written.

BARCLAYS CAPITAL REAL ESTATE INC., a
Delaware corporation

By: 

Name:

Title:

Lori Ann Rung
Vice President

CITIGROUP GLOBAL MARKETS REALTY
CORP., a New York corporation

By: _____

Name:


Title:

IN WITNESS WHEREOF, Lender and Tenant have duly executed this Agreement as of the date first above written.

BARCLAYS CAPITAL REAL ESTATE INC., a
Delaware corporation

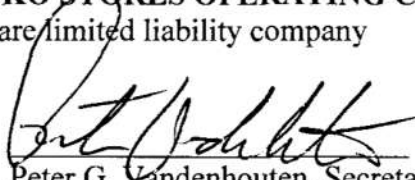
By: _____
Name:
Title:

CITIGROUP GLOBAL MARKETS REALTY
CORP., a New York corporation

By:  _____
Name: Elisa DePalma
Title: Authorized Agent

SHOPKO STORES OPERATING CO., LLC, a
Delaware limited liability company

By:


Peter G. Vandenhouten, Secretary

THE UNDERSIGNED ACCEPTS AND AGREES TO
THE PROVISIONS HEREOF:

SPIRIT SPE PORTFOLIO 2006-1,
LLC, a Delaware limited liability
company

By: Mr Bennett
Print Name: Michael T. Bennett
Print Title: Sr. Vice President

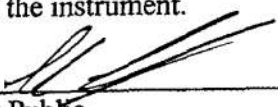
and

SPIRIT SPE PORTFOLIO 2006-2,
LLC, a Delaware limited liability
company

By: Mr Bennett
Print Name: Michael T. Bennett
Print Title: Sr. Vice President

STATE OF NEW YORK)
COUNTY OF NEW YORK)

On the 31 day of May, in the year 2006, before me, the undersigned, a notary public in and for said state, personally appeared Sam Ann Rung, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.


Notary Public

Christopher W. Conway
Notary Public, State of New York
No. 01CO6138390
Qualified in New York County
Commission Expires December 19, 2009

STATE OF NEW YORK)
COUNTY OF NEW YORK)

On the ____ day of _____, in the year 2006, before me, the undersigned, a notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

STATE OF NEW YORK)
COUNTY OF NEW YORK)

On the ____ day of _____, in the year 2006, before me, the undersigned, a notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

STATE OF NEW YORK)
COUNTY OF NEW YORK)

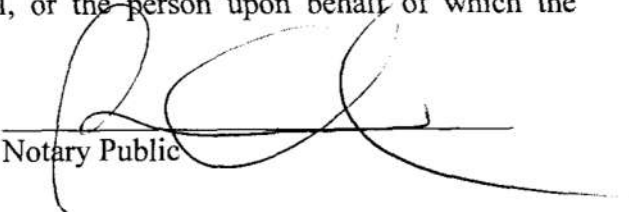
On the 31st day of May, in the year 2006, before me, the undersigned, a notary public in and for said state, personally appeared Elisa Defalma, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

J. A. Dewalt
Notary Public

JAY A. DEWALTOFF
Notary Public, State of New York
No. 01DE6075891
Qualified in New York County
Commission Expires June 10, 2006

STATE OF NEW YORK)
COUNTY OF NEW YORK)

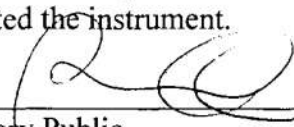
On the 31 day of May, in the year 2006, before me, the undersigned, a notary public in and for said state, personally appeared **Peter G. Vandenhouten**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.


Notary Public

BISHAA A. NURSE
NOTARY PUBLIC, State of New York
No. 01NU6122657
Qualified in New York County
Commission Expires February 22, 2009

STATE OF NEW YORK)
COUNTY OF NEW YORK)

On the 31 day of May, in the year 2006, before me, the undersigned, a notary public in and for said state, personally appeared Michael Bennett, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.


Notary Public

BISHAA, NURSE
NOTARY PUBLIC, State of New York
No. 01NU6122657
Qualified in New York County
Commission Expires February 22, 2009

STATE OF NEW YORK)
COUNTY OF NEW YORK)

On the 31 day of May, in the year 2006, before me, the undersigned, a notary public in and for said state, personally appeared Michael Bennett, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.


Notary Public

BISHAA, NURSE
NOTARY PUBLIC, State of New York
No. 01NU6122657
Qualified in New York County
Commission Expires February 22, 2009

EXHIBIT A

LEGAL DESCRIPTION

Lot 1 of Replat 2 of Lot 1-R, Block 1, of Replat of Shopko Acres in the City of Norfolk, Madison County, Nebraska.

Together with non-exclusive easement rights created by Cross-Easement and Use Restriction Agreement by and between Shopko Stores, Inc., a Minnesota corporation and Super Valu Stores, Inc., a Delaware corporation, filed May 8, 1986 in M86-5 at Pages 235-258, Amendment filed September 21, 1988 in M88-9 at Pages 704-710A, Assumption filed September 21, 1988 in M88-9 at Pages 719-720, Second Amendment filed August 25, 1989 in M89-8 at Pages 682-687, Third Amendment filed March 17, 2004 in M2004-3 at Pages 1226-1237 inclusive, Office of Madison County Register of Deeds.

TAX I.D.: 5902800.23