

SUBORDINATION, NON-DISTURBANCE, AND ATTORNMENT AGREEMENT

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THIS AGREEMENT is made and entered into as of the 13th day of April, 2007 by, between and among FIRST MIDWEST BANK, **successor-in-interest by operation of law to Bank Calumet National Association** (together with any other party referred to in paragraph 5 hereof, the "Lender"), AVIALL SERVICES INC, a Delaware corporation ("Tenant"), and ASKO J. RUUSKA AND DOROTHY E. RUUSKA, husband and wife ("Landlord").

2007035670

RECITALS

A. Lender is beneficiary under that certain Real Estate Mortgage, Security Agreement, Collateral Assignment of Rents and Leases and Fixture Filing, originally granted by Landlord to Bank Calumet National Association, dated May 27, 2003, recorded in the real property records of Lake County, **Indiana** under recording number **2003061513** (the "Mortgage"), which Mortgage constitutes a lien or encumbrance on that certain real property more particularly described in the attached Exhibit "A" (the "Property"). The Mortgage secures Landlord's repayment of a certain loan made by Lender to Landlord (the "Loan"). The Loan is evidenced by, among other things a promissory note and all loan documents executed or authorized by Landlord and delivered to Lender in connection with the Loan (collectively including the Mortgage, the "Loan Documents").

B. Tenant is the holder of a leasehold estate at the Property (the "Leased Premises") pursuant to the terms of that certain lease dated April 13, 2007, and executed by Tenant and Landlord (as amended to the date hereof, the "Lease"). A true and correct copy of the Lease is attached hereto as Exhibit "B".

C. Tenant, Landlord and Lender desire to confirm their understanding with respect to the Lease and the Mortgage.

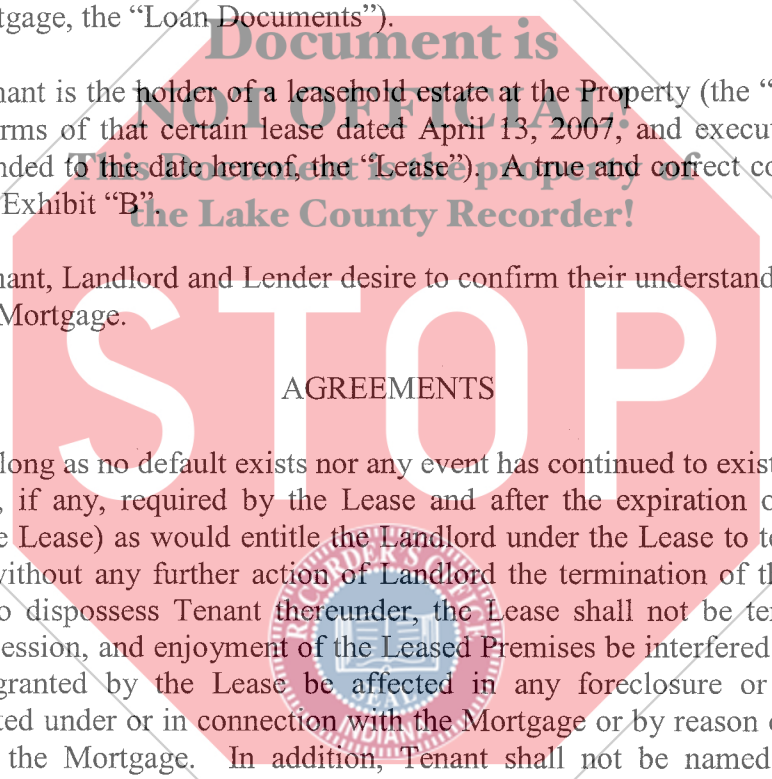
AGREEMENTS

1. So long as no default exists nor any event has continued to exist for such period of time (after notice, if any, required by the Lease and after the expiration of any cure period provided for in the Lease) as would entitle the Landlord under the Lease to terminate the Lease or would cause, without any further action of Landlord the termination of the Lease or would entitle Landlord to dispossess Tenant thereunder, the Lease shall not be terminated nor shall Tenant's use, possession, and enjoyment of the Leased Premises be interfered with, nor shall the leasehold estate granted by the Lease be affected in any foreclosure or in any action or proceeding instituted under or in connection with the Mortgage or by reason of any deed in lieu of foreclosure of the Mortgage. In addition, Tenant shall not be named or joined in any foreclosure, trustee's sale or other proceeding to enforce the Mortgage unless the joinder is required in order to perfect such foreclosure, trustee's sale, or other proceeding.

2. If the interests of Landlord shall be transferred to and/or owned by Lender by reason of judicial foreclosure, power-of-sale foreclosure or other proceedings brought by it, or by

**MERIDIAN TITLE CORPORATION
HAS MADE AN ACCOMODATION
RECORDING OF THIS DOCUMENT**

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LP
MT



STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORDING
APR 13 2007
11:55 AM
RECORDER

any other manner, including but not limited to Lender's exercise of its rights under any assignment(s) of leases and rents or a deed in lieu of foreclosure, and Lender succeeds to the interest of the Landlord under the Lease, Tenant shall be bound to Lender under all of the terms, covenants and conditions of the Lease for the balance of the remaining term thereof and any extension thereof duly exercised by Tenant, with the same force and effect as if Lender were the Landlord under the Lease, and Tenant does hereby attorn to Lender as its lessor, said attornment to be effective and self-operative without the execution of any further instruments immediately upon Lender's succeeding to the interest of the Landlord under the Lease; provided, however, that Tenant shall be obligated to pay rent to Lender, rather than Landlord, only when Tenant receives written notice to that effect from Lender. The respective rights and obligations of Tenant and Lender upon such attornment, to the extent of the then remaining balance of the term of the Lease and any such extension, shall be and are the same as now set forth therein, it being the intention of the parties hereto for this purpose to incorporate the Lease in this Agreement by reference with the same force and effect as if set forth at length herein.

3. If Lender shall succeed to the interest of Landlord under the Lease, then Lender shall notify Tenant in writing of the date that Lender succeeded to the Landlord's interest and Lender shall, subject to the last sentence of this Section 3, be bound to Tenant under all of the terms, covenants and conditions of the Lease; provided, however, that Lender shall not be:

- or
- (a) Liable for any act or omission of any prior landlord (including Landlord);
 - (b) Subject to any offsets or defenses which Tenant might have against any prior landlord (including Landlord); or
 - (c) Bound by any rent or additional rent or advance rent which Tenant might have paid more than one month in advance of the then current month to any prior landlord (including Landlord) and all such rent shall remain due and owing notwithstanding such advance payment (other than a payment of rent one month in advance of the then current month) unless actually received by Lender nor bound by any security deposit paid by Tenant unless actually received by Lender; or
 - (d) Bound by any amendment or modification of the Lease made after the date hereof without its written consent.

Neither the original Lender named in this Agreement nor any other party who, from time to time, shall be included in the definition of Lender hereunder shall have any liability or responsibility under or pursuant to the terms of this Agreement with respect to any matters arising during any period of time falling after it ceases to own the property described on Exhibit "A".

4. Subject to the terms of this Agreement (including but not limited to those in Section 2 hereof), Tenant hereby subordinates the Lease, in each and every respect, to the Mortgage and to any and all renewals, modifications, extensions, substitutions, replacements and/or consolidations of the Mortgage. Nothing herein contained shall be deemed or construed as limiting or restricting the enforcement by Lender of any of the terms, covenants, provisions or

remedies of the Mortgage. Lender hereby consents to the Lease and confirms that Landlord is not now, and Lender knows of no event that, given written notice or the passage of time or both, would lead to a default by Landlord under the Loan or the Loan Documents. In addition, Lender consents to all subsequent assignments and subleases by Tenant pursuant to Tenant's permitted assignment and subletting rights as stated in Article 14 of the Lease.

5. The term "Lender" shall be deemed to include First Midwest Bank any of its successors and assigns, and any agent for or members of a loan syndication, including anyone who shall have succeeded to Landlord's interest by, through or under judicial or power-of-sale foreclosure or other proceedings brought pursuant to the Mortgage, or deed in lieu of such foreclosure or proceedings, or otherwise, including without limitation a purchaser at a foreclosure sale or the grantee under a deed in lieu of foreclosure.

6. In the absence of the prior written consent of Lender, Tenant agrees not to do any of the following (a) prepay the rent under the Lease for more than one (1) month in advance of the then current month; (b) enter into any agreement with the Landlord to amend or modify the Lease or (c) voluntarily surrender the Leased Premises or terminate the Lease.

7. In the event Landlord shall fail to perform or observe any of the terms, conditions or agreements in the Lease, Tenant shall give written notice thereof to Lender and Lender shall have the right (but not the obligation) to cure such failure. Tenant shall not take any action with respect to such failure under the Lease, including without limitation any action in order to terminate, rescind or avoid the Lease or to withhold any rent thereunder, during any period provided for notice or cure of such default under the Lease or under applicable law, provided however, that in the case of any such default which cannot with diligence be cured within said time period, if Lender shall commence to cure such failure within such period and thereafter prosecute the cure of such default with diligence and continuity, the time within which such failure may be cured shall be extended for such period as may be necessary to complete the curing of such default with diligence and continuity.

8. Tenant acknowledges that the Mortgage contains a collateral assignment of rents and leases as recorded in the public records of the county and state where the Property is situated. Subject to the rights of a superior lender or lienholder, Landlord hereby authorizes Tenant to pay to Lender all installments of rent and all other amounts payable by Tenant under the Lease, effective upon Tenant's receipt of notice from Lender that Landlord is in default under any obligation secured by the Mortgage or by such Assignment, and Landlord agrees that payment by Tenant to Lender of any amount due by Tenant under the Lease shall satisfy Tenant's obligation to pay such amount to Landlord.

9. This Agreement may not be modified orally or in any other manner than by an agreement in writing signed by the parties hereto and their respective successors in interest. This Agreement shall inure to the benefit of and be binding upon the parties hereto, their successors and assigns.

10. This Agreement may be executed in several counterparts, and all so executed shall constitute one agreement binding on all parties hereto, notwithstanding that all parties are

not signatories to the original or the same counterpart. This Agreement shall be executed in recordable form and shall be recorded at the expense of Landlord in the real property records of Lake County, **Indiana**.

11. All notices or other communications required or permitted to be given pursuant to the provisions hereof shall be in writing and shall be considered as properly given if delivered in person to the intended addressee or delivered by a nationally recognized overnight courier service for next business day delivery with all applicable delivery charges prepaid. Notice so given shall be effective upon its deposit with the recipient. Notice given in any other manner shall be effective only if and when received by the addressee. For purposes of notices, the addresses of the parties shall be:

Landlord: Asko J. and Dorothy E. Ruuska
457 Gatehouse Walk
Valparaiso, IN 46385

Tenant: Aviall Services, Inc.
P.O. Box 619048
Dallas, TX 75261
Attention: President

With a copy to:

The Boeing Company

325 J.S. McDonnell Boulevard

M/C: S306-5565

Hazelwood, Missouri 63042

Attn: Boeing Realty Corp.

With a copy to

Boeing Realty Corp.

4501 East Conant Street

M/C: D851-0097

Long Beach, California 90808

Attn: Real Estate Manager

Lender: First Midwest Bank
10322 Indianapolis Blvd.
Highland, IN 46322
Attention: Lisa J. Anderson

provided, however, that any party shall have the right to change its address for notice hereunder to any other location within the continental United States by the giving of thirty (30) days' notice to the other parties in the manner set forth in this paragraph.

[Signatures appear on the following page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first above written.

TENANT

AVIALL SERVICES, INC.

By: [Signature]
Name: SAMUEL CRIS GROSS
Title: JR. MANAGING DIRECTOR

STATE OF INDIANA)
) SS:
COUNTY OF LAKE)

Before me, a Notary Public in and for said County and State, personally appeared SAMUEL CRIS GROSS, by me known to be the JR. MANAGING DIRECTOR of AVIALL SERVICES, INC., a Delaware corporation, who acknowledged execution of the foregoing Subordination, Non Disturbance and Attornment Agreement on behalf of said corporation.

Witness my hand and Notarial Seal this 13th day of APRIL, 2007.

My Commission Expires:
12-20-08

[Signature]
Notary Public

My County of Residence:
LAKE

ARMAND REDELL
(Printed Name)



LANDLORD

Asko J. Ruuska
ASKO J. RUUSKA

Dorothy E. Ruuska
DOROTHY E. RUUSKA

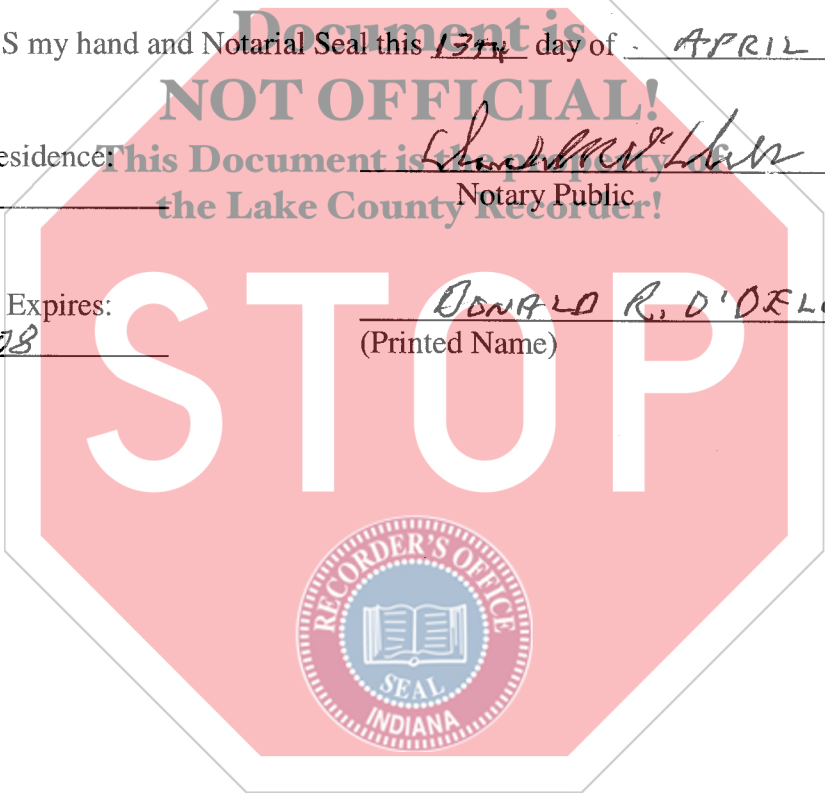
STATE OF INDIANA)
) SS:
COUNTY OF LAKE)

Before me, a Notary Public in and for said County and State personally appeared ASKO J. RUUSKA and DOROTHY E. RUUSKA, who acknowledged the execution of the foregoing Subordination, Non Disturbance and Attornment Agreement as their voluntary act and deed.

WITNESS my hand and Notarial Seal this 13th day of APRIL, 2007.

My County of Residence Lake Donald R. D'Orell
Notary Public

My Commission Expires: 12-20-08 DONALD R. D'ORELL
(Printed Name)



LENDER

FIRST MIDWEST BANK

By: *Lisa J. Anderson*
Name: Lisa J. Anderson
Title: Vice President

STATE OF INDIANA)
) SS:
COUNTY OF LAKE)

Before me, a Notary Public in and for said County and State, personally appeared Lisa J. Anderson, by me known to be the Vice President of FIRST MIDWEST BANK, who acknowledged execution of the foregoing Subordination, Non Disturbance and Attornment Agreement on behalf of said entity.

Witness my hand and Notarial Seal this 13th day of April, 2007.

My Commission Expires:
10/07/07

Annette Luna
Notary Public

My County of Residence:
LAKE

Annette Luna
(Printed Name)

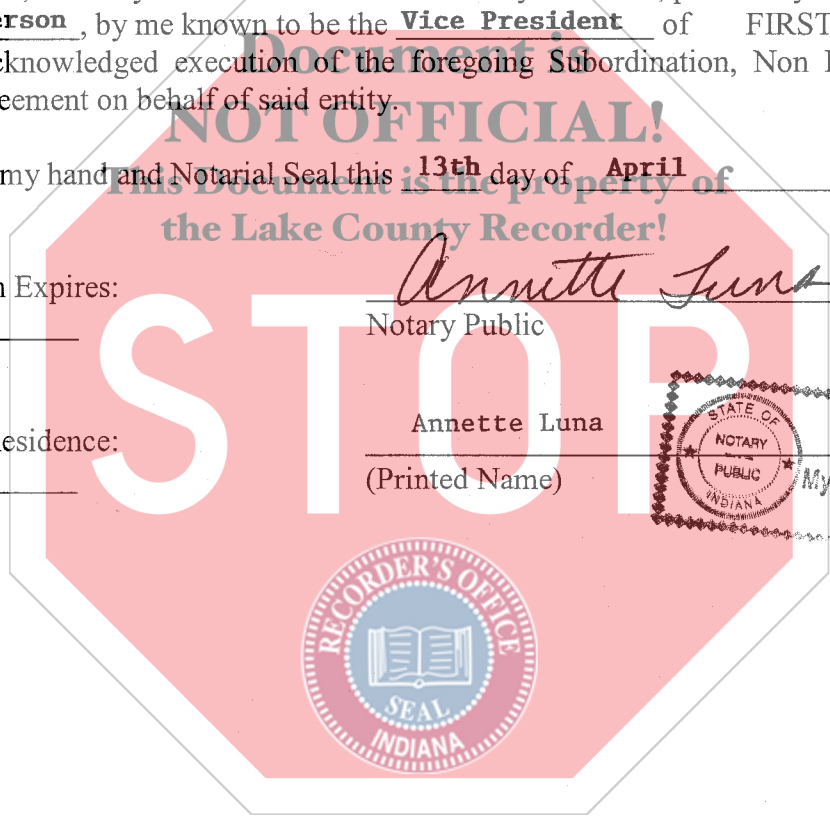
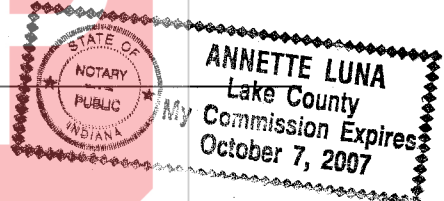


Exhibit A

The Property

Lot 18, Mar-Dar Industrial Park, in Industrial Subdivision to Crown Point, as per plat thereof, recorded in Plat Book 81, page 51, and re-recorded October 3, 1996 in Plat Book 81, page 57 in the office of the Recorder of Lake County Indiana.



Exhibit B

The Lease

[to be attached]

