

THIRD AMENDMENT TO INDUSTRIAL LEASE AGREEMENT

THIS THIRD AMENDMENT TO INDUSTRIAL LEASE AGREEMENT (the "Third Amendment") is made and entered into this 13th day of August, 2009, by and between **THE REALTY ASSOCIATES FUND VI, L.P.**, a Delaware limited partnership ("Landlord") and **SMURFIT-STONE CONTAINER ENTERPRISES, INC.**, a Delaware corporation ("Tenant").

WITNESSETH:

WHEREAS, Landlord and Tenant entered into that certain Industrial Lease Agreement dated as of July 1, 2005 (the "Original Lease"), as amended by that certain First Amendment to Industrial Lease Agreement dated February 8, 2006 (the "First Amendment"), as further amended by that Second Amendment to Industrial Lease Agreement dated February 1, 2008 (the "Second Amendment") (the Original Lease, the First Amendment and the Second Amendment are collectively referred to herein as the "Lease") pursuant to which Tenant leased that certain space located at 105 Commerce Drive, Ashton, Pennsylvania 19014 (the "Building"), said leased premises containing Seventy-Four Thousand Eight Hundred Seventy-Two (74,872) rentable square feet and known as Suite B (the "Premises");

WHEREAS, the Term of the Lease is scheduled to expire on August 31, 2011; and

WHEREAS, Landlord and Tenant desire to amend the Lease (i) to provide for the early renewal of the Term of the Lease, and (ii) to amend certain other terms and conditions of the Lease as herein provided.

NOW, THEREFORE, in consideration of the premises and mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree to the following:

1. **Recitals.** The recitals set forth above are incorporated herein by this reference with the same force and effect as if fully set forth hereinafter.
2. **Capitalized Terms.** Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Lease. The Lease and this Third Amendment shall be known collectively as the "Lease".
3. **Term.** Notwithstanding anything to the contrary contained in the Lease, the Term of the Lease is hereby extended and shall expire on August 31, 2013 unless sooner terminated pursuant to the terms of the Lease or hereof. The period from August 1, 2009 (the "Renewal Date") through the expiration of the Term, inclusive, is herein referred to as the "Renewal Term."
4. **Base Rent.** Notwithstanding anything to the contrary contained in the Lease, during the Renewal Term Tenant shall pay Base Rent with respect to the Premises at the times and in the manner set forth in Section 4.1 of the Lease in accordance with the following schedule:

<u>Period</u>	<u>Annual Base Rent</u> (annualized)	<u>Monthly Base Rent</u>	<u>Rate Per</u> <u>Square Foot</u>
08/01/09 – 08/31/13	\$314,462.40	\$26,205.20	\$4.20

5. **Tenant Improvements.** Tenant acknowledges that all obligations of Landlord to construct tenant improvements for the Premises pursuant to the Lease have been met and Tenant accepts the Premises in its as-is condition existing on the date hereof. Landlord shall have no obligation to make any tenant improvements to the Premises on behalf of Tenant during the Renewal Term.

6. **Option to Terminate.** Either Landlord or Tenant shall have the right to terminate this Lease at any time upon no less than three hundred sixty-five (365) days prior written notice to the other party. Tenant's right to terminate is subject to the requirement that Tenant shall not be in default of any of its obligations under the Lease at the time of such notice or on the effective date of such termination. Upon any such termination, neither party shall have any further obligations under the Lease, excepting those provisions which would naturally survive the expiration or earlier termination of the Lease.

7. **Brokers.** Tenant represents and warrants to Landlord that Tenant has not had any dealings or entered into any agreements with any person, entity, realtor, broker, agent or finder in connection with the negotiation of this Third Amendment other than The Flynn Company and Grubb & Ellis (the "Broker"). Tenant shall indemnify and hold harmless Landlord from and against any loss, claim, damage, expense (including costs of suit and reasonable attorneys' fees) or liability for any compensation, commission or charges claimed by any other realtor, broker, agent or finder claiming to have dealt with Tenant in connection with this Third Amendment.

8. **Arbitration.** Any claim, controversy or dispute arising hereunder or arising out of the breach or alleged breach of this Agreement or the validity thereof shall be finally settled by arbitration, conducted in Philadelphia, Pennsylvania on a confidential basis in accordance with the then current rules of the American Arbitration Association (the "Association"). The arbitration shall be conducted by a single arbitrator unless the parties are unable to agree on such arbitrator, in which event each party will select one arbitrator and the chosen arbitrators shall select a third arbitrator. The arbitrator(s) shall determine the matters in dispute strictly in accordance with the terms of this Agreement and the substantive law of the Commonwealth of Pennsylvania, excluding its principles of conflicts of laws.

The award of the arbitrator(s) shall be the sole and exclusive remedy between the parties regarding any claims, counterclaims, issues or accountings presented or pled to the arbitrator(s); provided, however, that the arbitrator(s) shall have no authority to award punitive damages or any other form of noncompensatory damages. Judgment upon the arbitrator(s)' award may be entered and enforced in any court of competent jurisdiction. Each party shall bear its own cost of the arbitration, including but not limited to the cost of attorneys' fees, and each shall bear one-half of the cost of the arbitrator(s)' fees.

9. **Reaffirmation of Terms.** All other terms, covenants and provisions of the Lease are hereby confirmed and ratified and except as modified herein, shall remain unchanged and in full force and effect.

10. **Tenant Representations.** Tenant hereby represents and warrants to Landlord that to Tenant's knowledge it (i) is not in default of any of its obligations under the Lease and that such Lease is valid, binding and enforceable in accordance with its terms, (ii) has full power and authority to execute and perform this Third Amendment, and (iii) has taken all action necessary to authorize the execution and performance of this Third Amendment.

11. **Landlord Representations.** Landlord hereby represents and warrants to Tenant that to Landlord's knowledge it (i) is not in default of any of its obligations under the Lease and that such Lease is valid, binding and enforceable in accordance with its terms, (ii) has full power and authority to execute and perform this Third Amendment, and (iii) has taken all action necessary to authorize the execution and performance of this Third Amendment.

12. **WAIVER:** Except for that outstanding rent owed by Tenant to Landlord which was due in January, 2009 (the "January 2009 Rent"), Landlord hereby waives any liabilities or claims Landlord may have or have accrued under the Lease (including without limitation, any payment defaults that arose prior to the commencement of Tenant's Chapter 11 case) and agrees not to seek payment of any such liabilities or claims, including the January 2009 Rent, in connection with Tenant's assumption of the Lease pursuant to Section 365 of the Bankruptcy Code; provided, however, that the Landlord shall have the right to file a proof of claim in the Tenant's bankruptcy case on account of the January 2009 Rent.

13. **Counterpart Copies.** This Third Amendment may be executed in two or more counterpart copies, each of which shall be deemed to be an original and all of which counterparts shall have the same force and effect as if the parties hereto had executed a single copy of this Third Amendment.

[Signatures on following page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Third Amendment as of the day and year first above written.

LANDLORD:

THE REALTY ASSOCIATES FUND VI, L.P.,
a Delaware limited partnership

By: Realty Associates Fund VI LLC, a Massachusetts limited liability company, General Partner

By: Realty Associates Advisors LLC, a Delaware limited liability company, Manager

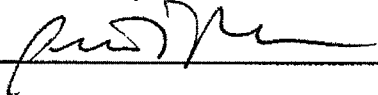
By: Realty Associates Advisors Trust, a
Massachusetts business trust, Manager

By: 

Officer

TENANT:

SMURFIT-STONE CONTAINER ENTERPRISES, INC.,
a Delaware corporation

By: 

Its: V.P. Corporate Logistics

8/13/09