

PREPARED BY AND
UPON RECORDATION RETURN TO:

MAC-GRAY SERVICES, INC.
404 Wyman Street, Suite 400
Waltham, MA 02451
Attn: Legal Department

LAND TITLE OF SKAGIT COUNTY



200912180091
Skagit County Auditor

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134858-PC

SPACE ABOVE THIS LINE FOR RECORDER'S USE

P 61982/Big Lake Waterfront Res 10-23

SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT

THIS SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT ("Agreement") is made as of the 16th day of December, 2009, between Pacific Crest Savings Bank ("Lender") and Mac-Gray Services, Inc., as successor in interest to Automatic Laundry Company, Ltd. ("Tenant").

BACKGROUND:

Tenant has entered into a lease agreement with Big Lake Management Company, predecessor in interest to Leonard and Rebecca Andrews DBA Big Lake RV Resort LLC ("Landlord"), dated April 11, 2005* (the "Lease") relating to the property at 17867 West Big Lake Boulevard, Mount Vernon, WA 98274. Lender has made or has committed to make or has purchased a loan to Landlord in the approximate principal amount of \$625,000.00 (the "Loan") secured by a mortgage, deed of trust or security deed** (the "Mortgage") covering the Property. Tenant has agreed that the Lease will be subject and subordinate to the Mortgage held by Lender, provided Tenant is assured of continued use of the Property under the terms of the Lease.

*recorded under AF#200505020135

**recorded under AF#200912180091

AGREEMENT:

For and in consideration of the mutual covenants contained in this Agreement, the sum of Ten Dollars (\$10.00) and other good and valuable considerations, the receipt and sufficiency of which are acknowledged, and notwithstanding anything in the Lease to the contrary, the parties agree as follows:

1. **Subordination.** The Lease with all rights, options, liens and charges created by the Lease is expressly made and will continue to be subject to and subordinate in all respects to the terms, conditions, lien, operation and effect of the Mortgage and to any renewals, modifications, consolidations, replacements and extensions of the Mortgage.

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2. **Nondisturbance.** If Lender takes possession of the Property or becomes the owner of the Property by foreclosure, conveyance in lieu of foreclosure or otherwise, so long as Tenant complies with and performs its obligations under the Lease and no event of default has occurred under the Lease, then Lender agrees as follows:
- Lender will not terminate, impair or disturb the possession of Tenant.
 - The Lease will continue in full force and effect as a direct Lease between Lender and Tenant, upon and subject to all of the terms, covenants and conditions of the Lease, for the balance of the term of the Lease.
3. **Mortgage Remedies.** Nothing contained in this Agreement will prevent Lender from naming Tenant in any foreclosure or other action or proceeding initiated by Lender pursuant to the Mortgage to the extent necessary under applicable law in order for Lender to avail itself of and complete the foreclosure or other remedy.
4. **Attornment.** If Lender or any other party becomes the owner of the Property by foreclosure, conveyance in lieu of foreclosure or otherwise ("Successor Landlord"), then Tenant agrees as follows:
- Tenant will perform and observe its obligations under the Lease.
 - Tenant will attorn to and recognize Successor Landlord as the Landlord under the Lease for the remainder of the term of the Lease, such attornment to be automatic and self-operative.
 - Tenant will execute and deliver upon request of Successor Landlord an appropriate agreement of attornment to Successor Landlord.
5. **Protection of Successor Landlord.** Tenant agrees that Successor Landlord will not be liable for, subject to or bound by any of the following:
- claims, offsets or defenses which Tenant might have against Landlord;
 - acts or omissions of Landlord;
 - rent or additional rent which Tenant might have paid for more than the current month;
 - any security deposit or other prepaid charge paid to Landlord;
 - construction or completion of any improvements for Tenant's use and occupancy;
 - warranties of any nature whatsoever, including any warranties respecting use, compliance with zoning, hazardous wastes or environmental laws, Landlord's title, Landlord's authority, habitability, fitness for purpose or possession; or
 - amendments or modifications of the Lease made without its written consent.
6. **Successor Landlord Exculpation.** Tenant will look solely to Successor Landlord's interest in the Property for the payment and discharge of any obligation or liability imposed upon Successor Landlord under the Lease.



7. **Estoppel.** To the best of Tenant's knowledge, there does not exist any default, claim, controversy or dispute under the Lease. Tenant has not commenced any action nor sent or received any notice to terminate the Lease.
8. **Notice to Landlord.** Tenant agrees that it will deliver to Lender a copy of all notices of default or termination received by it under the terms of the Lease.
9. **Assignment to Lender.** Tenant acknowledges that the Landlord may execute and deliver to Lender an assignment of the Lease as security for the Loan and Lender may assign the Loan to Freddie Mac or Fannie Mae. Tenant expressly consents to such assignments.
10. **Invalidity.** If any portion of this Agreement is held invalid or inoperative, then all of the remaining portions will remain in full force and effect, and, so far as is reasonable and possible, effect will be given to the intent manifested by the portion or portions held to be invalid or inoperative.
11. **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the State where the Property is located.
12. **Notices.**
- (a) All notices, demands and other communications ("Notices") under or concerning this Agreement must be in writing. Each Notice shall be addressed to the intended recipient at its address set forth in this Agreement, and will be deemed given on the earliest to occur of (1) the date when the Notice is received by the addressee; (2) the first Business Day after the Notice is delivered to a recognized overnight courier service, with arrangements made for payment of charges for next Business Day delivery; or (3) the third Business Day after the Notice is deposited in the United States mail with postage prepaid, certified mail, return receipt requested. The term "Business Day" means any day other than a Saturday, a Sunday or any other day on which Lender is not open for business.
- (b) Any party to this Agreement may change the address to which Notices intended for it are to be directed by means of Notice given to the other party in accordance with this Section. Each party agrees that it will not refuse or reject delivery of any Notice given in accordance with this Section, that it will acknowledge, in writing, the receipt of any Notice upon request by the other party and that any Notice rejected or refused by it will be deemed for purposes of this Section to have been received by the rejecting party on the date so refused or rejected, as conclusively established by the records of the U.S. Postal Service or the courier service.

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Any Notice, if given to Lender, must be addressed as follows:

Pacific Crest Savings Bank
3500 188 Street SW
Lynnwood, WA 98037
Attn: _____

Any Notice, if given to Tenant, must be addressed as follows:

Mac-Gray Services, Inc.
404 Wyman Street, Suite 400
Waltham, MA 02451
Attn: Legal Department

13. **Successors and Assigns.** This Agreement will be binding upon and inure to the benefit of the parties to this Agreement and their respective heirs, legal representatives, successors, successors-in-title and assigns.
14. **Counterparts.** This Agreement may be executed in any number of counterparts, all of which when taken together will constitute one and the same instrument.

[END OF TEXT – SIGNATURE PAGE TO FOLLOW]



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IN WITNESS WHEREOF, the parties hereto have executed this Agreement [under seal] as of the date first above written.

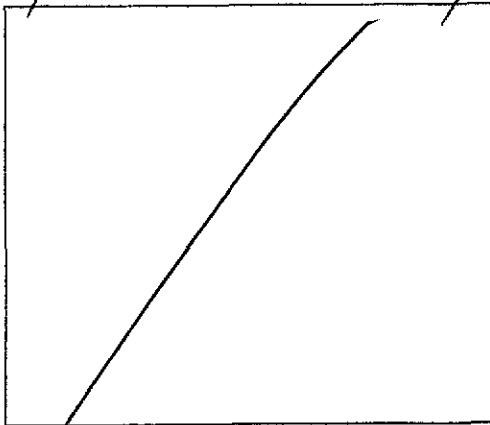
LENDER:

PACIFIC CREST SAVINGS BANK

By: *Laurie Foster*
Name: Laurie Foster
Title: Vice President

STATE OF _____)
COUNTY OF _____) SS

On this ____ day of _____, 2009, before me, the undersigned notary public, personally appeared _____ who identified himself/herself by _____, and acknowledged to me that it is his/her signature on this document and that s/he signed it voluntarily for its stated purpose.



(USE THIS SPACE FOR NOTARIAL SEAL STAMP)

Notary Public
Printed Name: _____
My Commission expires: _____

See attached

[CONTINUED ON FOLLOWING PAGE]

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STATE OF Washington

County of Snohomish

} SS:

I certify that I know or have satisfactory evidence

Laurie Foster

the person who appeared before

me, and said person acknowledged that She signed this instrument, on oath stated She
authorized to execute the instrument and is vice president

of Pacific Crest Savings Bank

to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

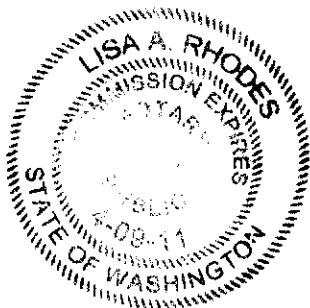
Dated: 12-17-09

Lisa Rhodes

Notary Public in and for the State of Washington

Residing at Edmonds

My appointment expires: 4-9-11



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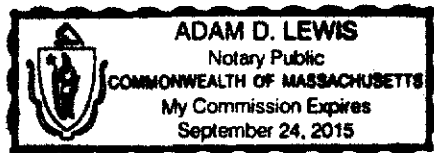
TENANT:

MAC-GRAY SERVICES, INC., a Delaware corporation

By: *Linda Serafini*
Name: Linda Serafini
Title: Vice President & General Counsel

COMMONWEALTH OF MASSACHUSETTS)
) SS
COUNTY OF MIDDLESEX)

On this 16th day of December 2009 before me, the undersigned notary public, personally appeared Linda Serafini, who is personally known to me as the Vice President & General Counsel of Mac-Gray Services, Inc., and the person who signed this document in my presence.



(USE THIS SPACE FOR NOTARIAL SEAL STAMP)

Adam D. Lewis
Adam D. Lewis
Notary Public

My Commission expires September 24, 2015



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Schedule "A-1"

134858-PE

DESCRIPTION:

All that portion of Lots 20, 21 and 22, "BIG LAKE WATER FRONT TRACTS, SKAGIT COUNTY, WASHINGTON," as per plat recorded in Volume 4 of Plats, page 12, records of Skagit County, Washington, and of Shorelands of the second class, as conveyed by the State of Washington by deed recorded June 16, 1959, under Auditor's File No. 581848, situate in front of, adjacent to, or abutting upon Lots 20, 21 and 22, "BIG LAKE WATER FRONT TRACTS, SKAGIT COUNTY, WASHINGTON," as per plat recorded in Volume 4 of Plats, page 12, records of Skagit County, Washington, lying Northerly of the following described line:

Beginning at the Southwest corner of said Lot 23, as said point is shown on that certain Record of Survey recorded in Book 2 of Surveys, page 203, under Auditor's File No. 7911050027, records of said County and State;

thence North 24°27'53" West along the Easterly line of said Lots 22 and 23, 110.51 feet to the true point of beginning of said described line;

thence North 75°48'31" East, 39.20 feet;

thence South 87°25'22" East, 54.48 feet;

thence North 88°27'44" East, 39.14 feet;

thence North 54°22'19" East, 8.23 feet;

thence North 33°06'00" East, 21.65 feet;

thence North 26°29'14" East, 8.05 feet;

thence North 15°04'10" West, 7.68 feet;

thence North 23°45'52" West, 15.59 feet to a point on a curve to the right, the center of which bears North 89°51'28" East and is 70.81 feet distant;

thence Northerly and Northeasterly, following said curve to the right through a central angle of 43°15'47", an arc distance of 53.47 feet;

thence leaving said curve, North 41°20'43" East, 15.53 feet to a point on a curve to the left, the center of which bears North 50°40'51" West and is 51.70 feet distant;

thence Northeasterly, following said curve to the left through a central angle of 32°47'00", an arc distance of 29.58 feet;

thence leaving said curve, North 76°28'38" East, 72.33 feet;

thence North 65°32'07" West, 211.58 feet, more or less, to the approximate Line of Navigability of Big Lake and the end of said described line.

Situate in the County of Skagit, State of Washington.



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