

Recording Requested By:

Seacoast Commerce Bank

And When Recorded Mail To:

Seacoast Commerce Bank
11939 Rancho Bernardo Rd #200
San Diego, CA 92128



201301140115

Skagit County Auditor

1/14/2013 Page

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6 1:26PM

DT # 201212310048
UNRECORDED LEASE

GUARDIAN NORTHWEST TITLE CO.
104885

**SUBORDINATION, NON-DISTURBANCE AND
ATTORNMEN T AGREEMENT**

This SUBORDINATION, NON-DISTURBANCE AND ATTORNMEN T AGREEMENT, dated this 4th day of December, 2012, is by and between Seacoast Commerce Bank ("Bank"), and FAB Shack ("Tenant"), of Sedro Woolley, WA with reference to the following.

RECITALS:

A. Tenant has signed and entered into a lease dated 06/01/2012 ("Lease") with DLK Investments, LLC and subsequently assigned to RC Development, LLC, a Washington Limited Liability Company and subsequently assigned to R.L.C., Inc., a Washington Corporation (landlord) of the premises commonly known and designated as 631-635 Sunset Park Drive, Sedro-Woolley, WA 98284 ("Premises").

B. Bank is the beneficiary of the deed of trust securing repayment of an indebtedness which encumbers certain real property located in the city of Sedro Woolley, State of WA, more particularly described as: See Attached Exhibit "A" ("Property Legal"). The Deed of Trust is being recorded in the Office of the County Recorder of Skagit, State of Washington, concurrently with this Agreement. The Premises are encompassed within the Property subject to the Deed of Trust.

C. Tenant and Bank desire to establish certain rights, safeguards, obligations and priorities with regard to their respective interest by means of this Subordination, Non-Disturbance and Attornment Agreement.

TERMS OF THE AGREEMENT

IN CONSIDERATION of the mutual covenants of the parties and other good and valuable consideration, Bank and Tenant agree as follows:

1. The Lease shall be subject and subordinate to the liens of the Deed of Trust and to all renewals, extensions, modifications or replacements of the Deed of Trust, including any future modification or extension of any documents secured thereby or delivered in connection therewith.

2. Provided the Lease is in full force and effect and Tenant is not in material default thereunder, then:

(a) Tenant's right of possession to the Premises and Tenant's other rights arising out of the Lease shall not be affected or disturbed by Bank in the exercise of any of its rights under the Deed of Trust or the note which it secures. Further, Tenant shall not be named as a party defendant in any foreclosure of the lien of the Deed of Trust nor in any other way be deprived of its rights under the Lease.

(b) In the event that Bank or any other person acquires title to the Premises pursuant to the exercise of any remedy provided for in the Deed of Trust, or by conveyance in lieu of foreclosure, the Lease shall not be terminated or affected by the foreclosure, conveyance or sale in any such proceeding. Bank covenants that any sale of the Premises as a result of the exercise of any rights and remedies under the Deed of Trust, or otherwise, shall be made subject to the Lease and the rights of Tenant under the Lease, and Tenant covenants and agrees to attorn to Bank (or such other person) as its new landlord, and the Lease shall continue in full force and effect as a direct lease between Tenant and Bank (or such other person) upon all of the terms, covenants, conditions and agreements set forth in the Lease. However, in no event shall Bank or such person be: (I) liable for any act or omission of Landlord; (II) subject to any offsets or defenses which Tenant might be entitled to assert against Landlord, except pursuant to the Lease; (III) bound by any payment of rent or additional rent made by Tenant to Landlord for more than two months in advance; or (IV) bound by any amendment or modification made to the Lease without Bank's consent.

3. Tenant acknowledges and agrees that Bank is or was under no obligation or duty to direct or oversee the application of the proceeds of the Loan, and such proceeds may be or may have been used by Landlord for purposes other than improvement of the Premises.

4. Tenant warrants and represents that it has no right whatsoever, under the Lease or any other agreement, to purchase the Premises or any portion thereof, and to the extent any such right has been or will be acquired by Tenant, the same is acknowledged and agreed to be subordinate to the lien of the Deed of Trust.



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5. Tenant shall send to Bank a copy of any and all notices sent to Landlord pursuant to the section(s) of the Lease relating to defaults and remedies. Tenant shall send such copy at the same time notice is sent to Landlord and shall send the copy to Bank at the address set forth in the heading of this instrument (or such other address as Bank may inform Tenant in writing).

6. The above provisions shall be self-operative and effective without any further instruments being signed or delivered by either party. However, Tenant agrees to sign and deliver to Bank (or to any person to whom Tenant agrees to attorn) such other instruments as either shall reasonably request in order to comply with these provisions, without modifying or jeopardizing Tenant's rights under the Lease. This Agreement may not be modified other than by an agreement in writing signed by the parties or by their respective successors in interest. This Agreement shall inure to the benefit of and be binding upon the parties and their successors and assigns.

Bank:

Seacoast Commerce Bank

By:

Lisa Rickman, Vice President

Tenant:

FAB Shack

By:

Fab Shack

ACKNOWLEDGEMENT BY LANDLORD

Landlord, as Trustor under the Deed of Trust, acknowledges and agree that this Agreement does not (a) constitute a waiver by Bank of any of its rights under the Loan or the Deed of Trust; or (b) in any way release Landlord from its obligations to comply with the terms, covenants and conditions of the Loan or the Deed of Trust.

Landlord:

R.L.C., Inc., a Washington Corporation

By:

Rebecca Cobb, President

ALL SIGNATURES MUST BE NOTARIZED



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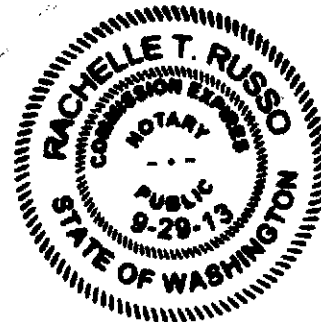
STATE OF Washington
COUNTY OF Skagit

On Dec 11, 2012, before me, Rachelle T Russo A Notary Public personally appeared Jason Solvold, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Rachelle T Russo



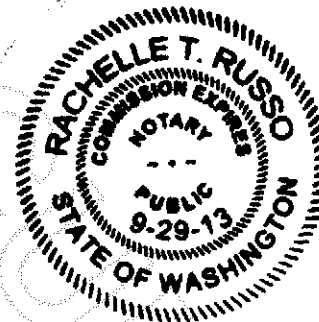
STATE OF Washington
COUNTY OF Skagit

On Dec 11, 2012, before me, Rachelle T Russo A Notary Public personally appeared Rebecca L Cobb, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Rachelle T Russo



STATE OF _____
COUNTY OF _____

On _____, before me, _____ A Notary Public personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature _____



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Skagit County Auditor

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6. The above provisions shall be self-operative and effective without any further instruments being signed or delivered by either party. However, Tenant agrees to sign and deliver to Bank (or to any person to whom Tenant agrees to attorn) such other instruments as either shall reasonably request in order to comply with these provisions, without modifying or jeopardizing Tenant's rights under the Lease. This Agreement may not be modified other than by an agreement in writing signed by the parties or by their respective successors in interest. This Agreement shall inure to the benefit of and be binding upon the parties and their successors and assigns.

Bank:

Seacoast Commerce Bank

By: 

Lisa Rickman, Vice President

Tenant:

FAB Shack

By: _____

Fab Shack

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Landlord:

R.L.C., Inc., a Washington Corporation

By: _____

Rebecca Cobb, President

ALL SIGNATURES MUST BE NOTARIZED



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STATE OF _____
COUNTY OF _____

On _____, before me, _____ A Notary Public personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

STATE OF _____
COUNTY OF _____

On _____, before me, _____ A Notary Public personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____



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STATE OF California
COUNTY OF San Diego

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On 12-27-12, before me, Dayna J. Herron A Notary Public personally appeared Lisa Beckman, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Dayna J. Herron

