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Skagit County Auditor

\$77.00

6/24/2016 Page

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5 2:49PM

WHEN RECORDED, MAIL TO:  
WASH Multifamily Laundry Systems, LLC  
100 North Sepulveda Blvd., 12<sup>th</sup> Floor  
El Segundo, CA 90245-5657  
ATTN: Real Estate

"THIS DOCUMENT MAY BE SIGNED IN COUNTERPARTS"

## SUBORDINATION AGREEMENT

THIS SUBORDINATION, ATTORNMEN AND NONDISTURBANCE AGREEMENT made and entered into this 16<sup>th</sup> day of June 2016, by and between WASH Multifamily Laundry Systems, LLC, a California limited liability company, as successor-in-interest to American Meter and Appliance, Inc., a Washington corporation (hereinafter referred to as "Lessee"), and First Financial Northwest Bank, (hereinafter referred to as "Lender").

### Land Title and Escrow

WHEREAS, Lessee has heretofore entered into a Lease (hereinafter referred to as "Lease") dated August 24, 2009, a memorandum of which was recorded September 23, 2009, in Document No. 200909230014, by and between itself and Mount Vernon 28, LLC, a Washington limited liability company, as successor-in-interest to Lauren Renee Associates, LLC (hereinafter referred to as "Lessor"), as Lessor and Lessee and relating to certain real property (hereinafter referred to as the "Property"), located at 725 West Hazel Street, Mount Vernon, in Skagit County, Washington, which is more fully described in Exhibit "A" attached hereto, and by this reference incorporated herein as though fully set forth.

WHEREAS, concurrently herewith, the Lender is making a loan to the Lessor or Lessor's successor-in-interest which is to be evidenced by a promissory note and said note dated June 21, 2016, payable to the order of the Lender in the original principal amount of ONE MILLION ONE HUNDRED FORTY THOUSAND AND 00/100 DOLLARS (\$1,140,000.00) and which is secured by, among other things, a deed of trust, assignment of rents and security agreement (hereinafter referred to as "Deed of Trust") and all dated June 21, 2016, made by Lessor or Lessor's successor-in-interest in favor of Lender, covering Lessor's interest in the Property as well as the other property described therein.

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WHEREAS, as a condition of making the loan referenced to above, Lender has required that in accordance with its demands, Lessee shall subordinate Lessee's interest in the Property under the Lease to the lien of the Deed of Trust and for the Lessee to agree to attorn to the purchaser in any foreclosure sale of the Demised Premises held under the Deed of Trust.

WHEREAS, in order to induce Lender to make the loan described above to Borrower, and in consideration for the Lessee's agreement to subordinate Lessee's interest in the Property under the Lease to the lien of the Deed of Trust and to attorn to Lender and any successors or subsequent purchasers of the Property held under the Deed of Trust, the Lender agrees on behalf of itself and all such successors or purchasers of the Property to recognize Lessee's interest and its Lease, and not to disturb the Lease or

Lessee's possession of the Property under the Lease upon such foreclosure so long as Tenant is not in material default under the Lease by its terms.

NOW, THEREFORE, in consideration of the mutual promises hereinafter contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessee and Lender hereby covenant and agree as follows:

1. Subject to the terms and conditions of Section 3 below, the Lease is hereby expressly made subject to, subordinate and inferior to the Deed of Trust, and the lien thereof, on the hereinafter related terms and conditions.

2. Lessee shall attorn to the Lender and any successor or subsequent purchaser upon any such foreclosure and sale or deed in lieu of foreclosure and shall recognize such successor or subsequent purchaser as the Lessor under said Lease.

3. In the event of (i) a foreclosure and sale or other suit, sale or proceeding under the Deed of Trust, judicial or non-judicial, or (ii) a deed in lieu of foreclosure is given, Lender hereby covenants that so long as Lessee is not in material default under said Lease, that the Lease and Lessee's possession of the leased premises and its rights under said Lease shall not be interfered with by Lender or any successor or assign, and any such successor or subsequent purchaser shall recognize the Lessee and the Lessee's interest thereunder, and observe and agrees to be bound by the Lease terms and conditions.

4. Whether or not the Lessee is in default under the Lease, under no circumstances and at no time shall the Lender's Deed of Trust be construed as nor shall it in fact cover or in any way encumber, lien or cloud any fixtures or equipment owned and used by Lessee in its business on the Property.

5. This Subordination, Attornment and Nondisturbance Agreement shall be binding upon and inure to the benefit of the successors and/or assigns of the parties hereto.

IN WITNESS WHEREOF, the parties have each caused this Subordination, Attornment and Nondisturbance Agreement to be executed on its behalf on the date and year first above written, and each declares to the other, its full authority and power to enter into this Agreement.

"LESSEE"

"LENDER"\*\*\*

**WASH Multifamily Laundry Systems, LLC,**  
a California limited liability company

**First Financial Northwest Bank**

By: *C Lazcano*  
C Lazcano  
Assistant Secretary

By: *[Signature]*  
Name: *Thomas H. Ng*  
Title: *VP*

100 N Sepulveda Blvd, 12<sup>th</sup> Floor  
El Segundo, CA 90245

207 Wells Ave S (P.O. Box 1130)  
Renton, WA 98056





EXHIBIT "A"

That part of the Northwest  $\frac{1}{4}$  of the Northeast  $\frac{1}{4}$  of Section 30, Township 34 North, Range 4 East of the W.M., described as follows:

Beginning at a point on the North line of Hazel Street, Mount Vernon, 108 feet West of the intersection of the North line of Hazel Street and the West line of Walter Street, said city;  
thence West along the North line of Hazel Street 168 feet;  
thence North at right angles parallel with the West line of Walter Street to the point of intersection with the South line of First Street in the City of Mount Vernon;  
thence Northeasterly along said South line to a point North of the point of beginning and being 108 feet West of the West marginal line of Walter Street, measured at right angles therefrom;  
thence South to point of beginning. (Being Lots 1 to 9, inclusive, in vacated Block 9, "PLAT OF THE SOUTHERN ADDITION TO MT. VERNON," as per plat recorded in Volume 2 of Plats, page 110, records of Skagit County, Washington);

TOGETHER WITH that portion of vacated Douglas Street adjacent thereto;

AND TOGETHER WITH the West  $\frac{1}{2}$  of vacated alley adjacent thereto.

Situate in the County of Skagit, State of Washington.