

RECORDATION REQUESTED BY:

U.S. Bank National Association
Collateral Department
P.O. Box 5308
Portland, OR 97228-5308

WHEN RECORDED MAIL TO:

U.S. Bank National Association
Collateral Department
P.O. Box 5308
Portland, OR 97228-5308



201701190056

Skagit County Auditor

\$152.00

1/19/2017 Page

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7 2:18PM

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SUBORDINATION, ESTOPPEL AND ATTORNMENMENT AGREEMENT

REFERENCE NO. OF RELATED DOCUMENTS: N/A

Land Title and Escrow

01-160274-0

GRANTOR(S): PR BURLINGTON PROPERTIES, LLC, a Washington limited liability company
HARRIS-FORD, INC., a Washington corporation

GRANTEES: U.S. BANK NATIONAL ASSOCIATION

LEGAL DESCRIPTION (abbreviated): Lot 1, Rock Island Binding Site Plan

Additional on: Exhibit A

201701190055

ASSESSOR'S TAX PARCEL OR ACCOUNT NO.: 8079-000-001-0000/P127938

THIS SUBORDINATION, ESTOPPEL AND ATTORNMENMENT AGREEMENT dated as of January 6, 2017, is entered into among PR BURLINGTON PROPERTIES, LLC, a Washington limited liability company (the "Landlord"), whose address is P.O. Box 27069, Seattle, Washington 98165; HARRIS-FORD, INC., a Washington corporation (the "Tenant"), whose address is P.O. Box 27069, Seattle, Washington 98165; and U.S. BANK NATIONAL ASSOCIATION (the "Bank"), whose address is Commercial Loan Services, PD-OR-P7LD, 555 S.W. Oak Street, Portland, Oregon 97204.

RECITALS:

A. Tenant and Landlord have entered into an unrecorded lease dated April 1, 2013, together with any extensions, renewals, replacements, and modifications thereof (the "Lease") covering all or a part of the Premises; and

B. Bank has made or may make a loan to Tenant (the "Loan") secured by a deed of trust covering the premises described on attached **Exhibit A**, which is hereby incorporated herein (the "Premises"), recorded concurrently herewith (together with any amendments, extensions, renewals, supplements, and replacements thereof, the "Deed of Trust") and by other security documents, and has required that the Lease be subordinate to the lien of the Deed of Trust and to any other security documents executed by Landlord (the Deed of Trust and such security documents and any amendments, extensions, renewals, supplements, and replacements thereof are collectively, the "Security Documents").

NOW, THEREFORE, in consideration of the promises and mutual covenants hereinafter contained, the parties hereto mutually covenant and agree as follows:

1. The Lease and any extensions, renewals, replacements, or modifications thereof and all of the present and future right, title, and interest of Tenant in and to said Premises, including but not limited to any option to purchase the Premises, and right of first refusal or right of first opportunity to purchase the Premises or any acquisition of title to the Premises by Tenant during the term of the Loan are and shall be subject and subordinate to the Security Documents and to all of the terms and conditions contained herein.

2. Notwithstanding the foregoing, Tenant agrees with Bank that if the interest of Landlord in the Premises shall be transferred to and owned by Bank by reason of foreclosure or other proceedings brought by it or by any other manner, Tenant shall at Bank's sole option, exercisable by giving written notice thereof to Tenant, be bound to Bank under all of the terms, covenants, and conditions of the Lease for the balance of the term thereof remaining and any extensions or renewals thereof which may be effected in accordance with any option therefor in the Lease, with the same force and effect as if Bank were the Landlord under the Lease, and Tenant will attorn to Bank as its Landlord. Upon the election of and written demand by Bank after Bank receives title to the Premises, Tenant will promptly execute an attornment agreement with terms and conditions satisfactory to Bank.

3. Notwithstanding any contrary provision of this Agreement, Tenant agrees with Bank that if Bank shall succeed to the interest of Landlord under the Lease, Bank shall not be (a) liable for any action or omission of Landlord or any other prior landlord (collectively, the "Prior Landlord") under the Lease, (b) subject to any offsets or defenses which Tenant might have against any Prior Landlord, (c) bound by any rent or additional rent which Tenant might have paid for more than the current month to any Prior Landlord, (d) bound by any security deposit which Tenant may have paid to any Prior Landlord, unless such deposit is in an escrow fund available to Bank, (e) liable to Tenant under any indemnification provisions set forth in the Lease or for any damages Tenant may suffer as a result of any false representation set forth in the Lease, the breach of any warranty set forth in the Lease, or any act of, or failure to act by any party other than Bank, (f) bound by any amendment, modification, termination, surrender, cancellation, or waiver of any terms of the Lease made without Bank's consent, or (g) bound by any provision in the Lease which obligates the Landlord to erect or complete any building or to perform any construction work or to make any improvements to the Premises.

4. If Bank acquires Landlord's interest in the Premises by foreclosure, deed in lieu of foreclosure, or any other means, Tenant shall look solely to the interest of Bank in the Premises for the recovery of any judgment or the discharge of any other obligations of Bank and Bank shall not be personally liable for any such judgment or obligations.

5. Tenant shall provide Bank with a copy of any written notice that Tenant sends to or receives from Landlord no later than ten (10) days after transmission or receipt. In the event that

Landlord shall default in the performance or observance of any of the terms, conditions, or agreements in the Lease, Tenant shall give written notice thereof to Bank and Bank shall have the right (but not the obligation) to cure such default. Tenant shall not take any action with respect to such default under the Lease, including and without limitation any action in order to terminate, rescind, or void the Lease or to withhold any rental thereunder, for a period of thirty (30) days after receipt of such written notice thereof by Bank with respect to any such default capable of being cured by the payment of money and for a period of sixty (60) days after receipt of such written notice thereof by Bank with respect to any other such default (provided, that in the case of any default which cannot be cured by the payment of money and cannot with diligence be cured within such sixty (60) day period because of the nature of such default or because Bank requires time to obtain possession of the Premises in order to cure the default, if Bank shall proceed promptly to attempt to obtain possession of the Premises, where possession is required, and to cure the same and thereafter shall prosecute the curing of such default with diligence and continuity, then the time within which such default may be cured shall be extended for such period as may be necessary to complete the curing of the same with diligence and continuity).

6. Tenant agrees with Bank that Tenant's estate in the Premises shall not be conveyed or encumbered without the written consent of Bank, which consent will not be unreasonably withheld, so long as the Security Documents are in effect. Tenant further agrees that Tenant will not voluntarily subordinate the Lease to any lien or encumbrance without Bank's consent, which consent will not be unreasonably withheld.

7. Landlord and Tenant will not agree to amend, modify, terminate, surrender, cancel, or waive any of the terms of the Lease without Bank's prior written consent, which consent will not be unreasonably withheld.

8. No person or entity who exercises a right, arising under the Deed of Trust or Security Documents, to receive the rents payable by Tenant under the Lease shall thereby become obligated to Tenant for the performance of any of the terms, covenants, conditions, and agreements of Landlord under the Lease until and unless (and only to the extent of obligations relating to periods after) such person or entity obtains possession of the Premises. Tenant shall make the payments to be made by Tenant under the Lease to such person or entity upon receipt of written notice of the exercise of such rights. Such receipt of rent by any other party shall not relieve Landlord of its obligations under the Lease and Tenant shall continue to look to Landlord only for performance thereof until and unless (and only to the extent of obligations relating to periods after) such other person or entity obtains possession of the Premises.

9. Landlord and Tenant hereby covenant and agree with Bank as follows:

a. The Lease has been properly executed and delivered by Tenant and Landlord, is valid and binding upon Tenant, is in full force and effect, and has not been modified;

b. There exist no defaults under the terms of the Lease by Landlord or Tenant;

c. Tenant has not paid any rental to Landlord more than one (1) month in advance and Landlord holds no security deposit for Tenant;

d. The term of the Lease commenced on June 1, 2013, and ends on February 28, 2018;

e. Rent is paid through December 31, 2016, and the current monthly rent is Nine Thousand \$ — 00/100 Dollars (\$ 9000.00);

f. Tenant has no defense, claim of lien, or offset under the Lease or against the rental payable thereunder; and

g. Tenant has no claims to or interest in the Premises, legal or equitable, or any contract or option therefor, other than as a tenant under the Lease.

Tenant hereby agrees that it will promptly notify Bank in writing of and when any of the above conditions should become untrue or incorrect in any material respect.

10. This Agreement shall bind and inure to the benefit of all parties hereto, their successors, and assigns. Without limiting the foregoing, as used herein, the term "Tenant" shall include Tenant, its successors and assigns; the words "foreclosure" and "foreclosure sale" as used herein shall be deemed to include the acquisition of Landlord's estate in the Premises by voluntary deed (or assignment) in lieu of foreclosure, and the word "Bank" shall include the Bank herein specifically named and any of its successors and assigns, including anyone who shall succeed to Landlord's interest in the Premises by, through, or under foreclosure of the Deed of Trust and other Security Documents.

11. Without any further consent of Tenant, Bank and Landlord may agree to any number of modifications (including increases in the amount of the Loan), extensions, renewals, and replacements of the Security Documents, any promissory note evidencing the Loan, and any other documents and instruments relating to the Loan and this Agreement shall remain in full force and effect following any such changes to the Loan.

12. This Agreement shall not be modified or amended, except in writing signed by the parties hereto.

13. If any provision of this Agreement conflicts with any term of the Lease, the provisions of this Agreement shall control.

14. The use of the neuter gender in this Agreement shall be deemed to include any other gender and words in the singular number shall be held to include the plural, when the sense requires.

15. Notwithstanding any of the other provisions hereof, this Agreement is not intended to create and shall not be deemed to create any personal liability on the part of Tenant for repayment of the Loan.

16. If any suit or action is commenced to enforce or interpret this Agreement, the prevailing party shall be entitled to recover its reasonable attorney's fees at trial, in any appellate proceeding, receivership, or proceeding under the bankruptcy code and post judgment attorney's fees incurred in enforcing any judgment.

17. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which, taken together, shall constitute one document.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

LANDLORD:

PR BURLINGTON PROPERTIES, LLC, a Washington limited liability company

By: M. Shane Pierre, Manager
M. Shane Pierre, Manager

TENANT:

HARRIS-FORD, INC., a Washington corporation

By: M. Shane Pierre, President
M. Shane Pierre, President

BANK:

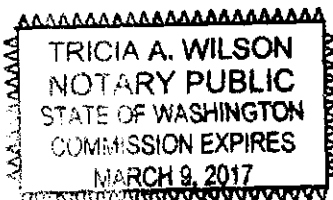
U.S. BANK NATIONAL ASSOCIATION

By: M. G. J. [Signature]
Title: _____

STATE OF WASHINGTON)
County of King) ss.

I certify that I know or have satisfactory evidence that M. Shane Pierre is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Manager of PR Burlington Properties, LLC, a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

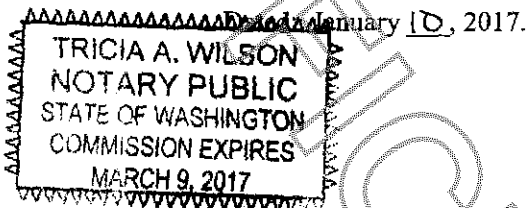
Dated: January 10, 2017.



Davis
Notary Public for Washington
My Commission Expires: 3-9-17

STATE OF WASHINGTON)
) ss.
County of King)

I certify that I know or have satisfactory evidence that M. Shane Pierre is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the President of Harris-Ford, Inc., a Washington corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

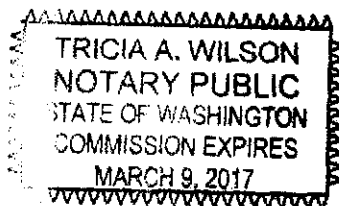


T. A. Wilson
Notary Public for Washington
My Commission Expires: 3-9-17

STATE OF WASHINGTON)
) ss.
County of King)

I certify that I know or have satisfactory evidence that Michael Cameron is the person who appeared before me, and said person acknowledged that (he/she) signed this instrument, on oath stated that (he/she) was authorized to execute the instrument and acknowledged it as the VP of U.S. Bank National Association to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: January 10, 2017



T. A. Wilson
Notary Public for Washington
My Commission Expires: 3-9-17

EXHIBIT A

Legal Description

Lot 1, "ROCK ISLAND BINDING SITE PLAN," approved August 15, 2008 and recorded August 26, 2008, under Auditor's File No. 200808260062, records of Skagit County, Washington.

Situate in the City of Burlington, County of Skagit, State of Washington.