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**SUBORDINATION AND ATTORNMENT AGREEMENT**

RADIANT PROPERTIES LA CONNER, LLC,  
a Washington limited liability company  
(as Landlord)

CONGRESSIONAL BANK,  
a Maryland chartered commercial bank  
(as Administrative Agent)

RSL LA CONNER, LLC,  
a Washington limited liability company  
(as Operator)

La Conner Retirement Inn  
204 North 1<sup>st</sup> Street and 203 North 2<sup>nd</sup> Street  
La Conner, Washington 98257

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AF#202010270050  
**unrecorded lease**

## **SUBORDINATION AND ATTORNMENT AGREEMENT**

THIS SUBORDINATION AND ATTORNMENT AGREEMENT (this “**Agreement**”) is dated October 21, 2020, by and among **RSL LA CONNER, LLC**, a Washington limited liability company (“**Operator**”), **RADIANT PROPERTIES LA CONNER, LLC**, a Washington limited liability company (“**Landlord**”), and **CONGRESSIONAL BANK**, a Maryland chartered commercial bank, as administrative agent (its successors and assigns, the “**Administrative Agent**”).

### **RECITALS:**

Administrative Agent is the beneficiary under a certain Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing dated of even date herewith, for its benefit and for the benefit of Lender (as defined therein), made by Landlord, and to be recorded concurrently herewith (as amended from time to time, the “**Mortgage**”) encumbering the Real Estate (hereinafter defined), the Mortgage securing the Loan, as defined therein.

Tenant has entered into a Lease with Landlord dated as of the date hereof (as amended from time to time, the “**Lease**”), pursuant to which Tenant leases from Landlord certain premises (the “**Leased Premises**”) consisting of a 67-unit assisted living and independent living facility commonly known as “La Conner Retirement Inn” operated by Tenant (the “**Facility**”) on the parcel of land (collectively, the “**Land**”, with the Facility collectively referred to herein as the “**Real Estate**”) legally described in **Exhibit A** attached hereto.

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby covenant and agree as follows:

1. Tenant represents and warrants to Administrative Agent that the Lease between Landlord and Tenant dated as of the date hereof constitutes the entire agreement between Tenant and Landlord with respect to the Leased Premises and there are no other agreements, written or verbal, governing the tenancy of Tenant with respect to the Leased Premises.

2. Intentionally omitted.

3. Prior to pursuing any remedy available to Tenant under the Lease, at law or in equity as a result of any failure of Landlord to perform or observe any covenant, condition, provision or obligation to be performed or observed by Landlord under the Lease (any such failure hereinafter referred to as a “**Landlord’s Default**”), Tenant shall: (a) provide Administrative Agent with a notice of Landlord’s Default specifying the nature thereof, the section of the Lease under which same arose and the remedy which Tenant will elect under the terms of the Lease or otherwise, and (b) allow Administrative Agent not less than sixty (60) days following receipt of such notice of Landlord’s Default to cure the same; provided, however, that, if such Landlord’s Default is not readily curable within such sixty (60) day period, Tenant shall give Administrative Agent such additional time as Administrative Agent may reasonably need to obtain possession and control of the Real Estate and to cure such Landlord’s Default so long as Administrative Agent is

diligently pursuing a cure. Tenant shall not pursue any remedy available to it as a result of any Landlord's Default unless Administrative Agent fails to cure same within the time period specified above. For purposes of this Paragraph 3, a Landlord's Default shall not be deemed to have occurred until all grace and/or cure periods applicable thereto under the Lease have lapsed without Landlord having effectuated a cure thereof.

4. Tenant covenants with Administrative Agent that the Lease shall be subject and subordinate to the lien and all other provisions of the Mortgage and to all modifications and extensions thereof, to the full extent of all principal, interest and all other amounts now or hereafter secured thereby and with the same force and effect as if the Mortgage had been executed and delivered prior to the execution and delivery of the Lease. Without limiting the generality of the foregoing subordination provision, Tenant hereby agrees that any of its right, title and interest in and to insurance proceeds and condemnation awards (or other similar awards arising from eminent domain proceedings) with respect to damage to or the condemnation (or similar taking) of any of the Real Estate shall be subject and subordinate to Administrative Agent's right, title and interest in and to such proceeds and awards.

5. Tenant acknowledges that Landlord has collaterally assigned to Administrative Agent all leases affecting the Real Estate, including the Lease, Landlord's lien on all assets of Tenant, the security deposit, and the rents and other amounts, including, without limitation, lease termination fees, if any, due and payable under such leases. In connection therewith, Tenant agrees that, upon receipt of a notice of a default by Landlord under such assignment and a demand by Administrative Agent for direct payment to Administrative Agent of the rents due under the Lease, Tenant will honor such demand and make all subsequent rent and other payments required under the Lease directly to Administrative Agent. Tenant further agrees that any Lease termination fees payable under the Lease shall be paid jointly to Landlord and Administrative Agent. Landlord hereby assigns any such payment to Administrative Agent and further covenants and agrees that upon the request of Administrative Agent, it will duly endorse to the order of Administrative Agent any such check, the proceeds of which shall be applied in accordance with the terms of the Loan Agreement by and between Landlord and Administrative Agent of even date herewith.

6. If Administrative Agent or any future holder of the Mortgage shall (a) enter upon and take possession of the Leased Premises pursuant to the Mortgage or (b) become the owner of the Real Estate by reason of foreclosure of the Mortgage or otherwise, or if the Real Estate shall be sold as a result of any action or proceeding to foreclose the Mortgage or transfer of ownership by deed given in lieu of foreclosure, then, subject to the sole discretion of Administrative Agent, such future holder of the Mortgage, or such new owner of the Real Estate, the Lease may continue in full force and effect, without necessity for executing any new lease, as a direct lease between Tenant and the new owner of the Real Estate as "landlord" upon the terms, covenants and provisions contained in the Lease. In such event:

(a) Tenant, at such new owner's option, shall be bound to such new owner under all of the terms, covenants and provisions of the Lease, for the remainder of the term thereof (including the extension periods, if Tenant elects or has elected to exercise its options to extend the term), and Tenant hereby agrees to attorn to such new owner and to recognize such new owner as "landlord" under the Lease, without any additional

documentation to effect such attornment (provided, however, if applicable law shall require additional documentation at the time Administrative Agent exercises its remedies then Tenant shall execute such additional documents evidencing such attornment as may be required by applicable law);

(b) Such new owner shall not be:

(i) liable for any act or omission of any prior landlord (including Landlord);

(ii) subject to any offsets or defenses which Tenant has against any prior landlord (including Landlord);

(iii) bound by any base rent, percentage rent, additional rent or any other amounts payable under the Lease which Tenant might have paid in advance for more than the current month to any prior landlord (including Landlord);

(iv) liable to refund or otherwise account to Tenant for any security deposit not actually paid over to such new owner by Landlord;

(v) bound by any amendment or modification of the Lease made without Administrative Agent's consent;

(vi) bound by, or liable for any breach of, any representation or warranty or indemnity agreement contained in the Lease or otherwise made by any prior landlord (including Landlord); or

(vii) personally liable or obligated to perform any such term, covenant or provision, such new owner's liability being limited in all cases to its interest in the Real Estate.

Nothing herein shall obligate Administrative Agent or any future holder of the Mortgage to continue the Lease in the event Administrative Agent or such future holder of the Mortgage (a) enters upon and takes possession of the Leased Premises pursuant to the Mortgage or (b) becomes the owner of the Real Estate by reason of foreclosure of the Mortgage or otherwise, and the parties hereto hereby acknowledge and agree that upon any such foreclosure, Administrative Agent or any future holder of the Mortgage shall have the right to terminate the Lease, effective immediately upon notice by Administrative Agent or such future holder of the Mortgage.

7. Any notices, communications and waivers under this Agreement shall be in writing and shall be (i) delivered in person, (ii) mailed, postage prepaid, either by registered or certified mail, return receipt requested, (iii) by overnight express carrier, or (iv) by email transmission, addressed in each case as follows:

To Administrative Agent: Congressional Bank  
Attention: Healthcare Lending  
4445 Willard Ave, Suite 1000

Chevy Chase, MD 20815  
Email: HealthcareLending@congressionalbank.com

With a copy to:

Blank Rome LLP  
1825 Eye Street NW  
Washington, DC 20006  
Attn: Ryan C Craig, Esq.  
Email: rcraig@blankrome.com

To Landlord:

c/o Radiant Senior Living, Inc.  
10220 SW Greenburg Road, Suite 201  
Portland, OR 97223  
Attention: James Guffee  
james@radiantseniorliving.com

With a copy to:

Tonkon Torp LLP  
1600 Pioneer Tower  
888 SW Fifth Avenue  
Portland, OR 97204  
Attention: Ted Herzog  
ted.herzog@tonkon.com

or to any other address as to any of the parties hereto, as such party shall designate in a written notice to the other party hereto. All notices sent pursuant to the terms of this paragraph shall be deemed received (i) if personally delivered, then on the date of delivery, (ii) if sent by overnight express carrier, then on the next federal banking day immediately following the day sent, (iii) if sent by registered or certified mail, then on the earlier of the third (3rd) federal banking day following the day sent or when actually received, or (iv) if sent by email, as evidenced by receipt of a successful transmission report (followed by delivery by one of the other means identified in (i)-(iii)).

8. Tenant acknowledges and agrees that Administrative Agent will be relying on the representations, warranties, covenants and agreements of Tenant contained herein and that any default by Tenant hereunder shall permit Administrative Agent, at its option, to exercise any and all of its rights and remedies at law and in equity against Tenant and to join Tenant in any foreclosure action thereby terminating Tenant's right, title and interest in and to the Leased Premises.

9. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors and assigns and any nominees of Administrative Agent, all of whom are entitled to rely upon the provisions hereof.

10. If any provision of this Agreement is deemed to be invalid by reason of the operation of law, or by reason of the interpretation placed thereon by any administrative agency or any court, the parties hereto shall negotiate an equitable adjustment in the provisions of the same in order to effect, to the maximum extent permitted by law, the purpose of this Agreement and the

validity and enforceability of the remaining provisions, or portions or applications thereof, shall not be affected thereby and shall remain in full force and effect.

11. This Agreement shall be construed and enforced in accordance with the laws of the State of Washington, without reference to the choice of law or conflicts of law principles of the State of Washington.

12. **THE PARTIES HERETO, HAVING BEEN REPRESENTED BY COUNSEL, EACH KNOWINGLY AND VOLUNTARILY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS (a) UNDER THIS AGREEMENT OR ANY RELATED AGREEMENT OR UNDER ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION WITH THIS AGREEMENT, AND AGREES THAT ANY SUCH ACTION OR PROCEEDING WILL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.**

13. This Agreement may be executed in multiple counterparts and all of such counterparts together shall constitute one and the same Agreement.

**[Signature Page Follows.]**

IN WITNESS WHEREOF, the parties hereto have executed this Subordination and  
Attornment Agreement as of the day and year first above written.

**TENANT:**

**RSL LA CONNER, LLC.**

a Washington limited liability company

By: RADIANT COMPANIES, INC.,  
an Oregon corporation  
Its: Manager

By: James T. Guffee  
James T. Guffee, President

STATE OF OREGON )

COUNTY OF WASHINGTON )

On October 12, 2020 before me Janet Williams the  
undersigned a notary public in and for said state, personally appeared James T. Guffee, personally  
known to me or proved to me on the basis of satisfactory evidence to be the individual(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 capacity(ies), and that by his/her/their signature(s) on the  
instrument the individual(s) or the person upon behalf of which the individual(s) acted executed  
the instrument.



Janet Williams  
Notary Public

My Commission Expires: July 18, 2021  
(SEAL)

**LANDLORD:**

**RADIANT PROPERTIES LA CONNER, LLC,**  
a Washington limited liability company

By:

James T. Guffee  
James T. Guffee, Manager

STATE OF OREGON )COUNTY OF WASHINGTON )

On October 12, 2020 before me Janet Williams the undersigned a notary public in and for said state, personally appeared James T. Guffee, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(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 capacity(ies), and that by his/her/their signature(s) on the instrument the individual(s) or the person upon behalf of which the individual(s) acted executed the instrument.



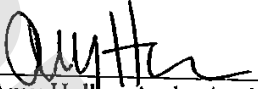
Janet Williams  
Notary Public

My Commission Expires: July 18, 2021  
(SEAL)



**ADMINISTRATIVE AGENT:**

**CONGRESSIONAL BANK,**  
a Maryland chartered commercial bank

By:   
Amy Heller, Authorized Signatory

STATE OF MARYLAND :

:SS

CITY/COUNTY OF Montgomery :

On this day October 13, 2020, before me, the undersigned Notary Public of said State, personally appeared Amy Heller who acknowledged herself to be the Authorized Signatory of Congressional Bank, a Maryland chartered commercial bank, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same for the purposes therein contained as the duly authorized signatory of said chartered commercial bank by signing the name of the chartered commercial bank by herself as Authorized Signatory.

WITNESS my hand and Notarial Seal.

  
Notary Public

My Commission Expires:

Embossed Hereon Is My  
Montgomery County, Maryland Notary Public Seal  
My Commission Expires November 06, 2023  
CARLOS JOVANY SANTOS

My Commission Expires  
November 06, 2023



**EXHIBIT A****LEGAL DESCRIPTION**

The Land referred to herein below is situated in the County of Skagit, State of Washington, and is described as follows:

**PARCEL "A":**

LOTS 1, 4 AND 5, BLOCK 4, "CALHOUN ADDITION TO THE TOWN OF LA CONNER", AS PER PLAT RECORDED IN VOLUME 1 OF PLATS, PAGE 14, RECORDS OF SKAGIT COUNTY, WASHINGTON.

**PARCEL "B":**

THE NORTH 25 FEET OF LOT 2 AND THE NORTH 25 FEET OF THE WEST 1/2, OF LOT 3, BLOCK 4, "CALHOUN ADDITION TO THE TOWN OF LA CONNER", AS PER PLAT RECORDED IN VOLUME 1 OF PLATS, PAGE 14, RECORDS OF SKAGIT COUNTY, WASHINGTON.

**PARCEL "C":**

LOT 2 AND THE WEST 1/2, OF LOT 3, BLOCK 4, LESS THE NORTH 25 FEET OF LOT 2 AND LESS THE NORTH 25 FEET OF THE WEST 1/2, OF LOT 3, "CALHOUN ADDITION TO THE TOWN OF LA CONNER", AS PER PLAT RECORDED IN VOLUME 1 OF PLATS, PAGE 14, RECORDS OF SKAGIT COUNTY, WASHINGTON.

**PARCEL "D":**

THE EAST 1/2 OF LOT 3 AND ALL OF LOT 6, BLOCK 4, "CALHOUN ADDITION TO THE TOWN OF LA CONNER", AS PER PLAT RECORDED IN VOLUME 1 OF PLATS, PAGE 14, RECORDS OF SKAGIT COUNTY, WASHINGTON.

**PARCEL "E":**

LOTS 1, 2, 3 AND 4, BLOCK 5, "CALHOUN ADDITION TO THE TOWN OF LA CONNER", AS PER PLAT RECORDED IN VOLUME 1 OF PLATS, PAGE 14, RECORDS OF SKAGIT COUNTY, WASHINGTON.