

AFTER RECORDING, RETURN TO:

CHAE LAW FIRM, P.S.
15 S. Grady Way, Suite 410
Renton, Washington 98057

SUBORDINATION AGREEMENT

Borrower: NASIR LLC

Creditor/Grantor: COLEMAN OIL COMPANY, LLC

Bank/Grantee: CELTIC BANK.

Abbreviated Legal Description: PTN GOV LOT 10, 7-34N-3E, W.M.

Full legal description on page 4 as Exhibit A

Tax Parcel Nos. P21181 / 340307-4-019-0108

1ST AM

1140997

As of October 11, 2022, the date of this agreement, Borrower has certain obligations under the Deed of Trust in favor of the Creditor. Bank intends to make loans to Borrower in the sum of \$5,000,000.00 and \$2,393,000.00 each ("Loans") which are to be secured by a deed of trust as a lien against the Property. Borrower and Creditor each represent to Bank that Creditor will be benefited by the Loans, and Creditor acknowledges Bank will not make the Loans without this agreement and receipt of valuable consideration for entering into this agreement.

Based on these representations, the parties agree:

1. The indebtedness of Borrower to Creditor as evidenced by a deed of trust dated May 4, 2018, under Skagit County Recording Number 201806200008, is and shall be subordinated to all existing and future indebtedness of Borrower to Bank as evidenced by a Deed of Trust dated 12/15/2022, under Skagit County Recording Number 202212160161, provided that the original Loan amounts do not exceed \$7,393,000.00 in total. In this agreement, "indebtedness" is used in its broadest sense, and the term includes, without limitation all principal, all interest accrued and to accrue thereon, all costs and attorneys' fees, annual sums paid for the purpose of protecting the rights of a holder of security (such as a secured party paying for insurance on collateral if a

debtor fails to do so) and any other obligation of any nature whatsoever.

2. Borrower will not, at any time when any indebtedness is owing to Bank, make any payment upon any Indebtedness owing to Creditor, or make any advance to Creditor in any form whatsoever in excess of amounts due and owing under the terms of agreements and contracts by and between Borrower and Bank. For example, without limitation, Borrower may pay Creditor required payments under the gas contract with Creditor, so long as any such payments are in the normal course of business and the Bank has not notified Creditor that Borrower is in default under any agreement between Bank and Borrower.

3. If Borrower becomes insolvent or bankrupt, this agreement shall remain in full force and effect and constitute an assignment by Creditor to Bank of any dividends payable to Creditor from assets of Borrower. In the event of a corporate reorganization or corporate arrangement of Borrower (if Borrower be a corporation) under the provisions of the Bankruptcy Act, as amended, this agreement shall remain in full force and effect and the court having jurisdiction of the reorganization or arrangement is hereby authorized to preserve such priority and subordination in approving any such plan of reorganization or arrangement.

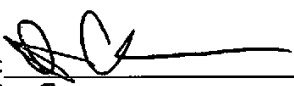
4. Nothing in this agreement shall be construed as requiring Bank to grant any financial assistance or as limiting or precluding Bank from the exercise of Bank's own judgment and discretion about amount and time of payment in making loans or extending accommodations to Borrower, and Creditor hereby consents to and waives notice of any extension or renewal by Bank of Borrower's obligation to Bank, so long as the same does not exceed the sum total of \$7,500,000.00. This agreement will not be affected by whether Bank takes from or enforces any security of Borrower, or by any other action taken or not taken, of any nature, between Bank and Borrower.

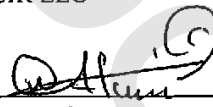
5. This agreement shall remain in full force and effect until the Bank loans are fully paid.

6. This agreement shall extend to and bind the respective heirs, personal representative, successors, and assigns of the parties hereto, and the covenants of Borrower and Creditor respecting subordination of the claim or claims of Creditor in favor of Bank shall extend to, include, and be enforceable by any transferee or endorsee to whom Bank may transfer any claim or claims to which this subordination agreement shall apply. Bank need not accept this agreement in writing to make it effective.

COLEMAN OIL COMPANY, LLC

NASIR LLC

By: 
Title: PRESIDENT
Dated: 10/11/22

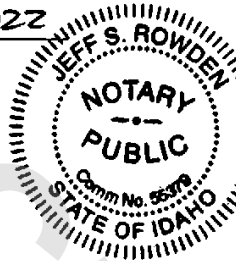
By: 
Title: Managing Member
Dated: 12/1/22

State of ~~Washington~~)
Idaho

County of Nezperce) ss.
)

I certify that I know or have satisfactory evidence that Ian Coleman 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 President of Coleman Oil Company, LLC, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 10/11/2022

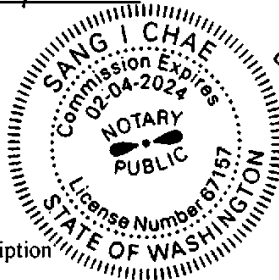


Jeff S. Rowden
 Notary Public in and for the
 State of ~~Washington~~ Idaho
 My commission expires 11/18/2027

State of Washington)
) ss.
 County of King)

I certify that I know or have satisfactory evidence that Nasir Kengi is the person who appeared before me, and said person acknowledged that he signed this instrument, was authorized to execute the instrument, and acknowledged it as the Managing Member of Nasir LLC, to be his free and voluntary act as well as to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 12/1/22



Sang I Chae
 Notary Public in and for the
 State of Washington
 My commission expires 2-4-24

Exhibit A: Full legal description

EXHIBIT A

LEGAL DESCRIPTION: Real property in the County of Skagit, State of Washington, described as follows:

PARCEL "A":

THAT PORTION OF THE WEST 500 FEET (AS MEASURED ALONG THE SOUTH LINE) OF GOVERNMENT LOT 10, SECTION 7, TOWNSHIP 34 NORTH, RANGE 3 EAST, W.M., LYING SOUTHERLY OF THAT CERTAIN TRACT OF LAND DESCRIBED AS ITEM NO. 2 IN JUDGMENT AND DECREE OF APPROPRIATION ENTERED AUGUST 6, 1971 IN SKAGIT COUNTY SUPERIOR COURT CAUSE NO. 31913, SAID CAUSE OF ACTION WAS TO CONDEMN SAID LANDS FOR SR 536, MARCH POINT ROAD TO FREDONIA.

EXCEPT F COUNTY ROAD ALONG THE WEST LINE THEREOF AND ALSO EXCEPT ANY PORTION LYING WITH THE RIGHT-OF-WAY OF DRAINAGE DISTRICT NO. 19 AS DELINEATED ON TE FACE OF SURVEY RECORDED AS SKAGIT COUNTY AUDITOR'S FILE NO. 9605140100.

PARCEL "B":

THAT PORTION OF GOVERNMENT LOT 10 IN SECTION 7, TOWNSHIP 34 NORTH, RANGE 3 EAST, W.M., LYING SOUTHERLY OF THE STATE HIGHWAY RIGHT-OF-WAY; EXCEPT COUNTY ROAD RIGHTS-OF-WAY; EXCEPT DRAINAGE DISTRICT NO. 19 RIGHT-OF-WAY DELINEATED ON THE FACE OF SURVEY RECORDED AS SKAGIT COUNTY AUDITOR'S FILE NO. 9601140100; AND ALSO EXCEPT THE FOLLOWING DESCRIBED TRACT:

THAT PORTION OF THE WEST 500 FEET (AS MEASURED ALONG THE SOUTH LINE) OF GOVERNMENT LOT 10 IN SECTION 7, TOWNSHIP 34 NORTH, RANGE 3 EAST, W.M. LYING SCUTHERLY OF THAT CERTAIN TRACT OF LAND DESCRIBED AS ITEM NO. 2 IN JUDGMENT AND DECREE OF APPROPRIATION ENTERED AUGUST 6, 1971 IN SKAGIT COUNTY SUPERIOR COURT CAUSE NO. 31913 TO CONDEMN LANDS FOR SR536, MARCH POINT ROAD TO FREDONIA.

TOGETHER WITH A NON-EXCLUSIVE EASEMENT FOR INGRESS, EGRESS AND UTILITIES OVER, ACROSS AND UNDER A 30-FOOT WIDE PORTION OF SAID GOVERNMENT LOT 10, THE CENTERLINE OF WHICH IS DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHWEST CORNER OF SAID PARCEL B; THENCE NORTH 01° 46' 00" EAST, A DISTANCE OF 95.33 FEET TO THE POINT OF BEGINNING OF THIS CENTERLINE DESCRIPTION; THENCE NORTH 88° 49' 15" WEST TO THE EASTERLY RIGHT-OF-WAY LINE OF THE LACONNER-WHITNEY ROAD; SAID POINT BEING THE TERMINUS OF THIS LINE DESCRIPTION.