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05/27/2025 10:41 AM Pages: 1 of 10 Fees: \$312.50
Skagit County Auditor

RECORDING REQUESTED BY

Ross Dress For Less, Inc.

PREPARED BY AND WHEN RECORDED MAIL TO:

Bartko Pavia LLP
1100 Sansome Street
San Francisco, CA 94111
Attn.: Hilda Senseney, Esq.

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

SUBORDINATION, NONDISTURBANCE AND ATTORNMENMENT AGREEMENT

LOCATION: Mount Vernon, WA

Plns of Plat of Mount Vernon Acreage

1 APN: P53856/3746-000-011-0000. Ref # 202011300237

2 This Subordination, Nondisturbance and Attornment Agreement (the "Agreement") is
3 effective as of this 16 day of April, 2025, by and between FARM BUREAU LIFE
4 INSURANCE COMPANY OF MICHIGAN, a Michigan insurance corporation (the "Lender"),
5 ROSS DRESS FOR LESS, INC., a Virginia corporation (the "Tenant"), and MOUNT VERNON
6 CENTER ASSOCIATES, LLP, a Washington limited liability partnership (the "Landlord").

7 RECITALS

8 A. Lender is the holder of indebtedness secured by a lien or liens upon, the real property
9 described in Exhibit "A" attached hereto and by this reference incorporated herein. The Exhibit "A"
10 property and improvements thereon is hereinafter referred to as the "Shopping Center." The
11 instruments creating such lien or liens whether they be denominated as being "mortgage," "deed of
12 trust," "deed to secure debt," "security agreement," "vendor's lien," "ground lease," or otherwise, and
13 any instruments modifying or amending the same, or entered into in substitution or replacement
14 thereof, are hereinafter collectively referred to as being the "Mortgage," recorded in the Official
15 Records of Skagit County as Document No. 202011300236.

16 B. Tenant has executed, or will execute, a certain lease with Landlord, dated for reference
17 purposes on April 16, 2025, for all or a portion of the Shopping Center, which portion
18 (the "Premises") is more particularly set forth in said lease. Said lease and all amendments and
19 modifications thereto are herein collectively referred to as the "Lease."

20 C. Tenant has requested that Lender agree not to disturb Tenant's possessory rights
21 under the Lease in the event that Lender should foreclose on the Mortgage, provided that Tenant is
22 not in default of the Lease.

23 D. The parties desire to establish certain rights and obligations with respect to their
24 respective interests by means of this Agreement.

Store No. 2794 "Mount Vernon"
Mount Vernon Center
Mount Vernon, WA
6061.2080/5007201.1

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AGREEMENTS

NOW, THEREFORE, the parties hereto in consideration of the mutual covenants herein contained, and intending to be legally bound by hereby agree as follows:

1. Subject to the terms and conditions of this Agreement, and for so long as this Agreement remains binding upon Lender, the Lease shall be, in accordance with the terms and conditions hereof, subordinate to the lien of the Mortgage and all voluntary and involuntary advances made thereunder, and any renewal, extension, consolidation, replacement, or modification of the Mortgage.

2. Lender hereby approves of the Lease in the form effective on the date of this Agreement.

3. Provided that Tenant is not in default so as to permit the Landlord to terminate the Lease or Tenant's right to possession of the Premises, Lender or the purchaser at a foreclosure sale pursuant to any action or proceeding to foreclose the Mortgage, whether judicial or non-judicial, or Lender pursuant to acceptance of a deed in lieu of foreclosure or any assignment of Landlord's interest under the Lease, in the exercise of any of the rights arising, or which may arise, out of the Mortgage or in any other manner: (i) shall not disturb or deprive Tenant in or of its use, quiet enjoyment and possession (or its right to use, quiet enjoyment and possession) of the Premises, or of any part thereof, or any right, benefit or privilege granted to or inuring to the benefit of Tenant under the Lease (including any right of renewal or extension thereof) while Tenant is in compliance with the Lease; (ii) shall not terminate or affect the Lease excepted as provided in the Lease; (iii) shall recognize Tenant's rights, benefits and privileges under the Lease; and, (iv) shall recognize the leasehold estate of Tenant under all of the terms, covenants, and conditions of the Lease for the remaining balance of the term of the Lease with the same force and effect as if Lender were the Landlord under the Lease while Tenant is in compliance with the Lease. Lender hereby covenants that any sale by it of the Shopping Center pursuant to the exercise of any rights and remedies under the Mortgage or otherwise, shall be made subject to the Lease and the rights of Tenant thereunder to the extent permitted by law. However, in no event shall Lender be:

(a) Liable for any act or omission of Landlord arising prior to the date Lender takes possession of Landlord's interest in the Lease or becomes a mortgagee in possession, except to the extent such act or omission is of a continuing nature, such as, for example, a repair obligation and Lender is notified of the act or omission of Landlord, and provided Lender has the same opportunity to remedy the act or omission as the Landlord has under the Lease;

(b) Liable for any offsets or deficiencies which the Tenant might be entitled to assert against the Landlord arising prior to the date Lender takes possession of Landlord's interest in the Lease or becomes a mortgagee in possession, except to the extent that Lender has received the benefit of the act of the Tenant giving rise to the right of deduction, such as, for example, relief of an obligation that would otherwise have been paid by Lender as Landlord;

(c) Bound by any payment of rent or additional rent made by Tenant to Landlord for more than one month in advance, which payment was not required under the terms of the Lease or be liable for payment of any security deposited with Landlord unless the security deposit was delivered to Lender; and

(d) Bound by any amendment or modification of the Lease executed after the date of this Agreement which: (i) increases Landlord's obligations or reduces Tenant's obligations under the Lease; and, (ii) is made without Lender's prior written consent (except to the extent that the Lease may specifically contemplate any amendment or modification thereof). Tenant hereby acknowledges that under the Mortgage, Landlord may not amend the Lease without the prior written consent of Lender.

4. In the event of the termination of the Mortgage by foreclosure, summary proceedings or otherwise, and if Tenant is not in default under the terms and conditions of the Lease so as to permit the Landlord thereunder to terminate the Lease, then, and in any such event, Tenant shall not be made a party in the action or proceeding to terminate the Mortgage unless not to do so would be disadvantageous procedurally to Lender, in which case, such joinder of Tenant as a party shall not extinguish or interfere with any rights of Tenant under the Lease, nor shall Tenant be evicted or moved or its possession or right to possession under the terms of the Lease be disturbed or in any way interfered with, and, subject to the provisions of this Agreement, Tenant will attorn to Lender or any other party which obtains title to the Shopping Center pursuant to any remedy provided for by the Mortgage or otherwise, such attornment to be effective and self-operative without the execution of any other instruments on the part of any party, and the Lease shall continue in full force and effect as a direct Lease from Lender or such party to Tenant under all the terms and provisions of the Lease (including any rights to renew or extend the term thereof). In the event of such attornment, Lender shall be deemed to have assumed and shall assume the performance of all of the affirmative covenants of Landlord occurring under the Lease from and after the time Lender becomes Landlord and until such time as such obligations are assumed by a bona fide purchaser.

5. Tenant hereby confirms that the Lease is in full force and effect.

6. Nothing contained in this Agreement shall be deemed to reduce or abrogate any rights or obligations of Tenant to cure any default of the Landlord under the Lease in accordance with and subject to the provisions of the Lease and/or to deduct from rental such amounts which Tenant may be entitled to so deduct under the provisions of the Lease.

7. Unless and until Lender or any subsequent purchaser succeeds to the interest of Landlord under the Lease, Landlord shall continue to perform Landlord's obligations and duties under the Lease.

8. If Landlord executes and delivers to Lender an Assignment of Leases and Rents conveying the rent under the Lease upon an event of default by Landlord under the Mortgage, after receipt of notice from Lender to Tenant (at the address set forth below) that rents under the Lease should be paid to Lender, Tenant shall thereafter pay to Lender all monies thereafter due to Landlord under the Lease. In such event, Tenant shall be entitled to rely solely upon such notice, and Landlord and Lender hereby indemnify and agree to defend and hold Tenant harmless from and against any and all expenses, losses, claims, damages or liabilities arising out of Tenant's compliance with such notice or performance of the obligations under the Lease by Tenant made in good faith in reliance on and pursuant to such notice. Tenant shall be entitled to full credit under the Lease for any rents paid to Lender in accordance with the provisions hereof. Any dispute between Lender (or any other purchaser) and Landlord as to the existence of a default by Landlord under the provisions of the Mortgage, shall be dealt with and adjusted solely between Lender (or any other purchaser) and Landlord, and Tenant shall not be made a party thereto.

Store No. 2794 "Mount Vernon"

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Mount Vernon Center
Mount Vernon, WA
6061.2080/5007201.1

1 9. (a) Notwithstanding anything to the contrary in the Lease or this Agreement,
2 before exercising any right to terminate the Lease due to a breach or default by Landlord under the
3 Lease, Tenant shall (1) notify Lender of the breach or default giving rise to the right to terminate (the
4 "Default Notice"), and (2) provide Lender the same opportunity to remedy and cure the breach or
5 default as Landlord has under the Lease, Lender's cure period running simultaneously with Landlord's
6 cure period. Lender's cure rights contained herein shall not apply to termination rights of Tenant set
7 forth in the Lease that are not due to Landlord's default.

8 (b) Before Tenant may terminate the Lease due to a breach or default described
9 in section 9(a), Lender may opt to remedy and cure the breach or default during any remedy and cure
10 period available to Landlord under the Lease. Additionally, for any breach or default by Landlord
11 reasonably requiring possession and control of the Premises to remedy and cure, if Lender opts to
12 undertake reasonable efforts to cause the breach or default to be remedied and cured by a receiver
13 and notifies Tenant, the time period for Lender to remedy and cure the breach or default is extended
14 for the additional time Lender may reasonably require to obtain appointment of the receiver and
15 provide the receiver with a reasonable period of time to remedy and cure the breach or default, such
16 time period not to exceed sixty (60) additional days.

17 (c) Lender may waive its right to remedy and cure under Section 9(b).

18 10. Lender shall use the proceeds of any insurance recovery or condemnation award for
19 the purposes stated in the Lease, except as otherwise provided in the Mortgage.

20 11. No modification, amendment, waiver or release of any provision of this Agreement or
21 of any right, obligation, claim or cause of action arising thereunder shall be valid or binding for any
22 purpose whatsoever unless in writing and duly executed by the party against which the same is brought
23 to be asserted.

24 12. This Agreement shall be binding upon and shall inure to the benefit of the parties
25 hereto and their respective heirs, legal representatives, successors and assigns, including without
26 limitation, the covenants of Lender herein shall be specifically binding upon any purchaser of the
27 Shopping Center at foreclosure or at a sale under power of sale.

28 13. In the event any one or more of the provisions contained in this Agreement shall for
29 any reason be held to be invalid, illegal or unenforceable in any respect, said provision(s) shall be void
30 and of no further force or effect.

31 14. This Agreement shall be governed and construed according to the laws of the state
32 where the Shopping Center is located.

33 15. Provided that Tenant is not in default under the Lease, Lender shall not institute any
34 litigation naming Tenant as a defendant for the purpose of foreclosing or otherwise terminating
35 Tenant's leasehold interest in the Shopping Center or the Premises unless Tenant is required to be
36 named in such litigation by law, and then only for the purpose of complying with the applicable

foreclosure statute and so long as Tenant's failure to defend against any such action shall not result in a waiver of its rights to continued possession under the Lease as set forth in this Agreement. The term "Lender" as used herein shall include any successor-in-interest to the Lender (including a purchaser at foreclosure or sale in lieu thereof).

16. To be effective, any notice or other communication given pursuant to this Agreement must be in writing and sent postage paid by United States registered or certified mail with return receipt requested. Rejection or other refusal to accept, or inability to deliver because of changed address of which no notice has been given, will constitute receipt of the notice or other communication. For purposes hereof, Lender's address is:

Farm Bureau Life Insurance Company of Michigan
7373 West Saginaw Highway
Lansing, Michigan 48909
Attn.: Senior Mortgage Portfolio Manager

and Tenant's address is:

Ross Dress For Less, Inc.
5130 Hacienda Drive
Dublin, CA 94568-7579
Attn.: Real Estate Legal Notice Department

and Landlord's address is:

Mount Vernon Center Associates, LLP
650 South Orcas Street, Suite 210
Seattle, WA 98108
Attn.: Ezra Genauer

At any time(s), each party may change its address for the purposes hereof by giving the other party a change of address notice in the manner stated above.

17. This Agreement (a) contains the entire understanding of Lender and Tenant regarding matters dealt with herein (any prior written or oral agreements between them as to such matters being superseded hereby), (b) can be modified or waived in whole or in part only by a written instrument signed on behalf of the party against whom enforcement of the modification or waiver is sought, and (c) will bind and inure to the benefit of the parties hereto and their respective successors and assigns.

18. In the event the Lease is terminated as a result of Landlord's bankruptcy or reorganization, whereby Lender obtains fee title to the Shopping Center (or in the case Lender is the ground lessor, retains fee title without the encumbrance of the ground lease), Lender agrees that the Lease shall remain in effect as between Lender (as Landlord) and Tenant if Tenant is in compliance with the Lease, subject to the terms of this Agreement, and, upon Tenant's written request, Lender

1 and Tenant agree to execute a reinstatement agreement documenting that the Lease has been
2 reinstated as between Lender (as Landlord) and Tenant and that the terms and conditions thereof shall
3 be as stated in the Lease, subject to the provisions of this Agreement.

4 IN WITNESS WHEREOF, the parties have caused this instrument to be executed as of the
5 day and year first written above.

TENANT:
ROSS DRESS FOR LESS, INC.,
a Virginia corporation

By: Jeff Sealy
Its: Group Senior Vice President, Real Estate

LANDLORD:
MOUNT VERNON CENTER ASSOCIATES,
LLP, a Washington limited liability partnership

By: Ezra Ganever
Name: Ezra Ganever
Its: Manager

By: _____
Name: _____
Its: _____

LENDER:
FARM BUREAU LIFE INSURANCE
COMPANY OF MICHIGAN,
a Michigan insurance corporation

By: Bradley M. Nowak-Baker
Its: Senior Mortgage Portfolio Manager

6

TENANT ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

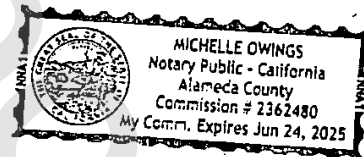
County of Alameda)

On 4/14/2025 before me, Michelle Owings,
a Notary Public, personally appeared Jeff Sealy, 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.

Michelle Owings
Notary Public



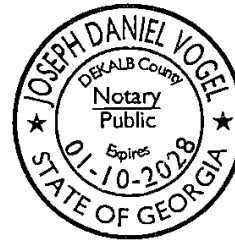
LANDLORD ACKNOWLEDGMENT

State of Georgia)
County of DeKalb)

On 4/17/2025 before me, Joseph Daniel Vogel, a Notary Public,
personally appeared Ezra Genauer, personally known to me, or 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.


Notary Public



LENDER ACKNOWLEDGMENT

State of Michigan)
County of Eaton)

The foregoing instrument was acknowledged before me this 24 day of April, 2025 by
Bradley M. Nowak-Baker, known to me to be the duly authorized Senior Mortgage Portfolio Manager
of Farm Bureau Life Insurance Company, a Michigan insurance corporation, on behalf of the
corporation.



PAMELA S. PETERS
NOTARY PUBLIC-STATE OF MICHIGAN
COUNTY OF EATON
My Commission Expires October 14, 2027
Acting In the County of Eaton

_____, Notary Public
_____, County, State of Michigan
My Commission Expires: _____
Acting in _____ County

EXHIBIT A**LEGAL DESCRIPTION OF THE SHOPPING CENTER**

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

PARCEL "A":

ALL THOSE PORTIONS OF THE PLAT OF MOUNT VERNON ACREAGE, AS PER PLAT THEREOF RECORDED IN VOLUME 3 OF PLATS, PAGE 102, RECORDS OF SKAGIT COUNTY, WASHINGTON DESCRIBED AS FOLLOWS;

- A) TRACTS 5 AND 6, EXCEPT THE WEST 256.41 FEET THEREOF; AND ALSO EXCEPT THAT PORTION THEREOF CONVEYED TO THE CITY OF MOUNT VERNON BY DEED RECORDED MARCH 26, 2002 AS AUDITOR'S FILE NO. 200203260101;
- B) TRACT 7, EXCEPT THE WEST 179 FEET THEREOF;
- C) ALL OF TRACT 8;
- D) TRACT 9, EXCEPT THE WEST 268 FEET OF THE NORTH 29.5 FEET THEREOF; AND ALSO EXCEPT THE WEST 245 FEET OF THE SOUTH 100 FEET THEREOF;
- E) TRACT 10, EXCEPT THE WEST 245 FEET THEREOF; AND ALSO EXCEPT THE SOUTH 10 FEET OF THE EAST 285 FEET THEREOF;
- F) TRACT 11, EXCEPT THE SOUTH 10 FEET THEREOF.

EXCEPT FROM ALL OF THE ABOVE DESCRIBED PARCEL "A" THOSE PORTIONS THEREOF CONVEYED TO THE CITY OF MOUNT VERNON BY DEED RECORDED AS AUDITOR'S FILE NO. 200806170067.

PARCEL "A-1":

THE WESTERLY 10 FEET OF THAT PORTION OF THE ABANDONED PUGET SOUND AND CASCADE RAILWAY COMPANY RIGHT-OF-WAY LYING BETWEEN THE EASTERLY EXTENSION OF THE NORTH LINE OF TRACT 5 AND THE SOUTH LINE OF TRACT 11 OF THE "PLAT OF MOUNT VERNON ACREAGE".

EXCEPT THE SOUTH 10 FEET THEREOF, AS CONVEYED TO THE STATE OF WASHINGTON FOR STATE SECONDARY HIGHWAY 1-G BY INSTRUMENT DATED MARCH 20, 1951 AND RECORDED MAY 4, 1951 AS AUDITOR'S FILE NO. 460430, RECORDS OF SKAGIT COUNTY, WASHINGTON.

AND ALSO EXCEPT THAT PORTION THEREOF CONVEYED TO THE CITY OF MOUNT VERNON BY DEED RECORDED MARCH 26, 2002 AS AUDITOR'S FILE NO. 200203260101.