

Recording Requested by and  
When Recorded Return to:

Attn: Fidelity National Title  
7130 Glen Forest Dr #300  
Richmond, VA 23226

Parcel: P53856  
Legal: NW 1/4, S17, T34, R04

Deed of Trust recorded 9/4/18 in File #201809040179 (Space Above For Recorder's Use)  
Lease recorded 10/14/2020 in File #202010140122

**SUBORDINATION, ATTORNMENT  
AND NON-DISTURBANCE AGREEMENT**

THIS SUBORDINATION, ATTORNMENT AND NON-DISTURBANCE AGREEMENT (this "Agreement") is entered into and shall be effective the 15<sup>th</sup> day of September, 2020 by and between GROCERY OUTLET INC ("Tenant") and BANNER BANK (successor in interest from SKAGIT BANK) ("Lender").

RECITALS:

WHEREAS, Tenant is the Tenant under that certain Lease Agreement, including all renewals, extensions, amendments and modifications, heretofore or hereafter made (collectively, the "Lease"), dated September, 2020 between Tenant and MOUNT VERNON CENTER ASSOCIATES LLP, a Washington Professional Limited Liability Partnership ("Borrower"), as Landlord, covering approximately 21,108 square feet of rentable space situated at 525 East College Way, Mt. Vernon, WA 98273, such premises being more particularly described in Exhibit "A-1", attached hereto and incorporated herein by reference for all purposes ("the Premises").

WHEREAS, Borrower, has heretofore obtained or is applying from Lender a mortgage loan secured by a deed of trust from Borrower to Lender (the "Mortgage"), covering, among other property, the Premises, which Mortgage is recorded as Document Number 201809040179 in the Real Property Records of Skagit County.

WHEREAS, Tenant desires to obtain assurances from Lender that its quiet possession of the Premises will not be disturbed by reason of, or in the event of foreclosure of the Mortgage, or otherwise; and

WHEREAS, Lender is willing to provide to Tenant such assurance by executing and delivering to Tenant this Agreement.

AGREEMENT:

NOW, THEREFORE, for and in consideration of the sum of ten dollars (\$10.00) paid by Tenant to Lender, the mutual covenants and agreements herein contained, and other good and valuable consideration the receipt of which is hereby acknowledged, Tenant and Lender hereby agree and covenant as follows:

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1. The Lease and estate conveyed thereby are and shall at all times continue to be subject and subordinate in all respects to the Mortgage and to all renewals, modifications and extensions thereof, subject to the terms and conditions hereinafter set forth in this Agreement.

2. So long as Tenant is not in default (beyond any period given Tenant to cure such default) in the payment of rent or additional rent or in the performance of any of the other terms, covenants or conditions of the Lease on Tenant's part to be performed, (i) the term of the Lease shall not be terminated or modified in any respect and Tenant's right of quiet and exclusive possession of the Premises, and its other rights and privileges arising under the Lease, or under any extensions or renewals thereof which may be effected in accordance with any option therefor contained in the Lease, shall all be fully recognized and protected by Lender and shall not be disturbed, canceled, terminated, diminished, or otherwise interfered with by Lender under any circumstances and Tenant's occupancy shall not be disturbed by Lender during the term of the Lease, or any extensions or renewals thereof, (ii) Lender will be bound by the terms of the Lease, (iii) Lender will not join Tenant as a party defendant in any action or proceeding to foreclose the Mortgage, or any extension, renewal, consolidation or replacement thereof; and (iv) Lender will permit the application of any insurance proceeds to the restoration and repair of the Premises pursuant to the terms of the Lease.

3. If the interests of Landlord shall be acquired by Lender by reason of foreclosure of the Mortgage, or by trustee's sale, or by any other proceedings brought to enforce the rights of the holder of the Mortgage, by deed in lieu of foreclosure or by any other method, or in the event the Premises shall be purchased at such a foreclosure by a third party, and Lender or such third party succeeds to the interests of Landlord under the Lease, the Lease and the rights of Tenant thereunder shall continue in full force and effect and shall not be terminated or disturbed except in accordance with the terms of the Lease. Tenant shall be bound to Lender or such third party 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 contained in the Lease, with the same force and effect as if Lender or such third party were the lessor under the Lease and Tenant does hereby attorn to Lender or such third party, as its lessor, said attornment to be effective and self-operative without the execution of any other instruments on the part of any party hereto, immediately upon Lender or such third party succeeding to the interest of Landlord under the Lease, provided, however, that Tenant shall be under no obligation to pay rent to Lender or such third party until Tenant receives Notice from Lender or such third party that Lender or such third party has succeeded to the interests of Landlord under the Lease, and that all future rental payments should be paid to the address set forth in such notice. The respective rights and obligations of Tenant and Lender, or such third party, upon such attornment, to the extent of the then remaining balance of the term of the Lease, and any extensions or renewals thereof, shall be and are the same as now set forth in the Lease, it being the intention of the parties hereto for this purpose to incorporate the Lease into this Agreement by reference, with the same force and effect as if set forth at length herein.

4. If Lender or a third party shall succeed to the interests of Borrower under the Lease, Lender or such third party shall be bound to Tenant under all of the terms, covenants and conditions of the Lease and Tenant shall have the same remedies against Lender or such third party for the breach of any covenant, provision or agreement contained in the Lease that Tenant

might have had under the Lease against Borrower if Lender or such third party had not succeeded to the interests of Borrower; provided, however, that Lender or such third party shall not be:

a) liable for any act or omission of any prior landlord (including Borrower), except to the extent such omission or any claim arises out of a continuing obligation of landlord under the Lease;

b) bound by any rent or additional rent (but not including Security Deposit) which Tenant might have paid for more than the current month to any prior landlord (including Borrower), and all such rent shall remain due and owing notwithstanding such advance payment, unless such deposit is delivered to such successor Landlord

5. Borrower and Tenant may, from time to time, modify or amend the Lease in the ordinary course of business without Lender's written consent or approval.

6. This Agreement may not be modified orally or in any other manner other than by an agreement in writing signed by the parties hereto or their respective successors in interest. Tenant further agrees to send to Lender at the following address copies of those notices given to Borrower pursuant to the terms of the aforesaid Lease which relate to Borrower's or Tenant's default, insurance, casualty and condemnation matters at the same time such notice is given to Borrower:

Attention: Tim FitzGerald  
Senior Vice President  
Commercial Banking Center Manager  
301 E. Fairhaven Ave  
Burlington, WA 98233

7. This Agreement shall inure to the benefit of and be binding upon the parties hereto, their respective heirs, successors and assigns, it being expressly understood that all references herein to Lender shall be deemed to include not only Lender, but also its legal representatives, successors and assigns, and all subsequent owners of the Premises acquiring title thereto from or through Lender.

[signature pages follow]

*This instrument is being filed as an accommodation only. It has not been examined as to its execution, insurability, or effect on title.*

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their proper officers or representatives to be effective as of the day and year first above written.

LENDER:

BANNER BANK, \_\_\_\_\_

By: T- [Signature]

Its: S.V.P.

Date: 9/15/20

TENANT:

GROCERY OUTLET INC.,  
a California corporation

By: [Signature]

Its: CEO

Date: 9.4.2020

UNOFFICIAL DOCUMENT

### 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.

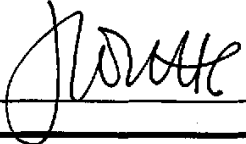
State of California  
County of Alameda

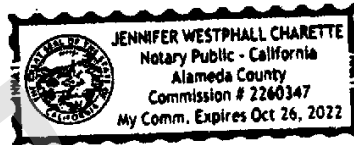
On September 4, 2020 before me, Jennifer Westphall Charette, Notary Public  
(insert name and title of the officer)

personally appeared Eric J. Lindberg, Jr.  
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.

Signature  (Seal)



**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 WASHINGTON )  
COUNTY OF SUCCUMPT ) SS.

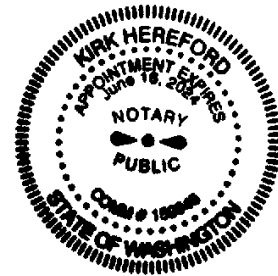
On 9/15/20 before me, Kirk Hereford  
Tim Fitzgerald  
Notary Public, personally appeared \_\_\_\_\_ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/ are subscribed to the within instrument and acknowledged to me that he/ she/ they executed the same in his/ 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 WA, that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Kirk Hereford  
Notary Public

My Commission expires: 6/18/24



UNRECORDED DOCUMENT

**EXHIBIT A-1****Legal Description****PARCEL "A":**

All those portions of the "PLAT OF MOUNT VERNON ACREAGE, SKAGIT COUNTY, WASH.," as per plat 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 under 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 under Auditor's File No. 200806170067.

Situate in the County of Skagit, State of Washington.

**PARCEL "A-1":**

The Westerly 10 feet of that portion of the abandoned Puget Sound and Cascade Railway Company right of way in the Southwest  $\frac{1}{4}$  of the Northwest  $\frac{1}{4}$  of Section 17, Township 34 North, Range 4 East, W.M., lying between the Easterly extension of the North line of Tract 5 and the South line of Tract 11 of said "PLAT OF MOUNT VERNON ACREAGE, SKAGIT COUNTY, WASH.,"

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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, under 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, under Auditor's File No. 200203260101.

Situate in the County of Skagit, State of Washington