

After filing return to:

BANK OF AMERICA, N.A.
Gateway Village-900 Building
NC1-026-06-06
900 W Trade St
Charlotte, NC 28255

SUBORDINATION AGREEMENT - LEASE

Grantor #1: KOFB INC., a Washington corporation

First American 1219782- LJ

Grantor #2: RAG BURLINGTON LLC, a Washington limited liability company

Grantee: BANK OF AMERICA, N.A., a national banking association

Abbreviated Legal Description:

Ptn. SW Section 29, Township 35 North, Range 4 East
(aka Tract 16, BURLINGTON HILL BUSINESS PARK BSP)

Additional legal description is on Exhibit "A" of this document.

Assessor's Property Tax Parcel Account Number(s): P105951/8002-000-016-0005

Reference Number(s) of Document(s) (if applicable): N/A

***In reference to Two unrecorded lease of KOFB Inc**

SUBORDINATION AGREEMENT - LEASE

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR LEASEHOLD INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF A SECURITY INSTRUMENT.

This Subordination Agreement is made effective as of September 30, 2024, and executed on September 30, 2024, by and among **KOFB INC.**, a Washington corporation ("Lessee") and **RAG BURLINGTON LLC**, a Washington limited liability company ("Lessor") in favor of **BANK OF AMERICA, N.A.**, a national banking association ("Bank").

Factual Background

A. Lessor and Lessee have entered into a lease agreement dated as of June 18, 2024 ("Lease"), covering certain premises located at 101 North Hill Boulevard, Burlington, WA 98233 ("Property"). The Property is more particularly described in Exhibit A attached hereto and incorporated herein.

B. Bank is the beneficiary of a Deed of Trust ("Deed of Trust"), dated as of even date herewith which Deed of Trust will be recorded concurrently herewith in the records of Skagit County, Washington, encumbering the Property. The Deed of Trust secures certain obligations to Bank as more particularly described therein (the "Secured Obligations").

C. It is a condition to Bank's extending the Secured Obligations that the lien of the Deed of Trust shall at all times be senior and prior to the interest of Lessee under the Lease.

Agreement

Therefore, in consideration of benefits from Lessor to Lessee, receipt and sufficiency of which is hereby acknowledged, and to induce Bank to advance funds under its Deed of Trust and all agreements in connection therewith, Lessor and Lessee agree for the benefit of Bank as follows:

1. The lien of the Deed of Trust, and any renewals, extensions, modifications and supplements thereto, shall unconditionally be and remain at all times a lien or charge on the Property prior and superior to the Lease, to the leasehold estate created thereby, and to all rights and privileges of Lessee thereunder.

2. The Bank would not extend the Secured Obligations without this Subordination Agreement.

3. Lessee consents to and approves of all provisions of the Secured Obligations and the Deed of Trust, as the same may be amended from time to time.

4. Lessee intentionally and unconditionally waives, relinquishes and subordinates its interests under the Lease in favor of the lien of the Deed of Trust and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination, a specific loan or other credit accommodation will be made and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination.

[SIGNATURES ON FOLLOWING PAGE]

Washington Lease Subordination Agreement

-1-

U:\U96501 Bank of America - Comm\96501-707 Rairdon RAG Burlington TL (WA)\Loan Docs\WA_SubLease.d1rv1.docx

IN WITNESS WHEREOF, the undersigned have executed this Subordination Agreement dated as of the day and year first above written.

PLEASE BE ADVISED THAT ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

LESSEE:

KOFB INC.,
a Washington corporation

By: _____
GREG RAIRDON, President

LESSOR:

RAG BURLINGTON LLC,
a Washington limited liability company

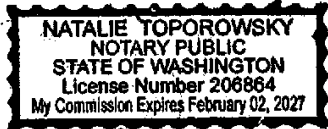
By: _____
GREGORY D. RAIRDON, Manager

ACKNOWLEDGMENT

STATE OF WASHINGTON)
COUNTY OF Snohomish) ss. Bothell

I certify that I know or have satisfactory evidence that GREGORY D. RAIRDON, also known as GREG RAIRDON, is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it (a) as the President of **KOFB INC.**, a Washington corporation, and (b) as the Manager of **RAG BURLINGTON LLC**, a Washington limited liability company, to be the free and voluntary act of each such party for the uses and purposes mentioned in the instrument.

Date: September 30, 2024



Natalie Toporowsky
NOTARY PUBLIC in and for the State of
Washington residing at: Bothell
My commission expires: 2/2/2027
Print name: NATALIE TOPOROWSKY

EXHIBIT A

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

TRACT 16, OF BURLINGTON HILL BUSINESS PARK, BINDING SITE PLAN, APPROVED SEPTEMBER 7, 1994, RECORDED SEPTEMBER 8, 1994 IN VOLUME 11 OF SHORT PLATS, PAGES 109 THROUGH 112, UNDER AUDITOR'S FILE NO. 9409080052, RECORDS OF SKAGIT COUNTY, WASHINGTON; BEING A PORTION OF THE SOUTHWEST 1/4 OF SECTION 29, TOWNSHIP 35 NORTH, RANGE 4 EAST, W.M.

Street Address of Property: 101 North Hill Boulevard, Burlington, WA 98233

Parcel / PIN Number: P105951/8002-000-016-0005

Exhibit A to Washington Lease Subordination Agreement

U:\196501 Bank of America - Corrm196501-707 Rairdon RAG Burlington TL (WA)\Loan Docs\WA.Sub.Lease.dcnv1.docx