

WHEN RECORDED MAIL TO:

Oregon Community Credit Union
P.O. Box 77002
Springfield, OR 97475

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

Landlord (Borrower): Sima Enterprises, LLC
534 SW 3rd Ave.
Portland, OR 97204

Lender: Oregon Community Credit Union
2880 Chad Drive
Eugene, OR 97408

Tenant: Yamhill County, a political
subdivision of State of Oregon

Date of Lease: May 1, 2021

Date: April 29, 2021

Property Address: 2251 E. Hancock Street, Ste. 105
Newberg, OR 97132

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT is dated the date set forth above ("Agreement"), among the landlord identified above (referred to below as "Landlord"); the tenant identified above (referred to below as "Tenant"); and Oregon Community Credit Union (referred to below as "Lender").

A. Landlord and Tenant are parties to a lease dated the date set forth above, as may be modified, for all or a portion of the Real Property defined below (the "Lease"), which covers all or a portion of the following described real property (the "Real Property") located in Yamhill County, Oregon:

See Exhibit A, which is attached to this Agreement and made a part of this Agreement as if fully set forth herein.

B. Lender has extended or has agreed to extend a loan to Landlord in the original principal amount of \$ _____ secured by the Real Property (the "Superior Indebtedness").

C. The Superior Indebtedness is or will be secured by the Real Property and evidenced by a deed of trust from Landlord to Lender (the "Lender's Lien"). As a condition to the granting of the requested financial accommodations, Lender has required that the Lender's Lien be and remain superior to the Lease and all of Tenant's rights in the Real Property including, without limitation, any option or options to purchase or rights of first refusal affecting the Real Property, or any portion thereof, contained therein ("Lease Rights").

IN EXCHANGE FOR GOOD AND VALUABLE CONSIDERATION, THE SUFFICIENCY AND RECEIPT OF WHICH ARE HEREBY ACKNOWLEDGED, LENDER, LANDLORD, AND TENANT HEREBY AGREE AS FOLLOWS:

1. Landlord and Tenant each want Lender to provide financial accommodations to Landlord in the form of the Superior Indebtedness. Landlord and Tenant each represent and acknowledge to Lender that Landlord and Tenant will benefit as a result of these financial accommodations from Lender to Landlord, and Landlord and Tenant acknowledge receipt of valuable consideration for entering into this Agreement.

2. **ESTOPPEL CERTIFICATE.** Tenant hereby certifies to and agrees with Lender that as of the date of this Agreement, Lender is relying on all of the following certifications and agreements of Tenant as consideration for Lender executing this Agreement:

(a) The Lease is in full force and effect and is the valid and binding obligation of Tenant, enforceable in accordance with its terms.

(b) All requirements for the commencement and validity of the Lease have been satisfied.

(c) Neither Tenant nor Landlord is in default under the Lease and no event has occurred and no condition exists, which with the giving of notice, the passage of time, or both, would constitute a default by Tenant or Landlord under the Lease.

(d) There are no defenses, counterclaims or setoffs against rents or charges due or which may become due under the Lease and no claim by Tenant of any nature exists against Landlord under the Lease. All obligations of Landlord have been fully performed.

(e) None of the rent, which Tenant is required to pay under the Lease, has been prepaid, or will in the future be prepaid, more than one month in advance.

(f) The Lease shall not after the date of this Agreement be modified, terminated, or amended, without the prior written consent of Lender for any termination and each such amendment or modification which consent shall not be unreasonably withheld, conditioned or delayed. Any attempted modification, termination or amendment without the prior written consent of Lender shall be void. Notwithstanding the above, Lender hereby acknowledges that the Lease is a month-to-month lease and that in accordance with the terms of the Lease either party may terminate the Lease with or without cause upon thirty (30) days prior written notice by the terminating party to the other party.

(g) Tenant has not assigned, mortgaged, sublet, encumbered or otherwise transferred any or all of its interest under the Lease and, during the term of the Loan, agrees to not assign, mortgage, sublet, encumber, or otherwise transfer any or all of its interest under the Lease without the prior written consent of Lender.

3. **SUBORDINATION.** Notwithstanding anything in the Lease to the contrary, the parties acknowledge and agree that the Lease and Lease Rights are and shall be subject and subordinate in right, interest and lien, and for all purposes, to Lender's Lien, and to all renewals, modifications, consolidations, replacements, and extensions thereof, and to any subsequent lien of the Lender with which Lender's Lien may be spread or consolidated, to the full extent of the principal sum and all other amounts secured thereby and interest thereon. Tenant will not cause the Lease to be subordinated to any interests other than those held by or made for the benefit of Lender, and its successors and assigns, without the prior written consent of Lender.

4. **NON-DISTURBANCE.** So long as the Lease is in full force and effect and Tenant is not in default under the Lease beyond any applicable cure period, Lender shall not name or join Tenant as a defendant in any exercise of Lender's rights and remedies arising upon a default of the Loan under the Note and/or under Lender's Lien unless applicable law requires Tenant to be made a party thereto as a condition to proceeding against Landlord or pursuing such rights and remedies. In the latter case, Lender may join Tenant as a defendant in such action only for such

purpose and not to terminate the Lease or otherwise adversely affect Tenant's rights under the Lease or this Agreement in such action. If the Lease has not been terminated, then, when Lender succeeds to the interest of Landlord, the Lender shall not terminate or disturb Tenant's possession of Tenant's premises under the Lease, except in accordance with the terms of the Lease and this Agreement.

5. **ATTORNTMENT.** If Lender shall succeed to the interest of the Landlord under the Lease, and the Lease shall not have expired or been terminated in accordance with the terms of the Lease or this Agreement, Tenant shall, from and after such event, attorn to Lender, all rights and obligations under the Lease to continue as though the interest of Landlord had not terminated. Such attornment shall be effective and self-operative without the execution of any further instrument on the part of the parties hereto. Tenant agrees, however, to execute and deliver at any time and from time to time, upon the request of Lender, any instrument or certificate which, in the sole judgment of Lender, may be necessary or appropriate in any such foreclosure proceeding or otherwise to evidence such attornment.

6. **NO LIABILITY FOR LENDER.** Lender in the event of attornment shall have the same remedies in the event of any default by Tenant (beyond any period given Tenant to cure such default) in the payment of annual base rent or additional rent or in the performance of any of the terms, covenants, and conditions of the Lease on Tenant's part to be performed that are available to Landlord under the Lease. Tenant shall have the same remedies against Lender for the breach of an agreement contained in the Lease that Tenant might have had against Landlord if Lender had not succeeded to the interest of Landlord; provided, however, that Lender shall not be:

- (a) Liable for any act or omission of or any claims against any prior landlord, including Landlord; or
- (b) Subject to any offsets or defenses which Tenant might have against any prior landlord, including Landlord; or
- (c) Bound by any rent or additional rent which Tenant might have paid for more than the current month to any prior landlord, including Landlord; or
- (d) Bound by any amendment, or modification of the Lease, or waiver of any of its terms, made without its consent; or
- (e) Liable for any sum that any prior landlord, including Landlord, owed to Tenant, including without limitation any security deposit, unless the amount owed was actually delivered to Lender; or
- (f) Bound by any surrender, cancellation, or termination of the Lease, in whole or in part, agreed upon between Landlord and Tenant; or
- (g) Liable for any construction obligation of any prior landlord, including Landlord; or
- (h) Liable for any breach of representation or warranty of any prior landlord, including Landlord.

7. **NEW LEASE.** If Lender shall succeed to the interest of the Landlord under the Lease, upon the written request of Lender to Tenant, Tenant shall execute and deliver to Lender a lease of the Real Property upon the same terms and conditions as the Lease between Landlord and Tenant, which lease shall cover any unexpired term of the Lease existing prior to such transfer.

8. **PAYMENTS TO OWNER OR LENDER.** Upon written notification to Tenant from Lender demanding that rent and other payments be made to such party after a default by Landlord under the Lender's Lien or other loan document, Landlord hereby authorizes and directs Tenant, notwithstanding any contrary instruction, direction, or assertion of Landlord, as landlord under the Lease, and Tenant hereby agrees, to pay to Lender, all payments due

under the terms of the Lease commencing with the calendar month following receipt of such demand from Lender. As an inducement for Tenant's agreement to pay as aforesaid, Landlord must indemnify, defend, protect and hold Tenant harmless from any liability Tenant may suffer as a result of compliance with such party's written instructions to make such payment. Landlord as landlord under the Lease, also hereby releases and discharges Tenant from any liability under the Lease with respect to any such payments paid Lender after Tenant's receipt of any such notice and agrees that Tenant may rely on any such notice without duty to inquire, dispute, or challenge any such notice. In addition, Tenant shall be entitled to full credit under the Lease for any rents paid to Lender in accordance with the provisions of this section to the same extent as if such rents were paid directly to Landlord.

9. LIABILITY LIMITATION. Anything herein or in the Lease to the contrary notwithstanding, in the event that Lender shall acquire title to the Real Property, Lender shall not have any obligation, or incur any liability, beyond Lender's then interest, if any, in the Real Property, and Tenant shall look exclusively to such interest of Lender, in the Real Property for the payment and discharge of any obligations imposed upon Lender or under the Lease, and Lender is hereby released or relieved of any other liability hereunder and under the Lease. Tenant shall look solely to the estate or interest owned by Lender in the Real Property, and Tenant will not collect or attempt to collect any such judgment out of any other assets of Lender.

10. ACKNOWLEDGMENT AND AGREEMENT BY LANDLORD. Landlord, as landlord under the Lease, acknowledges and agrees for itself and its heirs, successors and assigns to each of the following:

(a) This Agreement does not in any way release Landlord from its obligations to comply with the terms, provisions, conditions, covenants, agreements and clauses of the Note, Lender's Lien or any other documents executed in connection with the Loan.

(b) In the event of a default under the Note, or any of the other documents executed in connection with the Loan, Landlord hereby consents to Tenant's attornment to Lender and, upon such event, Tenant shall pay all rent and all other sums due under the Lease to Lender as provided in the Lease.

11. MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Agreement:

11.1 Amendments. This Agreement constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

11.2 Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Agreement, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses whether or not there is a lawsuit, including reasonable attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees and title insurance, to the extent permitted by applicable law. Landlord also will pay any court costs, in addition to all other sums provided by law.

11.3 Authority. Any person who signs this Agreement on behalf of Landlord and Tenant represents and warrants that he or she has authority to execute this Agreement.

11.4 Caption Headings. Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

11.5 Counterparts. This Agreement may be executed in multiple counterparts, each of which, when so executed, shall be deemed an original, but all such counterparts, taken together, shall constitute one and the same Agreement.

11.6 Governing Law. This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Oregon without regard to its conflicts of law provisions. This Agreement has been accepted by Lender in the State of Oregon.

11.7 Choice of Venue. If there is a lawsuit, Landlord agrees upon Lender's request to submit to the jurisdiction of the courts of the State of Oregon.

11.8 Notices. Any notice required to be given under this Agreement shall be given in writing, and, shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Agreement. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address.

11.9 No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, nor any course of dealing among Lender, Landlord, and Tenant shall constitute a waiver of any of Lender's rights or of any of Landlord's and/or Tenant's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

11.10 Severability. If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provision of this Agreement.

11.11 Successors. This Agreement shall extend to and bind the respective heirs, personal representatives, successors and assigns of the parties to this Agreement.

[Signature pages to follow]

*Signature Page to Subordination, Non-Disturbance and
Attornment Agreement*

LANDLORD:

Sima Enterprises, LLC

By: _____

Name: Hossein K. Sima

Title: Manager

STATE OF OREGON)
) ss.
County of _____)

 This instrument was acknowledged before me on _____, _____, by
_____ as _____ of _____.

Notary Public – State of Oregon

*Signature Page to Subordination, Non-Disturbance and
Attornment Agreement*

LENDER:

Oregon Community Credit Union

By: _____

Name: Matt Hester

Title: Business Relationship Manager

STATE OF OREGON)
) ss.
County of _____)

 This instrument was acknowledged before me on _____, _____, by
_____ as _____ of Oregon Community Credit Union.

Notary Public – State of Oregon

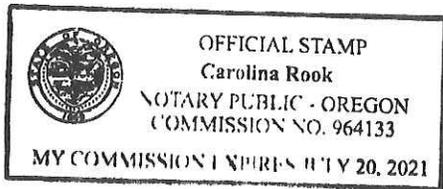
Signature Page to Subordination, Non-Disturbance and
Attornment Agreement

TENANT:

Yamhill County
By: [Signature]
Name: Mary Starrett
Title: Chair, Board of Commissioners

STATE OF OREGON)
) ss.
County of Yamhill)

This instrument was acknowledged before me on April 29th, 2021, by Mary Starrett as Chair of Board of Commissioners.



[Signature]
Notary Public - State of Oregon

Accepted by Yamhill County
Board of Commissioners on
4/29/21 by Board Order
21-149

EXHIBIT A

LEGAL DESCRIPTION

A tract of land in Section 20, Township 3 South, Range 2 West, Willamette Meridian, City of Newberg, Yamhill County, Oregon, and being part of that tract of land described in Deed from Siamak Eghlidi to Powell Built Homes, Inc., and recorded in Instrument No. 199707832, Yamhill County Deed Records, and being more particularly described as follows:

Beginning at the Northeast corner of said Powell Built Homes, Inc. tract, which is on record as being West 11.00 chains (726.00 feet) and North 4.91 chains (324.06 feet) from the Southeast corner of the Northwest one-quarter of the Richard Everest Conation Land Claim; thence South 00°14'14" West 137.09 feet, along the East line of said tract, to an iron rod and the true point of beginning; thence West 259.29 feet to an iron rod; thence South 00°15'54" West 159.13 feet to an iron rod on the North margin of Hancock Street; thence East 259.37 feet, along said margin, to the East line of said Powell tract; thence North 00°14'14" East 159.13 feet, along said line, to the true point of beginning.