

After recording return to:
Bendich, Stobaugh & Strong
126 NW Canal Street, Suite 100
Seattle, WA 98107

FIRST AM

NCS-1192761

SUBORDINATION OF LEASE AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR LEASEHOLD ESTATE IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT. IT IS RECOMMENDED THAT PRIOR TO EXECUTION OF THIS SUBORDINATION AGREEMENT THE SUBORDINATOR CONSULT WITH HER ATTORNEY.

The undersigned subordinator agrees as follows:

1. Team Drive In K Falls, LLC, referred to herein as "Subordinator", is the lessee of an Unrecorded Lease with Klamath Falls Sonic, LLC covering the premises described at attached Exhibit "A." A Memorandum of that Lease was recorded at Klamath County Recording No. 2023-009437.
2. Klamath Falls Sonic, LLC owns the real property described in Paragraph 1 and is referred to herein as "Owner."
3. Owner has executed, or is about to execute, a deed of trust in favor of The Mortgage Capital Development Corporation ("CDC") to secure a note in the original principal amount of \$973,000.00. This deed of trust and note will be assigned by CDC to the United States Small Business Administration ("SBA"). The deed of trust will be referred to in this document as "the SBA Deed of Trust" and CDC and SBA will be referred to collectively as "Lender." The SBA Deed of Trust was recorded at Klamath County Recording No. 2023-009436.
4. In consideration of benefits to Subordinator from Owner, receipt and sufficiency of which is hereby acknowledged, and to induce Lender to advance funds under the note and all agreements in connection therewith the Subordinator does hereby unconditionally subordinate its interest in the lease identified in Paragraph 1 above to the lien of the SBA Deed of Trust, and all advances or charges made or accruing thereunder, including any extension or renewal thereof.
5. Upon completion of any foreclosure of the SBA Deed of Trust, Subordinator's leasehold interest in the premises will be automatically terminated.
6. It is understood by the parties hereto that Lender would not make the loan

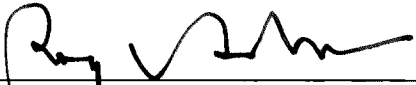
secured by the SBA Deed of Trust without this agreement.

7. This agreement shall be the whole and only agreement between the parties hereto with regard to the subordination of the lien or charge of the lease above mentioned to the SBA Deed of Trust and shall supersede and cancel any prior agreements as to such.

8. The heirs, administrators, assigns and successors in interest of the Subordinator shall be bound by this agreement. Where the word "mortgage" appears herein it shall be considered as "deed of trust", and vice versa. Gender and number of pronouns are considered to conform to undersigned.

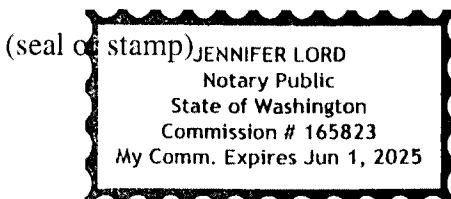
EXECUTED this 27th day of OCTOBER, 2023.

Team Drive In Kfalls, LLC

By: 
Roy Humphreys, Manager/Member

State of Washington)
) ss.
County of Pierce)

This record was acknowledged before me on October 27, 2023, by Roy Humphreys as Manager/Member of Team Drive In Kfalls, LLC.





Notary Public in and for the State of Washington
My commission expires: 6-1-25

Exhibit A
Legal Description

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

VACATED TRACTS 1 AND 2, PLEASANT HOME TRACTS NO. 2, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE COUNTY CLERK, KLAMATH COUNTY, OREGON

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