

Recording Requested By
And When Recorded Mail To:

City National Bank
2100 Park Place, Suite 150
El Segundo, CA 90245

Attn: Taehee Kim

Account No. XX1426

TR No. 456138

239604-com

A.P.N.: 1320-04-001-008

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

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

This Subordination, Non-Disturbance and Attornment Agreement ("Agreement") is made as of September 25, 2018 by and among RONALD W. VOGEL AND CLAUDETTE D. VOGEL, AS TRUSTEES OF THE VOGEL FAMILY TRUST UNDER AGREEMENT DATED OCTOBER 25, 2016 ("Owner") owner of the land hereinafter described, WELCOMES AUTO BODY ("Tenant"), and City National Bank, a national banking association ("CNB").

RECITALS

A. Owner has executed, or is about to execute, a deed of trust in the amount of FOUR HUNDRED THIRTY-FIVE THOUSAND AND NO/100THS DOLLARS (\$435,000.00) ("Deed of Trust") securing the obligation referred to therein dated September 25, 2018, in favor of CNB, which Deed of Trust covers that certain real property together with all appurtenances thereto and improvements thereon located in the County of Douglas, State of Nevada, all as more particularly described in Exhibit "A" attached hereto and made a part hereof ("Property"), and which Property is commonly known as 2589 Wildhorse Drive, Minden, NV 89423;

B. Tenant is the present Tenant under that certain Lease dated August 23, 2017, made by Owner, as landlord ("Landlord"), demising a portion of the Property and other property (said Lease and all amendments thereto being referred to herein as the "Lease");

C. The Lease was not recorded;

D. It is a condition precedent to obtaining the extension of credit secured by such Deed of Trust, that the Deed of Trust shall unconditionally be and remain at all times a lien or charge upon the Property prior and superior to the lien or charge of the Lease;

E. CNB is willing to make the extension of credit secured by such Deed of Trust, provided that the Deed of Trust is a lien or charge upon the Property covered by the lease prior and superior to the lien or charge of the Lease, and provided that Tenant will specifically and unconditionally subordinate the lien or charge of the Lease to the lien or charge of the Deed of Trust;

F. It is to the mutual benefit of the parties hereto that CNB make the extension of credit secured by such Deed of Trust; and Tenant is willing that the Deed of Trust shall, when recorded, constitute a lien or charge upon the Property covered by the lease which is unconditionally prior and superior to the lien or charge of the Lease;

G. Tenant wishes to obtain from CNB certain assurances that Tenant's possession of the Property covered by the Lease will not, subject to the terms and conditions of this Agreement, be disturbed by reason of the enforcement of the Deed of Trust or a foreclosure of the lien thereunder; and

H. CNB is willing to provide such assurances to Tenant upon and subject to the terms and conditions of this Agreement.

NOW, THEREFORE, the parties hereby agree as follows:

1. In consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to induce CNB to make the extension of credit secured by the Deed of Trust, it is hereby declared, understood and agreed as follows:

2. **RATIFICATION.** Tenant hereby ratifies the Lease and confirms that the Deed of Trust, and any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge upon the Property prior and superior to the lien or charge of the Lease and, for all purposes, the Deed of Trust shall be deemed recorded prior to the Lease. Tenant hereby affirms that the Lease is in full force and effect and that the Lease has not been modified or amended. CNB acknowledges receipt of a copy of the Lease and hereby approves the same;

3. **FUTURE ESTATES.** That any estate in the Property acquired by Tenant shall be fully subject to the Deed of Trust;

4. **SUBORDINATION OF LEASE.** Tenant declares, agrees and acknowledges that:

4.1. That CNB would not make the extension of credit secured by such Deed of Trust without this Agreement;

4.2. CNB, in making disbursements pursuant to any such extension of credit secured by such Deed of Trust, is under no obligation or duty to, nor has CNB represented that it will, see to the application of such proceeds by the person or persons to whom CNB disburses such proceeds and any application or use of such proceeds for

the purposes other than those provided in such agreement or agreements shall not defeat the subordination herein made in whole or in part;

4.3. Tenant intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of the Lease in favor of the lien or charge upon the Property and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination, specific loans and advances are being and will be made pursuant to such extension of credit secured by such Deed of Trust 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; and

5. LANDLORD'S DEFAULT. That, from and after the date Tenant receives a fully executed copy of this Agreement, Tenant will not seek to terminate the Lease by reason of any act or omission of Landlord until Tenant shall have given written notice of such act or omission to the holder of the Deed of Trust (at such holder's last address furnished to Tenant). Tenant agrees that CNB shall have the right, but not the obligation, to remedy such act or omission on behalf of Landlord within thirty (30) days after the receipt of such notice; provided, however, that said 30-day period shall be extended so long as within said 30-day period CNB has commenced to cure and is proceeding diligently to cure said default or defaults;

6. NON-DISTURBANCE AND ATTORNMENT. That, so long as Tenant is not in default under the Lease (beyond any period given Tenant to cure such default) as would entitle Landlord to terminate the Lease or would cause, without any further action of Landlord, the termination of the Lease, or would entitle Landlord to dispossess Tenant thereunder, CNB agrees with Tenant that CNB will not disturb the peaceful and quiet possession of the Property by Tenant nor shall the Lease or its appurtenances be extinguished by reason of any Foreclosure (as hereinafter defined) or otherwise, nor join Tenant as a party in any action or proceeding brought pursuant to the Deed of Trust.

In the event that CNB or any third party acquires the interest of Landlord in the Property by reason of the Foreclosure (whether judicial or non-judicial) under the Deed of Trust or by a conveyance in lieu thereof or as a result of any other means (any or all of the foregoing hereinafter referred to as a "Foreclosure"), then the Lease and all appurtenances thereto shall remain in full force and effect and Tenant shall be bound to CNB under all of the provisions of the Lease for the balance of the term thereof (including any extensions or renewals thereof which may be effected in accordance with any options contained in the Lease) with the same force and effect as if CNB were the Landlord under the Lease, and Tenant hereby agrees to attorn to CNB or any third party acquiring the interest of Landlord, as its landlord, such attornment to be effective and self-operative, without the execution of any further instruments on the part of either of the parties hereto, immediately upon the succession by CNB or such third party to the interest of Landlord in the Property; and, further, in such event, CNB or such third party shall be bound to Tenant under all of the provisions of the Lease, and Tenant shall, from and after such event, have the same remedies against CNB or such third party for the breach of any agreement contained in the Lease that Tenant might have had under the Lease against Landlord thereunder; provided, however, that CNB or such third party shall not be:

- 6.1. liable for any act or omission of any prior landlord (including Landlord); or
- 6.2. subject to any offsets or defenses which Tenant might have against any prior landlord (including Landlord); or
- 6.3. bound by any payment by Tenant to any prior owner of the Property (including Landlord); or
- 6.4. bound by any rent or additional rent which Tenant might have paid to any prior landlord (including Landlord) more than thirty (30) days in advance of the due date under the Lease; or
- 6.5. bound by any amendment or modification of the Lease made without CNB's consent; or

Tenant shall be under no obligation to pay rent to CNB or any third party acquiring the interest of Landlord until Tenant receives written notice from CNB or such third party stating that CNB or such third party is entitled to receive the rents under the Lease directly from Tenant.

7. **NOTICES OF DEFAULT/TENANT'S RIGHT TO CURE.** CNB hereby agrees to give to Tenant a copy of each notice of a failure on the part of the trustor or obligor under the Deed of Trust to perform or observe any of the covenants, conditions or agreements of such Deed of Trust at the same time as whenever any such notice shall be given to such trustor or obligor, such copy to be sent by registered or certified mail, return receipt requested, addressed as provided in Paragraph 8 herein. Further, CNB shall give Tenant at least ten (10) days' notice prior to declaring the Deed of Trust in default, during which time Tenant may cure such default by making any payment or performing any act required to cure such default. CNB agrees that it will accept performance by Tenant of any covenant, condition or agreement to be performed by trustor or obligor under the Deed of Trust or Note with the same force and effect as though performed by such trustor or obligor. The provisions of this Paragraph 7 are intended to confer additional rights upon Tenant and shall not be construed as obligating Tenant to cure any default of any such trustor or obligor.

8. **NOTICES.** All notices, demands or requests, and responses thereto required or permitted to be given pursuant to this Agreement shall be in writing and shall be sent postage prepaid by certified or registered mail, return receipt requested, addressed as follows:

CNB: City National Bank
1647 Highway 395
Minden, NV 89423
Attn: Ursula Prebezac, Vice President

Copies To: City National Bank
Legal Services Division
555 South Flower Street, 18th Floor
Los Angeles, CA 90071

Owner: Ronald W. Vogel and Claudette D. Vogel, Trustees of
The Vogel Family Trust under agreement dated October 25, 2016
2922 Comistas Drive
Walnut Creek, CA 94596

Copies To:
Tenant: Welcomes Auto Body
2589 Wildhorse Drive, Units 2, 3 and 4
Minden, NV 89423

or to such other address as CNB or Tenant may designate in writing. All such notices shall be deemed delivered when actually received or refused by the other party.

9. **SUCCESSORS AND ASSIGNS; EFFECTIVENESS.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective personal representatives, successors and assigns, it being understood that the obligations herein of CNB shall extend to it in its capacity as beneficiary under the Deed of Trust and to its successors and assigns, including anyone who shall have succeeded to Landlord's interest in the Property or acquired possession thereof by Foreclosure. Once duly executed and delivered, this Agreement will become effective on the date on which Owner acquires title to the Property.

10. **WHOLE AGREEMENT.** This Agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the Lease to the lien or charge of the Deed of Trust, and shall supersede and cancel, but only insofar as would affect the priority between the Deed of Trust and the Lease, any prior agreements as to such subordination including, but not limited to, those provisions, if any, contained in the Lease which provide for the subordination of the lien or charge thereof to another deed or deeds of trust or to other mortgage or mortgages.

11. **LIMITED RECOURSE.** Without limiting the provisions of Section 6 of this Agreement, in the event that CNB shall acquire title to the Property, Tenant agrees to look solely to CNB's interest in the Property for the satisfaction of any remedy of Tenant for the collection of a judgment (or other judicial process) requiring the payment of money by CNB in the event of any default by CNB or any claim, cause of action, obligation, contractual, statutory or otherwise, by Tenant against CNB arising from or in any manner related to the Lease, and no other property or assets of CNB, or any officer, director, shareholder, partner, trustee, agent, servant or employee of CNB shall be subject to levy, execution or other enforcement procedure for the satisfaction of Tenant's remedies under or with respect to the Lease, CNB's obligations to Tenant, whether contractual, statutory or otherwise, the relationship of CNB and Tenant hereunder, or Tenant's use or occupancy of the Property.

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NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH
ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY LEASE
TO OBTAIN A LOAN A PORTION OF WHICH MAY BE EXPENDED FOR
OTHER PURPOSES THAN IMPROVEMENT OF THE PROPERTY.

"TENANT"

WELCOMES AUTO BODY

By: _____
Name: _____
Title: _____

"OWNER"

Ronald W. Vogel, Trustee of
THE VOGEL FAMILY TRUST UNDER
AGREEMENT DATED OCTOBER 25, 2016

✓ Claudette D. Vogel, Trustee
Claudette D. Vogel, Trustee of
THE VOGEL FAMILY TRUST UNDER
AGREEMENT DATED OCTOBER 25, 2016

"CNB"

City National Bank, a national banking association

By: _____
Ursula Prebezac, Vice President

(ALL SIGNATURES MUST BE ACKNOWLEDGED BY A NOTARY PUBLIC)

EXHIBIT "A"
LEGAL DESCRIPTION

All that certain real property situate in the County of Douglas, State of NEVADA, described as follows:

Lot 12, in Block E, as shown on the Official Map of Carson Valley Business Park Phase 1, recorded in the office of the Douglas County Recorder, State of Nevada, on September 21, 1993, in Book 993 at Page 3579, as File No. 318019, of Official Records.

APN #1320-04-001-008

Commonly known as 2589 Wildhorse Drive, Minden, NV 89423

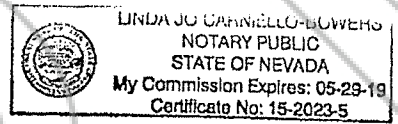
STATE OF NEVADA)

COUNTY OF Douglas)

On 10/5/18, before me, Linda Jo Carniello-Bowers, a notary public, personally appeared Roy Testa, 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.

Signature Linda Jo Carniello-Bowers (SEAL)



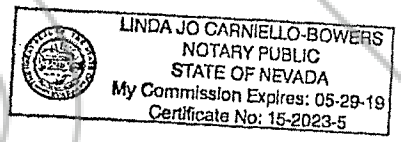
STATE OF NEVADA)

COUNTY OF Douglas)

On 10/4/18, before me, Linda Jo Carniello-Bowers, a notary public, personally appeared RONALD W. VOGEL, 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.

Signature Linda Jo Carniello-Bowers (SEAL)



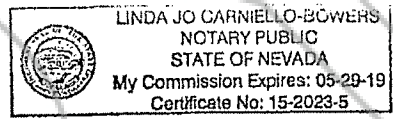
STATE OF NEVADA)

COUNTY OF Douglas)

On 10/4/18, before me, Linda Jo Carniello-Bowers, a notary public, personally appeared URSULA PREBEZAC, 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.

Signature Linda Jo Carniello-Bowers (SEAL)



ACKNOWLEDGMENT SNDA

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 CONTRA COSTA

On 10/3/2018 before me, ROBERT SCHUYLER HAFF
(insert name and title of the officer)

personally appeared CLAUDETTE D. VOGEL,
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 [Handwritten Signature] (Seal)

