

WHEN RECORDED, RETURN TO:

Generations Credit Union  
929 Eastside St. SE  
Olympia, WA 98501



201604110102

Skagit County Auditor

\$77.00

4/11/2016 Page

1 of

5 11:21AM

Loan No. \_\_\_\_\_

LANDLORD'S WAIVER AND CONSENT

CHICAGO TITLE  
620027086-M

Grantor: Skagit Future Valley, LLC (Landlord)

Grantee: Generations Credit Union (Lender)

Chicago Title has placed this document for recording as a customer courtesy and accepts no liability for its accuracy or validity

Legal Description: See Attached Exhibit A (Page 5)

**PH. NW SW 9-34-4**

Assessor's Parcel No.: P23554 in Skagit County

This Landlord's Waiver and Consent ("Waiver") is made this 17 day of December, 20 15 by and between Skagit Future Valley, a, Limited Liability Company, whose address is 1990 Hospital Drive Sedro Woolley, WA 98284 ("Landlord") and Generations Credit Union, a Washington state chartered credit union, whose address is 929 Eastside St. SE, Olympia, WA 98501 ("Lender").

RECITALS

A. Landlord is current record owner of the real property whose address is 1186 S. Burlington Blvd. Burlington, WA 98233. ("Premises").

B. Landlord has leased all or a portion of the Premises to Burlington Physical Therapy, LLC ("Tenant"), 100% owned by Voree and Kami Smith ("Borrower"), whose address is 20475 Hamilton Ct Burlington, WA 98233 pursuant to that certain Lease ("Lease") dated October 1, 2015 by and between Landlord and Tenant.

C. Lender desires to make certain loans or other financial accommodations to Borrower ("Loans"). In connection therewith, Lender has or is about to acquire a security interest in the following property owned by Borrower ("Collateral"): **SOLAR ARRAY SYSTEM INCLUDING ALL SOLAR PANELS AND SYSTEM EQUIPMENT**

D. Borrower has an arrangement with Tenant under which it is understood that the Collateral will be located on the Premises.

F. Landlord acknowledges and agrees that the Collateral is not owned by Tenant.

Now therefore, for good and valuable consideration, the parties hereto agree as follows:

#### AGREEMENT

1. Landlord's Waiver and Consent. During the term of the Loans, (a) Landlord disclaims, waives and hereby releases (i) any and all interest in the Collateral, whether real estate fixtures or otherwise and (ii) any and all security interests for Landlord's benefit provided in the Lease, by statute or otherwise; (b) Landlord consents to the placement, storage, and retention upon or attachment of the Collateral to the Premises or any portion thereof; and (c) Landlord agrees not to assert any claim or interest in the Collateral, including any statutory lien, nor seek levy, distraint or otherwise seize the Collateral for rent or otherwise.

2. Entry Upon Premises. Landlord consents to entry upon the Premises by Lender and its employees, contractors or agents at all reasonable times to, among other things, inspect, dispose of, liquidate or remove Collateral; provided that Lender provides prior notice of such entry to Landlord (except in the case of an emergency when no such notice shall be required) and indemnifies Landlord for those expenses resulting from physical damage to the Premises directly caused by Lender and/or its employees, contractors and agents, if any, in connection with their actions on the Premises (but not for any diminution in the value of the Premises caused by the absence of the Collateral removed or by the necessity of replacing it).

3. Lender's Rights to Use Premises. In the event that Lender repossesses the Collateral, Lender shall be entitled to the use of the Premises for a period of ninety (90) days to, among other things, dispose of the Collateral; provided that Lender shall pay, on a monthly basis, any and all minimum base rental and applicable triple-net charges (i.e. taxes, utilities and insurance) for the period for which the Collateral is kept on the Premises by Lender.

4. Landlord Representations and Warranties. Landlord represents and warrants to Lender as follows: (a) Landlord is current record owner of the Premises in fee simple and the landlord under the Lease; (b) the Lease is in full force and effect; (c) the Lease has not been changed, amended, supplemented or otherwise modified, either in writing or orally; (d) the Lease constitutes the entire agreement between Landlord and Tenant with respect to the leasing of the Premises; (e) all conditions and obligations to be performed by either Landlord or Tenant under the Lease, to the date hereof, have been satisfied; (f) there exists no breach, default, or event or condition which, upon the giving of notice or the passage of time, or both, would constitute such a breach or default under the Lease; and (g) there are no existing claims, defenses, or offsets against the obligations of either Landlord or Tenant under the Lease, including any against rents due or to become due under the terms of the Lease.

5. Landlord Covenants. Landlord will not consent to any modification, amendment, termination, or cancellation of the Lease unless Lender first consents thereto in writing, and any attempted modification, amendment, termination, or cancellation shall be void as to Lender and its successors-in-interest. Landlord agrees that it will immediately notify Lender in writing upon the occurrence of a breach or default by Tenant of any provision of the Lease.

6. Tenant's Subordination. Any interest tenant may have in the Collateral is hereby subject and subordinate to the interest of Lender as set forth in the [insert title of security documents] and to all of the terms and conditions contained therein.

7. Modifications to Loan Documents. Without any further consent of Landlord or Tenant, Lender and Borrower may agree to any number of modifications (including increase in the amount of the Loans), extensions, renewals and replacements of the security documents, any promissory note evidencing the Loans and any other documents and instruments relating to the Loans and this Agreement shall remain in full force and effect following any changes to the Loan.

8. Miscellaneous.

8.1. Governing Law. This Waiver shall be governed by the law of jurisdiction in which the Premises is located and binds and inures to the benefit of Lender, and its successors and assigns, and shall be binding upon the heirs, personal representatives, successors and assigns of Landlord.

8.2. General Waivers. To the extent permitted by law, the Landlord waives notice of Lender's acceptance of this Waiver, defenses based on suretyship, and defense arising from any election by the Lender under the Bankruptcy Code, Uniform Commercial Code or other applicable law, demand, notice of intention to accelerate, notice of acceleration, notice of nonpayment, presentment, protest, notice of dishonor, and any other notice.

8.3. Joint and Several Liability. If permitted by law, each entity or person executing this Waiver is jointly and severally bound.

8.4. Severability. If a court of competent jurisdiction determines any term or provision of this Waiver is invalid or prohibited by applicable law, that term or provision will be ineffective to the extent required. Any term or provision that has been determined to be invalid or prohibited will be severed from the rest of this Waiver without invalidating the remainder of either the affected provision or this Waiver.

8.5. Survival. The Lender's rights in this Waiver will continue in its successors and assigns. This Waiver is binding on all heirs, executors, administrators, assigns and successors of the Landlord.

8.6. Assignability. The Lender may assign or otherwise transfer this Waiver or any of Lender's rights under this Waiver. Any assignee of the Lender has the same rights as the Lender. The Landlord may not assign this Waiver, or any part of the Waiver without the express written consent of the Lender.

8.7. Attorneys' Fees and Other Costs. If any legal action or appeal is instituted by any party to this Waiver to enforce any of the provisions hereof, or any party shall retain an attorney to protect its rights hereunder or thereunder, including in any action in bankruptcy, the prevailing party or parties shall be entitled to judgment against the other party or parties for all reasonable costs and expenses, including attorneys' fees, incurred by the prevailing party in connection with such action, appeal or bankruptcy.

8.8. Headings and Gender. The headings preceding text in this Waiver are for general convenience in identifying subject matter. The headings have no limiting effect on the text that follows any particular heading. All words used in this Waiver are read to be of whatever gender or number is appropriate under the circumstances.

8.9. Notices. Any notice under this Waiver shall be delivered by recognized overnight courier service, mail, or facsimile addressed to the parties at the addresses set forth in the initial paragraph hereof or at such other addresses as the parties may from time to time direct in writing. Any notice will be deemed to have been given, if personally delivered, when delivered, and if delivered by courier service, one business day after deposit with the courier service, and if mailed, two business days after deposit at any post office in the United States of America, and if delivered via facsimile, the same day as verified, provided that any verification that occurs after 5 p.m. on a business day, or at any time on a Saturday, Sunday or holiday, will be deemed to have occurred as of 9 a.m. on the following business day.

8.10. Presumption. This Waiver or any section hereof shall not be construed against any party due to the fact that the Waiver or any section hereof was drafted by said party or their attorney.

8.11. Time. Time is of the essence in the performance of all of Landlord's obligations hereunder.

**ORAL AGREEMENTS DISCLAIMER.** Oral agreements or oral commitments to loan money, extend credit, or to forbear from enforcing repayment of a debt are not enforceable under Washington law.

By signing below, Landlord accepts and agrees to the terms in this Waiver.

LANDLORD

By: Jennifer Dawes  
Its: SFV LLC Member

GENERATIONS CREDIT UNION

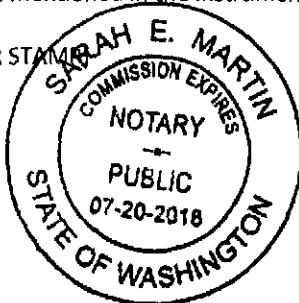
By: William W. Paulsen  
Its: CEO

STATE OF WASHINGTON

COUNTY OF Skagit ) ss.

I certify that I know or have satisfactory evidence that Jennifer Dawes is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath state that he/she was authorized to execute the instrument and acknowledged it as the member representative of SFV LLC to the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

(SEAL OR STAMP)



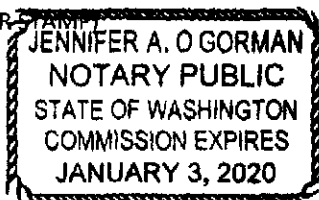
Dated: 12/17/15  
Signature: Sarah E. Martin  
Title: Notary  
My appointment Expires: 07/20/2018

STATE OF WASHINGTON

COUNTY OF Thurston ) ss.

I certify that I know or have satisfactory evidence that Bill Paulsen is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath state that he/she was authorized to execute the instrument and acknowledged it as the CEO of Generations Credit Union to the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

(SEAL OR STAMP)



Dated: December 21, 2015  
Signature: Jennifer A. O Gorman  
Title: Notary  
My Appointment Expires: January 3, 2020

LEGAL DESCRIPTION

UNOFFICIAL DOCUMENT

THAT PORTION OF THE NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 5, TOWNSHIP 34 NORTH, RANGE 4 EAST, W.M., DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE EAST LINE OF STATE HIGHWAY 99 WHICH IS 110 FEET NORTH AND 30 FEET EAST OF THE SOUTHWEST CORNER OF SAID NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4; THENCE SOUTH 89-33-07 EAST 245 FEET TO THE WEST LINE OF GILKEY'S ADDITION TO BURLINGTON, AS PER PLAT RECORDED THEREOF IN VOLUME 7 OF PLATS, PAGE 29, RECORDS OF SKAGIT COUNTY; THENCE NORTH 0-37 WEST ALONG THE WEST LINE OF SAID PLAT 119.65 FEET, MORE OR LESS, TO THE SOUTH LINE OF THOSE PREMISES CONVEYED TO GEORGE H. STOLLWERCK ET UX, BY DEED DATED AUGUST 14, 1957, FILED AUGUST 27, 1957, AS FILE NO. 555470 AND RECORDED IN VOLUME 288 OF DEEDS, AT PAGE 792; THENCE NORTH 89-33-07 WEST ALONG THE SOUTH LINE OF SAID STOLLWERCK PREMISES 245 FEET TO THE EAST RIGHT OF WAY LINE OF STATE HIGHWAY NO. 99; THENCE SOUTH 0-37 EAST ALONG THE WEST LINE OF SAID HIGHWAY 119.65 FEET, MORE OR LESS, TO THE POINT OF BEGINNING. THAT PORTION OF THE NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 5, TOWNSHIP 34 NORTH, RANGE 4 EAST, W.M., DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE EAST LINE OF STATE HIGHWAY 99 WHICH IS 110 FEET NORTH AND 30 FEET EAST OF THE SOUTHWEST CORNER OF SAID NORTH 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4; THENCE SOUTH 89-33-07 EAST 245 FEET TO THE WEST LINE OF GILKEY'S ADDITION TO BURLINGTON, AS PER PLAT RECORDED THEREOF IN VOLUME 7 OF PLATS, PAGE 29, RECORDS OF SKAGIT COUNTY; THENCE NORTH 0-37 WEST ALONG THE WEST LINE OF SAID PLAT 119.65 FEET, MORE OR LESS, TO THE SOUTH LINE OF THOSE PREMISES CONVEYED TO GEORGE H. STOLLWERCK ET UX, BY DEED DATED AUGUST 14, 1957, FILED AUGUST 27, 1957, AS FILE NO. 555470 AND RECORDED IN VOLUME 288 OF DEEDS, AT PAGE 792; THENCE NORTH 89-33-07 WEST ALONG THE SOUTH LINE OF SAID STOLLWERCK PREMISES 245 FEET TO THE EAST RIGHT OF WAY LINE OF STATE HIGHWAY NO. 99; THENCE SOUTH 0-37 EAST ALONG THE WEST LINE OF SAID HIGHWAY 119.65 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.