

RETURN ADDRESS:

Wells Fargo Bank, National
Association
SBOCS Business Lending
Loan Operations Center
LDI
P.O. Box 65119
San Antonio, TX 78265



201804230082

Skagit County Auditor

\$81.00

4/23/2018 Page

1 of

8 10:26AM

MODIFICATION OF DEED OF TRUST

Reference # (if applicable): 201501160117

Additional on page ____

Grantor(s):

1. SOUND AND CULTURE LLC

Grantee(s)

1. Wells Fargo Bank, National Association

Legal Description: Ptn NE 14 of SW 1/4, 17-34-4 E W.M

Additional on page ____

Assessor's Tax Parcel ID#: P25974



200229253515400480

THIS MODIFICATION OF DEED OF TRUST dated March 29, 2018, is made and executed between SOUND AND CULTURE LLC, a Washington limited liability company, whose address is 1427 130TH AVE NE, BELLEVUE, WA 98005 ("Grantor") and Wells Fargo Bank, National Association, whose address is Bellevue Business Banking, 205 108th Ave NE, Ste 200, MAC P6478-022, Bellevue, WA 98004 ("Lender").

**MODIFICATION OF DEED OF TRUST
(Continued)**

Loan No: 7829445489

Page 2

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated January 16, 2015 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:

recorded on January 16, 2015, under Recording No. 201501160117, of the Records of Skagit County, Washington.

REAL PROPERTY DESCRIPTION. The Deed of Trust covers the following described real property located in Skagit County, State of Washington.

See Exhibit A, attached hereto and made a part hereof.

The Real Property or its address is commonly known as 1000 E COLLEGE WAY, MOUNT VERNON, WA 98273. The Real Property tax identification number is P25974.

MODIFICATION. Lender and Grantor hereby modify the Deed of Trust as follows:

1. Deed of Trust Supplemental Provisions. The Deed of Trust is hereby amended and modified by adding the following Supplemental Provisions:

Supplemental Provisions Regarding Secured Obligations, Cross-Collateralization, and Personal Property Collateral. Notwithstanding anything to the contrary in the Deed of Trust, any cross-collateralization provision and any other provisions contained therein expanding the scope of the secured obligations beyond the Note, any related "swap agreements" (as defined in 11 U.S.C. Section 101), and obligations to protect and preserve collateral, shall have no force or effect.

Additionally, notwithstanding anything to the contrary in the Deed of Trust, if at any time the Deed of Trust grants liens or security interests upon collateral consisting of a building or mobile home as defined in the National Flood Insurance Act (as amended) and its implementing regulations (collectively, the "Act") located in an area designated by the Administrator of the Federal Emergency Management Agency as a special flood hazard area which requires flood insurance pursuant to the terms of the Act (a "Covered Structure"), then while it is subject to such designation, any lien or security interest granted in the Deed of Trust upon personal property shall not include any items of personal property located in such Covered Structure unless all applicable requirements of the Act, if any, have been satisfied with respect to such items of personal property.

2. The real property and the whole thereof described in the Deed of Trust shall remain subject to the lien, charge or encumbrance of the Deed of Trust and nothing herein contained or done pursuant hereto shall affect or be construed to affect the liens, charges or encumbrances of the Deed of Trust, or the priority thereof over other liens, charges or encumbrances, or to release or affect the liability of any party or parties who may now or hereafter be liable under or on account of said promissory notes, loan or credit agreements, confirmation letters and disclosures, or other evidences of debt and/or the Deed of Trust.

3. All terms and conditions of the Deed of Trust not expressly modified herein remain in full force and effect, without waiver or amendment. This Modification and the Deed of Trust shall be read together, as one document.

CONTINUING VALIDITY. Except as expressly modified above, the terms of the original Deed of Trust shall remain unchanged and in full force and effect. Consent by Lender to this Modification does not waive Lender's right to require strict performance of the Deed of Trust as changed above nor obligate Lender to make any future modifications. Nothing in this Modification shall constitute a satisfaction of the promissory note or other credit agreement secured by the Deed of Trust (the "Note"). It is the intention of Lender to retain as liable all parties to the Deed of Trust and all parties, makers and endorser to the Note, including accommodation parties, unless a party is expressly released by Lender in writing. Any maker or endorser, including accommodation makers, shall not be released by virtue of this Modification. If any person who signed the original Deed of Trust does not sign this Modification, then all persons signing below acknowledge that this Modification is given conditionally, based on the representation to Lender that the non-signing person consents to the changes and provisions of this Modification or otherwise will not be released by it. This waiver applies not only to any initial extension or modification, but also to all such subsequent actions.

FACSIMILE AND COUNTERPART. This document may be signed in any number of separate copies, each of which shall be effective as an original, but all of which taken together shall constitute a single document. An electronic transmission or other facsimile of this document or any related document shall be deemed an original and shall be admissible as evidence of the document and the signer's execution.

DEED OF TRUST SUPPLEMENTAL PROVISIONS. The Deed of Trust is hereby amended and modified by adding the following Supplemental Provisions:

SUPPLEMENTAL PROVISIONS CONCERNING INDEBTEDNESS, CROSS-COLLATERALIZATION, AND PERSONAL PROPERTY. The definition of "Indebtedness" in the Deed of Trust additionally includes, without limitation, all liability and obligations of Borrower, or any of them, arising under or in connection with any "swap agreement" (as defined in 11 U.S.C. Section 101) at any time entered into with Lender in connection with the Note.

**MODIFICATION OF DEED OF TRUST
(Continued)**

Loan No: 7829445489

Page 3

Notwithstanding anything to the contrary in the Deed of Trust, any Cross-Collateralization provision contained therein shall have no force or effect.

Additionally, notwithstanding anything to the contrary in the Deed of Trust, if at any time the Deed of Trust grants liens or security interests upon collateral consisting of a building or mobile home as defined in the National Flood Insurance Act (as amended) and its implementing regulations (collectively, the "Act") located in an area designated by the Administrator of the Federal Emergency Management Agency as a special flood hazard area which requires flood insurance pursuant to the terms of the Act (a "Covered Structure"), then while it is subject to such designation, the term "Personal Property" as used in the Deed of Trust shall not include any items of personal property located in such Covered Structure unless all applicable requirements of the Act, if any, have been satisfied with respect to such items of personal property.

ARBITRATION AGREEMENT - Binding Arbitration. Lender and each party to this agreement hereby agree, upon demand by any party, to submit any Dispute to binding arbitration in accordance with the terms of this Arbitration Program. Arbitration may be demanded before the institution of a judicial proceeding, or during a judicial proceeding, but not more than 60 days after service of a complaint, third party complaint, cross-claim, or any answer thereto, or any amendment to any of such pleadings. A "Dispute" shall include any dispute, claim or controversy of any kind, whether in contract or in tort, legal or equitable, now existing or hereafter arising, relating in any way to any aspect of this agreement, and any related note, instrument or agreement incorporating this Arbitration Program (the "Documents"), and any renewal, extension, modification or refinancing of any indebtedness or obligation relating thereto, including without limitation, their negotiation, execution, collateralization, administration, repayment, modification, extension, substitution, formation, inducement, enforcement, default or termination, and any request for additional credit; provided, however, that "Dispute" shall not include any dispute, claim or controversy with respect to a "consumer financial product or service" (as defined in 12 U.S. Code Section 5481 (5)) within the coverage of 12 CFR Part 1040.3. This provision is a material inducement for the parties entering into the transactions relating to this Agreement. In the event of a court ordered arbitration, the party requesting arbitration shall be responsible for timely filing the demand for arbitration and paying the appropriate filing fee within 30 days of the abatement order or the time specified by the court; the party's failure to do so shall result in that party's right to demand arbitration being automatically terminated with respect to such Dispute. DISPUTES SUBMITTED TO ARBITRATION ARE NOT RESOLVED IN COURT BY A JUDGE OR JURY. TO THE EXTENT ALLOWED BY APPLICABLE LAW, THE PARTIES IRREVOCABLY AND VOLUNTARILY WAIVE ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY DISPUTE ARBITRATED PURSUANT TO THIS ARBITRATION PROGRAM.

A. Governing Rules. Any arbitration proceeding will (i) be governed by the Federal Arbitration Act (Title 9 of the United States Code), notwithstanding any conflicting choice of law provision in any of the documents between the parties; and (ii) be conducted by the American Arbitration Association ("AAA"), or such other administrator as the parties shall mutually agree upon, in accordance with the AAA's commercial dispute resolution procedures, unless the claim or counterclaim is at least \$1,000,000.00 exclusive of claimed interest, arbitration fees and costs, in which case the arbitration shall be conducted in accordance with the AAA's optional procedures for large, complex commercial disputes (the commercial dispute resolution procedures or the optional procedures for large, complex commercial disputes are referred to herein, as applicable, as the "Rules"). If there is any inconsistency between the terms hereof and the Rules, the terms and procedures set forth herein shall control. Arbitration proceedings hereunder shall be conducted at a location mutually agreeable to the parties, or if they cannot agree, then at a location selected by the AAA in the state of the applicable substantive law primarily governing the Note. Any party who fails or refuses to submit to arbitration following a demand by any other party shall bear all costs and expenses incurred by such other party in compelling arbitration of any Dispute. The arbitrator shall award all costs and expenses of the arbitration proceeding.

B. No Waiver of Provisional Remedies, Self-Help and Foreclosure. The arbitration requirement does not limit the right of any party to (i) foreclose against real or personal property collateral; (ii) exercise self-help remedies relating to collateral or proceeds of collateral such as setoff or repossession; or (iii) obtain provisional or ancillary remedies such as replevin, injunctive relief, attachment or the appointment of a receiver, before during or after the pendency of any arbitration proceeding. This exclusion does not constitute a waiver of the right or obligation of any party to submit any Dispute to arbitration or reference hereunder, including those arising from the exercise of the actions detailed in sections (i), (ii) and (iii) of this paragraph.

C. Arbitrator Qualifications and Powers. Any arbitration proceeding in which the amount in controversy is \$5,000,000.00 or less will be decided by a single arbitrator selected according to the Rules, and who shall not render an award of greater than \$5,000,000.00. Any Dispute in which the amount in controversy exceeds \$5,000,000.00 shall be decided by majority vote of a panel of three arbitrators; provided however, that all three arbitrators must actively participate in all hearings and deliberations. Every arbitrator shall be a neutral practicing attorney or a retired member of the state or federal judiciary, in either case with a minimum of ten years experience in the substantive law applicable to the subject matter of the Dispute. The arbitrator will determine whether or not an issue is arbitratable and will give effect to the statutes of limitation in determining any claim. In any arbitration proceeding the arbitrator will

**MODIFICATION OF DEED OF TRUST
(Continued)**

Loan No: 7829445489

Page 4

decide (by documents only or with a hearing at the arbitrator's discretion) any pre-hearing motions which are similar to motions to dismiss for failure to state a claim or motions for summary adjudication. The arbitrator shall resolve all Disputes in accordance with the applicable substantive law and may grant any remedy or relief that a court of such state could order or grant within the scope hereof and such ancillary relief as is necessary to make effective any award. The arbitrator shall also have the power to award recovery of all costs and fees, to impose sanctions and to take such other action as the arbitrator deems necessary to the same extent a judge could pursuant to the Federal Rules of Civil Procedure, the applicable state rules of civil procedure, or other applicable law. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. The institution and maintenance of an action for judicial relief or pursuit of a provisional or ancillary remedy shall not constitute a waiver of the right of any party, including the plaintiff, to submit the controversy or claim to arbitration if any other party contests such action for judicial relief.

D. Discovery. In any arbitration proceeding discovery will be permitted in accordance with the Rules. All discovery shall be expressly limited to matters directly relevant to the Dispute being arbitrated and must be completed no later than 20 days before the hearing date. Any requests for an extension of the discovery periods, or any discovery disputes, will be subject to final determination by the arbitrator upon a showing that the request for discovery is essential for the party's presentation and that no alternative means for obtaining information is available.

E. Class Proceedings and Consolidations. No party hereto shall be entitled to join or consolidate disputes by or against others in any arbitration, or to include in any arbitration any dispute as a representative or member of a class, or to act in any arbitration in the interest of the general public or in a private attorney general capacity.

F. Small Claims Court. Any party may require that a Dispute be resolved in Small Claims Court if the Dispute and related claims are fully within that court's jurisdiction.

G. State Specific Provisions:

If Delaware, Pennsylvania or Virginia law governs the Dispute, the following provision is applicable If there is a **Confession of Judgment in any note, guaranty or other Documents subject to this Arbitration Program: Confession of Judgment.** Notwithstanding anything herein to the contrary, the arbitration requirement does not limit or preclude the right of Lender to confess judgment pursuant to a warrant of attorney provision set forth in any note, guaranty or other Documents. No party shall have the right to demand binding arbitration of any claim, dispute or controversy seeking to (i) strike-off or open a judgment obtained by confession pursuant to a warrant of attorney contained in any note, guaranty or other Documents, or (ii) challenge the waiver of a right to prior notice and a hearing before judgment is entered, or after judgment is entered, but before execution upon the judgment. Any claims, disputes or controversies challenging the confession of judgment shall be commenced and prosecuted in accordance with the procedures set forth, and in the forum specified by the applicable state rules of civil procedure or other applicable law.

If Maryland law governs the Dispute, the following provision is applicable if there is a **Confession of Judgment in any note, guaranty or other Documents subject to this Arbitration Program: Confession of Judgment.** Notwithstanding anything herein to the contrary, the arbitration requirement does not limit or preclude the right of Lender to confess judgment, and no party shall have the right to demand binding arbitration of any claim, dispute or controversy seeking to open a judgment obtained by confession. Nothing herein, including the arbitration requirement, shall limit the right of any party to foreclose judicially or non-judicially against any real or personal property collateral, or exercise judicial or non-judicial power of sale rights. No provision regarding submission to a jurisdiction and/or venue in any court or the waiver of any right to trial by jury is intended or shall be construed to be in derogation of the provisions for arbitration of any dispute. Any claim or counterclaim or defense raised in connection with Lender's exercise of any rights set forth in any note, guaranty or other Documents subject to this Arbitration Program shall be subject to the arbitration requirement.

If South Carolina law governs the Dispute, the following provision is included: **WAIVER OF JURY TRIAL.** NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, WITHOUT INTENDING IN ANY WAY TO LIMIT THE PARTIES' AGREEMENT TO ARBITRATE ANY DISPUTE AS SET FORTH IN THIS MORTGAGE, TO THE EXTENT ANY DISPUTE IS NOT SUBMITTED TO ARBITRATION OR IS DEEMED BY THE ARBITRATOR OR BY ANY COURT WITH JURISDICTION TO BE NOT ARBITRABLE OR NOT REQUIRED TO BE ARBITRATED, LENDER AND MORTGAGOR WAIVE TRIAL BY JURY IN RESPECT OF ANY SUCH DISPUTE AND ANY ACTION ON SUCH DISPUTE. THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY MADE BY LENDER AND MORTGAGOR, AND THEY HEREBY REPRESENT THAT NO REPRESENTATIONS OF FACT OR OPINION HAVE BEEN MADE BY ANY PERSON OR ENTITY TO INDUCE THIS WAIVER OF TRIAL BY JURY OR TO IN ANY WAY MODIFY OR NULLIFY ITS EFFECT. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES ENTERING INTO THE LOAN DOCUMENTS. LENDER AND MORTGAGOR ARE EACH HEREBY AUTHORIZED TO FILE A COPY OF THIS SECTION IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER OF JURY TRIAL. MORTGAGOR FURTHER REPRESENTS AND WARRANTS THAT IT HAS BEEN REPRESENTED IN THE SIGNING OF THIS MORTGAGE AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL, OR HAS HAD THE OPPORTUNITY TO BE REPRESENTED BY INDEPENDENT LEGAL COUNSEL SELECTED OF ITS OWN FREE WILL, AND THAT IT HAS HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL.

**MODIFICATION OF DEED OF TRUST
(Continued)**

Loan No: 7829445489

Page 5

H. Real Property Collateral:

If California law governs the Dispute, the following provisions are included: **Real Property Collateral; Judicial Reference.** Notwithstanding anything herein to the contrary, no Dispute shall be submitted to arbitration if the Dispute concerns indebtedness secured directly or indirectly, in whole or in part, by any real property unless (i) the holder of the mortgage, lien or security interest specifically elects in writing to proceed with the arbitration, or (ii) all parties to the arbitration waive any rights or benefits that might accrue to them by virtue of the single action rule statute of California, thereby agreeing that all indebtedness and obligations of the parties, and all mortgages, liens and security interests securing such indebtedness and obligations, shall remain fully valid and enforceable. If any such Dispute is not submitted to arbitration, the Dispute shall be referred to a referee in accordance with California Code of Civil Procedure Section 638 et seq., and this general reference agreement is intended to be specifically enforceable in accordance with said Section 638, as amended or replaced from time to time. A referee with the qualifications required herein for arbitrators shall be selected pursuant to the AAA's selection procedures. Judgment upon the decision rendered by a referee shall be entered in the court in which such proceeding was commenced in accordance with California Code of Civil Procedure Sections 644 and 645, as amended or replaced from time to time.

If Connecticut law governs the Dispute, the following provision is included: **Real Property Collateral.** Notwithstanding anything herein to the contrary, no dispute shall be submitted to arbitration if the dispute concerns indebtedness secured directly or indirectly, in whole or in part, by any real property located in Connecticut unless (i) the holder of the mortgage, lien or security interest specifically elects in writing to proceed with the arbitration, or (ii) all parties to the arbitration waive any rights or benefits that might accrue to them by virtue of Sections 49-1 and 49-14 et seq. of the Connecticut General Statutes, as amended or replaced from time to time, thereby agreeing that all indebtedness and obligations of the parties, and all mortgages, liens and security interests securing such indebtedness and obligations, shall remain fully valid and enforceable.

If Idaho, Kansas, Montana, Nevada, South Dakota or Virginia law governs the Dispute, the following provision is included:

Real Property Collateral. Notwithstanding anything herein to the contrary, no Dispute shall be submitted to arbitration if the Dispute concerns indebtedness secured directly or indirectly, in whole or in part, by any real property unless (i) the holder of the mortgage, lien or security interest specifically elects in writing to proceed with the arbitration, or (ii) all parties to the arbitration waive any rights or benefits that might accrue to them by virtue of the single action rule statute of Idaho, Kansas, Montana, Nevada, South Dakota or Virginia, thereby agreeing that all indebtedness and obligations of the parties, and all mortgages, liens and security interests securing such indebtedness and obligations, shall remain fully valid and enforceable.

If Utah law governs the Dispute, the following provision is included: **Real Property Collateral; Judicial Reference.** Notwithstanding anything herein to the contrary, no Dispute shall be submitted to arbitration if the Dispute concerns indebtedness secured directly or indirectly, in whole or in part, by any real property unless (i) the holder of the mortgage, lien or security interest specifically elects in writing to proceed with the arbitration, or (ii) all parties to the arbitration waive any rights or benefits that might accrue to them by virtue of the single action rule statute of Utah, thereby agreeing that all indebtedness and obligations of the parties, and all mortgages, liens and security interests securing such indebtedness and obligations, shall remain fully valid and enforceable. If any such Dispute is not submitted to arbitration, the Dispute shall be referred to a master in accordance with Utah Rule of Civil Procedure 53, as amended or replaced from time to time, and this general reference agreement is intended to be specifically enforceable. A master with the qualifications required herein for arbitrators shall be selected pursuant to the AAA's selection procedures. Judgment upon the decision rendered by a master shall be entered in the court in which such proceeding was commenced in accordance with Utah Rule of Civil Procedure 53(e), as amended or replaced from time to time.

I. Miscellaneous. To the maximum extent practicable, the AAA, the arbitrators and the parties shall take all action required to conclude any arbitration proceeding within 180 days of the filing of the Dispute with the AAA. No arbitrator or other party to an arbitration proceeding may disclose the existence, content or results thereof, except for disclosures of information by a party required in the ordinary course of its business or by applicable law or regulation. If more than one agreement for arbitration by or between the parties potentially applies to a Dispute, the arbitration provision most directly related to the documents between the parties or the subject matter of the Dispute shall control. This arbitration provision shall survive the repayment of the Note and the termination, amendment or expiration of any of the Documents or any relationship between the parties.

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MODIFICATION OF DEED OF TRUST AND GRANTOR AGREES TO ITS TERMS. THIS MODIFICATION OF DEED OF TRUST IS DATED MARCH 29, 2018.

MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 7829445489

Page 6

GRANTOR:

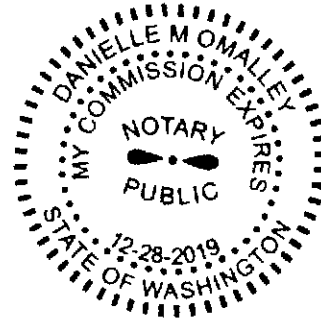
SOUND AND CULTURE LLC

By: Peter D Norman, Member of SOUND AND CULTURE LLC

LENDER:

WELLS FARGO BANK, NATIONAL ASSOCIATION

x [Signature]
Authorized Officer



LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF WASHINGTON

COUNTY OF KING

On this 30th day of MARCH, 20 18, before me, the undersigned Notary Public, personally appeared **Peter D Norman, Member of SOUND AND CULTURE LLC**, and personally known to me or proved to me on the basis of satisfactory evidence to be a member or designated agent of the limited liability company that executed the Modification of Deed of Trust and acknowledged the Modification to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Modification and in fact executed the Modification on behalf of the limited liability company.

By [Signature]
Notary Public in and for the State of WA

Residing at MAPLE VALLEY, WA
My commission expires 12/26/19

MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 7829445489

Page 7

LENDER ACKNOWLEDGMENT

STATE OF Washington

COUNTY OF King

)
) SS
)

CHUNG HUEI LIU
Notary Public
State of Washington
My Appointment Expires
Mar 4, 2021

On this 30th day of March, 2018, before me, the undersigned Notary Public, personally appeared Douglas Weber and personally known to me or proved to me on the basis of satisfactory evidence to be the authorized officer, authorized agent for Wells Fargo Bank, National Association that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of Wells Fargo Bank, National Association, duly authorized by Wells Fargo Bank, National Association through its board of directors or otherwise, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this said instrument and in fact executed this said instrument on behalf of Wells Fargo Bank, National Association.

By Chunghuei Liu

Residing at Issaquah WA

Notary Public in and for the State of WA

My commission expires 3-4-2021

EXHIBIT A

The West 180 feet of the East 570 feet of the North 400 feet of that portion of the following described tract lying Southerly of that portion of the State Highway condemned by Decree entered June 22, 1951 in Skagit County SC 210444: The North $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 17, Township 34 North, Range 4 East, W.M.,

EXCEPT the East $\frac{1}{4}$ thereof,

ALSO EXCEPT that portion conveyed to the State of Washington by deed recorded February 28, 1991, under Auditor's File No. 9102280083.

Situate in the City of Mount Vernon, County of Skagit, State of Washington.