

RETURN ADDRESS:
First Financial Northwest
Bank
PO Box 1130
Renton, WA 98057



201809280057

09/28/2018 10:17 AM Pages: 1 of 4 Fees: \$102.00
Skagit County Auditor

GUARDIAN NORTHWEST TITLE CO.
MODIFICATION OF DEED OF TRUST 106583

Reference # (if applicable): 201311010079

Additional on page ____

Grantor(s):

1. Dacodo, LLC
2. Watson Properties, a Limited Partnership

Grantee(s)

1. First Financial Northwest Bank

Legal Description: Parcel "E" City of Burlington BSP labeled "B-D-M Binding Site Plan"

Additional on page 2

Assessor's Tax Parcel ID#: P122963, 8057-000-005-0000

THIS MODIFICATION OF DEED OF TRUST dated September 18, 2018, is made and executed between Dacodo, LLC, a Washington limited liability company, as to an undivided 76.7% interest, and in Watson Properties, a Limited Partnership, which acquired title as Watson Properties, a Washington limited partnership, as to the remainder, whose address is 1111 Cleveland Ave #203, Mount Vernon, WA 98273 and 1810 E Division St, Mount Vernon, WA 98273 ("Grantor") and First Financial Northwest Bank, whose address is 207 Wells Ave S, PO Box 1130, Renton, WA 98057 ("Lender").

MODIFICATION OF DEED OF TRUST (Continued)

Loan No: 111560207

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DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated October 28, 2013 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:

Recorded on November 1, 2013 in Skagit County, State of Washington under recording number 201311010079

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

Parcel "E" of City of Burlington Binding Site Plan labeled "B-D-M Binding Site Plan", approved May 23, 2005 and recorded May 26, 2005, as Skagit County Auditor's File No. 200505260114;

TOGETHER WITH a non-exclusive easement for ingress, egress, parking and utilities as described in Declaration of Temporary Easements/Cross Easements recorded under Auditor's File No. 200510180088

The Real Property or its address is commonly known as 1860 S Burlington Blvd, Burlington, WA 98233. The Real Property tax identification number is P122963, 8057-000-005-0000.

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

The Deed of Trust is hereby amended to include the following language:

CenterState Bank of Florida N.A. d/b/a ARC Fixed Rate Provider (including its successors and assigns) ("Fixed Rate Provider"), is an additional secured party under this Deed of Trust. Any of the terms Mortgagee, Beneficiary, Secured Party or other term intended to reference the entity benefiting from the security interest or lien created hereunder to secure Borrower's obligations is deemed to include Fixed Rate Provider. Any of the terms Obligations, Secured Obligations, Debt, Secured Debt or other terms intended to reference Borrower's obligations secured hereunder is deemed to include obligations owed by Borrower to Fixed Rate Provider under the Rate Conversion Agreement between Fixed Rate Provider and Borrower, dated on or about the date hereof (such agreement, as the same may be amended or modified, the "Rate Conversion Agreement").

Bank and Fixed Rate Provider have previously entered into an ARC Master Servicing Agreement (the "MSA") specifying, among other things, circumstances under which Fixed Rate Provider may exercise Bank's rights under the Loan, Loan Agreement or Note and with respect to collateral for Borrower's obligations thereunder and under the Rate Conversion Agreement. Unless and until Borrower's receipt of written notice from Fixed Rate Provider that Fixed Rate Provider has assumed exercise of such rights under the MSA, Bank will be entitled to exercise all rights of Bank and Fixed Rate Provider hereunder and all rights of Bank under the Loan, Loan Agreement or Note. Upon and after written notice from Fixed Rate Provider to Borrower that Fixed Rate Provider has become entitled under the MSA to exercise the Bank's rights under the Loan, Loan Agreement or Note and the property pledged hereunder, (i) Fixed Rate Provider will be entitled to exercise all rights of Bank and Fixed Rate Provider hereunder and all rights of Bank under the Loan, Loan Agreement or Note and (ii) Borrower will comply with instructions, notices and other communications solely from Fixed Rate Provider with respect to rights of Bank and Fixed Rate Provider hereunder and rights of Bank under the Loan, Loan Agreement or Note. The relative rights, obligations and priorities as between Fixed Rate Provider and Bank with respect to the rights referred to in this paragraph will be governed by the MSA.

As additional security for Borrower's obligations to Bank secured hereunder, Borrower pledges to Bank and grants Bank a first priority lien and security interest in any Early Unwind Amount (as defined in the Rate Conversion Agreement) owed to Borrower under the Rate Conversion Agreement. In the event of a default by Borrower under the Loan, Loan Agreement or Note, Borrower assigns to Bank the right to payment of any such Early Unwind Amount. Upon written notice from Bank to Fixed Rate Provider that a default has occurred under the Loan, Loan Agreement or Note, Fixed Rate Provider will be authorized to pay such Early Unwind Amount to Bank without liability to Borrower. Any dispute on Borrower's part regarding the appropriateness of Bank's notice of default or Fixed Rate Provider's payment of the Early Unwind Amount to Bank will be addressed by Borrower to Bank, and Borrower will not seek legal or other recourse or remedy from or with respect to Fixed Rate Provider on account of any such payment to Bank.

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.

NOTICE OF ORAL AGREEMENTS. 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.

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 SEPTEMBER 18, 2018.

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

Loan No: 111560207

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GRANTOR:

DACODO, LLC

By: 

Daniel R. Mitzel, Member/Manager of Dacodo, LLC

By: 

Donald G. DeBode, Manager of Dacodo, LLC

WATSON PROPERTIES, A LIMITED PARTNERSHIP

MOUNTAIN GLEN MANAGEMENT, L.L.C., General Partner of Watson Properties, a
Limited PartnershipBy: 

Bradley W. Watson, Member of Mountain Glen Management, L.L.C.

LENDER:

FIRST FINANCIAL NORTHWEST BANK

x 

Michael Lum, FVP / Commercial Banking Manager

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF WA

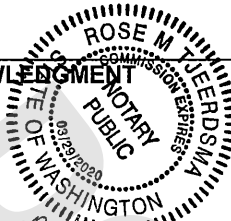
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COUNTY OF Snohomish

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On this 27 day of Sept, 20 18, before me, the undersigned Notary Public, personally appeared Daniel R. Mitzel, Member/Manager of Dacodo, 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: Notary Public in and for the State of WAResiding at BurlingtonMy commission expires 3/29/20

Loan No: 111560207

MODIFICATION OF DEED OF TRUST (Continued)

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LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

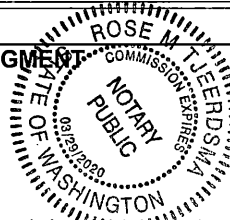
STATE OF WACOUNTY OF Skagit

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On this 27 day of Sept, 20 18, before me the undersigned Notary Public, personally appeared **Donald G. DeBode, Manager of Dacodo, 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 Rose M Tjerdema
Notary Public in and for the State of WA

Residing at Burlington
My commission expires 3/29/20



PARTNERSHIP ACKNOWLEDGMENT

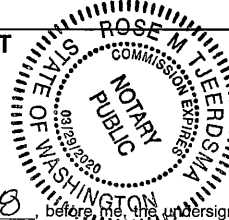
STATE OF WACOUNTY OF Skagit

) SS)

On this 27 day of Sept, 20 18, before me the undersigned Notary Public, personally appeared **Bradley W. Watson, Member of Mountain Glen Management, LLC, General Partner of Watson Properties, a Limited Partnership**, and personally known to me or proved to me on the basis of satisfactory evidence to be a partner or designated agent of the partnership that executed the Modification of Deed of Trust and acknowledged the Modification to be the free and voluntary act and deed of the partnership, by authority of statute or its Partnership 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 partnership.

By Rose M Tjerdema
Notary Public in and for the State of WA

Residing at Burlington
My commission expires 3/29/20



LENDER ACKNOWLEDGMENT

STATE OF WACOUNTY OF Skagit

) SS)

On this 27 day of Sept, 20 18, before me the undersigned Notary Public, personally appeared **Michael Lum** and personally known to me or proved to me on the basis of satisfactory evidence to be the **FVP / Commercial Banking Manager**, authorized agent for **First Financial Northwest Bank** that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of **First Financial Northwest Bank**, duly authorized by **First Financial Northwest Bank** 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 **First Financial Northwest Bank**.

By Rose M Tjerdema
Notary Public in and for the State of WA

Residing at Burlington
My commission expires 3/29/20

