

RETURN ADDRESS:

Verity Credit Union
Attn: Commercial Loans
P. O. Box 75974
Seattle, WA 98175

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

SUBORDINATION OF DEED OF TRUST

Reference: 202205090058, 202205120032 and 202406120029

Reference # (if applicable): Loan #8168950

Additional on page ____

Grantor(s):

- 1. WHC - Uptowne Studios, LLC
- 2. JG Exchange, LLC
- 3. 11th Street Ventures LLC 500151360
- 4. WHP - 1 Elm Street JV, LLC Chicago
- 5. North Creek Capital Fund I, LLC

Grantee(s)

- 1. Verity Credit Union

Legal Description: PTN LT 43, BURLINGTON ACREAGE PROPERTY

Tax Account No.: P62568 / 3867-000-043-1805 and P62569 / 3867-000-043-1904

Additional on page ____

Assessor's Tax Parcel ID#: P62568 / 3867-000-043-1805 and P62569 / 3867-000-043-1904

THIS SUBORDINATION OF DEED OF TRUST dated June 3, 2024, is made and executed among North Creek Capital Fund I, LLC ("Beneficiary"); WHC - Uptowne Studios, LLC; 11th Street Ventures LLC; JG Exchange, LLC; and WHP - 1 Elm Street JV, LLC ("Borrower"); and Verity Credit Union ("Lender").

SUBORDINATION OF DEED OF TRUST (Continued)

Loan No: 8168950

Page 2

SUBORDINATED INDEBTEDNESS. Beneficiary has extended the following described financial accommodations, secured by the Real Property (the "Subordinated Indebtedness"):

Deed of Trust in the amount of Three Hundred Seventy Five Thousand And No/100 Dollars (\$375,000.00). The Deed of Trust secures the property located at 200 Lodean Drive, Burlington, WA 98233 in Skagit County.

SUBORDINATED DEED OF TRUST. The Subordinated Indebtedness is or will be secured by the Real Property and evidenced by a deed of trust dated May 5, 2022 from WHC - Uptowne Studios, LLC; 11th Street Ventures LLC; JG Exchange, LLC; and WHP 1 - Elm Street JV, LLC ("Trustor") to Anderson Hunter Law Firm, P.S. ("Trustee") in favor of North Creek Capital Fund I, LLC ("Beneficiary") (the "Subordinated Deed of Trust") and recorded in Skagit County, State of Washington as follows:

Recording Date: May 9, 2022
Recording No.: 202205090058
and Re-Recording Date: May 12, 2022
and Re-Recording No.: 202205120032.

REAL PROPERTY DESCRIPTION. The Subordinated Deed of Trust covers the following described real property (the "Real Property") located in Skagit County, State of Washington:

PARCEL A:
 THE WEST HALF OF THE NORTH HALF OF THE SOUTH HALF OF THE EAST HALF OF LOT 43, PLAT OF THE BURLINGTON ACREAGE PROPERTY, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 1 OF PLATS, PAGE 49, RECORDS OF SKAGIT COUNTY, WASHINGTON;
 EXCEPT THAT PORTION CONVEYED TO THE CITY OF BURLINGTON BY DEED DATED JANUARY 20, 1958, AND RECORDED SEPTEMBER 24, 1958, UNDER RECORDING NO. 585859, RECORDS OF SKAGIT COUNTY, WASHINGTON;
 AND EXCEPT THAT PORTION DESCRIBED AS FOLLOWS:
 BEGINNING AT THE NORTHEAST CORNER OF SAID SUBDIVISION;
 THENCE SOUTH 02°14'09" WEST A DISTANCE OF 67.30 FEET;
 THENCE NORTH 88°21'40" WEST A DISTANCE OF 311.62 FEET, MORE OR LESS, TO THE WEST LINE OF SAID SUBDIVISION;
 THENCE NORTH 02°12'45" EAST A DISTANCE OF 68.32 FEET;
 THENCE EAST ALONG THE NORTH LINE OF SAID SUBDIVISION TO THE POINT OF BEGINNING.
 SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON.

PARCEL B:
 THAT PORTION OF THE WEST HALF OF THE NORTH HALF OF THE SOUTH HALF OF THE EAST HALF OF SAID LOT 43, PLAT OF THE BURLINGTON ACREAGE PROPERTY, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 1 OF PLATS, PAGE 49, RECORDS OF SKAGIT COUNTY, WASHINGTON;
 BEGINNING AT THE NORTHEAST CORNER OF SAID SUBDIVISION;
 THENCE SOUTH 02°14'09" WEST A DISTANCE OF 67.30 FEET;
 THENCE NORTH 88°21'40" WEST A DISTANCE OF 311.62 FEET, MORE OR LESS, TO THE WEST LINE OF SAID SUBDIVISION;
 THENCE NORTH 02°12'45" EAST A DISTANCE OF 68.32;
 THENCE EAST ALONG THE NORTH LINE OF SAID SUBDIVISION TO THE POINT OF BEGINNING;
 AND THE WEST HALF OF THAT PORTION OF THE NORTH HALF OF THE EAST HALF OF LOT 43, PLAT OF THE BURLINGTON ACREAGE PROPERTY, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 1 OF PLATS, PAGE 49, RECORDS OF SKAGIT COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:
 BEGINNING AT THE SOUTHEAST CORNER OF SAID SUBDIVISION;
 THENCE WEST ALONG THE SOUTH LINE OF SAID SUBDIVISION TO THE SOUTHWEST CORNER THEREOF;
 THENCE NORTH 18.4 FEET;
 THENCE EAST TO A POINT 20.2 FEET NORTH OF THE POINT OF BEGINNING;
 THENCE SOUTH 20.2 FEET TO THE TRUE POINT OF BEGINNING;
 EXCEPT THAT PORTION CONVEYED TO THE CITY OF BURLINGTON BY DEED DATED JANUARY 20, 1958, AND RECORDED SEPTEMBER 24, 1959, UNDER RECORDING NO. 585859, RECORDS OF SKAGIT COUNTY, WAHSINGTON.
 SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON.

The Real Property or its address is commonly known as 200 Lodean Drive, Burlington, WA 98233. The Real Property tax identification number is P62568 / 3867-000-043-1805 and P62569 / 3867-000-043-1904.

SUPERIOR INDEBTEDNESS. Lender has extended or has agreed to extend the following described financial accommodations to Borrower, secured by the Real Property (the "Superior Indebtedness"):

Promissory Note between Verity Credit Union and WHC - Uptowne Studios, LLC, 11th Street Ventures LLC, JG

**SUBORDINATION OF DEED OF TRUST
(Continued)**

Loan No: 8168950

Page 3

Exchange, LLC, WHP 1 - Elm Street JV, LLC secured by a Deed of Trust in the amount of Four Million Four Hundred Thousand And No/100 Dollars (\$4,400,000). The Deed of Trust secures the property located at 200 Lodean Drive, Burlington, WA 98233 in Skagit County.

LENDER'S LIEN. The Superior Indebtedness is or will be secured by the Real Property and evidenced by a mortgage, deed of trust, or other lien instrument, dated June 3, 2024, from Borrower to Lender (the "Lender's Lien"). As a condition to the granting of the requested financial accommodations, Lender has required that the Lender's Lien be and remain superior to the Subordinated Deed of Trust.

REQUESTED FINANCIAL ACCOMMODATIONS. Trustor, who may or may not be the same person or entity as Borrower, and Beneficiary each want Lender to provide financial accommodations to Borrower in the form of the Superior Indebtedness. Trustor and Beneficiary each represent and acknowledge to Lender that Beneficiary will benefit as a result of these financial accommodations from Lender to Borrower, and Beneficiary acknowledges receipt of valuable consideration for entering into this Subordination.

NOW THEREFORE THE PARTIES TO THIS SUBORDINATION HEREBY AGREE AS FOLLOWS:

SUBORDINATION. The Subordinated Deed of Trust and the Subordinated Indebtedness secured by the Subordinated Deed of Trust is and shall be subordinated in all respects to Lender's Lien and the Superior Indebtedness, and it is agreed that Lender's Lien shall be and remain, at all times, prior and superior to the lien of the Subordinated Deed of Trust. The words "Security Interest" mean and include without limitation any type of collateral security, whether in the form of a lien, charge, mortgage, deed of trust, assignment, pledge, chattel mortgage, chattel trust, factor's lien, equipment trust, conditional sale, trust receipt, lien or title retention contract, lease or consignment intended as a security device, or any other security or lien interest whatsoever, whether created by law, contract, or otherwise.

BENEFICIARY'S REPRESENTATIONS AND WARRANTIES. Beneficiary represents and warrants to Lender that: (A) no representations or agreements of any kind have been made to Beneficiary which would limit or qualify in any way the terms of this Subordination; (B) this Subordination is executed at Borrower's request and not at the request of Lender; (C) Lender has made no representation to Beneficiary as to the creditworthiness of Borrower; and (D) Beneficiary has established adequate means of obtaining from Borrower on a continuing basis information regarding Borrower's financial condition. Beneficiary agrees to keep adequately informed from such means of any facts, events, or circumstances which might in any way affect Beneficiary's risks under this Subordination, and Beneficiary further agrees that Lender shall have no obligation to disclose to Beneficiary information or material acquired by Lender in the course of its relationship with Beneficiary.

BENEFICIARY WAIVERS. Beneficiary waives any right to require Lender: (A) to make, extend, renew, or modify any loan to Borrower or to grant any other financial accommodations to Borrower whatsoever; (B) to make any presentment, protest, demand, or notice of any kind, including notice of any nonpayment of any Superior Indebtedness secured by Lender's Lien, or notice of any action or nonaction on the part of Borrower, Lender, any surety, endorser, or other guarantor in connection with the Superior Indebtedness, or in connection with the creation of new or additional indebtedness; (C) to resort for payment or to proceed directly or at once against any person, including Borrower; (D) to proceed directly against or exhaust any collateral held by Lender from Borrower, any other guarantor, or any other person; (E) to give notice of the terms, time, and place of any public or private sale of personal property security held by Lender from Borrower or to comply with any other applicable provisions of the Uniform Commercial Code; (F) to pursue any other remedy within Lender's power; or (G) to commit any act or omission of any kind, at any time, with respect to any matter whatsoever.

LENDER'S RIGHTS. Lender may take or omit any and all actions with respect to Lender's Lien without affecting whatsoever any of Lender's rights under this Subordination. In particular, without limitation, Lender may, without notice of any kind to Beneficiary, (A) make one or more additional secured or unsecured loans to Borrower; (B) repeatedly alter, compromise, renew, extend, accelerate, or otherwise change the time for payment or other terms of the Superior Indebtedness or any part of it, including increases and decreases of the rate of interest on the Superior Indebtedness; extensions may be repeated and may be for longer than the original loan term; (C) take and hold collateral for the payment of the Superior Indebtedness, and exchange, enforce, waive, and release any such collateral, with or without the substitution of new collateral; (D) release, substitute, agree not to sue, or deal with any one or more of Borrower's sureties, endorsers, or guarantors on any terms or manner Lender chooses; (E) determine how, when and what application of payments and credits, shall be made on the Superior Indebtedness; (F) apply such security and direct the order or manner of sale of the security, as Lender in its discretion may determine; and (G) transfer this Subordination to another party.

DEFAULT BY BORROWER. If Borrower becomes insolvent or bankrupt, this Subordination shall remain in full force and effect. Any default by Borrower under the terms of the Subordinated Indebtedness also shall constitute an event of default under the terms of the Superior Indebtedness in favor of Lender.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Subordination:

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this

**SUBORDINATION OF DEED OF TRUST
(Continued)**

Loan No: 8168950

Page 4

Subordination, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. Beneficiary also will pay any court costs, in addition to all other sums provided by law.

Authority. The person who signs this Subordination as or on behalf of Beneficiary represents and warrants that he or she has authority to execute this Subordination and to subordinate the Subordinated Indebtedness and the Beneficiary's security interests in Beneficiary's property, if any.

Governing Law. This Subordination will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Washington without regard to its conflicts of law provisions. This Subordination has been accepted by Lender in the State of Washington.

Choice of Venue. If there is a lawsuit, Beneficiary agrees upon Lender's request to submit to the jurisdiction of the courts of King County, State of Washington.

Successors. This Subordination shall extend to and bind the respective heirs, personal representatives, successors and assigns of the parties to this Subordination, and the covenants of Beneficiary herein in favor of Lender shall extend to, include, and be enforceable by any transferee or endorsee to whom Lender may transfer any or all of the Superior Indebtedness.

Waive Jury. All parties to this Subordination hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

EACH PARTY TO THIS SUBORDINATION ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS SUBORDINATION, AND EACH PARTY AGREES TO ITS TERMS. THIS SUBORDINATION IS DATED JUNE 3, 2024.

**SUBORDINATION OF DEED OF TRUST
(Continued)**

Loan No: 8168950

Page 5

BORROWER:

WHC - UPTOWNE STUDIOS, LLC

By: Zachary Goodwin, Manager of WHC - Uptowne Studios, LLC

11TH STREET VENTURES LLC

By: Zachary Goodwin, Manager of 11th Street Ventures LLC

JG EXCHANGE, LLC

By: Jay Goodwin, Member/Manager of JG Exchange, LLC

WHP - 1 ELM STREET JV, LLC

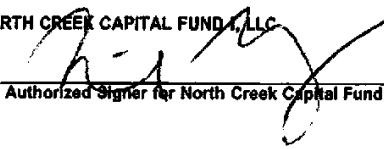
WEST HILL PARTNERS, LLC, Manager of WHP - 1 Elm Street JV, LLC

By: Zachary Goodwin, Member/Manager of West Hill Partners, LLC

By: Adam Pearson, Member/Manager of West Hill Partners, LLC

BENEFICIARY:

NORTH CREEK CAPITAL FUND I, LLC

By:  Authorized Signer for North Creek Capital Fund I, LLC

By: Authorized Signer for North Creek Capital Fund I, LLC

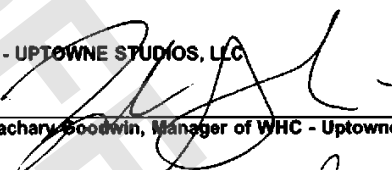
**SUBORDINATION OF DEED OF TRUST
(Continued)**

Loan No: 8168950

Page 5

BORROWER:

WHC - UPTOWNE STUDIOS, LLC

By: 
Zachary Goodwin, Manager of WHC - Uptowne Studios, LLC

11TH STREET VENTURES LLC

By: 
Zachary Goodwin, Manager of 11th Street Ventures LLC

JG EXCHANGE, LLC

By: 
Jay Goodwin, Member/Manager of JG Exchange, LLC

WHP - 1 ELM STREET JV, LLC

WEST HILL PARTNERS, LLC, Manager of WHP - 1 Elm Street JV, LLC

By: 
Zachary Goodwin, Member/Manager of West Hill Partners, LLC

By: 
Adam Pearson, Member/Manager of West Hill Partners, LLC

BENEFICIARY:

NORTH CREEK CAPITAL FUND I, LLC

By: _____
Authorized Signer for North Creek Capital Fund I, LLC

By: _____
Authorized Signer for North Creek Capital Fund I, LLC

**SUBORDINATION OF DEED OF TRUST
(Continued)**

Loan No: 8168950

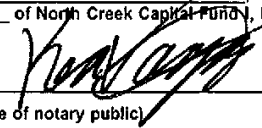
Page 11

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF WA

COUNTY OF King

This record was acknowledged before me on June 11th, 2024 by
Michael Vincent Meyer, Authorized Signer of North Creek Capital Fund, LLC.


(Signature of notary public)



Notary
(Title of office)

My commission expires:

7/23/25
(date)

**SUBORDINATION OF DEED OF TRUST
(Continued)**

Loan No: 8168950

Page 6

LENDER:

VERITY CREDIT UNION

x *Dani Miller*
Authorized Officer

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Snohomish)

This record was acknowledged before me on June 10, 2024 by Zachary Goodwin, Manager of WHC - Uptowne Studios, LLC.

Sharon E. Schoonover
(Signature of notary public)

NOTARY PUBLIC
STATE OF WASHINGTON
SHARON E. SCHOONOVER
License Number 173976
My Commission Expires 09-04-2026

Notary Public
(Title of office)
My commission expires: 9-4-24
(date)

**SUBORDINATION OF DEED OF TRUST
(Continued)**

Loan No: 8168950

Page 7

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Snohomish)

This record was acknowledged before me on June 10, 2024 by Zachary Goodwin, Manager of 11th Street Ventures LLC.

[Signature]
(Signature of notary public)

NOTARY PUBLIC
STATE OF WASHINGTON
SHARON E. SCHOONOVER
License Number 173976
My Commission Expires 09-04-2026

Notary Public
(Title of office)

My commission expires:
9-4-26
(date)

**SUBORDINATION OF DEED OF TRUST
(Continued)**

Loan No: 8168950

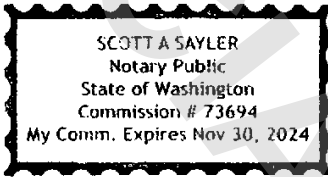
Page 8

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Snohomish)

This record was acknowledged before me on June, 2024 by Jay Goodwin,
Member/Manager of JG Exchange, LLC.

Scott A. Saylor
(Signature of notary public)



Scott A Saylor Notary Public
(Title of office)
My commission expires:
11/30/24
(date)

**SUBORDINATION OF DEED OF TRUST
(Continued)**

Loan No: 8168950

Page 9

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Snohomish)

This record was acknowledged before me on June 10, 2024 by Zachary Goodwin, Member/Manager of West Hill Partners, LLC, Manager of WHP - 1 Elm Street JV, LLC.

[Signature]
(Signature of notary public)

NOTARY PUBLIC
STATE OF WASHINGTON
SHARON E. SCHOONOVER
License Number 173976
My Commission Expires 09-04-2026

Notary Public
(Title of office)
My commission expires:
9-4-26
(date)

**SUBORDINATION OF DEED OF TRUST
(Continued)**

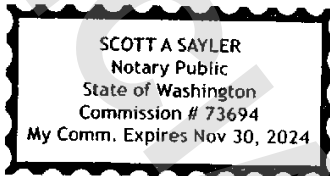
Loan No: 8168950

Page 10

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Skagit)

This record was acknowledged before me on June 10, 2024 by Adam Pearson,
Member/Manager of West Hill Partners, LLC, Manager of WHP - 1 Elm Street JV, LLC.



Scott A. Saylor
(Signature of notary public)

Scott A. Saylor Notary Public
(Title of office)

My commission expires:
11/30/24
(date)

**SUBORDINATION OF DEED OF TRUST
(Continued)**

Loan No: 8168950

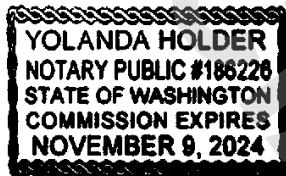
Page 13

LENDER ACKNOWLEDGMENT

STATE OF WA)
) SS
COUNTY OF KING)

This record was acknowledged before me on 5/31, 2024 by DOMINIC
HORI as Commercial Lending Analyst of Verity Credit Union.

Yolanda Holder
(Signature of notary public)



NOTARY
(Title of office)

My commission expires:
11/9/2024
(date)