

RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:

SALEM VILLAGE LIMITED PARTNERSHIP  
c/o SALEM VILLAGE  
P. O. Box 2116  
Mount Vernon, Washington 98273

9811300304

SKAGIT COUNTY WASHINGTON

98 NOV 30 P4:07

MEMORANDUM OF OPTION AND RIGHT OF FIRST REFUSAL

This Memorandum of Option and Right of First Refusal ("Memorandum") is entered into as of the 1st day of November, 1998, between **Salem Village Limited Partnership**, a Washington limited partnership ("Owner"), and **Salem Village**, a Washington nonprofit corporation ("Optionee"), with respect to that certain Option and Right of First Refusal Agreement ("Agreement") dated July 1, 1998, between Owner and Optionee.

Pursuant to the Agreement, Owner hereby grants to Optionee the right, on the terms and conditions stated in the Agreement, to purchase the improvements consisting of 46 residential units for low-income households located in Washington and the land on which the improvements are situated, which is more particularly described on Exhibit A, attached hereto and made a part hereof by this reference (together, the "Project").

This option shall commence on approximately January 1, 2013, and shall expire on December 31, 2013.

This Memorandum shall incorporate all the terms and provisions of the Agreement as though fully set forth herein.

This Memorandum is solely for recording purposes and shall not be construed to alter, modify, amend, or supplement the Agreement, of which this is a memorandum.

SKAGIT COUNTY WASHINGTON  
Real Estate Excise Tax

NOV 30 1998

Amount Paid \$ -  
By Skagit Co. Treasurer Deputy

FIRST AMERICAN TITLE CO.

S3295

8-34-4 GOVT LOT 7

340408-0-013-0003

340408-0-013-0400

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WHEREFORE, the parties have executed this Memorandum as of the date first hereinabove written.

**SALEM VILLAGE LIMITED PARTNERSHIP,**  
a Washington limited partnership

By: **SALEM VILLAGE**  
a Washington nonprofit corporation,  
its managing general partner

By:   
Kent Haberly, President

**SALEM VILLAGE**  
a Washington nonprofit corporation

By:   
Kent Haberly, President

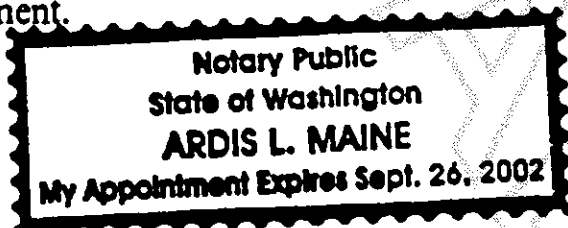
9811300304

-2-

BK1906PG0148

State of Washington )  
 )  
County of King )

On this 24th day of Nov., 1998, before me, the undersigned, a Notary Public in and for said state, personally appeared Kent Haberly, personally known to me or proved to me on the basis of satisfactory evidence to be the President of **Salem Village**, the managing general partner of **Salem Village Limited Partnership**, and acknowledged to me that said corporation executed the same as such partner and that such limited partnership executed the within instrument.



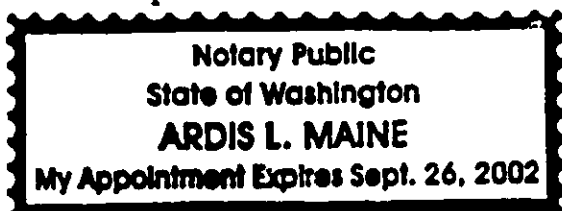
WITNESS my hand and official seal.

Ardis L. Maine

Notary Public in and for said state  
Residing in **Shoreline**  
My appointment expires: 9-26-02

State of Washington )  
 )  
County of King )

On this 24<sup>th</sup> day of November, 1998, before me, the undersigned, a Notary Public in and for said state, personally appeared Kent Haberly, personally known to me or proved to me on the basis of satisfactory evidence to be the President of **Salem Village** and acknowledged to me that said corporation executed the within instrument.



WITNESS my hand and official seal.

Ardis L. Maine

Notary Public in and for said state  
Residing in **Shoreline**  
My appointment expires: 9-26-02

**EXHIBIT A  
PROPERTY DESCRIPTION**

The land referred to herein is situated in the County of Skagit, State of Washington, and is described as follows:

Lot 2, of Mt. Vernon Short Plat No. MV-8-94, approved July 1, 1997, and recorded July 1, 1997, under Auditor's File No. 9707010107 in Volume 13 of Short Plats, Page 18, records of Skagit County, Washington.

TOGETHER with that portion of Lot 3, of said Mt. Vernon Short Plat No. MV-8-94, described as follows:

Beginning at the Northeast corner of said Lot 3; thence North 87 degrees 57'29" West, along the North line of said Lot 3, a distance of 53.24 feet to an angle point in said Lot 3; thence South 21 degrees 12'42" West, along the boundary of said Lot 3, a distance of 57.20 feet; thence South 0 degrees 11'21" West, parallel with the East line of said Lot 3, a distance of 475.65 feet to a point on the North line of a 60.00-foot wide utility and access easement as shown on said short plat, said point lies North 87 degrees 57'29" West, 53.64 feet from the Southwest corner of Lot 2 of said short plat; thence South 87 degrees 57'29" East, along said North line, 53.64 feet to said Southwest corner; thence North 0 degrees 11'21" East, along said East line of Lot 3, also being the West line of said Lot 2, a distance of 229.71 feet to an angle point in said Lot 3, said angle point also being the Northwest corner of said Lot 2, thence South 87 degrees 57'29" East, along the North line of said Lot 2, a distance of 20.14 feet to an angle point in said Lot 3; thence North 0 degrees 11'21" East, along said East line of Lot 3, a distance of 300.00 feet to the POINT OF BEGINNING.