

KATHY HILL
SKAGIT COUNTY RECORDER

WHEN RECORDED RETURN TO:

BRIAR DEVELOPMENT COMPANY
2211 Rimland Drive
Bellingham, Washington 98226
Attention: Thomas F. Kenney

'99 APR -1 AM 50

RECORDED _____ FILED _____
REQUEST OF _____

9904010055

Document Title: Memorandum of Lease
Grantor: Briar Development Company ("Lessor")
Grantee: Hagggen, Inc. ("Lessee")
Legal Description: Abbreviated Legal Description:

Ptn. NW, Sec. 21, T34N, R4E W.M.

Assessor's Tax Parcel Nos.: 340421-2-001-0006 and 340421-2-006-0001
Reference Nos. of Documents Released or Assigned: n/a

ISLAND TITLE CO. MEMORANDUM OF LEASE

SB-141000 ✓

THIS MEMORANDUM OF LEASE is made and entered into as of March 17, 1999, by and between BRIAR DEVELOPMENT COMPANY, a Washington general partnership, as Lessor, and HAGGEN, INC., a Washington corporation, as Lessee.

1. Lease. Lessor hereby leases to Lessee upon the terms and conditions of that certain lease (the "Lease") executed between the parties as of the 17th day of March, 1999, the real property situate in the county of Skagit, state of Washington, the legal description of which is attached hereto as Exhibit A, and incorporated herein by this reference.
2. Term. The Lease is for the term described in the Lease, together with options to extend.
3. Purpose of Memorandum of Lease. This Memorandum of Lease is prepared and executed for the purpose of recordation, and it in no way modifies the Lease.

9904010055

BK 1968 PG 0228

The parties hereby have executed this Memorandum of Lease on the date first set forth above.

BRIAR DEVELOPMENT COMPANY

HAGGEN, INC.

By [Signature]
Title PRESIDENT & CEO 3/29/99

By [Signature]
Title PRESIDENT & CEO 3/29/99

SKAGIT COUNTY WASHINGTON
Real Estate Excise Tax

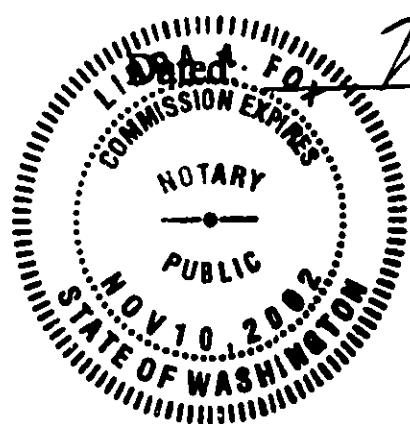
APR 1 1999

Amount Paid \$
Skagit Co. Treasurer
By Deputy

UNOFFICIAL

STATE OF WASHINGTON)
) ss.
COUNTY OF WHATCOM)

I certify that I know or have satisfactory evidence that DALE HENLEY is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the PRES & CEO of Briar Development Company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

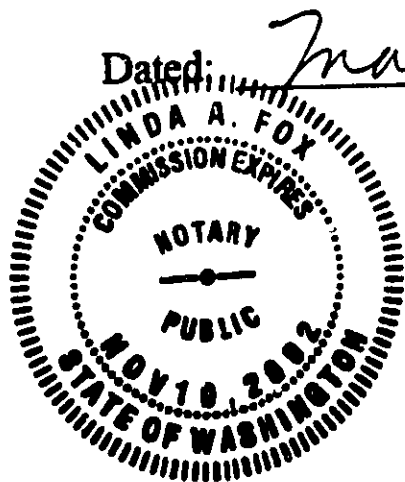


Dated: Mar. 29/99

Linda A. Fox
Notary Public of Washington
Residing at Blaine, WA
My appointment expires: NOV 10/2002

STATE OF WASHINGTON)
) ss.
COUNTY OF WHATCOM)

I certify that I know or have satisfactory evidence that DALE HENLEY is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the PRES & CEO of Haggen Inc., to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



Dated: Mar. 29/99

Linda A. Fox
Notary Public of Washington
Residing at Blaine, WA
My appointment expires: NOV 10/2002

EXHIBIT A

Legal Description

LOT 1, SP NO. MV-5-98

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE SOUTH HALF OF THE NORTHWEST QUARTER OF SECTION 21, TOWNSHIP 34 NORTH, RANGE 4 EAST, WILLAMETTE MERIDIAN, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF THE EAST HALF OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 21; THENCE FROM SAID POINT OF COMMENCEMENT, ALONG THE EAST LINE OF SAID EAST HALF, $N00^{\circ}40'14''E$ 40.00 FEET TO THE TRUE POINT OF BEGINNING OF THIS LOT 1; THENCE FROM SAID TRUE POINT OF BEGINNING, ALONG A LINE THAT IS PARALLEL WITH AND 40.00 FEET NORTHERLY OF THE SOUTH LINE OF SAID EAST HALF $N88^{\circ}41'20''W$ 224.47 FEET; THENCE LEAVING SAID PARALLEL LINE, TANGENT TO THE PRECEDING COURSE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 25.00 FEET AND A CENTRAL ANGLE OF $89^{\circ}59'58''$, AN ARC LENGTH OF 39.27 FEET; THENCE TANGENT TO THE PRECEDING CURVE, $N01^{\circ}18'38''E$ 21.09 FEET; THENCE TANGENT TO THE PRECEDING COURSE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 230.00 FEET AND A CENTRAL ANGLE OF $20^{\circ}27'40''$, AN ARC LENGTH OF 82.14 FEET; THENCE TANGENT TO THE PRECEDING CURVE $N15^{\circ}09'02''W$ 16.06 FEET; THENCE TANGENT TO THE PRECEDING COURSE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 270.00 FEET AND A CENTRAL ANGLE OF $46^{\circ}30'06''$, AN ARC LENGTH OF 219.13 FEET; THENCE TANGENT TO THE PRECEDING CURVE $N27^{\circ}21'04''E$ 297.57 FEET; THENCE TANGENT TO THE PRECEDING COURSE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 145.00 FEET AND A CENTRAL ANGLE OF $51^{\circ}29'08''$, AN ARC LENGTH OF 130.30 FEET; THENCE TANGENT TO THE PRECEDING CURVE $N78^{\circ}50'12''E$ 34.33 FEET; THENCE TANGENT TO THE PRECEDING COURSE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 23.00 FEET AND A CENTRAL ANGLE OF $58^{\circ}20'54''$, AN ARC LENGTH OF 23.42 FEET TO A POINT OF REVERSE CURVATURE; THENCE TANGENT TO THE PRECEDING CURVE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 78.00 FEET AND A CENTRAL ANGLE OF $80^{\circ}53'15''$, AN ARC LENGTH OF 110.12 FEET TO A POINT OF NON-TANGENCY; THENCE FROM A TANGENT THAT BEARS $S78^{\circ}34'20''E$, ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 29.50 FEET AND A CENTRAL ANGLE OF $27^{\circ}08'36''$, AN ARC LENGTH OF 13.98 FEET; THENCE TANGENT TO THE PRECEDING CURVE $S51^{\circ}25'44''E$ 216.95 FEET; THENCE TANGENT TO THE PRECEDING COURSE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 94.50 FEET, AND A CENTRAL ANGLE OF $78^{\circ}46'48''$, AN ARC LENGTH OF 129.93 FEET; THENCE TANGENT TO THE PRECEDING CURVE $S27^{\circ}21'04''W$ 170.82 FEET; THENCE TANGENT TO THE PRECEDING COURSE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 80.50 FEET AND A CENTRAL ANGLE OF $26^{\circ}35'31''$, AN ARC LENGTH OF 37.36 FEET; THENCE NON-RADIAL TO THE PRECEDING CURVE, $S86^{\circ}25'24''E$ 38.55 FEET; THENCE $S00^{\circ}45'33''W$ 229.73 FEET; THENCE TANGENT TO THE PRECEDING COURSE ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 35.00 FEET AND A CENTRAL ANGLE OF $28^{\circ}31'23''$, AN ARC LENGTH OF 17.42 FEET TO A LINE THAT IS PARALLEL WITH AND 40.00 FEET NORTHERLY OF THE SOUTH LINE OF THE WEST HALF OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 21; THENCE ALONG LAST SAID PARALLEL LINE, $N88^{\circ}41'30''W$ 101.35 FEET; THENCE $N01^{\circ}18'30''E$ 5.00 FEET TO A LINE THAT IS PARALLEL WITH AND 45.00 FEET NORTHERLY OF LAST SAID SOUTH LINE; THENCE ALONG LAST SAID PARALLEL LINE, $N88^{\circ}41'30''W$ 174.16 FEET; THENCE $S01^{\circ}18'30''W$ 5.00 FEET TO SAID LINE THAT IS PARALLEL WITH AND 40.00 FEET NORTHERLY OF LAST SAID SOUTH LINE, THENCE ALONG LAST SAID PARALLEL LINE, $N88^{\circ}41'30''W$ 25.63 FEET TO THE TRUE POINT OF BEGINNING.

SITUATE IN THE CITY OF MOUNT VERNON, COUNTY OF SKAGIT, STATE OF WASHINGTON.

CONTAINING AN AREA OF 352266 SQUARE FEET OR 8.087 ACRES OF LAND, MORE OR LESS.

MEMORANDUM OF LEASE
[26463-0024/SB990760.142]

PAGE 4
03/24/99

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