

After recording return to:

American Commercial Capital LLC  
5963 La Place Court, Suite 300  
Carlsbad, CA 92008  
Attention: James Kendrick Noble III



199907270099

Kathy Hill, Skagit County Auditor  
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**MEMORANDUM OF LEASE**

1616 Freeway Dr., Mt. Vernon, WA

**ISLAND TITLE CO.**

SB-14913 ✓

**Grantor:** Israel Group, Inc., a Washington corporation, Lessor  
(successor-in-interest to Morris N. Israel)

**Grantee:** Q Lube, Inc., a Delaware corporation (successor-in-interest  
through the merger of Quaker State Minit-Lube, Inc., a  
Delaware corporation, and Arctic Circle, Inc., a Utah  
corporation, as of November, 14, 1985, Quaker-State Minit-  
Lube having changed its name to Q Lube, Inc. as of December  
9, 1993), Lessee

**Full Legal Description  
of "Premises":**

SKAGIT COUNTY WASHINGTON  
Real Estate Excise Tax

As described on Exhibit "A"

Situate in the County of Skagit, State of Washington

JUL 27 1999

Amount Paid \$  
By Skagit Co. Treasurer Deputy

(ALSO KNOWN AS Tract B of that certain survey recorded  
April 22, 1983 in Volume 5 of Surveys, at Page 5 under  
Auditor's File No. 8304220009.)

**Tax Parcel No.** 340418-4-010-0006

THIS MEMORANDUM OF LEASE is made as of the 16th day of July, 1999, by and  
between Israel Group, Inc., as Landlord, and Q Lube, Inc., as Tenant, with respect to that certain  
Lease Agreement dated September 1, 1983 between Landlord and Tenant (the "Lease"), who  
agree as follows:

1. **Premises.** Landlord leases to Tenant and Tenant leases from Landlord all those certain Premises described above situated in the County of Skagit, State of Washington, and incorporated herein by this reference the ("Premises").

2. **Term.** The lease is in effect for a term commencing on the 1st day of October, 1983, and ending on the 30th day of September, 2003, and lessee's two five-year options to renew thereafter.

3. **Purpose of Memorandum.** This Memorandum of Lease is for notice purposes only, and shall in no way be deemed to modify or amend the provisions of the Lease.

IN WITNESS WHEREOF, this Memorandum of Lease has been executed by Landlord and Tenant as of the date and year first above written.

**LESSOR:**

**ISRAEL GROUP, INC., a Washington corporation**

By: \_\_\_\_\_  
Typed Name: David Israel  
Its: \_\_\_\_\_

**LESSEE:**

**Q LUBE, INC., a Delaware Corporation**

By: Christopher R. Curia  
Typed Name: Christopher R. Curia  
Its: Vice President



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STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF KING )

On this day personally appeared before me David Israel, to me known to be the individual described in and who executed the within and foregoing instrument, as the \_\_\_\_\_ of ISRAEL GROUP, INC., a Washington corporation, and acknowledged that he signed the same as his free and voluntary act for the uses and purposes therein mentioned on behalf of said corporation.

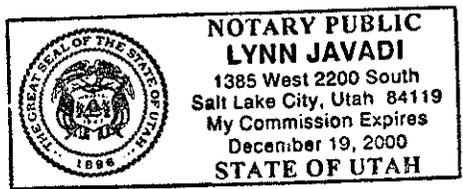
GIVEN UNDER MY HAND AND OFFICIAL SEAL this \_\_\_\_\_ day of \_\_\_\_\_, 1999.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of  
Washington, residing at \_\_\_\_\_  
My commission expires: \_\_\_\_\_

STATE OF Utah )  
 ) ss.  
COUNTY OF Salt Lake )

On this day personally appeared before me Christopher Curato to me known to be the individual described in and who executed the within and foregoing instrument, as the Vice President of Q LUBE, INC., a Delaware corporation, and acknowledged that he/she signed the same as his/her free and voluntary act for the uses and purposes therein mentioned on behalf of said corporation.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 22<sup>nd</sup> day of July, 1999.



[Signature]  
\_\_\_\_\_  
NOTARY PUBLIC in and for the State of  
Utah, residing at Salt Lake City  
My commission expires: 12-19-00



Kathy Hill, Skagit County Auditor

1. **Premises.** Landlord leases to Tenant and Tenant leases from Landlord all those certain Premises described above situated in the County of Skagit, State of Washington, and incorporated herein by this reference the ("Premises").

2. **Term.** The lease is in effect for a term commencing on the 1st day of October, 1983, and ending on the 30th day of September, 2003, and lessee's two five-year options to renew thereafter.

3. **Purpose of Memorandum.** This Memorandum of Lease is for notice purposes only, and shall in no way be deemed to modify or amend the provisions of the Lease.

IN WITNESS WHEREOF, this Memorandum of Lease has been executed by Landlord and Tenant as of the date and year first above written.

**LESSOR:**

**ISRAEL GROUP, INC., a Washington corporation**

By: David Israel  
Typed Name: David Israel  
Its: President

**LESSEE:**

**Q LUBE, INC., a Delaware Corporation**

By: \_\_\_\_\_  
Typed Name: \_\_\_\_\_  
Its: \_\_\_\_\_



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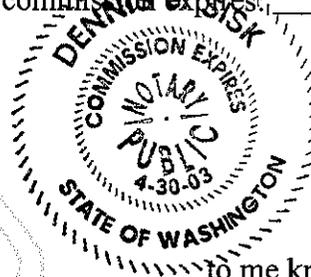
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STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF KING )

On this day personally appeared before me David Israel, to me known to be the individual described in and who executed the within and foregoing instrument, as the PRESIDENT of ISRAEL GROUP, INC., a Washington corporation, and acknowledged that he signed the same as his free and voluntary act for the uses and purposes therein mentioned on behalf of said corporation.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 28 day of July, 1999.

Dennis J. Disk  
NOTARY PUBLIC in and for the State of Washington, residing at Des Moines  
My commission expires: 4-30-03



STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On this day personally appeared before me \_\_\_\_\_ to me known to be the individual described in and who executed the within and foregoing instrument, as the \_\_\_\_\_ of Q LUBE, INC., a Delaware corporation, and acknowledged that he/she signed the same as his/her free and voluntary act for the uses and purposes therein mentioned on behalf of said corporation.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this \_\_\_\_\_ day of \_\_\_\_\_, 1999.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of \_\_\_\_\_, residing at \_\_\_\_\_  
My commission expires: \_\_\_\_\_



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**Exhibit A**  
**Legal Description**

That certain leasehold estate created by the Sublease Agreement dated July 23, 1999, between Q Lube, Inc., a Delaware corporation as landlord, and Belcher and Belcher, Inc., a Washington corporation as tenant, as amended from time to time, and as evidenced by Memorandum of Lease recorded or to be recorded in the real property records where the underlying property subject of the herein described lease is located, covering the following described property:

**PARCEL A**

That portion of the North Half of the Northwest Quarter of the Southeast Quarter of Section 18, Township 34 North, Range 4 East of the Willamette Meridian, lying North of that certain fence line designated in the last paragraph of that certain judgment entered April 28, 1961, in Skagit County Superior Court Case No. 25671, records of Skagit County, Washington; lying West of both Parcel "A" as described in Stipulated Judgment and Decree of Appropriation as to Item No. 1, filed April 21, 1975, in Skagit County Superior Court Case No. 34431, records of Skagit County, Washington, and Parcel "A" as described in Stipulated Judgment and Decree of Appropriation, filed April 24, 1974, in Skagit County Superior Court Cause No. 34117, records of Skagit County, Washington; and lying East of Line 2 as described in said Stipulated Judgment and Decree of Appropriation, in said Skagit County Superior Court Cause No. 34431, records of Skagit County, Washington;

EXCEPT the North 165 feet thereof.

(Also known as Tract B of that certain survey recorded April 22, 1983 in Volume 5 of Surveys, page 5, under Auditor's File No. 8304220009, records of Skagit County, Washington).

Situated in Skagit County, Washington.

**PARCEL B**

An easement to erect a sign on the East 20 feet of the following described property to wit:

The North 165 feet of that portion of the North Half of the North Half of the Northwest Quarter of the Southeast Quarter of Section 18, Township 34 North, Range 4 East of the Willamette Meridian, lying West of Parcel "A" as described in Stipulated Judgment and Decree of Appropriation, filed April 24, 1974, in Skagit County Superior Court Cause No. 34117, records of Skagit County, Washington, and lying East of Line 2 as described in Stipulated Judgment and Decree of Appropriation as to Item No. 1 filed April 21, 1975, in Skagit County Superior Court Cause No. 4431, records of Skagit County, Washington:

EXCEPT the North 50 feet thereof as described in said Stipulated Judgment and Decree of Appropriation as Parcel "B" in said Skagit County Superior Court Cause No. 34117, records of Skagit County, Washington.

ALL situated in Skagit County, Washington.



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