



200101040050

Skagit County Auditor

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Return Address:

Bud Norris

1711 East College Way

Mount Vernon, WA 98273

LAND TITLE COMPANY OF SKAGIT COUNTY

P-95254-E

Document Title(s) (or transactions contained therein):

1. Signage Lease Agreement 3.
2. 4.

Reference Number(s) of Documents assigned or released:

on page of _____ of document

Grantor(s) (Last name, First, Middle Initial)

1. Aiken, Mike
- 2.
- 3.
4. _____ Additional names on page _____ of document.

Grantee(s) (Last name, First, Middle Initial)

1. Norris, Bud
- 2.
- 3.
4. _____ Additional names on page _____ of document.

Legal description: (Lot, block, plat name, section-township-range)

_____ Additional legal is on page _____ of document.

Assessor's Property Tax Parcel Account Number(s):

8001-000-001-0000

SIGNAGE LEASE AGREEMENT

PARTIES: Mike Aiken
Bud Norris

PREMISES: 1705 E. College Way for the benefit of the property at
1711 E. College Way, Mount Vernon, Washington.

TERMS AND CONDITIONS:

- 1) **TERM:** The terms of this lease agreement are continuous and transferable.
- 2) **RENT:** The rent shall be equal to the pro rata electrical and utility charges as they are billed by the utility providers. Charges shall be payable by the 5th of the month.
- 3) All rents shall be paid to Landlord or his authorized agent, at the following addresses:

PO Box 153, Mount Vernon, WA 98273
- 4) **ASSIGNMENT AND SUBLETTING:** Tenant may assign this Lease to any successor owner of 1711 E. College Way, Mount Vernon, WA.
- 5) **ORDINANCES AND STATUTES:** Tenant shall comply with all statutes, ordinances and requirements of all municipal, state and federal authorities now in force, or which may hereafter be in force, pertaining to the signage, occasioned by or affecting the use thereof by Tenant. The commencement or pendency of any state or federal court abatement proceeding affecting the use of the signage shall, at the option of the Landlord, be deemed a breach of this agreement.
- 6) **TENANT'S MAINTENANCE:** Tenant shall, at its sole cost and expense, maintain the signage and make repairs, restorations, and replacements as and when needed to preserve it in good working order and condition. All such repairs, restorations, and replacements will be in quality and workmanship equal to the original work or

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SKAGIT COUNTY WASHINGTON
Real Estate Excise Tax

JAN 04 2001

Amount Paid \$
Skagit Co. Treasurer
By *[Signature]* Deputy



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, Skagit County Auditor

- 10) **ABANDONMENT.** Tenant shall not vacate or abandon the signage at any time during the term hereof, and if Tenant shall abandon or vacate, or be dispossessed by process of law, or otherwise, any signage or property belonging to Tenant left upon the Premises shall be deemed to be abandoned, at the option of Landlord.
- 11) **CONDEMNATION:** If any part of the Premises shall be taken or condemned for public use, and a part thereof remains which is susceptible of occupation hereunder, this Lease shall, as to the part taken, terminate as of the date the condemnor acquires possession and thereafter Tenant shall be required to pay such proportion of the rent for the remaining term as the value of the Premises remaining bears to the total value of the Premises at the date of condemnation; provided however, that Landlord may at his option, terminate this Lease as of the date condemnor acquires possession. In the event that the demised Premises are condemned in whole, or that such portion is condemned that the remainder is not susceptible for use hereunder, this Lease shall terminate upon the date upon which the condemnor acquires possession. All sums which may be payable on account of any condemnation shall belong to the Landlord, and Tenant shall not be entitled to any part thereof, provided however, that Tenant shall be entitled to retain any amount awarded to him for his trade fixtures or moving expenses.
- 12) **TRADE FIXTURES:** Any and all improvements made to the signage during the term hereof shall belong to the Landlord, except trade fixtures of the Tenant. Tenant may, upon termination hereof, remove all his trade fixtures, but shall repair or pay for all repairs necessary for damages to the Premises occasioned by removal.
- 13) **INSOLVENCY:** In the event a receiver is appointed to take over the business of Tenant, or in the event Tenant makes a general assignment for the benefit of creditors, or Tenant takes or suffers any action under any insolvency or bankruptcy act, the same shall constitute breach of this Lease by Tenant and the lease may terminate.
- 14) **EVENTS OF DEFAULT:** The following events shall be deemed to be events of default by Tenant under this Lease: (a) Tenant fails to pay any installment of the rent herein reserved when due, or any other payment or reimbursement to Landlord required herein when due, and such failure continues for a period of five (5) days from the date such payment was due. (b) Tenant becomes insolvent, or makes a transfer in fraud of creditors, or makes an assignment for the benefit of creditors. (c) Tenant files a petition under any section or chapter of the National Bankruptcy Act, as amended, or under any similar law or statute of the United States or any state thereof; or Tenant is adjudged bankrupt or insolvent in proceedings filed against Tenant thereunder. (d) A receiver or trustee is appointed for all or substantially all of the assets of Tenant. (e) Tenant abandons deserts or vacates any substantial portion of the Premises. (f) Tenant fails to comply with any term, provision or covenant of this Lease and does not cure such failure within ten (10) days after written notice thereof to Tenant.
- 15) **REMEDIES:** Upon the occurrence of any default, Landlord shall have the option to pursue any one or more of the following remedies without any notice or demand whatsoever:
- Landlord may accelerate all rent payments due hereunder, which shall then become immediately due and payable.
 - Terminate this Lease, in which event Tenant shall immediately surrender the Premises to Landlord, and if Tenant fails so to do, Landlord may, without prejudice to any other remedy which it may have for possession or arrearages in rent, enter upon and take possession of the Premises and expel or remove Tenant.
 - Whether or not Landlord retakes possession or relets the Premises, Landlord shall have the right to recover unpaid rent and all damages caused by Tenant's default, including attorney fees. Damages shall include, without limitation: all rentals lost, all legal expenses and other related costs incurred by Landlord following Tenant's default, all costs incurred by Landlord in restoring the Premises to good order and condition, or in remodeling, renovating or otherwise preparing the Premises for reletting, all costs (including without limitation any

brokerage commissions and value of Landlord's time) incurred by Landlord, plus interest thereon from the date of expenditure until fully repaid at the rate of eighteen percent (18%) per annum.

- d) In the event Tenant fails to pay any installment of rent, additional rent or other charges hereunder as and when such installment is due, to help defray the additional cost to Landlord for processing such late payment. Tenant shall pay to Landlord on demand a late charge in an amount equal to five percent (5%) of such installment; and the failure to pay such amount within ten (10) days after demand therefor shall be an event of default hereunder. The provision for such late charge shall be in addition to all of Landlord's other rights and remedies hereunder or at law and shall not be construed as liquidated damages or as limiting Landlord's remedies in any manner.
- e) Pursuit of any of the foregoing remedies shall not preclude pursuit of any of the other remedies herein provided or any other remedies provided by law, such remedies being cumulative and non-exclusive, nor shall pursuit of any remedy herein provided constitute a forfeiture or waiver of any rent due to Landlord hereunder or of any damage accruing to Landlord by reason of the violation of any of the terms, provisions and covenants herein contained. No act or thing done by Landlord or its agents during the Lease Term hereby granted shall be deemed a termination of the lease or an acceptance of the surrender of the Premises, and no agreement to terminate this Lease or accept a surrender of the Premises shall be valid unless in writing signed by Landlord. No waiver by Landlord of any violation or breach of any of the terms, provisions and covenants herein contained shall be deemed or construed to constitute a waiver of any other violation or breach of any of the terms, provisions and covenants herein contained. Landlord's acceptance of the payment of rental or other payments hereunder after the occurrence of an event of default, unless Landlord so notifies Tenant in writing. Forbearance by Landlord to enforce one or more of the remedies herein provided upon an event of default shall not be deemed or construed to constitute a waiver of such default or of Landlord's right to enforce any such remedies with respect to such default or any subsequent default. If, on account of any breach or default by Tenant in Tenant's obligations under the terms and conditions of this Lease, it shall become necessary or appropriate for Landlord to employ or consult with an attorney concerning or to enforce or defend any of Landlord's rights or remedies hereunder, Tenant agrees to pay any reasonable attorneys' fees so incurred.
- 16) **LANDLORD'S LIEN:** In Addition to any statutory lien for rent in Landlord's favor, Landlord shall have and Tenant hereby grants to landlord a continuing security interest for all rentals and other sums of money becoming due hereunder from Tenant. Tenant agrees to execute such financing statements and other instruments necessary or desirable in Landlord's discretion to perfect the security interest hereby created. Any statutory lien for rent is not waived, the express contractual lien
- 17) **ATTORNEY'S FEES:** In case suit should be brought for recovery of the Premises, or for any sum due hereunder, or because of any act which may arise out of the possession of the Premises, by either party, the prevailing party shall be entitled to all costs incurred in connection with such action, including a reasonable attorney's fee.
- 18) **WAIVER:** No failure of Landlord to enforce any term hereof shall be deemed to be a waiver.
- 19) **NOTICES:** Any notice which either party may or is required to give, shall be given by mailing the same, postage prepaid, to Tenant at the Premises, or Landlord at the address shown below or at such other places as may be designated by the parties from time to time.
- 20) **HOLDING OVER:** Any holding over after the expiration of this Lease, with the consent of Landlord, shall be construed as a month-to-month tenancy at a rental of one and one half times the base rent per month, otherwise in accordance with the terms hereof, as applicable.
- 21) **TIME:** Time is of the essence of this Lease.



23) **COST OF LIVING INCREASE:** The rent provided for in paragraph 2 shall be adjusted effective upon the first day of the month immediately following the expiration of 3 (three) months from date of commencement of the term and upon the expiration of each 12 (twelve) months thereafter in accordance with changes in the rent set forth in paragraph 2 multiplied by a fraction the numerator of which is the CPI for the second calendar month immediately preceding the adjustment date and the denominator of which is the CPI for the second calendar month preceding the commencement of the Lease Term. Provided, however, in no event shall the monthly rent be less than the amount set forth in paragraph 2.

25) **PERSONAL GUARANTEE OF TENANTS:** As additional consideration for this Lease, the undersigned guarantee for themselves and their heirs, successors and assigns the terms and conditions of the Lease.

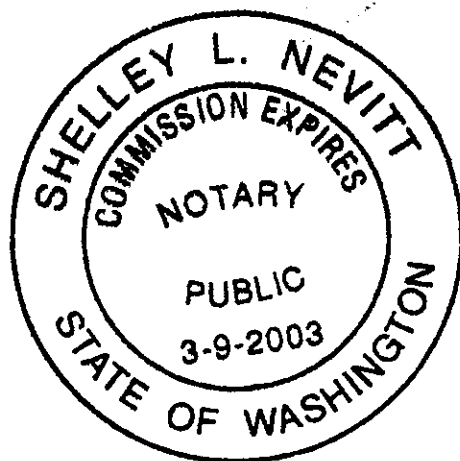
DATED: December 29th, 2000.

M. P. Patel

(LANDLORD)

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

DATED: This 29th day of December, 2000.



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DATED: December 27, 2000.

(TENANT)

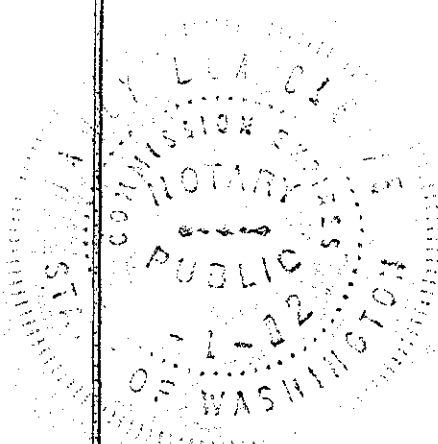
Bud Norris

(Print Name)

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that Bud Norris signed this instrument, on oath stated that he or she was authorized to execute the instrument and acknowledged to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: This 27th day of December, 2000.


NOTARY PUBLIC in and for the State of Washington
Residing at Mount Vernon
My appointment expires 9-1-02
Nancy Lea Cleave

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