



200201220196
Skagit County Auditor

1/22/2002 Page 1 of 4 3:54PM

AFTER RECORDING RETURN TO:

JAMES L. AUSTIN, JR.
KARR TUTTLE CAMPBELL
1201 THIRD AVENUE, SUITE 2900
SEATTLE, WA 98101

FIRST AMERICAN TITLE CO.

16249

Document Title(s) (or transactions contained therein): ASSIGNMENT AND ASSUMPTION OF LEASE
Reference Number(s) of Documents assigned or released:
Grantor(s) (Last name first, then first name and initials) 1. BROWN & COLE, INC.
Grantee(s) (Last name first, then first name and initials) 1. BROWN & COLE STORES, LLC
Legal description (abbreviated: i.e. lot, block, plat or section, township, range) Lots 9 Through 17, and Lots 20 Through 24, "Parker Business Center," Per Plat Recorded in Volume 11 of Plats, Pages 91 to 96, Records of Skagit County, Washington. <input checked="" type="checkbox"/> Additional legal is set forth on <u>Exhibit A</u> of document.
Assessor's Property Tax Parcel/Account Number(s): 4367-000-009-0000 R80368; 4367-000-010-0007 R80369; 4367-000-011-0006 R80370; 4367-000-012-0005 R80371; 4367-000-013-0004 R80372; 4367-000-014-0003 R80373; 4367-000-015-0002 R80374; 4367-000-016-0001 R80375; 4367-000-017-0000 R80376; 4367-000-020-0005 R80379; 4367-000-021-0004 R80380; 4367-000-022-0003 R80381; 4367-000-023-0002 R80382; 4367-000-024-0001 R80383; 4452-000-010-0003 R82659; 4452-000-011-0002 R82660; 4452-000-012-0001 R82661; 4452-000-017-0006 R82662.

ASSIGNMENT AND ASSUMPTION OF LEASE

THIS ASSIGNMENT AND ASSUMPTION OF LEASE (this "Agreement") is executed as of the ^{17th} day of January, 2002 by and between **Brown & Cole, Inc.**, a Washington corporation ("Brown & Cole"), and **Brown & Cole Stores, LLC**, a Washington limited liability company ("B&C Stores").

RECITALS

A. Brown & Cole is the tenant under that certain Lease Agreement dated March 12, 1996 (the "Lease"), as amended by that certain Subordination, Nondisturbance Agreement and Estoppel Certificate dated March 27, 1996, that certain Lease Assignment, Assumption, Amendment, Ratification, Consent and Nondisturbance Agreement dated January 24, 1997, that certain Amended and Restated Master Supply Agreement with Rights of First Refusal and Amendments to Subleases dated April 4, 2001 and that certain 2001 Amendment to Lease Agreement dated September 17, 2001, by which Brown & Cole leases the real property described in the attached **Exhibit A** (or a portion thereof) located at 1515 N. 18th Street, Mount Vernon, Washington 98273 (the "Premises").

B. Brown & Cole and B&C Stores are parties to a Contribution Agreement dated August 8, 2001, pursuant to which Brown & Cole has agreed to assign to B&C Stores all of its right, title and interest in and to the Lease.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

1. **Assignment.** Brown & Cole hereby assigns to B&C Stores, and B&C Stores hereby accepts and assumes, in accordance with and subject to the terms and conditions of the Contribution Agreement, all of Brown & Cole's right, title and interest in, to and under, and all of Brown and Cole's obligations and liabilities under, the Lease. B&C Stores hereby agrees to perform each and every obligation of Brown & Cole in accordance with the terms and conditions of the Lease. Brown & Cole further assigns to B&C Stores, and B&C Stores hereby accepts and assumes, all of Brown & Cole's right, title and interest in, to and under, and all of Brown and Cole's obligations and liabilities under, any associated agreements relating to the premises leased under the Lease (e.g., any construction agreement pursuant to which such premises may have been built for occupancy by Brown & Cole or any predecessor in interest, and any recorded covenants and restrictions pertaining to the real property on which the leased premises are situated).

2. **"AS IS."** Except as expressly stated in this Agreement, the Premises are delivered by Brown & Cole to B&C Stores in whatever condition they may be in on the Closing Date, without any representation, agreement or warranty, express or implied, with respect to the nature, quality, use or any other aspect of the Premises, or any environmental condition in, under or around the Premises. B&C Stores is accepting the Premises from Brown & Cole "AS IS" and subject to all defects, known or unknown.

3. **Indemnification.** The extent of either of the parties' respective obligations to indemnify or hold harmless the other with respect to matters relating to the Lease and/or other agreements assigned and assumed pursuant hereto shall be as provided for by the Contribution Agreement.

4. **Waivers or Modifications.** No waiver or modification of any of the terms or conditions of this Agreement shall be effective unless the same is in writing and signed by the party against whom it is asserted.



5. **Successors and Assigns.** This Agreement shall inure to the benefit of, and be binding upon, the respective heirs, personal representatives, successors and assigns of the parties hereto.

6. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same document.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

BROWN & COLE, INC.

BROWN & COLE STORES, LLC

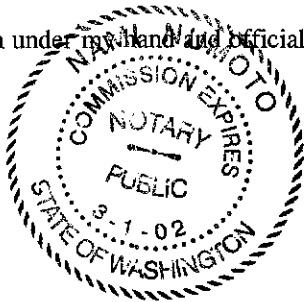
By: [Signature]
Print Name: James R. Anderson
Title: Senior Vice President

By: [Signature]
Print Name: James R. Anderson
Title: Senior Vice President

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that JAMES R. ANDERSON is the person who appeared before me, and said person on oath stated that he was authorized to execute this instrument and acknowledged it as the SR. V-P of **Brown & Cole, Inc.** to be the free and voluntary act of such party for the uses and purposes therein mentioned.

Given under my hand and official seal this 17 day of JAN, 2002.



Nami Numoto
Notary Public in and for the State of Washington
Name (printed or typed): NAMI NUMOTO
Residing at: SEATTLE WA
My appointment expires: 3-1-02

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

JAN 22 2002

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



EXHIBIT A

Legal Description

LOTS 9 THROUGH 17, INCLUSIVE, AND LOTS 20 THROUGH 24, INCLUSIVE, "PARKER BUSINESS CENTER", AS PER PLAT RECORDED IN VOLUME 11 OF PLATS, PAGES 91 THROUGH 96, INCLUSIVE, RECORDS OF SKAGIT COUNTY, WASHINGTON.

TOGETHER WITH ALL OF JAY WAY LYING BETWEEN THE SOUTHERLY EXTENSION OF THE WEST LINE OF LOT 9 (EXTENDED SOUTH TO THE NORTH LINE OF LOT 16) AND THE WEST LINE OF 18TH STREET;

ALSO, TOGETHER WITH THE SOUTH ½ OF JAY WAY LYING BETWEEN THE SOUTHERLY EXTENSION OF THE WEST LINE OF LOT 9 (EXTENDED SOUTH TO THE NORTH LINE OF LOT 16) AND THE NORTHERLY EXTENSIONS OF THE WEST LINE OF LOT 17.

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