

AFTER RECORDING RETURN TO:

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



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FIRST AMERICAN TITLE CO.

66249

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

ASSIGNMENT AND ASSUMPTION OF SUBLEASE

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)

Portion of Government Lots 1 and 2, Section 19, Township 35 N, Range 2 E, WM, Situated in Skagit County, Washington.

☒ **Additional legal is set forth on Exhibit A of document.**

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

350219-0-002-0004 R32909

ASSIGNMENT AND ASSUMPTION OF SUBLEASE

THIS ASSIGNMENT AND ASSUMPTION OF SUBLEASE (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 Sublease dated March 9, 1998 (the "Sublease"), as amended by that certain Amended and Restated Master Supply Agreement with Rights of First Refusal and Amendments to Subleases dated April 4, 2001, by which Brown & Cole leases the real property described in the attached **Exhibit A** (or a portion thereof) located at 1519 Commercial Avenue, Anacortes, Washington 98221 (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 Sublease.

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 Sublease. B&C Stores hereby agrees to perform each and every obligation of Brown & Cole in accordance with the terms and conditions of the Sublease. 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 Sublease (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 Sublease 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.

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

JAN 22 2002

Assignment and Assumption of Sublease (Store #79) - 1
#391131 v1 / 20923-005

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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.

By: _____

Print Name: James R. Anderson

Title: Senior Vice President

BROWN & COLE STORES, LLC

By: _____

Print Name: James R. Anderson

Title: Senior Vice President

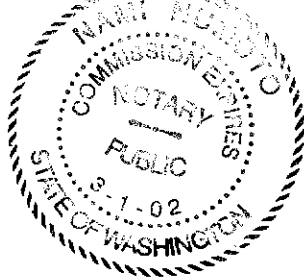
STATE OF WASHINGTON)

) 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



Anacortes Food Pavilion (Store #79)
Legal Description

UNRECORDED
THAT PORTION OF GOVERNMENT LOTS 1 AND 2, SECTION 19, TOWNSHIP 35 NORTH, RANGE 2 EAST, W.M., LYING SOUTH OF THE SOUTH LINE OF 15TH STREET, EAST OF THE EAST LINE OF COMMERCIAL AVENUE AND COMMERCIAL AVENUE EXTENDED, EASTERLY OF THE WESTERLY LINE OF THE FIRST DESCRIBED PREMISES IN DEED TO ESTVOLD ENTERPRISES, INC., A CORPORATION, DATED NOVEMBER 12, 1965, FILED DECEMBER 7, 1965, AS FILE NO. 675599, NORTH OF THE NORTH LINE OF 17TH STREET EXTENDED AND WEST OF THE WEST LINE OF "Q" AVENUE, EXCEPT THE FOLLOWING DESCRIBED TRACTS:

PART OF GOVERNMENT LOT 2, SECTION 19, TOWNSHIP 35 NORTH, RANGE 2 EAST, W.M., DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF 17TH STREET WITH THE EAST LINE OF COMMERCIAL AVENUE IN THE CITY OF ANACORTES; THENCE EAST ALONG THE NORTH LINE OF 17TH STREET A DISTANCE OF 37.55 FEET TO THE SOUTHWESTERLY LINE OF THAT CERTAIN TRACT DEEDED TO THE SEATTLE AND MONTANA RAILROAD COMPANY BY DEED DATED JULY 29, 1902, AND RECORDED AUGUST 11, 1902 IN VOLUME 47 OF DEEDS, PAGE 405, AND THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE FROM SAID TRUE POINT OF BEGINNING CONTINUE EAST ALONG THE NORTH LINE OF 17TH STREET A DISTANCE OF 9.8 FEET; THENCE NORTH 0°35'45" EAST PARALLEL TO THE EAST LINE OF COMMERCIAL AVENUE A DISTANCE OF 84.73 FEET; THENCE NORTH 89°24'15" WEST PARALLEL TO THE NORTH LINE OF 17TH STREET, A DISTANCE OF 47.35 FEET TO THE INTERSECTION OF THE EAST LINE OF COMMERCIAL AVENUE AND THE SOUTHWESTERLY LINE OF SAID SEATTLE AND MONTANA RAILROAD COMPANY TRACT; THENCE SOUTH 23°18'30" EAST A DISTANCE OF 92.68 FEET TO THE TRUE POINT OF BEGINNING.

SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON.



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