

Recorded at the Request of  
and after Recording Return to:

Garth Schlemlein  
Schiffrin Olson Schlemlein & Hopkins  
Westlake Center Office Tower  
1601 Fifth Avenue, # 2500  
Seattle, WA 98101



200301230002

Skagit County Auditor

1/23/2003 Page

1 of

6 8:54AM

Abbreviated Legal: ptn NW ¼ of SW ¼, 5-34-4 E W.M. aka Lot 3, Burl BSP #2-00  
Complete Legal Description on page A-1  
Assessor's Tax Parcel ID#: 8031-000-003-000

P-103876

LAND TITLE COMPANY OF SKAGIT COUNTY

### ASSIGNMENT AND ASSUMPTION OF LEASE

THIS ASSIGNMENT AND ASSUMPTION OF LEASE (this "Assignment Agreement") is made as of this 9 day of Jan, 2003, by and between ARMADA/BURLINGTON, LLC, a Washington limited liability company ("Seller") and BURLINGTON BUILDING NO. C., LLC, a Washington limited liability company ("Buyer").

Buyer and Seller are parties to that certain Purchase and Sale Agreement dated October 17, 2002 (the "Purchase Agreement"), which Purchase Agreement was assigned to Buyer by that certain Assignment and Assumption Agreement dated 10/17/02, 2002, pursuant to which Seller has agreed to sell and Buyer has agreed to buy the property described on **Exhibit A** together with the improvements located thereon (the "Property").

Pursuant to the Purchase Agreement, Seller has agreed to assign all of Seller's rights under that certain lease relating to the Property between Seller and Otto J. Hanssen, D.D.S dated February 2, 2001 (the "Lease"), and Buyer has agreed to assume all of Seller's obligations under the Lease arising subsequent to closing.

NOW, THEREFORE, for good and valuable consideration and other valuable consideration paid by Buyer to Seller, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

**1. Assignment and Assumption.** Seller does hereby assign and transfer to Buyer all of Seller's right, title and interest in the Lease. Buyer does hereby assume any and all of Seller's obligations of any kind or nature under the Lease which arises or accrue from and after the date of this instrument (the "Effective Date").

**2. Indemnification.**

**2.1 Buyer.** Buyer agrees to indemnify and hold Seller harmless from and against any and all claims, losses, expenses, liabilities, damages, including, without limitation, interest and penalties and attorneys' fees, arising from performance due on the part of Buyer (as successor in interest to Seller) subsequent to the date hereof under the Lease.

**2.2 Seller.** Seller agrees to indemnify and hold Buyer harmless from and against and with respect to any and all claims, losses, expenses, liabilities, damages, including, without limitation, interest and penalties, and attorneys' fees arising from performance due on the part of Seller prior to the date hereof under the Lease.

**3. Attorneys' Fees.** In the event of litigation between the parties hereto, declaratory or otherwise, in connection with or arising out of this Agreement, the prevailing party shall recover from the non-prevailing party all actual costs, actual damages and actual expenses, including attorneys' fees and charges, paralegal and clerical fees and charges and other professional or consultants' fees and charges expended or incurred in connection therewith, as set by the court, including for appeals, which shall be determined and fixed by the court as part of the judgment.

**4. Binding.** This Assignment shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.

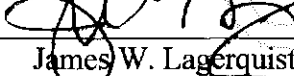
**5. Counterpart.** This Assignment may be executed in any number of counterparts and by facsimile. All counterparts shall be deemed to constitute a single agreement and any facsimile signature shall be deemed to be an original. The execution of one counterpart by any party shall have the same force and effect as if that party had signed all other counterparts.

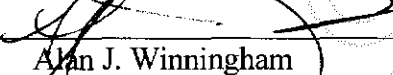
SKAGIT COUNTY WASHINGTON  
REAL ESTATE EXCISE TAX

JAN 23 2003

Amount Paid \$  
Skagit Co. Treasurer  
By Deputy

ARMADA/BURLINGTON, LLC  
A Washington limited liability company

By:   
James W. Lagerquist

By:   
Alan J. Winningham

BURLINGTON BUILDING NO. C., LLC,  
a Washington limited liability company

By: \_\_\_\_\_  
Otto J. Hanssen



200301230002  
Skagit County Auditor

**2. Indemnification.**

**2.1 Buyer.** Buyer agrees to indemnify and hold Seller harmless from and against any and all claims, losses, expenses, liabilities, damages, including, without limitation, interest and penalties and attorneys' fees, arising from performance due on the part of Buyer (as successor in interest to Seller) subsequent to the date hereof under the Lease.

**2.2 Seller.** Seller agrees to indemnify and hold Buyer harmless from and against and with respect to any and all claims, losses, expenses, liabilities, damages, including, without limitation, interest and penalties, and attorneys' fees arising from performance due on the part of Seller prior to the date hereof under the Lease.

**3. Attorneys' Fees.** In the event of litigation between the parties hereto, declaratory or otherwise, in connection with or arising out of this Agreement, the prevailing party shall recover from the non-prevailing party all actual costs, actual damages and actual expenses, including attorneys' fees and charges, paralegal and clerical fees and charges and other professional or consultants' fees and charges expended or incurred in connection therewith, as set by the court, including for appeals, which shall be determined and fixed by the court as part of the judgment.

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ARMADA/BURLINGTON, LLC  
A Washington limited liability company

By: \_\_\_\_\_

James W. Lagerquist

By: \_\_\_\_\_

Alan J. Winningham

BURLINGTON BUILDING NO. C., LLC,  
a Washington limited liability company

By: \_\_\_\_\_

Otto J. Hanssen



STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF KING )

I certify that I know or have satisfactory evidence that James W. Lagerquist 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 member of ARMADA/BURLINGTON, LLC, a Washington limited liability company to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

DATED: June 9, 2003

Jane A. Jeppe  
(Signature of Notary Public)  
Jane A. Jeppe  
(Printed Name of Notary Public)

My Appointment expires: 11/29/05

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF KING )

I certify that I know or have satisfactory evidence that Alan J. Winningham 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 member of ARMADA/BURLINGTON, LLC, a Washington limited liability company to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

DATED: Jun 9, 2003

Jane A. Jeppe  
(Signature of Notary Public)  
Jane A. Jeppe  
(Printed Name of Notary Public)

My Appointment expires: 11/29/05

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF KING )

I certify that I know or have satisfactory evidence that Otto J. Hanssen 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 MANAGING MEMBER of BURLINGTON BUILDING No. C., LLC, a Washington limited liability company to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

DATED: JANUARY 16, 2003.



Lynni A. Holman  
(Signature of Notary Public)

LYNNI A. HOLMAN  
(Printed Name of Notary Public)

My Appointment expires: 5-8-06



**Exhibit A**

**(Legal Description)**

Lot 3, City of Burlington Revised Binding Site Plan No. BURL-BSP-2-00, approved October 3, 2001 and recorded October 3, 2001, as Skagit County Auditor's File No. 200110030143, and being a portion of the Northwest  $\frac{1}{4}$  of the Southwest  $\frac{1}{4}$ , Section 5, Township 34 North, Range 4 East, W.M.,

TOGETHER WITH parking, access and utility easements delineated on said Plat as appurtenant thereto, as set forth in instrument recorded March 5, 2001, under Auditor's File No. 200103150016.

Situate in Skagit County, Washington.

A-1

Assignment of lease



200301230002  
Skagit County Auditor

1/23/2003 Page

6 of

6 8:54AM