

After Recording Return To:

George Cowan
600 University Street, Suite 2424
Seattle WA 98101-1192



200302130097
Skagit County Auditor

2/13/2003 Page 1 of 7 11:45AM

Assignment of Leasehold Estate

ISLAND TITLE CO. C25689

Grantor(s):	ORCHARD LLC
Grantee(s):	NORTHWEST RESTAURANTS, INC.
Reference Number(s) of Documents assigned or released:	200006290112
Legal Description (abbreviated):	PTN LT 1-8, BLK 46, MAP OF THE CITY OF ANACORTES
Additional legal(s) on Exhibit A	
Assessor's Property Tax Parcel/Account Numbers:	3772-046-008-0005

RECORDING REQUESTED BY:

AFTER RECORDING RETURN TO:

ASSIGNMENT OF LEASEHOLD ESTATE

THIS ASSIGNMENT is made and accepted this 7th day of February, 2003, by and between ORCHARD LLC a Washington limited liability company ("Assignor"), and NORTHWEST RESTAURANTS, INC., a Washington corporation ("Assignee"), with respect to the following facts:

A. Assignor is the owner of the tenant's interest in that certain leasehold estate by and pursuant to that certain LEASE dated November 17, 1998, as amended for the first time on July 26, 1999, by and between Madrona Real Estate Investors One, LLC, Lessor, and Assignor, as Tenant, covering certain real property commonly known as 1702 Commercial Avenue, Anacortes, WA 98221, and more particularly described in Exhibit A attached hereto and made a part hereof.

B. Assignor has agreed to assign to Assignee, and Assignee has agreed to accept from Assignor, all of Assignor's right, title and interest in and to said LEASE and the leased premises and all improvements thereto, upon and subject to the provisions herein contained.

NOW THEREFORE, FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, Assignor does hereby unconditionally and irrevocably assign, transfer and set over to Assignee all of Assignor's right, title, and interest in and to said LEASE, the Leasehold estate created thereby, the leased premises, and all improvements therein and fixtures thereto, upon and subject to the covenants, terms, and conditions set forth in the LEASE and in this Assignment, free and clear of all liens and encumbrances other than property taxes not yet due and payable.

1. Assignee does hereby accept said Assignment and the leased premises, and unconditionally and irrevocably agrees to pay and perform all obligations of the tenant pursuant to



and arising out of the provisions of the LEASE, on and after the date hereof and Assignee hereby agrees to be bound by all of the covenants, conditions and terms of the LEASE.

2. The provisions of the Assignment shall be binding and inure to the benefit of the parties, their representatives, successors, and assigns and shall inure to the benefit of the landlord under the LEASE, and its successors and assigns.

This Assignment may be executed in one or more counterparts all of which taken together shall constitute one instrument.

IN WITNESS WHEREOF, the parties have executed this Assignment on the day and year first above mentioned.

ASSIGNOR:

ASSIGNEE:

ORCHARD LLC

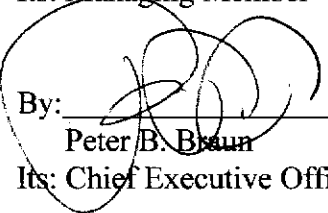
NORTHWEST RESTAURANTS, INC.

By: ORCHARD FOODS CORPORATION
Its: ~~Managing~~ Member

By: _____

Its: _____

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

By: 
Peter B. Braun
Its: Chief Executive Officer

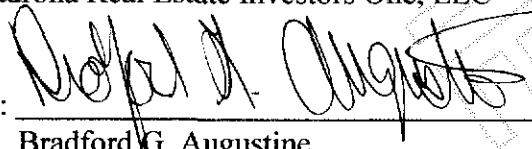
FEB 13 2003

Amount Paid \$ 0
Skagit Co. Treasurer
By  Deputy

LANDLORD'S CONSENT TO ASSIGNMENT

The undersigned, as Lessor under the Lease, hereby consents to the forgoing Assignment; provided, however, Assignor and all guarantors shall remain fully liable, and the forgoing Assignment and Lessor's consent thereto shall not constitute or be construed as a release or discharge Assignor or any guarantor of Assignor's obligations from any liability or claim arising under the Lease after the effective date of this Assignment.

Madrona Real Estate Investors One, LLC

By: 
Bradford G. Augustine
Its: Managing Member



COUNTY OF KING

and arising out of the provisions of the LEASE, on and after the date hereof and Assignee hereby agrees to be bound by all of the covenants, conditions and terms of the LEASE.

2. The provisions of the Assignment shall be binding and inure to the benefit of the parties, their representatives, successors, and assigns and shall inure to the benefit of the landlord under the LEASE, and its successors and assigns.

This Assignment may be executed in one or more counterparts all of which taken together shall constitute one instrument.

IN WITNESS WHEREOF, the parties have executed this Assignment on the day and year first above mentioned.

ASSIGNOR:

ASSIGNEE:

ORCHARD LLC

NORTHWEST RESTAURANTS, INC.

By: ORCHARD FOODS CORPORATION
Its: Managing Member

By: [Signature]
Its: VICE PRESIDENT

By: _____
Peter B. Braun
Its: Chief Executive Officer

LANDLORD'S CONSENT TO ASSIGNMENT

The undersigned, as Lessor under the Lease, hereby consents to the forgoing Assignment; provided, however, Assignor and all guarantors shall remain fully liable, and the forgoing Assignment and Lessor's consent thereto shall not constitute or be construed as a release or discharge Assignor or any guarantor of Assignor's obligations from any liability or claim arising under the Lease after the effective date of this Assignment.

Madrona Real Estate Investors One, LLC

By: [Signature]
Bradford G. Augustine
Its: Managing Member

F:\GTC\ORCHARD\NORTHWEST RESTAURANTS - ASSIGNMENT OF ANACORTES LEASE



200302130097
Skagit County Auditor

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this ___ day of January, 2003, before me, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Peter B. Braun, to me known to be the Chief Executive Officer of ORCHARD FOODS CORPORATION, the Managing Member of ORCHARD LLC, a Washington limited liability company, the company named in and which executed the foregoing instrument; and he acknowledged to me that he signed the same as the free and voluntary act and deed of said company for the uses and purposes therein mentioned.

I certify that I know or have satisfactory evidence that the persons appearing before me and making this acknowledgment are the persons whose true signatures appear on this document.

WITNESS my hand and official seal the day and year in this certificate above written.

Print Name: _____

NOTARY PUBLIC for the State of Washington, residing
at _____

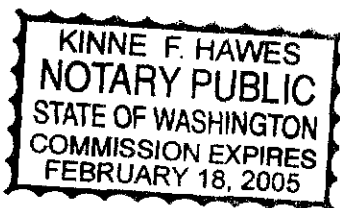
My appointment expires: _____

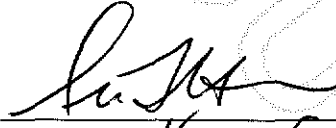
STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this 14 day of ~~January~~ February, 2003, before me, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared BRETT SIBERT, to me known to be the Vice President of NORTHWEST RESTAURANTS, INC., the corporation named in and which executed the foregoing instrument; and he acknowledged to me that he signed the same as the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned.

I certify that I know or have satisfactory evidence that the persons appearing before me and making this acknowledgment are the persons whose true signatures appear on this document.

WITNESS my hand and official seal the day and year in this certificate above written.




Print Name: Kinne F. Hawes

NOTARY PUBLIC for the State of Washington, residing
at Seattle

My appointment expires: 2-18-2005



Skagit County Auditor

EXHIBIT A

Lots 1 through 8, inclusive, in Block 46, Map of the City of Anacortes as recorded in Volume 2 of plats, pages 4 through 7, records of Skagit County, Washington. Less the South 21 feet of Lots 1 through 5 thereof, in Block 46, of said Map of the City of Anacortes. Subject to any and all easements and restrictions of record.

ALL situated in Skagit County, Washington.



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Skagit County Auditor