

After Recording Return To:  
MARTIN LIND  
127 E. Fairhaven  
Burlington, WA 98232



200306020208  
Skagit County Auditor

6/2/2003 Page 1 of 3 11:16AM

MEMORANDUM OF LEASE

THIS IS A MEMORANDUM of that certain Agricultural Lease dated the 20<sup>TH</sup> day of MAY, 2003, by and between ALICE HOFFMAN, as Trustee of the CLAUDE W. AND ALICE M. HOFFMAN LIVING TRUST and as Trustee of the CLAUDE WILLIAM HOFFMAN TESTAMENTARY EXEMPTION EQUIVALENT TRUST, as Lessor, and NORM NELSON, INC., a corporation, as Lessee for the following described real property situated in Skagit County, Washington, to wit:

Tax Parcel No. P34448, 350318-0-001-0005;  
P34458, 350318-1-002-0002; P33880, 350307-0-007-0002;  
P33882, 350307-0-009-0000; P33883, 350307-0-010-0007  
P33891, 350307-3-002-0001; P33884, 350307-0-011-0006

All of Lot one (1), and the North one-half (1/2) of Lot Two (2), the Northwest Quarter of the Northeast Quarter and the North one-half of the Southwest Quarter of the Northeast Quarter, all in Section 18, Township 35, North, Range 3 E.W.M., in Skagit County, Washington.

Lot 5, South of Slough; Lot 6, East of Slough, Lot 7 and the SE 1/4 of the SW 1/4, all in Section 7, Township 35 North, Range 3 East of the W.M., less dike and drainage rights of way heretofore conveyed.

A parcel of land situated in Section 7, Township 35 North, Range 3, E.W.M., described as follows: Beginning where O'Keffe's slough running westerly touches the South line of the M.B. Richard warehouse lot, thence Southeasterly along the South line of said lot to an old dike, thence Southwesterly along said dikes 60 feet, thence Northwesterly to said slough, thence Northeasterly along said slough to the place of beginning. (Also described as Skagit County Assessor's Tax No. 2.)

LESS THE FOLLOWING LEGALLY DESCRIBED PROPERTY:

ACRES 80.00, OPEN SPACE #58 #768913 1973 DK 5: THE NORTH 1/2 OF GOVERNMENT LOT 2 (PER ALIQUOT PART MEASUREMENT) SECTION 18, TOWNSHIP 35 NORTH, RANGE 3 EAST, W.M.; AND THE NORTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 (PER ALIQUOT PART MEASUREMENT)

SECTION 18, TOWNSHIP 35 NORTH, RANGE 3 EAST, W.M.; AND ALSO THOSE PORTIONS OF GOVERNMENT LOT 1 AND THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 18, TOWNSHIP 35 NORTH, RANGE 3 EAST, W.M., LYING SOUTHERLY OF THE FOLLOWING DESCRIBED LINE: COMMENCING AT THE SOUTHEAST CORNER OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 18 (SOUTHEAST SECTION CORNER); THENCE NORTH 0 DEGREES 06'06" EAST, 1332.26 FEET, ALONG THE EAST LINE OF SAID SUBDIVISION TO THE NORTHEAST CORNER THEREOF, ALSO BEING THE CENTERLINE OF D'ARCY ROAD; THENCE SOUTH 88 DEGREES 56'24" WEST ALONG SAID CENTERLINE OF D'ARCY ROAD, 1332.44 FEET, MORE OR LESS, TO AN IRON PIPE AT THE INTERSECTION OF THE CENTERLINE OF D'ARCY ROAD WITH THE CENTERLINE OF THE BAYVIEW-EDISON ROAD; THENCE NORTH 0 DEGREES 24'48" EAST ALONG SAID CENTERLINE OF THE BAYVIEW-EDISON ROAD (PER ROAD ALIGNMENT FOUND ON THAT CERTAIN SKAGIT COUNTY SUBDIVISION MAP FOR SECTION 18, TOWNSHIP 35 NORTH, RANGE 3 EAST, W.M., BY FRANK GILKEY, DATED JUNE 1959, AVAILABLE AT SKAGIT COUNTY PUBLIC WORKS), 2692.50 FEET TO AN ANGLE POINT IN THE CENTERLINE; THENCE NORTH 0 DEGREES 59'48" EAST, 321.56 FEET ALONG SAID CENTERLINE TO AN INTERSECTION WITH THE EASTERLY EXTENSION OF A GRAVEL DRIVEWAY; THENCE NORTH 89 DEGREES 38'28" WEST, 20.00 FEET ALONG SAID CENTERLINE OF THE GRAVEL DRIVEWAY TO THE WESTERLY RIGHT-OF-WAY MARGIN OF SAID BAYVIEW-EDISON ROAD AND BEING THE TRUE POINT OF BEGINNING OF SAID LINE DESCRIPTION; THENCE CONTINUE NORTH 89 DEGREES 38'28" WEST ALONG THE CENTERLINE OF SAID GRAVEL DRIVE, OR CENTERLINE EXTENDED, 400.00 FEET; THENCE NORTH 0 DEGREES 59'48" EAST, 260.00 FEET; THENCE NORTH 89 DEGREES 38'28" WEST, 888.42 FEET; THENCE SOUTH 0 DEGREES 14'38" WEST, PARALLEL WITH THE NORTH-SOUTH CENTERLINE OF SAID SECTION 18, 132.00 FEET; THENCE NORTH 89 DEGREES 38'28" WEST, 1756.7 FEET, MORE OR LESS, TO THE CENTERLINE OF THE EXISTING DIKE ALONG THE SHORE OF PADILLA BAY; THENCE CONTINUE NORTH 89 DEGREES 38'28" WEST TO THE WEST LINE OF SAID GOVERNMENT LOT 1 AND BEING THE TERMINUS OF SAID LINE.

Said lease is for a period of five (5) years ending March 31, 2008, and includes rights of first refusal to re-rent and purchase.

DATED this 20<sup>th</sup> day of MAY, 2003.

LESSOR:

LESSEE:

Alice Hoffman  
ALICE HOFFMAN, as Trustee of  
the Claude W. and Alice M.  
Hoffman Living Trust

NORM NELSON, INC.

Gerald E. Nelson  
By: Gerald E. Nelson  
Its President

Alice Hoffman  
ALICE HOFFMAN, as Trustee of the  
Claude William Hoffman Testamentary  
Exemption Equivalent Trust

SKAGIT COUNTY WASHINGTON  
REAL ESTATE EXCISE TAX

MAY 30 2003

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



200306020208  
Skagit County Auditor  
6/2/2003 Page 2 of 2 3:11:16AM


STATE OF WASHINGTON )

County of Skagit )

ss.

On this day personally appeared before me ALICE HOFFMAN, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 20 day of May, 2003.

  
Printed Name: Martin Lind  
Notary Public in and for the State of  
Washington, residing at: Bow  
My commission expires: 12-12-03

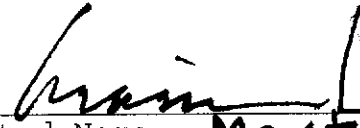
STATE OF WASHINGTON )

County of Skagit )

ss.

On this day personally appeared before me GERALD E. NELSON, to me known to be the president of NORM NELSON, INC. described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 20 day of May, 2003.

  
Printed Name: Martin Lind  
Notary Public in and for the State of  
Washington, residing at: Bow  
My commission expires: 12-12-03



200306020208  
Skagit County Auditor  
6/2/2003 Page 3 of 3 311:16AM