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Elliott W Johnson Inc PS 711 S. First St Mount Vernon, WA 98273 **Skagit County Auditor**

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Lease Termination Agreement

Grantor(s):

RYAY, LLC

Grantee(s):

Anacortes Health Club, LLC

Legal Description (abbreviated):

Ptn of Lot 2 short Plat No ANA-98-003

[X] Additional legal description on Exhibit A

Assessor's Tax Parcel Number: P 32948, P118625

Reference (Auditor File Numbers of Documents assigned, released or

amended:

n/a

This agreement is made and entered into as of June 30, 2003 by and between RYAY. LLC, a Washington limited liability company ("Lessor") and Anacortes Health Club, LLC, a Washington limited liability company ("Lessee"). This agreement terminates that certain Lease Agreement ("Lease Agreement") dated March 29, 2001 and between Lessor and Lessee, for the lease of property located at 1609 "R" Avenue, Anacortes, WA 98221, all as described in the Lease Agreement (the "Premises"). SKAGIT COUNTY WASHINGTON REAL ESTATE EXCISE TAX

It is hereby agreed as follows:

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Lease Termination Agreement

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Amount Patd Skagit Co. Treasurer

ili:\EWJ\Youngberg, Marco & Anna\306A Lease Termination Agreement RYAY - AHC.wpd

Elliott W. Johnson Inc. P.S. 711 South First Street Mount Vernon, WA 98273 (360) 336-6502 Fax 336-5616 Email Info@EWJLaw.com

- 1. The above lease is terminated effective immediately.
- 2. Notwithstanding such termination, the parties' rights and duties as established in the Lease Agreement with respect to any accrued but unknown claims and liabilities by third parties shall survive termination and be enforceable pursuant to the terms of the Lease Agreement.
- 3. Except as provided in Section 2, Lessor hereby discharges and releases Lessee from any obligations, claims or liabilities, whether known or unknown, now or hereafter arising under the terms of the Lease Agreement or arising out of Lessee's occupancy of the premises pursuant to the terms of the Lease Agreement. Lessor acknowledges that Lessee has fulfilled each and every obligation and agreement under the terms of the Lease Agreement and the same is current in all respects as of the date hereof.
- 4. Except as provided in Section 2, Lessee hereby discharges and releases Lessor from any obligations, claims or liabilities, whether known or unknown, now or hereafter arising under the terms of the Lease Agreement or arising out of Lessor's status as lessor of the premises pursuant to the terms of the Lease Agreement. Lessee acknowledges that Lessor has fulfilled each and every obligation and agreement under the terms of the Lease Agreement and the same is current in all respects as of the date hereof.

EXECUTED as of the day and year first above written.

6-30-63

Lessor:

RYAY, LLC,

a limited liability company

Lessee:

By

Anacortes Health Club LLC a limited liability company

Richard Youngberg, CEO

Marc Youngberg

Its Manager

By_

Ann L. Youngberg, Secretar

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State of Washingto	on)
) ss.
County of Skagit)

I certify that I know or have satisfactory evidence that Richard Youngberg and Ann L. Youngberg are the persons who appeared before me and acknowledged that they signed this instrument, certifying that they were authorized to execute the instrument and acknowledged it as the CEO and Secretary of RYAY, L.L.C., a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 102003

State of Washington)

County of Skagit

Notary Public

My appointment expires:

I certify that I know or have satisfactory evidence that Marc Youngberg is the person who appeared before me and said person acknowledged that he signed this instrument, certifying that he was authorized to execute the instrument and acknowledged it as the Manager of Anacortes Health Club, LLC to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 6/30

Notary Public

My appointment expires:

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ALTA COMMITMENT

Order No.: 106528-PAE

Schedule "A-1"

DESCRIPTION:

Lot 2A of that certain Boundary Line Adjustment Survey recorded June 6, 2003, under Auditor's File No. 200306060196, being a revision of Lots 2A, 2B, 2C and 2D, "Seafarer's View", as recorded under Auditor's File No. 200112030101, and that certain Boundary Line Adjustment Survey recorded April29, 2003, under Auditor's File No. 200304290104, records of Skagit County, Washington; being in portions of Government Lots 1 and 2, Section 19, Township 35 North, Range 2 East, W.M., and of "Plate No. 10 Tide and Shore Lands of Section 19, Township 35 North, Range 2 East, W.M., Anacortes Harbor,", according to the official map thereof on file with the State Land Commissioner at Olympia, Washington,

Situate in the City of Anacortes, County of Skagit, State of Washington.



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ALTA COMMITMENT

Order No.: 106202-PAE

Schedule "A-1"

DESCRIPTION:

Lot 2B of that certain Boundary Line Adjustment Survey recorded June 6, 2003, under Auditor's File No. 200306060196, being a revision of Lots 2A, 2B, 2C and 2D, "Seafarer's View", as recorded under Auditor's File No. 200112030101, and that certain Boundary Line Adjustment Survey recorded April29, 2003, under Auditor's File No. 200304290104, records of Skagit County, Washington; being in portions of Government Lots 1 and 2, Section 19, Township 35 North, Range 2 East, W.M., and of "Plate No. 10 Tide and Shore Lands of Section 19, Township 35 North, Range 2 East, W.M., Anacortes Harbor,", according to the official map thereof on file with the State Land Commissioner at Olympia, Washington,

Situate in the City of Anacortes, County of Skagit, State of Washington.



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