

WHEN RECORDED RETURN TO:  
PEOPLES BANK  
1801 RIVERSIDE DRIVE  
MOUNT VERNON, WA 98273



200310310137  
Skagit County Auditor

10/31/2003 Page 1 of 14 11:45AM

LAND TITLE COMPANY OF SKAGIT COUNTY

m4189

WASHINGTON UCC-2 COUNTY AUDITOR FIXTURE FILING

1. Grantor(s): (last name first, and mailing address(es)) <b>HEINRICHER, JACKIE SSN: 523-11-9780</b> <b>BOO-SHOOT GARDENS</b> <b>5722 CAMPBELL LAKE ROAD</b> <b>ANACORTES, WA 98221</b>	2. Grantee(s)/Assignee/Beneficiary: <b>PEOPLES BANK</b> <b>1801 RIVERSIDE DRIVE</b> <b>MOUNT VERNON, WA 98273</b>	3. Assignee(s) of Secured Party(ies):
---	--	---------------------------------------

THIS FIXTURE FILING SHALL COVER COLLATERAL THAT IS AFFIXED TO THE FOLLOWING DESCRIBED PROPERTY.

Reference Number: **5025993** Additional on page \_\_\_\_\_  
Short Legal Description: **THE NW1/4 NE1/4 OF SEC 24. TWP 34, RNG 3; EXCEPT ROADS AND DITCH** Additional on page \_\_\_\_\_

Assessor's Tax Parcel ID#: **340324-1-009-0008 (P22573)**  
See Attached Exhibit 1 to UCC-2 Financing Statement dated October 24, 2003.

THIS FIXTURE FILING COVERS THE FOLLOWING DESCRIBED PROPERTY

**All Fixtures; whether any of the foregoing is owned now or acquired later; all accessions, additions, replacements, and substitutions relating to any of the foregoing; all records of any kind relating to any of the foregoing; all proceeds relating to any of the foregoing (including insurance, general intangibles and accounts proceeds).**

4.  The debtor is the record owner.
5. This statement is signed by the Secured Party(ies) instead of the Debtor(s) to perfect a security interest in collateral: (Please check appropriate box)
- (a)  already subject to security interest in another jurisdiction when it was brought into this state, or when the debtor's location was changed to this state, or
  - (b)  which is proceeds of the original collateral described above in which a security interest was perfected, or
  - (c)  as to which the recording has lapsed, or
  - (d)  acquired after a change of name, identity, or corporate structure of the debtor(s).
6. Complete fully if box (d) is checked: complete as applicable for (a), (b), and (c):
- Original recording number \_\_\_\_\_
- Office where recorded \_\_\_\_\_
- Former name of debtor(s) \_\_\_\_\_

Dated Oct. 24, 2003

**BOO-SHOOT GARDENS, JACKIE HEINRICHER**  
TYPE NAME(S) OF DEBTOR(S) (or assignor(s))

**PEOPLES BANK**  
TYPE NAME(S) OF SECURED PARTY(IES) (or assignee(s))

*Jackie Heinricher*  
SIGNATURE(S) OF DEBTOR(S) (or assignor(s))

*James Mendenhall*  
SIGNATURE(S) OF SECURED PARTY(IES) (or assignee(s))

# EXHIBIT TO UCC-2 FINANCING STATEMENT

October 24, 2003

**DEBTORS:**

(SSN: 523-11-9780)

**MAILING ADDRESS:**

5722 CAMPBELL LAKE ROAD, ANACORTES, WA 98221

THIS FIXTURE FILING SHALL COVER COLLATERAL THAT IS AFFIXED TO THE FOLLOWING DESCRIBED PROPERTY:

This Financing Statement is to be recorded in the real estate records. Some or all of the collateral is located on the following described real estate: **PARCEL A:**

THE SOUTH 300 FEET OF THE NORTH 538 FEET OF THE WEST 155 FEET, AND ALSO THE SOUTH 135 FEET OF THE NORTH 538 FEET OF THE EAST 70 FEET OF THE WEST 225 FEET, OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 24, TOWNSHIP 34 NORTH, RANGE 3 EAST, W.M.

SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON.

**PARCEL B:**

A NON-EXCLUSIVE EASEMENT FOR INGRESS, EGRESS AND UTILITIES OVER, UNDER AND ACROSS THE NORTH 403 FEET OF THE EAST 30 FEET OF THE WEST 185 FEET OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 24, TOWNSHIP 34 NORTH, RANGE 3 EAST, W.M., EXCEPT THE DUNBAR ROAD, SUBJECT TO AN EXISTING NON-EXCLUSIVE EASEMENT FOR INGRESS, EGRESS AND UTILITIES OVER, UNDER AND ACROSS THE EAST 20 FEET OF THE WEST 175 FEET OF THE NORTH 155 FEET OF THAT PORTION OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 24, TOWNSHIP 34 NORTH, RANGE 3 EAST, W.M., LYING SOUTH OF DUNBAR COUNTY ROAD.

SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON

THIS FIXTURE FILING COVERS THE FOLLOWING DESCRIBED PROPERTY:

All Fixtures; whether any of the foregoing is owned now or acquired later; all accessions, additions, replacements, and substitutions relating to any of the foregoing; all records of any kind relating to any of the foregoing; all proceeds relating to any of the foregoing (including insurance, general intangibles and accounts proceeds).

This Exhibit is executed on the same date as the UCC-2 Financing Statement by PEOPLES BANK and the undersigned.

BOO-SHOOT GARDENS/ JACKIE HEINRICHER

*Jackie Heinricher*  
Signature(s) of Debtor(s)

PEOPLES BANK

By: *[Signature]*



200310310137

Skagit County Auditor

**EXHIBIT A**

**B&B Lands, LLC  
LEASE AGREEMENT**

THIS LEASE AGREEMENT, hereinafter referred to as "this Lease", is made as of October 1, 2003 by and between B&B Lands, LLC (BBL, LLC of Mt. Vernon, a Washington limited liability company), hereinafter referred to as "Lessor", and Boo-Shoot Gardens (BSG of Anacortes, a Washington business), hereinafter referred to as "Lessee".

**RECITALS**

- A. The Lessor is the owner of improved real property at 17618 Dunbar Road, Mt. Vernon, Skagit County, Washington, and sometimes hereinafter referred to as the "Property".
- B. The Lessee desires to lease the Property on which to construct buildings for the purpose of producing plants for wholesale.
- C. Lessor is agreeable to entering into a lease with Lessee for the Property subject to Lessee accepting the terms and conditions of this Lease, all as more specifically hereinafter set forth.

**WITNESSETH:**

In consideration of their mutual covenants, agreements and undertakings hereinafter contained, the parties hereto do mutually agree to that which is hereinafter set forth upon and subject to the following terms, conditions, covenants and provisions:

**I. PROPERTY SUBJECT TO THIS LEASE.** The parties hereto acknowledge and agree that the illustration marked Attachment "A" that is attached hereto and incorporated herein as though fully set forth here accurately depicts the Property. Lessor hereby leases to Lessee, and Lessee hereby leases from the Lessor, the Property which is described on Attachment "A" consisting of approximately 50,000 square feet. The Property which is described on Attachment "A", which shall be subject to this Lease, is hereinafter referred to as the "Premises".

The Premises referenced above is subject to restrictions, easements, and reservations of record. The Lessor reserves for itself and its agents a non-exclusive easement over and across the Premises to make inspections, repairs, alterations, and/or modifications to the utility services provided the rights reserved to the Lessor hereunder shall impose no obligation on the Lessor to make such inspections, repairs, alterations, and/or modifications, except for utility obligations to the building. The Lessor shall not be responsible for any reduced efficiency, loss of business, injury, or damage of any kind, to any person or property, occasioned by Lessor's exercise of said easement rights, including without limitation any reduced efficiency or loss of business, except that caused by Lessor's negligence. However, Lessor agrees that it shall exercise these rights in a fashion that does not unreasonably impair Lessee's business operations.

**2. TERM.** The term of this Lease shall be for a period of ten (10) years beginning October 1, 2003 and ending September 30, 2013, unless sooner terminated pursuant to any provision of this Lease. Lessee is granted the right to extend the term of this Lease for two (2) consecutive five(5) year extension periods by giving written notice of said intention to Lessor not less than ninety (90) days prior to the expiration of the current term, conditioned upon and subject to Lessee being in full compliance with all terms and conditions of this Lease when the notice is given and at the commencement of the extension period.

**Adjustments.** All terms, conditions, covenants and provisions of this Lease shall continue during the extension period with the exception that there is no additional right to extend the term of this Lease other than that which is herein specifically set forth. Promptly following Lessor's receipt of Lessee's written notice of Lessee's intention to extend the term of this Lease, and the meeting of all conditions of said extension, the Lessor shall inform the Lessee as to the rental applicable to the extension period. In the event that the Lessee is unwilling to commit to the payment of said rental prior to sixty (60) days before the expiration of the current t



200310310137

Skagit County Auditor

extend the term of this Lease shall lapse and the Lessee shall proceed to make preparation to return possession of the Premises to the Lessor pursuant to the terms of this Lease.

**3. POSSESSION AND RIGHT OF QUIET ENJOYMENT.**

a. Lessor acknowledges that it has ownership of the Premises heretofore described and that it has the legal authority to lease said Premises to Lessee. Lessor covenants that Lessee's right of occupancy shall not be disturbed during the term of this Lease so long as the terms and conditions hereof are complied with by Lessee and subject to the provisions of the succeeding section entitled "LESSOR'S RIGHT TO ENTER PREMISES".

**4. RENTAL.** For the first ten (10) years of this Lease, Lessee shall pay to Lessor, in lawful money of the United States, without any set-off or deduction, in addition to taxes as a result of Lessee's improvements to the Premises, rent for the Premises of:

ONE DOLLAR (\$1.00) per year

The rental shall be paid to the Lessor in advance on or before the first day of each year of the term of this Lease, and shall be payable at such place as the Lessor may hereinafter designate

It is understood and agreed that the rental for the said two (2) five (5) year extension periods shall be the rent determined by Lessor and Lessee based on the fair market value of the premises and the status of the Agreement on Greenhouse Ownership. If the Lessor and Lessee cannot agree on the fair market value, then they agree to share the cost of hiring an independent professional to determine the fair market value. The Lessor and Lessee agree not to contest the determination by the independent professional.

**5. CONDITION OF PROPERTY.** Lessee has inspected the Premises, and accepts the Premises in its present condition, is not relying upon any covenants, warranties or representations of Lessor as to its condition or usability, except Lessor's right to grant a lease of the Premises, and agrees to make any changes in the Premises necessary to conform to federal, state and local law applicable to Lessee's use of the Premises.

**6. BUSINESS PURPOSE AND TYPE OF ACTIVITY.** It is understood and agreed that Lessee intends to use the Premises primarily for the purpose of wholesale greenhouse and nursery. It being understood that the above activities are the only type of activities to be conducted upon the Premises. The carrying on of other type(s) of unauthorized activities, without first obtaining a lease modification with Lessor's written approval of such other type(s) (which shall not be unreasonably withheld), shall constitute a material default by Lessee of this Lease. Lessee specifically agrees that this section shall be strictly construed to assure that the Premises and operations or activities conducted on said Premises are in full compliance with all applicable environmental or other laws and regulations. Lessee shall at all times operate on the Premises in a manner which will assure the safe, lawful and healthful use of the Premises. Lessee agrees that it will not unreasonably disturb the Lessor or any other tenant of the Lessor by making or permitting any disturbance or any unusual noise, vibration or other condition on or in the Premises.

**7. ADVERTISING AND SIGNS:** No signs, symbols, or other advertising matter shall be installed, displayed, attached to or painted on or within the Premises, including the windows and doors thereof, without the prior written approval of the Lessor which approval shall not be unreasonably delayed or denied. At the expiration or sooner termination of this Lease, all such signs, symbols, or advertising matter installed, displayed, attached to or painted by Lessee shall be removed by Lessee at its sole expense, and Lessee shall repair any damage or injury to the Premises and correct any unsightly condition caused by the maintenance of or removal of said signs, etc.

**8. EQUAL OPPORTUNITY.** The Lessee covenants and agrees that in the performance of this Lease, the Lessee shall conduct its activities in a manner that will assure fair, equal and nondiscriminatory treatment of all persons regardless of race, creed, color, sex, age, or presence of handicap. Notwithstanding any exemption contained in the State or Federal law, the Lessee shall comply with all Federal and State laws, rules or regulations concerning hiring and employment and assuring the service of all patrons, customers, members or invitees without discrimination as to any person's race, color, creed, sex, age, national origin or presence of a handicap.

**9. LAWS AND REGULATIONS.** The Lessee agrees, at its sole cost and



200310310137

Skagit County Auditor

with and abide by all rules, codes, ordinances, requirements, orders, directions, laws and regulations of the United States, the State of Washington, and any municipality or agency of any of said entities. Any fees for inspection of the Premises during or for the term of this Lease by any federal, state or municipal officer shall be paid by Lessee. Lessee shall pay all costs, expenses, liabilities, losses, damages, fines, penalties, claims, and demands, including reasonable counsel fees, that may in any manner arise out of or be imposed because of the failure of Lessee to comply with the covenants of this section.

10. LESSEE WILL OBTAIN PERMITS. Lessee shall be solely responsible for obtaining and complying with all permits, approvals or licenses required for the operation and conduct of Lessee's business activities and the construction, installation, erection and/or operation of any structures, facilities or equipment, including but not limited to, items constituting alterations or defined as trade fixtures on the Premises. If Lessee fails to obtain and comply with such permits, then Lessee accepts full responsibility for any and all costs incurred by the Lessor, including actual attorney's fees, occasioned by Lessor pursuing Lessee's default for its failure to obtain and/or comply with such permits. Lessee agrees to hold the Lessor harmless from any liability and to fully reimburse expenses of the Lessor for Lessee's failure to obtain and/or fully comply with any necessary permit provided the Lessor gives Lessee notice with a reasonable opportunity to cure before incurring expenses to be reimbursed by Lessee. Any conditions on said approvals or permits which would affect Lessor are subject to Lessor's approval, which approval shall not be unreasonably delayed or withheld.

11. CONSTRUCTION OF IMPROVEMENTS. Lessee shall not commence construction of any improvements, alterations, placement of removable or temporary structures, or install any fixtures (other than fixtures which can be removed without injury to the Premises) without prior written consent of Lessor which consent shall not be unreasonably delayed or withheld and subject to any and all conditions in such approval which conditions shall not be unreasonable. Lessee shall submit to Lessor all plans and specifications relating to such construction of improvements, alterations, placement of removable or temporary structures, or installation of any fixtures (other than trade fixtures which can be removed without injury to the Premises). When Lessee intends to construct improvements, alterations, or place removable or temporary structures, Lessee shall notify the Lessor in writing in advance of the date upon which Lessee shall commence construction or placement on the Premises and the Lessor shall have the right to post notices of nonresponsibility with respect to liens arising out of such construction or placement. If Lessee shall fail to so notify the Lessor, Lessee shall reimburse the Lessor for all costs and loss whatsoever suffered by the Lessor because of Lessee's failure to notify the Lessor as required herein. The construction of all improvements, alterations and/or installation of fixtures shall be carried out by Lessee in a first-class manner at its sole cost and expense, and in full compliance with all federal, state, county and other governmental statutory and regulatory requirements. Until the expiration or sooner termination of this Lease, title to any improvements situated and constructed by Lessee on the Premises and any alteration, change, or addition thereto, as well as title to fixtures and articles of personal property attached to or used in connection with the Premises by Lessee shall remain solely in Lessee. Lessee shall be solely responsible for all cost, and expense associated with providing utilities to Lessee's premises. The Lessee shall obtain Lessor's written approval of the location of all utility locations and hook ups on Lessor's property prior to commencing construction of any improvements, which approval shall not be unreasonably delayed or withheld.

## 12. REPAIRS AND MAINTENANCE.

a. Lessee shall at its sole cost and expense be responsible for undertaking repairs and maintenance of the Premises, as well as utilities constructed or paid for by Lessee as part of the leasehold improvements, and shall at all times preserve the Premises in as good repair as that on date of possession, reasonable wear and tear excepted. Lessor shall be responsible for utilities to Lessee's improvements. Lessee shall keep the Premises neat, clean and in a safe and sanitary condition free from infestation of pests and conditions which might result in harborage for, or infestation of pests, (the word "pests" as used herein, shall include, without limitation, rodents, insects and birds in numbers to the extent that a nuisance is created), and in compliance with all federal, state and local environmental and other laws and regulations. Lessee agrees that if, as a result of its use, occupancy or operations on the Premises, or because of any action of its agents, invitees, employees, contractors or others, any environmental or health hazard occurs on the Premises, Lessee shall take all necessary remedial action to bring the Premises and operations or activities conducted thereon into full compliance with applicable federal, state and local laws and regulations.

b. Lessee specifically warrants that in conducting its business or other activi



200310310137

Skagit County Auditor

Lease, that such business or activities shall be conducted in a first-class manner which includes standards of maintenance which insures continued compliance with all applicable environmental and other laws and regulations.

c. Lessor is responsible for repair and maintenance of utilities on Premises up to the connection to the leasehold improvements.

### 13. ENVIRONMENTAL STANDARDS:

a. Definitions: "Law or Regulation" as used herein shall mean any environmentally related local, state or federal law, regulation, ordinance or order (including without limitation any final order of any court of competent jurisdiction), now or hereafter in effect relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, including without limitation the Model Toxics Control Act (RCW Chapter 70.105D), the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. Section 9601 *et seq.*), the Resource Conservation and Recovery Act (42 U.S.c. Section 6901 *et seq.*), or any superfund laws. "Hazardous Substances" as used in this Lease shall mean any substance or material defined or designated as a hazardous waste, toxic substance, or other pollutant or contaminant, by any Law or Regulation.

b. Lessor's obligations. In the event that any investigation, site monitoring, containment, cleanup, removal, restoration or other remedial work (the "Remedial Work") of any kind is necessary under any applicable Law or Regulation, or is required by any governmental entity or other third person because of or in connection with the presence of Hazardous Substances on or under the Premises prior to the date of this Lease, Lessor shall assume responsibility for all such Remedial Work and all costs and expenses of such Remedial Work shall be paid by Lessor, unless the Hazardous Substances are present as a result of the acts or omissions of Lessee, its officers, direct or indirect employees, contractors, subcontractors, agents, servants, invitees or guests.

c. Lessor's Indemnification: Lessor agrees to indemnify, defend (with counsel satisfactory to Lessee) and hold harmless Lessee and its officers, employees, contractors and agents from any claims, judgments, damages, penalties, fines, costs, liabilities (including sums paid in settlement of \ claims) or loss, including consultant, expert and attorneys fees and costs, which arise during or after the term of this Lease from or in connection with:

i. Hazardous Substances present or suspected to be present in the soil, groundwater or soil vapor on or under the Premises before the Commencement Date of Lessee's occupancy; or

ii. Hazardous Substances that migrate, flow, percolate, diffuse, or in any way move onto or under the Premises after the Commencement Date of Lessee's occupancy; or

iii. Hazardous Substances present on or under the Premises as a result of any discharge, dumping, spilling, (accidental or otherwise) onto the Premises during or after Lessee commenced occupancy of the Premises, by the Lessor or any person, corporation, partnership, or entity acting on behalf or at the request of Lessor, or any officers, direct or indirect employees, contractors, subcontractors, agents, servants, invitees or guests thereof.

#### d. Lessee's Covenants/Warranties/Obligations and Lessor's Rights:

i. Lessee covenants and warrants that Lessee, its officers, direct or indirect employees, contractors, subcontractors, agents, servants, invitees and guests shall not use the Premises in a manner which violates any Law or Regulation governing the handling, generation, sale, transportation, storage, treatment, usage or disposal of Hazardous Substances, nor will it allow any illegal use or presence in or about the Premises of any Hazardous Substances. Lessee shall not allow any Hazardous Substances to migrate off the Premises, or the release of any Hazardous Substances into adjacent surface waters, soils, underground waters or air. Lessee shall immediately provide the Lessor with Lessee's USEPA Waste Generator Number, any correspondence Lessee receives from, or provides to any governmental unit or agency in connection with Lessee's handling of Hazardous Substances or the presence, or possible presence, of any Hazardous Substances on the Premises, and any document or record between Lessee and any government agency or person with respect to notification of any release of a reportable quantity of any Hazardous Substances, all regulatory orders, citations, fines, initiations of enforcement actions and investigations thereunder, and all response or interim cleanup actions taken by or proposed



200310310137

Skagit County Auditor

private party in or on the Premises. Lessee shall provide the Lessor within five (5) days of written request, with copies of all Material Safety Data Sheets (MSDS), Generator Annual Dangerous Waste Reports, environmentally related regulatory permits, reports or approvals (including revisions or renewals).

ii. If Lessee, or the Premises, is in violation of any Law or Regulation concerning the presence or use of Hazardous Substances or the handling or storing of hazardous wastes, Lessee shall promptly take such action as is necessary to mitigate and correct the violation, the release of a Hazardous Substance and/or damage to the Premises. If Lessee does not act in a prudent and prompt manner, after reasonable notice to Lessee and opportunity to cure, the Lessor reserves the right, but not the obligation, to come onto the Premises, to act in place of the Lessee (Lessee hereby appoints the Lessor as its agent for such purposes) and to take such action as the Lessor deems necessary to ensure compliance or to mitigate the violation, the release of Hazardous Substances and/or damage to the Premises. If the Lessor has a reasonable belief that Lessee is in violation of any Law or Regulation, or that Lessee's actions or inaction's present a threat of violation or a threat of damage to the Premises, the Lessor reserves the right to enter onto the Premises and take such corrective or mitigating action as the Lessor deems necessary. In the event that any investigation, site monitoring, containment, cleanup, removal, restoration or other remedial work (the "Remedial Work") of any kind is necessary under any applicable Law or Regulation, or is required by any governmental entity or other third person because of or in connection with the presence or suspected presence of Hazardous Substances on or under the Premises, Lessee shall assume responsibility for all such Remedial Work and all costs and expenses of such Remedial Work shall be paid by Lessee, unless the Hazardous Substances are present solely as a result of the actions of Lessor. All costs and expenses incurred by the Lessor in connection with any such actions or associated with the Lessor's monitoring of Lessee's corrective or mitigation efforts, including without limitation consultant, expert and attorney fees and cost shall become immediately due and payable by Lessee upon presentation of an invoice therefor. Payment of such costs and expenses shall be a condition precedent for the release of any security held by the Lessor. Notwithstanding anything in this Lease to the contrary, the Lessor is not the operator of the Premises and is not responsible for compliance with Laws and Regulations at the Premises. Such compliance is solely the responsibility of the Lessee.

iii. The Lessor shall have access to the Premises to conduct environmental inspections and testing upon reasonable notice and at mutually acceptable times. Lessee shall not conduct or permit others to conduct environmental testing on the Premises without first obtaining the Lessor's written consent, which consent shall not be unreasonably withheld. Lessee shall promptly inform the Lessor of the existence of any environmental study, evaluation, investigation or results of any environmental testing conducted on the Premises whenever the same becomes known to Lessee, and Lessee shall provide copies thereof to the Lessor.

iv. Prior to vacation of the Premises, in addition to all other requirements under this Lease, Lessee shall remove any Hazardous Substances placed on the Premises during the term of this Lease or Lessee's possession of the Premises, and shall demonstrate such removal to the Lessor's satisfaction. This removal and demonstration shall be a condition precedent to the Lessor's payment of any Lease Security to Lessee upon termination or expiration of this Lease.

v. No remedy provided herein shall be deemed exclusive. In addition to any remedy provided in this Lease, the Lessor shall be entitled to full reimbursement from Lessee whenever the Lessor incurs any costs resulting from Lessee's use or management of Hazardous Substances on the Premises, including but not limited to, costs of clean-up or other remedial activities, fines or penalties assessed directly against the Lessor, injuries to third persons or other properties, consultant, expert and attorney fees and costs, and loss of revenues resulting from an inability to release or market the Premises due to its environmental condition (even if such loss of revenue occurs after the expiration or earlier termination of this Lease).

e. Lessee's Indemnification: In addition to all other indemnities provided in this Lease, Lessee agrees to indemnify, defend (with counsel satisfactory to Lessor), and hold harmless Lessor and its officers, employees, contractors and agents from any claims, judgments, damages, penalties, fines, costs, liabilities (including sums paid in settlement of claims) or loss including consultant, expert and attorney fees and costs, which arise during or after the term of this Lease from or in connection with the presence of suspected presence of Hazardous Substances in the soil, groundwater or soil vapor on or under the Premises, if the Hazardous Substances are present as a result of the acts or omissions of Lessee, its officers, direct or indirect employees, contractors, subcontractors, agents, servants, invitees or guests commensurate with Lessee's occupancy of the Premises. Such in costs incurred in connection with Hazardous Substances present on or un



200310310137  
Skagit County Auditor

discharge, dumping, spilling, (accidental or otherwise) onto the Premises since the Commencement Date of Lessee's occupancy, by Lessee, its officers, direct or indirect employees, contractors, subcontractors, agents, servants, invitees or guests. The indemnification provided by this section shall also specifically cover, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision or other third party because of the presence or suspected presence of Hazardous Substances in the soil, groundwater, or soil vapor on or under the Premises, if the Hazardous Substances are present as a result of the acts or omissions of Lessee, its officers, direct or indirect employees, contractors, subcontractors, agents, servants, invitees or guests.

f. Survival of Indemnities. The foregoing environmental indemnities contained in subsection c. and e. shall survive the expiration or termination of this Lease and/or any transfer of all or any portion of the Premises, or of any interest in this Lease, and shall be governed by the laws of the State of Washington.

14. DISPOSITION OF IMPROVEMENTS AT END OF LEASE. At the expiration or sooner termination of this Lease, lessee shall return Lessor's Premises to Lessor in the same condition in which received, or if altered by Lessee, with Lessor's consent, then the Premises shall be returned in such altered condition.

15. UTILITIES. Lessee shall be liable, and shall pay throughout the term of this Lease, for all utility services furnished to the Premises, and Lessee agrees to hold the Lessor harmless from payment of all such charges for utility services. If any utility services are furnished on a consolidated or joint basis, Lessee agrees to pay to Lessor, Lessee's prorata share of the cost of such utility services. Lessee's prorata share of such services shall be computed by the Lessor on any reasonable basis, and separate metering or other exact segregation of cost shall not be required. The Lessor shall provide documentation supporting the Lessor's computation of Lessee's share of such services upon request. The Lessor makes no warranty that any utility service will not be interrupted and any interruption not the sole fault of the Lessor, shall not excuse Lessee's performance (including the payment of rent and other fees, taxes and charges) or render the Lessor liable in any manner; provided, that if an interruption of utility service is caused solely by the negligence of the Lessor and prevents the Lessee from operating its business at the Premises for a period in excess of 48 hours, then Lessee, as its sole remedy, shall be entitled to an abatement of rent during the period of interruption in the same proportion as the affected portion of the Premises bears to the whole.

16. ADDITIONAL TAXES AND ASSESSMENTS. Lessee shall be responsible for, and shall pay and discharge promptly when due and before delinquency, a prorated share of all *additional*: taxes, excise taxes, fees, licenses, monetary assessments; and other *additional* governmental charges of whatever character, including all charges of every kind and nature and all assessments for all road, fire protection, and/or utility services charged or imposed upon the improvements made by the Lessee to the Premises, or any improvements situated thereon, including, but not limited to, road, fire protection, light, heat, electricity, gas, water, sanitary sewerage, storm sewer, garbage disposal and janitorial services, arising out of, or attributable to the improvements made to the Premises by the Lessee or to the Lessee's use and/or leasing thereof, payable for, or on account of, the activities conducted on the Premises, charged or imposed upon the property of Lessee on the Premises and/or on the leasehold interest created by this Lease and/or levied in lieu of a tax on said leasehold interest required to make the improvements by the Lessee of the Premises conform to government regulations, and/or levied on or measured by, the rentals payable hereunder, throughout the term of this Lease, whether imposed on Lessee or on the Lessor. Lessee shall promptly reimburse the Lessor for all such additional taxes and other additional charges herein described which are paid or payable by the Lessor. Lessor is unaware of any existing or pending taxes and assessments as of commencement date of this Lease (excepting leasehold tax, and personal property tax which may be levied to the land or improvements respectively).

17. HOLD HARMLESS. Lessee shall protect, indemnify, defend and hold and save harmless the Lessor, its elected officials, agents and employees, their successors and assigns, heirs, executors, and administrators from and against all liabilities, obligations, fines, claims, claims for mechanic's liens, damages, penalties, law suits, governmental proceedings, judgments, costs and expenses (including without limitation attorney's fees, costs and expenses of litigation), and any and all claims by or on behalf of any person or persons, firm or corporation, in connection with any such items of actual or alleged injury (including without limitation, death) or damage, (including without limitation, loss of business income),

arising out of acts or omissions of the Lessee, its officers, serva



200310310137

Skagit County Auditor

guests and direct and/or indirect employees on or about the Premises, the Property or any other property of Lessor, arising out of the use of the Premises, the Property or other property of Lessor or any part thereof, including but not limited to ramps, taxiways, approaches, buildings, sidewalks, curbs, parking lots, streets or ways, or

arising out of the presence of any Hazardous Substance on the Premises or the violation of any Environmental Law by Lessee, its officers, agents, servants, invitees, contractors, subcontractors, guests, and direct of indirect employees, or

due to or arising out of any failure on the part of the Lessee to perform or comply with any rule, ordinance, or law to be kept and performed.

This indemnity agreement does not apply when such damage or injury be caused solely by negligent or intentional acts of the Lessor, its elected officials, agents and/or employees.

#### 18. INSURANCE.

a. Lessee shall procure and maintain at all times during the term of this Lease, at its sole expense, comprehensive liability insurance in full force and effect at all times while operating on or about Lessor's property. The insurance policy or policies shall be for standard Commercial General Liability (CGL) with Broad Form CGL Endorsement coverage, Automobile Liability, including coverage for owned, nonowned, leased or hired vehicles covering all operations of the Lessee so that the risks of liability created by the Lessee are covered. The coverage shall not be less than ONE MILLION DOLLARS (1,000,000.00) combined single limit for property damage, bodily injury or death. Providing coverage in the stated amounts shall not be construed to relieve the Lessee from liability in excess of such limits. The insurance requirements under this section shall, amongst other things, provide coverage for the indemnitor undertakings in the preceding section entitled "HOLD HARMLESS". The insurance policy shall not be subject to cancellation or material change except after written notice to the Lessor at least thirty (30) days prior to the date of such cancellation or material change.

19. WAIVER OF SUBROGATION. The Lessor and Lessee hereby mutually release each other, and their respective successors or assigns, from any liability and waive all right of recovery against each other from any loss from perils insured against under their respective fire insurance contracts, including any extended coverage endorsements thereto; Provided, that this section shall be inapplicable if it would have the effect, but only to the extent that it would have the effect, of invalidating any insurance coverage of Lessor or Lessee.

20. LIENS. Lessee shall keep the Premises free and clear of all liens, including mechanics', materialmen's, or other liens for work or labor done, and liens for services, materials, appliances and power performed, contributed, furnished or used or to be used in or about the Premises for or in connection with any operations of Lessee or any alteration, improvement, repair, or addition which Lessee may make, permit, or cause to be made or any work or construction by, for, or permitted by Lessee on or about the Premises. Nothing in this Lease shall be deemed or construed in any way as constituting the consent or request of the Lessor, expressed or implied, by inference or otherwise, to any contractor, subcontractor, laborer, or materialman, for the performance of any labor or the furnishing of any materials for any specific improvement, alteration to, or repair of the Premises or any part thereof, nor as giving Lessee any right, power, or authority to contract for or permit the rendering of any services or the furnishing of any materials that would give rise to the filing of any lien against the Premises or any part thereof. In the event that any lien, charge, or order for the payment of money is filed against any portion of the Premises, Lessee shall, at its own cost and expense, cause the same to be discharged of record or bonded within one hundred and twenty (120) days after written notice from the Lessor to Lessee of the filing thereof; and Lessee shall indemnify and save harmless the Lessor against and from all costs, liabilities, suits, penalties, claims, and demands, including reasonable counsel fees, resulting therefrom.

21. CONTESTING LIENS AND TAXES: Lessee may contest any lien of the nature set forth in the preceding section hereof or any tax, assessment, or other charge which Lessee shall pay, provided that Lessee notifies the



200310310137

Skagit County Auditor

within thirty (30) days of the filing of such lien or within thirty (30) days of receipt of notice of such tax, assessment, or other charge; and provided further that Lessee posts a bond or other Security with the Lessor, prior to the contest, in an amount equal to the amount of the contested lien or tax, assessment, or other charge.

Within thirty (30) days of the determination of the validity thereof, Lessee shall satisfy and discharge such lien or pay and discharge such tax, assessment, or other charge and all penalties, interest, and costs in connection therewith. Satisfaction and discharge of any such lien shall not be delayed until execution is had on any judgment rendered thereon, nor shall the payment and discharge of any such tax, assessment, or other charge be delayed until sale is made of the whole or any part of Lessee's property on account thereof. Any such delay shall be a default of Lessee hereunder.

In the event of any such contest, Lessee shall protect and indemnify the Lessor against all loss, expense, and damage resulting therefrom.

**22. LESSOR'S RIGHT TO ENTER PREMISES.** Lessor and/or its authorized representatives shall have the right to enter the Premises and any Lessee leasehold improvements at all mutually acceptable times upon reasonable notice for any of the following purposes:

- a. To determine whether or not the Premises are in good condition and/or whether the Lessee is complying with its obligations under this Lease;
- b. To do any necessary repair, maintenance, improvement and to make any restoration to the Premises that the Lessor has the right or obligation to perform;
- c. To post "For Rent" or "For Lease" signs within thirty (30) days prior to the expiration or sooner termination of this Lease.
- d. To enter and inspect the Premises, conduct any testing, sampling, borings and analysis it deems necessary to assure compliance with environmental or other laws and regulations; and in the event of an emergency, to comply with lawful orders or to reduce or mitigate environmental loss or damages, to take such reasonable actions on the Premises as may be necessary to bring the Premises or operations on the Premises in compliance with environmental or other laws and regulations. Lessee agrees to cooperate with Lessor and all appropriate authorities to assure that operations on the Premises and the uses of the Premises, shall at all times be in full compliance with all applicable laws and regulations including but not limited to those established for the purpose of protecting the environment and public health.
- e. To do any other act or thing necessary for the safety or preservation of the Premises.

The rights reserved to the Lessor hereunder shall impose no obligation on the Lessor to make inspections or undertake other actions, and shall impose no liability upon the Lessor for failure to make such inspections or undertake other actions. Lessor shall not be liable in any manner for any inconvenience, disturbance, loss of business, nuisance, or other damage arising out of the Lessor's entry onto the Premises as provided in this section except as caused by the negligence of Lessor or its agents or contractors.

**23. LITIGATION.** In the event this Lease, its terms, Lessee's use, or its occupation of the Premises in any way becomes a matter of litigation, the Lessor shall be notified of such litigation within thirty days after such litigation is begun. Failure to so notify Lessor of such action shall not be a cause for cancellation or termination of this Lease, but the Lessee shall indemnify the Lessor for any damages sustained by Lessor resulting from such failure.

**24. DEFAULT AND RE-ENTRY.** Time and exact performance are of the essence of this agreement. The occurrence of anyone or more of the following events makes Lessee immediately in material default of this Lease with or without notice from the Lessor except as otherwise provided below:

- a. Any rent or other payment due from Lessee hereunder remains unpaid for more than ten (15) days after the date it is due;



200310310137

Skagit County Auditor

- b. Lessee files a voluntary petition in bankruptcy or for reorganization, or makes a general assignment to the benefit or, or a general arrangement with creditors;
- c. There is an involuntary bankruptcy filed against Lessee;
- d. Lessee becomes insolvent;
- e. A receiver, trustee, or liquidating officer is appointed for Lessee's business;
- f. Any proceeding is commenced to foreclose any mortgage or any other lien on Lessee's interest in the Premises or on any personal property kept or maintained on the Premises by Lessee which is not discharged within sixty (60) days of filing; or
- g. Lessee violates or breaches any of the other terms, conditions, covenants or provisions of this Lease.

If the Lessee is in default according to a. above, then this Lease shall at Lessor's option terminate. If Lessee is in default according to b., d., e., and/or f. above, then this Lease shall automatically terminate. If Lessee is in default according to c. above, Lessee has sixty (60) days from the filing of such involuntary bankruptcy to cure the default by having the involuntary bankruptcy dismissed. If Lessee is in default according to c. above, and fails to cure the default within the cure period, then this Lease shall automatically terminate.

Upon default of this Lease, the rent continues to be due. The Lessor, may at its option, delay efforts to immediately collect the full rent for the balance of the term of this Lease and re-enter and attempt to relet the Premises or any part thereof for such term or terms (which may be for a term extending beyond the term of this Lease) and at such rental or rentals and upon such other terms and conditions as Lessor in its sole discretion deems advisable, provided Lessee performs as hereinafter set forth. Upon each such reletting, all rentals received by Lessor from such reletting shall be applied; first, to the payment of any amounts other than rent due hereunder from Lessee to Lessor; second, to the payment of any costs and expenses of such reletting and renovation, including brokerage fees and attorneys' fees; third, to the payment of rent due and unpaid hereunder; and the residue, if any, shall be held by Lessor and applied to payment of future rent as the same would have become due and payable hereunder. If rental received from such reletting is less than that which would have been paid by Lessee hereunder, Lessee shall pay any such deficiency to Lessor as the amount thereof is ascertained by the Lessor, and Lessee covenants and agrees to pay Lessor for all other expenses resulting from its default, including but not limited to, brokerage commissions, attorneys fees and costs.

Delinquent rental and other payments shall bear interest at the rate of one percent (1 %) per month commencing thirty (30) days after the date each sum is due and payable. In the event of any default hereunder and Lessor enters upon or takes possession of the Premises, Lessor shall have the right, but not the obligation, to remove from the Premises all personal property located therein, and may store the same in any place selected by Lessor, including but not limited to, a public warehouse, at the expense and risk of the owners thereof, with the right to sell such stored property, without notice to Lessee, after it has been stored for a period of thirty (30) days or more, with the proceeds of such sale to be applied to the cost of such sale, to the payment of charges for storage, and to the payment of any other sums of money which may then be due from Lessee to Lessor under any of the terms hereof. Payment by Lessee to the Lessor of interest on rents and/or on any other charges due and owing under this Lease shall not cure or excuse Lessee's default in connection with such rents and/or other charges. Interest, default and all other remedies of the Lessor hereunder are in addition to any other remedies available at law or in equity and are cumulative and not alternative.

25. **TERMINATION FOR GOVERNMENT USE.** In the event that any federal, state or local government or agency or instrumentality thereof shall, by condemnation or otherwise, take title, possession or the right to possession of the Premises or any part thereof, the Lessor or Lessee may, at its option, terminate this Lease as of the date of such taking, and, if Lessee is not in default under any of the provisions of this Lease on said date, any rent prepaid by Lessee shall to the extent allocable to any period subsequent to the effective date of termination, be promptly refunded to Lessee.

26. **TERMINATION BECAUSE OF COURT DECREE.** In the event that any court having jurisdiction in the matter shall render a decision which has become final and which will p



200310310137

Skagit County Auditor

Lessee of any of its obligations under this Lease, then either party hereto may terminate this Lease by written notice, and all rights and obligations hereunder (with the exception of any undischarged rights and obligations that accrued prior to the effective date of termination) shall thereupon terminate. If Lessee is not in default under any of the provisions of this Lease on the effective date of such termination, any rent prepaid by Lessee shall, to the extent allocable to any period subsequent to the effective date of the termination, be promptly refunded to Lessee.

**27. LESSOR'S RIGHT TO CURE DEFAULTS:** If Lessee shall default in the performance of any provision under this Lease, other than the payment of rental, the Lessor, at its option, may after reasonable notice to Lessee and Lessee's failure to promptly commence cure and diligently continue to cure until complete, perform the same for the account and at the expense of Lessee. Upon notification to Lessee of the cost thereof to the Lessor, Lessee shall promptly reimburse the Lessor the amount of that cost plus interest at a rate of one percent per month accrued from the date of expenditure by the Lessor to the day of repayment. In the event of such default by Lessee, the Lessor may enter upon the Premises for the purpose of causing such provisions to be fulfilled. Such entry shall not be deemed an eviction of Lessee. The Lessor's action hereunder shall not be deemed a waiver of Lessee's default. The Lessor, at its option, without relinquishing any remedy or right, may separately commence proceedings against Lessee for reimbursement of the Lessor and for any other remedies for breach of this Lease.

**28. ASSIGNMENT AND SUBLEASE.**

a. Lessee shall not assign, mortgage, pledge, hypothecate, encumber or transfer this Lease, or any portion thereof, or any interest therein, nor sublet the whole or any part of the Premises, nor convey any right or privilege appurtenant thereto, nor allow any other person (the employees, agents, servants and invitees of Lessee excepted) to occupy or use the Premises, or any portion thereof, nor shall this Lease or any interest thereunder be assigned, mortgaged, pledged, hypothecated, encumbered or be transferable by operation of law or by any process or proceeding of any court, or otherwise, without the written consent of the Lessor first had and obtained. That which is hereinabove restricted it hereinafter collectively referred to as "assignment and sublease". The form and content of any writing to evidence an assignment or sublease requires Lessor's written consent. If Lessee is a partnership or corporation, then any change in the ownership of the partnership, or any transfer of this Lease by merger, consolidation or liquidation shall be deemed an assignment of this Lease. Lessee further agrees that if at any time during the term of this Lease more than one-half (1/2) of the outstanding shares of any class of stock of Lessee corporation shall belong to any stockholders other than those who own more than one-half (1/2) of the outstanding shares of that class of stock at the time of the execution of this Lease or to members of their immediate families, such change in the ownership of the stock of Lessee shall be deemed an assignment of this Lease within the meaning of this section. Failure to obtain written approval of any assignment or sublease of this Lease shall make Lessee in material default of this Lease.

b. Lessor shall not unreasonably withhold consent to a reasonable request for assignment or sublease, however, it may reasonably withhold consent to any proposed assignment or sublease pending receipt of verification that:

i. the proposed assignee has the financial ability and/or experience to assume Lessee's obligations herein set forth and the proposed assignee's intended use of the Premises is consistent with applicable zoning and development/land use requirements of the Lessor; or

ii. the proposed sublessee's intended use of the Premises sought to be sublet is consistent with applicable zoning and development/land use requirements of the Lessor.

c. The consent of Lessor to any assignment or sublease shall not in any manner be construed to relieve Lessee from obtaining Lessor's express written consent to any other or further assignment or sublease, and the provisions of this section shall continue in full force and effect.

d. Any assignee or sublessee of any portion of the Premises shall expressly assume and by reason of such assignment or sublease shall be considered as having assumed, and become bound to all of Lessee's obligations hereunder. Lessee shall only be relieved from payment of rent, the performance of the covenants herein contained, and from the terms and conditions of this Lease upon Lessor consent if Lessee assigns all of its interests in this Lease to an assignee who agrees to ass



200310310137

Skagit County Auditor

29. NONWAIVER. Failure of the Lessor to complain of any act or omission on the part of Lessee, no matter how long the same may continue, or the receipt of rent by the Lessor with knowledge of any breach or default of this Lease by Lessee, shall not be deemed to be a waiver by the Lessor of any of its rights herein. No waiver by the Lessor at any time, express or implied, of any breach of any provision of this Lease shall be deemed a waiver of any subsequent breach of the same or any other provision. Failure of the Lessor to insist upon strict performance or to exercise any option herein conferred in anyone or more instances in the event of default shall not be construed to be a waiver or relinquishment of any such or any other right herein extended to the Lessor.

30. DISPUTES. Lessee agrees to use its best efforts to avoid disruption to the Lessor, other tenants or members of the public, arising from disputes involving Lessee, and in the event of a strike, picketing, demonstration or other labor difficulty involving Lessee, to use its good offices, including the utilization of available legal remedies, to minimize and or eliminate any disruption to the Lessor, its tenants or members of the public, arising from such strike, picketing, demonstration or other labor difficulty.

31. SURRENDER OF PREMISES - ATTORNEY'S FEES. At either the expiration of the stated term of this Lease or any extension thereof, or sooner termination of this Lease as herein provided, Lessee shall promptly surrender to Lessor possession of the Premises peacefully and quietly, and in the condition required under preceding sections, including but not limited to Section 14 entitled "DISPOSITION OF IMPROVEMENTS AT END OF LEASE", and shall deliver to the Lessor all keys that it may have to any and all parts of the Premises. In the event either party hereto brings an action to enforce any of the terms, conditions, covenants or provisions of this Lease, then the prevailing party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in the trial court and in the appellate courts.

32. NOTICES. All notices and payments hereunder may be delivered or mailed. If delivered by messenger, courier (including overnight air courier) or facsimile transmittal, they shall be deemed delivered when received at the street addresses or facsimile numbers listed below. All notices and payments mailed, whether sent by regular post or by certified or registered mail, shall be deemed to have been given on the second business day following the date of mailing, if properly mailed to the mailing addresses provided below, and shall be conclusive evidence of the date of mailing. The parties may designate new or additional addresses for mail or delivery by providing notice to the other party as provided in this section.

To Lessor:  
B&B Lands, LLC  
17618 Dunbar Road  
Mt. Vernon, WA 98273  
Phone No. (360) 424 5647 Fax No. (360) 428 5981

To Lessee:  
Boo-shoot Gardens  
5722 Campbell Lake Road, Anacortes, WA 98221  
Phone No (360) 299 8235 Fax No. (360) 588 9494

33. JOINT AND SEVERAL LIABILITY. Each and every party who signs this Lease, other than expressly in a representative capacity, as Lessee, shall be individually, jointly and severally liable hereunder. The Lessor signs this Lease only as Lessor, and shall not be deemed a partner, joint venturer, or agent of Lessee even if Lessee's payments to the Lessor hereunder vary with the amount of Lessee's revenues from the Premises.

34. "LESSEE" INCLUDES LESSEES. ETC. It is understood and agreed that for convenience the word "Lessee" and verbs and pronouns in the singular number and neuter gender are uniformly used throughout this Lease, regardless of number, gender or fact of incorporation of the party who is, or of the parties who are, the actual Lessee or Lessees under this Lease.

35. CONSTRUCTION AND VENUE. The Captions in this Lease are for convenience only and do not in any way limit or amplify the provisions of this Lease. This Lease shall be construed as if written in English.

Jurisdiction and venue shall be in Skagit County Superior Court, Mount Vernon, Washington.

36. INVALIDITY OF PARTICULAR PROVISIONS. The invalidity of any item or provision of this Lease as determined by a court of competent jurisdiction shall in no way affect the validity or enforceability of any other provision hereof.

37. SUCCESSION AND SURVIVAL OF INDEMNITIES. This Lease shall be binding upon, and inure to the benefit of the parties, their respective heirs, executors, administrators, successors and assigns. Nothing contained in this section shall serve to waive Lessee's liabilities or transfer Lessee's interest. All indemnities provided in this Lease shall survive the expiration or any earlier termination of this Lease. In any litigation or proceeding within the scope of any indemnity provided in this Lease, Lessee shall, at the Lessor's option, defend the Lessor at Lessee's expense by counsel satisfactory to the Lessor.

38. CONSENT TO LESSEE FINANCING. Notwithstanding paragraph 28 of the Lease which provides that the Lessee may not assign or pledge its interest in the Lease, B&B Lands, LLC does hereby consent to financing from Peoples Bank to Boo-Shoot Gardens in the principal amount of \$150,000 and does hereby consent to Peoples Bank securing its financing through a loan of the interest of Boo-shoot Gardens under the Lease to Peoples Bank.

39. NOTIFICATION AND CURE OF DEFAULT. B&B Lands, LLC agrees not to terminate the Lease, despite any default by Boo-shoot Gardens, without giving Peoples Bank written notice of the default and an opportunity to cure the default within a period of sixty (60) days from receipt of the notice. If the default is one that cannot reasonably be cured by Peoples Bank (such as insolvency, bankruptcy, or other judicial proceedings against Boo-shoot Gardens), then B&B Lands, LLC will not terminate the Lease so long as B&B Lands, LLC receives all sums due under the Lease from Peoples Bank and cures all other defaults under the Lease that are susceptible of cure by Peoples Bank.

40. ENTIRE AGREEMENT AMENDMENTS. This Lease consists of sections 1-40 of this instrument, and Attachment A inclusive. The Attachment referenced in the preceding sentence is hereby incorporated into this Lease in their entirety. Together, this instrument and above referenced Attachment shall constitute the entire Lease agreement of the parties. There are no terms, obligations, covenants or conditions other than those contained herein. No modification or amendment of this Lease shall be valid or effective unless evidenced by an agreement in writing signed by both parties with life formality to this lease.

IN WITNESS WHEREOF, the parties hereto have signed this Lease as of the day and year first above written.

SIGNATURE FOR LESSEE  
Boo-shoot Gardens

SIGNATURE FOR LESSOR  
B&B Lands, LLC

*Jackie R. Heinricher*  
Jackie R. Heinricher

*Randall W. Burr*  
Randall W. Burr

Date: 10-28-03

Date: 10/28/03

ATTACHEMENT "A"

LEGAL DESCRIPTION



200310310137  
Skagit County Auditor