

RECORDING REQUESTED BY:
LAWRENCE C. ANDERSON, ESQ.



200506150010
Skagit County Auditor

6/15/2005 Page 1 of 4 9:54AM

WHEN RECORDED MAIL TO:
LAWRENCE C. ANDERSON, ESQ.
HINMAN, HOWARD & KATTELL, LLP
700 SECURITY MUTUAL BUILDING
80 EXCHANGE STREET
BINGHAMTON, NEW YORK 13901-3490

P121447

Lt 12 Burl BSP 01-04

Right of First Refusal Agreement

THIS AGREEMENT made this 21st day of March, 2005, by and between SAKUMA COMMERCIAL, L.L.C., a Washington limited liability company having an address of P.O. Box 427, 17400 Cook Road, Burlington, Washington 98233 (Sakuma) and NEWMAN DEVELOPMENT GROUP OF BURLINGTON, LLC, a Washington limited liability company having an address of 2255 Van Ness Avenue, Suite 102, San Francisco, California 94109 (NDG).

WITNESSETH

WHEREAS, Sakuma is the owner of certain real property situate in the City of Burlington, County of Skagit and State of Washington, and more particularly described in Section 1 below, said property being hereinafter referred to as "Lot 12"; and

WHEREAS, by deed dated April 22, 2004, NDG acquired from Sakuma and related parties lots 2-11 inclusive and lot 15 as designated on the Binding Site Plan referenced in Section 1 below; and

WHEREAS, NDG desires the right of first refusal to acquire Lot 12 from Sakuma.

NOW, THEREFORE, in consideration of One Dollar (\$1.00) and in consideration of other agreements between Sakuma and NDG, the receipt and sufficiency of which are hereby acknowledged, and the mutual promises of the parties, the parties agree as follows:

1. Sakuma hereby grants and conveys to NDG the right of first refusal to purchase property described as follows:

Lot 12 of City of Burlington Binding Site Plan
No. BURL-01-04, approved March 8, 2004 and
recorded March 15, 2004 under Skagit County
Auditor's File No. 200403150156, being a
portion of the South 1/2 of the Northeast 1/4
and a portion of Government Lot 8, Section 7,
Township 34 North, Range 4 East, W.M.

2. In the event Sakuma shall desire to sell and receives from a bona fide purchaser an acceptable offer to purchase the hereinabove described property during the term of this Agreement, Sakuma immediately shall give written notice of intent to sell said property and shall provide a true and correct copy of such offer to NDG.

3. Such notice and copy shall be given by certified mail, return receipt requested, directed to NDG at the address set forth above or at such other address as NDG may provide to Sakuma in writing during the term of this Agreement.

4. NDG shall exercise the right of first refusal within sixty (60) days after receipt of said notice, as set forth on said return receipt, by providing to Sakuma an executed written offer to purchase said property on the same terms and conditions as that made by the bona fide purchaser.

5. Such exercise of the right of first refusal shall be made by NDG by depositing said written offer by certified mail directed to Sakuma at the address set forth above, or at such other address as Sakuma shall have provided together with the notice of intent to sell.

6. In the event NDG shall fail to exercise the right of first refusal as set forth herein within sixty (60) days after receipt of said notice, this right of first refusal shall terminate and expire, and Sakuma may convey said property to the bona fide purchaser, provided however, that in the event that the bona fide purchaser shall fail to close said conveyance pursuant to said purchase offer within ninety (90) days of said date, this right of first refusal shall revive.

7. This Agreement shall terminate on March 31, 2010, unless the term hereof shall be extended by written modification of this Agreement executed and acknowledged by both parties.

8. Transfers of interests among the current members of Sakuma Commercial, L.L.C. or their immediate family members; or transfers of interests to another entity or entities comprised of substantially the same members of Sakuma Commercial, L.L.C., (and/or immediate Sakuma family members), shall not be considered transfers to which this right of first refusal shall apply.



200506150010

Skagit County Auditor

9. This Agreement contains the entire agreement between the parties and may not be changed or cancelled except by written agreement signed by the parties. This Agreement shall also apply to and bind the distributees, heirs, executors, administrators and assigns of the respective parties.

10. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any of the parties may execute this Agreement by signing any such counterpart.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.

SAKUMA COMMERCIAL, L.L.C.

By [Signature]
Title MANAGER

NEWMAN DEVELOPMENT GROUP OF
BURLINGTON, LLC

By [Signature]
Title MEMBER



200506150010
Skagit County Auditor

STATE OF CALIFORNIA)
) SS.:
COUNTY OF SAN FRANCISCO)

I certify that I know or have satisfactory evidence that GEORGE AKEL is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he is authorized to execute this instrument and acknowledged it as a Member of NEWMAN DEVELOPMENT GROUP OF BURLINGTON, LLC, to be his free and voluntary act of such parties for the uses and purposes mentioned in this instrument.

DATED: 3/22/05

Karin Marie Lomax

Print Name: Karin Marie Lomax
NOTARY PUBLIC for the State of California,

residing at San Francisco

My appointment expires:
6-8-2006



STATE OF WASHINGTON)
) SS.:
COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that STEVE SAKUMA is the person who appeared before me, and said person acknowledged that (s)he signed this instrument, on oath stated that (s)he is authorized to execute this instrument and acknowledged it as the MANAGER of SAKUMA COMMERCIAL, L.L.C., to be his/her free and voluntary act of such parties for the uses and purposes mentioned in this instrument.

DATED: MARCH 15, 2005

[Signature]

Print Name: COLONEL F. BETZ
NOTARY PUBLIC for the State of Washington,

residing at MT. VERNON

My appointment expires:
12-15-05

