

FILED FOR RECORD AT THE
REQUEST OF/RETURN TO:

Doug Noblet
Skagit State Bank
Vice President
301 E. Fairhaven Avenue
P O Box 285
Burlington WA 98233



200508220003

Skagit County Auditor

8/22/2005 Page 1 of 6 8:40AM

LAND TITLE OF SKAGIT COUNTY

114773-5

Grantor (s) TOWN OF LACONNER, a Washington municipal corporation
Grantee (s) PIONEER POINT MARINA, L.L.C., a Washington limited liability company
Additional Grantor(s) on page(s)
Additional Grantee(s) on page(s)
Abbreviated Legal: Ptn Tract 23, LaConner Tidelands, Corrected Plate 18; Ptn S36, T34N,
R2E, W.M.
Additional Legal on page(s):
Assessor's Tax Parcel No's: P109122

MEMORANDUM OF LEASE

This is a Memorandum of Lease for that certain Lease Agreement executed June 5, 1998, between the TOWN OF LACONNER, a Washington municipal corporation, ("Lessor"), and J.D.H. Partnership, L.L.C., a Washington limited liability company, d/b/a San Juan Marine, which Lease Agreement was amended pursuant to that certain Lease Amendment dated October 12, 1999 and which Lease Agreement was subsequently assigned to PIONEER POINT MARINA, L.L.C., a Washington limited liability company, ("Lessee"), by that certain Consent to Assignment of Lease dated September 10, 2004.

1. **Purpose:** The parties execute this Memorandum of Lease Agreement to summarize the material terms and intent of the Lease Agreement for recording purposes only. The parties acknowledge that this recording is being made to allow Lessee to obtain financing from Skagit State Bank and the granting of a security interest in the leasehold and leased premises to Skagit State Bank by Lessee is hereby approved by the Lessor pursuant to Section 25 of the Lease Agreement.

Memorandum of Lease

2. Incorporation by Reference: The parties incorporate herein by reference the Lease Agreement dated June 5, 1998, the Lease Amendment dated October 12, 1999 and the Consent to Assignment of Lease, dated September 10, 2004.

3. Purpose: The real property and adjacent tidelands to the outer harbor line may be used for boat storage, boat launching and retrieval, storage, office space, docks and marina related facilities and activities.

4. Term of Lease: The term of said lease is from June 5, 1998, through June 4, 2028. There are no options to extend or renew said lease.

5. Legal Description: See Exhibit "A" attached hereto and incorporated herein by reference.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Lease Agreement the day and year first above written.

LESSOR:
TOWN OF LACONNER

By Wayne Everton
WAYNE EVERTON, Mayor

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

AUG 22 2005

Amount Paid \$
Skagit Co. Treasurer
By Deputy

LESSEE:
PIONEER POINT MARINA, LLC

By Ken Gunderson
Ken Gunderson, Member & Manager

Memorandum of Lease



200508220003
Skagit County Auditor

8/22/2005 Page

2 of

6 8:40AM

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

On this 8th day of July, 2005, before me, a Notary Public in and for the State of Washington, personally appeared WAYNE EVERTON, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who signed this instrument; on oath stated that he was authorized to execute the instrument as MAYOR of the TOWN OF LACONNER, a Washington municipal corporation; and acknowledged said instrument to be his free and voluntary act and deed, as partner, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

Debby Malarchick
NOTARY PUBLIC in and for the State of
Washington, residing at Mount Vernon
My appointment expires October 15, 2006
Print Name Debby Malarchick

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

On this 8th day of July, 2005, before me, a Notary Public in and for the State of Washington, personally appeared KENNETH GUNDERSON, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who signed this instrument; on oath stated that he was authorized to execute the instrument as a MEMBER and MANAGER of PIONEER POINT MARINA, LLC, a Washington limited liability company; and acknowledged said instrument to be his free and voluntary act and deed, as partner, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

Debby Malarchick
NOTARY PUBLIC in and for the State of
Washington, residing at Mount Vernon
My appointment expires October 15, 2006
Print Name Debby Malarchick

Memorandum of Lease



200508220003
Skagit County Auditor

Legal Description

See Attached Exhibit "A"

Located in LaConner, Skagit County, Washington.

Exhibit



200508220003

Skagit County Auditor

8/22/2005 Page

4 of

6 8:40AM

EXHIBIT A

That portion of Tract 23, La Conner Tidelands, corrected Plate 18, being a portion of Section 36, Township 34 North, Range 2 East, W.M., more particularly described as follows:

Beginning at a stone monument which bears North 89° 49' 36" West, a distance of 1,385.42 feet from the South quarter corner of Section 36, Township 34 North, Range 2 East, W.M., as shown on survey map in Book 3 of Surveys, page 180, under Auditor's file no. 8204220020, records of Skagit County, Washington; thence North 59° 22' 00" East a distance of 166.79 feet to the True Point of Beginning; thence North 59° 22' 00" East a distance of 157.41 feet; thence North 41° 24' 00" East a distance of 37.83 feet; thence North 42° 22' 44" West a distance of 257 feet (m/l) to the inner harbor line; thence South 64° 10' 00" West along the inner harbor line a distance of 202.50 feet (m/l); thence South 42° 22' 44" East a distance of 286 feet (m/l) to the True Point of Beginning; EXCEPT that portion lying Easterly of the Westerly boundary of Conner Way, as described in Ordinance No. 496, adopted by the Town Council of the Town of La Conner on June 8, 1982.



200508220003
Skagit County Auditor

8/22/2005 Page

5 of

8 8:40AM

DESCRIPTION:

PARCEL "A":

That portion of Tract 23, LaConner Tidelands corrected Plate 18, and also that portion of the adjoining harbor area bounded by the inner and outer harbor lines, being a portion of Section 36, Township 34 North, Range 2 East, W.M., more particularly described as follows:

Beginning at a stone monument which bears North 89°49'36" West, a distance of 1,385.42 feet from the South ¼ corner of Section 36, Township 34 North, Range 2 East, W.M., as shown on survey map on Book 3 of Surveys, page 180, under Auditor's File No. 8204220020, records of Skagit County, Washington;

thence North 59°22'00" East along the Easterly lines of said Tract 23, a distance of 166.79 feet; thence to a point on a Southeasterly projection of a chainlink fence, said point being the true point of beginning;

thence continue North 59°22'00" East a distance of 157.41 feet;

thence North 41°24'00" East a distance of 37.83 feet;

thence North 42°22'44" West to the outer harbor line;

thence South 64°10'00" West along the outer harbor line to a point that bears North 42°22'44" West from the true point of beginning;

thence South 42°22'44" East to the true point of beginning,

EXCEPT that portion lying Easterly of the Westerly boundary of Conner Way as described in Ordinance No. 496 adopted by the Town Council of the Town of LaConner on June 8, 1982.

Situate in the County of Skagit, State of Washington.

PARCEL "B":

That portion of Tract 23, LaConner Tidelands corrected Plate 18, and also that portion of the adjoining harbor area bounded by the inner and outer harbor lines, being a portion of Section 36, Township 34 North, Range 2 East, W.M., more particularly described as follows;

Beginning at a stone monument which bears North 89°49'36" West, a distance of 1,385.42 feet from the South ¼ corner of Section 36, Township 34 North, Range 2 East, W.M., as shown on survey map on Book 3 of Surveys, page 180, under Auditor's File No. 8204220020, records of Skagit County, Washington;

thence North 59°22'00" East along the Easterly lines of said Tract 23 a distance of 166.79 feet;

thence North 42°22'44" West a distance of 308.07 feet, more or less, to the outer harbor line;

thence Southwesterly and Southerly along said outer harbor line to the South line of said Section 36;

thence North 89°32'47" East to a point that lies South 82°10'00" West from the point of beginning;

thence North 82°10'00" East a distance of 118.00 feet to the point of beginning.

EXCEPT that portion lying Easterly of the Westerly boundary of Conner Way as described in Ordinance No. 496 adopted by the Town Council of the Town of LaConner on June 6, 1982.

Situate in the County of Skagit, State of Washington.



200508220003
Skagit County Auditor