

Return Address:



200509220195  
Skagit County Auditor

9/22/2005 Page

1 of

6 3:50PM

LAND TITLE OF SKAGIT COUNTY

118007-S

<b>Document Title(s) (for transactions contained therein):</b>	
1.	
2.	Memorandum of Lease
3.	
4.	
<b>Reference Number(s) of Documents assigned or released: (on page of documents(s))</b>	
<b>Grantor(s)</b>	
1.	Dubose Model Home Investments
2.	
3.	
4.	
<b>Additional Names on page of document.</b>	
<b>Grantee(s)</b>	
1.	
2.	The Quadrant Corp
3.	
4.	
<b>Additional Names on page of document.</b>	
<b>Legal Description (abbreviated i.e. lot, block, plat or section, township, range)</b>	
Lot 7 Skagit Highlands	
<b>Additional legal is on page of document.</b>	
<b>Assessor's Property Tax Parcel/Account Number</b>	
P 123147	
<b>The Auditor/Recorder will rely on information provided on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.</b>	

**EXHIBIT B TO MASTER SALE AND RENTAL AGREEMENT**

**Form of Memorandum of Lease**

RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:

Marc T. Kretschmer  
Phillips McCullough Wilson Hill & Fikso PS  
2025 First Avenue, Suite 1130  
Seattle, Washington 98121-2100

SKAGIT COUNTY WASHINGTON  
Real Estate Excise Tax  
PAID

SEP 22 2005

Amount Paid \$  
Skagit County Treasurer  
By: Deputy

Reference Number of Related Document: N/A

Grantor: Dubose Model Home Investments #115, Ltd.

Grantee: The Quadrant Corporation

Abbreviated Legal Description: Lot ~~1007~~, Subdivision Skagit Highlands, in Skagit Co., Mt. Vernon, Washington 98274

Additional Legal Description is on Exhibit A to Document

Assessor's Property Tax Parcel or Account No.: 4867-000-007-0000  
P123147

MEMORANDUM OF LEASE

By this MEMORANDUM OF LEASE entered into as of the 7th day of September, 2005, concurrently with a Model Home Purchase and Leaseback Agreement (the "Agreement") with the same parties covering the same property, DUBOSE MODEL HOME INVESTMENTS #115, LTD., a Texas limited partnership ("Dubose"), and THE QUADRANT CORPORATION, a Washington corporation ("Quadrant"), hereby agree as follows:

1. Dubose hereby leases to Quadrant, and Quadrant hereby leases from Dubose, certain improved real property commonly known as Lot 1007, of Skagit Highlands located in the County of Skagit, State of Washington, which property is more fully described in Exhibit 1 attached hereto and incorporated herein by this reference (the "Property").

2. The lease shall commence on the above date and shall terminate on the date set forth in the aforesaid Agreement and shall otherwise be subject to the terms and conditions contained therein.



200509220195  
Skagit County Auditor

9/22/2005 Page

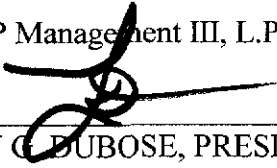
2 of

6 3:50PM

IN WITNESS WHEREOF, Dubose and Quadrant have executed this Memorandum of Agreement as of the day and year first above written.

DUBOSE MODEL HOME INVESTMENTS #115, LTD.,  
a Texas limited partnership

By: Dubose GP Management III, L.P., General Partner

  
LARRY C. DUBOSE, PRESIDENT

THE QUADRANT CORPORATION,  
a Washington Corporation

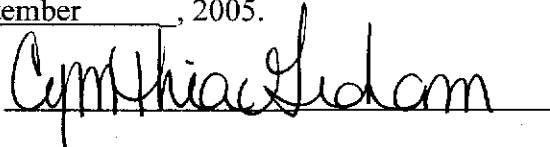
By: 

~~JIM SANSBURN~~ *Dee Jay Phelps*  
VICE PRESIDENT, ~~FINANCE~~ *Sales Operations*

STATE OF TEXAS )  
 )  
COUNTY OF HARRIS )

I certify that I know or have satisfactory evidence that **LARRY G. DUBOSE** is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the Member of **DUBOSE MODEL HOME INVESTMENTS #115, LTD.**, a **Texas Limited Partnership**, to be the free and voluntary act of such corporation for the uses and purposes mentioned in the instrument.

Dated this 7th day of September, 2005.



Cynthia Graham

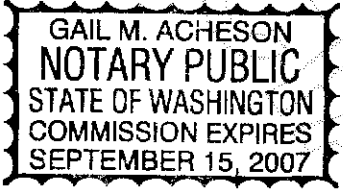


NOTARY PUBLIC in and for the State of  
Texas, residing at Houston  
My Commission expires: May 6, 2008

STATE OF WASHINGTON )  
 )  
COUNTY OF King )

I certify that I know or have satisfactory evidence that DeeJay Phelps is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the VICE PRESIDENT, SALES OPERATIONS of THE QUADRANT CORPORATION, a Washington Corporation, to be the free and voluntary act of such corporation for the uses and purposes mentioned in the instrument.

Dated this 9th day of September, 2005.



Gail M. Acheson

Gail M. Acheson

(print or type name)  
NOTARY PUBLIC in and for the State of  
Washington, residing at Kirkland  
My Commission expires: 9/15/07



Escrow No.: 05-1340-SA

**EXHIBIT "A"**

**LEGAL DESCRIPTION**

Lot 7, "SKAGIT HIGHLANDS DIVISION 1", a Planned Unit Development, recorded on August 16, 2005, under auditor's File No. 200508160182, records of Skagit County, Washington.

Situate in the City of Mount Vernon, County of Skagit, State of Washington.



200509220195

Skagit County Auditor