

After Recording Return To: **PORT OF SKAGIT COUNTY**
P.O. BOX 348
BURLINGTON, WA 98233



200603170014
Skagit County Auditor

FIRST AMERICAN TITLE CO.

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B-87466-2

Document Title(s): **ASSIGNMENT OF LEASE, CONSENT THERETO AND CONSENT TO SUBLEASE**

Reference number(s) of document(s) assigned or released: _____

Grantor(s): **THOMAS E. LOESCH**

Additional Name(s) on page ____ of Document.

Grantee(s): **JOHN V. AND CLAUDETTE S. GUBRUD**

Additional Name(s) on page ____ of Document.

Abbreviated Legal Description: Lot 41 of the Amended Skagit Regional Airport Binding Site Plan, Phase 1, as recorded on March 4, 2003, under Auditor's File No. 200303040030.

Additional Legal(s) on page ____ of Document.

Assessor's Parcel/Tax ID Number: L107587 (8012-000-041-0200)

A. RECITALS

WHEREAS, the PORT OF SKAGIT COUNTY, a Washington municipal corporation, ("Lessor"), and IMPRESSIONS WORLDWIDE, INC., a Washington corporation entered into a lease for the real property legally described (as set forth in Exhibit No. 1) (the "Premises") and recorded under Skagit County Auditor's file number 19910150098 ("Lease"); and

WHEREAS, the Tenant's interest in the Lease was assigned to THOMAS E. AND CAROL L. LOESCH, husband and wife, by document entitled "Assignment of Lease" dated November 9, 1999; and

WHEREAS, CAROL L. LOESCH, as an incident of dissolution of marriage, relinquished to THOMAS E. LOESCH, her interest in the Lease by virtue of a quit claim deed dated December 12, 2001 and recorded on December 17, 2001 under Skagit County Auditor's File Number 200112170158; and

WHEREAS, an estoppel certificate requested by Whidbey Island Bank was executed on December 15, 2004, which estoppel certificate superseded a pre-existing estoppel certificate requested by Whidbey Island Bank and executed on September 29, 1999.

WHEREAS, THOMAS E. LOESCH ("Assignor") has agreed to sell the improvements on the Premises and to assign the Tenant's interest in the Lease to JOHN V. & CLAUDETTE S. GUBRUD, husband and wife ("Assignee"), of which sale and assignment the Lessor approves; and

WHEREAS, Assignor has agreed to sub-lease a portion of the premises from Assignee for three years, with one (1) three (3) year option, by document dated February 27, 2006, entitled *Commercial Lease*, of which sub-lease the Lessor approves; and

WHEREAS, the Lease required a rental adjustment on October 15, 2005 but, due to a zoning map error, Lessee is precluded from further developing the property; and

WHEREAS, Lessor and Assignor by letter of agreement executed October 11, 2005, (attached as Exhibit No. 2), agreed to postpone said rent adjustment until the zoning is revised, or until the property is able to be further developed, to which agreement Assignee is willing to be bound;

NOW, THEREFORE, BASED ON THE FORGOING, THE PARTIES NOW ACT AND AGREE AS FOLLOWS:

ASSIGNMENT OF LEASE WITH CONSENT THERETO
ASSIGNOR: THOMAS E. LOESCH
ASSIGNEE: JOHN V. AND CLAUDETTE S. GUBRUD


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B. ASSIGNMENT AND AGREEMENT TO SUB-LEASE

FOR VALUE RECEIVED: (1) Assignor, hereby grants, bargains, sells, assigns, transfers and delivers unto Assignee, Assignor's interest in the Lease; and (2) Assignee hereby agrees to sub-lease a portion of the Premises to Assignor on for three years, with one (1) three (3) year option, by document dated February 27, 2006, entitled *Commercial Lease*, on terms and conditions acceptable to the Assignor and Assignee and approved by the Lessor.

C. CONSENT

Lessor hereby consents to the forgoing Assignment of the Lease and sub-lease subject to and contingent upon compliance with the following agreements and conditions:

1. Assignee hereby unconditionally: (a) assumes of all Assignor's obligations contained in the Lease; and (b) accepts, and agrees and covenants to comply with, and guarantees performance and fulfillment of, all the terms and conditions contained in the Lease as modified by the letter of October 11, 2005 referenced as Exhibit No. 2 hereto.
2. Assignor, as sub-lessee, agrees to be bound by all terms of the Lease and to faithfully perform all obligations therein while a sub-lessee.
3. Assignor hereby agrees to comply with all its financial obligations as Lessee incurred to the Lessor through the date of assignment or as thereafter may be determined to have been incurred prior to the date of assignment.
4. A determination by the Lessor, at its sole discretion, that Assignee is financially responsible to meet Lessee's financial obligations pursuant to the Lease. Lessor has determined that the sub-lease agreement dated February 27, 2006, entitled *Commercial Lease*, between Assignee and Assignor is acceptable under the Lessor's leasing policies and the Lease.
5. The Assignee hereby agrees that all notices and payments hereunder may be delivered or mailed as set forth herein. If delivered by messenger, courier (including overnight air courier) or facsimile transmittal, the same shall be deemed delivered when received at the street addresses or facsimile numbers listed below. Lessor shall have no obligation to deliver any notice to Assignor as sub-lessee. 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.

ASSIGNMENT OF LEASE WITH CONSENT THERETO
ASSIGNOR: THOMAS E. LOESCH
ASSIGNEE: JOHN V. AND CLAUDETTE S. GUBRUD



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To Lessor: **Street Address:**
Port of Skagit County
15400 Airport Drive
Burlington, WA 98233

Mailing Address:
Port of Skagit County
P. O. Box 348
Burlington, WA 98233

Phone No.: (360) 757-0011 **Fax No.:** (360) 757-0014

To Assignee: **Street Address:**
John V. and Claudette S. Gubrud
910 S. 38th Place
Mount Vernon, WA 98274

Mailing Address:
John V. and Claudette S. Gubrud
910 S. 38th Place
Mount Vernon, WA 98274

Phone No.: (360) 848-5908 **Fax No.:** (360)

The signature of Assignor hereinafter made constitutes evidence of Assignor's acceptance of the terms and conditions herein stated and guarantee of the matters set forth in paragraph B above. The signature of the Assignee hereinafter made constitutes evidence of Assignee's acceptance of the terms and conditions herein stated and agreement to comply with the matters referenced in the paragraph B above and Assignee's guarantee of the performance and fulfillment of the obligations referenced in the paragraphs above.

DATED this 14 day of March, 2006.

ASSIGNOR:

THOMAS E. LOESCH,
AN INDIVIDUAL



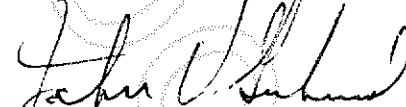
SIGNATURE

3/13/06

DATE

ASSIGNEE:

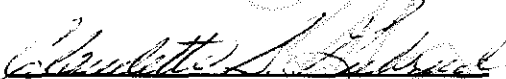
JOHN V. & CLAUDETTE S. GUBRUD,
HUSBAND AND WIFE



SIGNATURE

3/14/06

DATE



SIGNATURE

3/14/06

DATE

ASSIGNMENT OF LEASE WITH CONSENT THERETO
ASSIGNOR: THOMAS E. LOESCH
ASSIGNEE: JOHN V. AND CLAUDETTE S. GUBRUD



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STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

On this 13th day of March, 2006, before me, personally appeared Thomas E. Loesch, to me known to be the individual described in and who executed the within instrument and acknowledged he signed and sealed the same as his free and voluntary act and deed for the uses and purposes herein mentioned.

Witness my hand and official seal hereto affixed the day and year first above written.



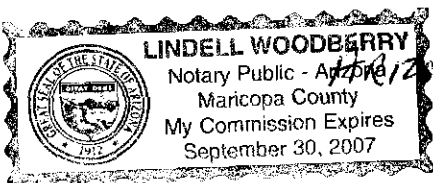
Sandra D. Olson
Notary Public in and for the state of
Washington, residing at Burlington Wa
My commission expires: 2-20-07

Printed Name: Sandra D. Olson

STATE OF Arizona)
) ss.
COUNTY OF Maricopa)

On this 14th day of March, 2006, before me, personally appeared JOHN V. GUBRUD and CLUADETTE S. GUBRUD, to me known to be the individuals described in and who executed the within instrument and acknowledged he signed and sealed the same as his free and voluntary act and deed for the uses and purposes herein mentioned.

Witness my hand and official seal hereto affixed the day and year first above written.



Lindell Woodberry
Notary Public in and for the state of
Washington, residing at Phoenix
My commission expires: Sept 30, 2007

Printed Name: Lindell Woodberry

ASSIGNMENT OF LEASE WITH CONSENT THERETO
ASSIGNOR: THOMAS E. LOESCH
ASSIGNEE: JOHN V. AND CLAUDETTE S. GUBRUD



CONSENT TO ASSIGNMENT

The Lessor hereby consents to the assignment of the above-referenced Lease, on the conditions hereinbefore set forth.

DATED this 1st day of March, 2006.

PORT OF SKAGIT COUNTY

Glenn B. Allen, Jr.

Glenn B. Allen, Jr., Commission President

3-1-06

Date

Jerry Kaufman

Jerry Kaufman, Commission Secretary

3-1-06

Date

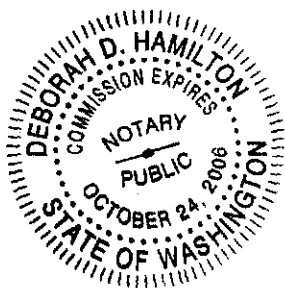
STATE OF WASHINGTON)

) ss.

COUNTY OF SKAGIT)

On this 1st day of March 2006 before me, the undersigned, a Notary Public in and for the state of Washington, duly commissioned and sworn, personally appeared Glenn B. Allen, Jr. and Jerry Kaufman, to me known to be the president and secretary, respectively of the Port Commission of the Port of Skagit County, a municipal corporation, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they/he/she is/are authorized to execute the said instrument,

Witness my hand and official seal hereto affixed the day and year first above written.



Deborah D. Hamilton

Notary Public in and for the state of

Washington, residing at Burlington WA

My commission expires: 10-24-06

Printed Name: Deborah D. Hamilton

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ASSIGNEE: JOHN V. AND CLAUDETTE S. GUBRUD



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Legal description

The land referred to in this report/policy is situated in the State of Washington, County of Skagit, and is described as follows:

A leasehold interest in the following described tract:

Lot 41, "AMENDED SKAGIT REGIONAL AIRPORT BINDING SITE PLAN, PHASE 1", as per plat recorded on March 4, 2003 under Auditor's File No. 200303040030, records of Skagit County, Washington.



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