

WHEN RECORDED RETURN TO:
CHAE LAW FIRM, P.S.
23 Lake Bellevue Dr. NE, Suite 100
Bellevue, WA 98005



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Skagit County Auditor

3/2/2007 Page 1 of 6 9:31AM

CHICAGO TITLE COMPANY IC39732

Document Title(s) (Or transactions contained therein):

1. Landlord's Release and Consent
- 2.

Grantor(s) (Last name first, then first name and initials):

1. B & T Enterprises LLC
- 2.
- 2.

Grantee(s) (Last name first, then first name and initials):

1. Hanmi Bank
- 2.
3. {} Additional Names on Page ____ of Document.

Legal Description (Abbreviated: *i.e.*, lot, block, plat; or section, township, range): Full legal on p. 6

Lot-Unit: 1 Block: Volume: Page:

Section: Township: Range:

Plat Name: SP# 96-001

LOT 1, SKAGIT COUNTY SHORT PLAT NO. 96-001; being ptn. NE NW 32-34-4

Reference Number(s) (Of documents assigned or released): 9605210083

{ } Additional Reference Number on Page ____ of Document.

Assessor's Property Tax Parcel/Account Number at the time of recording: P106797

Note : Nothing on this sheet alters the names, legal description or other information in the attached document.
The only purpose of this cover sheet is to assist the auditor in indexing the document in conformance with statute.

The Auditor or Recording Officer will rely on the information provided on this form. The staff will not read the document to verify the accuracy of or the completeness of the indexing information provided herein.

LANDLORD'S RELEASE AND CONSENT

THIS LANDLORD'S RELEASE AND CONSENT is entered into among NITA, Inc., a Washington Corporation dba ANDERSON ROAD 76 MARKET & DELI ("Borrower"), whose address is 2829 Cedardale Road, Mount Vernon, Washington 98273; HANMI BANK ("Lender"), whose address is 3327 Wilshire Blvd., Los Angeles, California 90010; and B&T ENTERPRISES, LLC, a Washington limited liability company, successor-in-interest to JOHN WALTON AND VIOLET E. WALTON ("Landlord"). Borrower and Lender have entered into, or are about to enter into, an agreement whereby Lender has acquired or will acquire a security interest or other interest in the Collateral described below. Some or all of the Collateral may be affixed or otherwise become located on the Premises. To induce Lender to extend the Loan to Borrower against such security interest in the Collateral and for other valuable consideration, Landlord hereby agrees with Lender and Borrower as follows.

Collateral Description. The word Collateral means certain of Borrower's property in which Lender has acquired or will acquire a security interest, including without limitation the following specific property:

All Inventory, Chattel Paper, Accounts, Equipment, General Intangibles, Leasehold Estates, Improvements, and Fixtures.

Borrower's Assignment of Lease. Borrower hereby assigns to Lender all of Borrower's rights in the Lease, as partial security for the Loan. The parties intend that this assignment will be a present transfer to Lender of all of Borrower's rights under the Lease, subject to Borrower's rights to use the Premises and enjoy the benefits of the Lease while not in default on the Loan or Lease. Upon full performance by Borrower under the Loan, this assignment shall be ended, without the necessity of any further action by any of the parties. This assignment includes all renewals of and amendments to the Lease or the Loan, until the Loan is paid in full. No amendments or cancellations may be made to the Lease without Lender's prior written consent.

Consent of Landlord. Landlord consents to the above assignment. If Borrower defaults under the Loan or the Lease, Landlord agrees that Lender may acquire Borrower's leasehold interest at a foreclosure sale under the same terms and conditions as contained in the Lease. Upon prior written consent of Landlord, which consent shall not be unreasonably withheld, Lender may reassign the Lease, or sublet all of the Premises. Lender will not be responsible for any liability under the Lease arising prior to the date that Lender takes control of the Premises, except that Lender shall cure all monetary defaults outstanding at the time Lender takes possession of the Premises including, but not limited to, past due rent. Lender shall be responsible for all liabilities arising under the Lease during the time it is in possession of the Borrower's leasehold interest. Whether or not Lender acquires Borrower's leasehold interest, Borrower will remain fully liable for all obligations of Borrower as lessee under the Lease. The Lender may vacate the premises at anytime upon thirty days written notice to Landlord. If Lender later reassigns the lease or vacates the Premises, Lender will have no further obligation to Landlord arising after the date of the assignment or vacation.

Lease Defaults. Both Borrower and Landlord agree and represent to Lender that, to the best of their knowledge, there is no breach or offset existing under the Lease or under any other agreement between Borrower and Landlord. Landlord agrees not to terminate the Lease, despite any default by Borrower, without giving Lender written notice of the default and an opportunity to cure the default within a period



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of ninety (90) days from the receipt of the notice so long as Landlord receives all sums due under the Lease during the ninety (90) day cure period. If the default is one that cannot reasonably be cured by Lender (such as insolvency, bankruptcy, or other judicial and non-judicial proceedings against Borrower), then Landlord will not terminate the Lease so long as Landlord receives all sums due under the Lease while the Lender is undertaking the cure of such default or for the period during which Lender is in possession of the Premises.

Disclaimer of Interest. Landlord hereby consents to Lender's security interest (or other interest) in the Collateral, including but not limited to fixtures, and disclaims all interests, liens and claims which Landlord now has or may hereafter acquire in the Collateral. Landlord agrees that any lien or claim it may now have or may hereafter have in the Collateral will be subject at all times to Lender's security interest (or other present or future interest) in the Collateral and will be subject to the rights granted by Landlord to Lender in this Agreement. Landlord agrees to execute any other documents in favor of Lender to effectuate the disclaimer and/or subordination and consents to filing or recording of any documents evidencing same.

Entry Onto Premises. Landlord and Borrower grant to Lender the right to enter upon the Premises for the purpose of removing the Collateral from the Premises or conducting sales of the Collateral on the Premises. If Lender conducts a Sale of the Collateral on the Premises, the Lender hereby promises to hold the Landlord harmless from any personal injury or property damage arising from such sale no matter who the injured party may be. The rights granted to Lender in this Agreement will continue until a reasonable time, but no more than 90 days, after Lender receives notice in writing from Landlord that Borrower no longer is in lawful possession of the Premises. If Lender enters onto the Premises and removes the Collateral, Lender agrees with Landlord not to remove any Collateral in such a way that the Premises are damaged without either repairing any such damage or reimbursing Landlord for the cost of repair.

Lender's Right to Proceeds. Landlord and Borrower agree that Lender shall be entitled to all proceeds, including but not limited to hazard insurance and condemnation proceeds, resulting from loss of or damage to the Collateral or any portion thereof.

Miscellaneous Provisions. The following miscellaneous provisions are a part of this Agreement: This Agreement shall extend to and bind the respective hers, personal representatives, successors and assigns of the parties to this Agreement. The covenants of Borrower and Landlord respecting subordination of the claim or claims of Landlord in favor of Lender shall extend to, include, and be enforceable by any transferee or endorsee to whom Lender may transfer any claim or claims to which this Agreement shall apply. Lender need not accept this Agreement in writing or otherwise to make it effective. If Landlord is other than an individual, any agent or other person executing this Agreement on behalf of Landlord represents and warrants to Lender that he or she has full power and authority to execute this Agreement on Landlord's behalf. Without notice to Landlord and without affecting the validity of this Consent, Lender may do or not do anything it deems appropriate or necessary with respect to the Loan, any obligors on the Loan, or any Collateral for the Loan; including without limitation extending, renewing, rearranging, or accelerating any of the Loan indebtedness.

Amendments. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.



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No Waiver By Lender or Landlord. Lender and/or Landlord shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender and/or Landlord. No delay or omission on the part of Lender or Landlord in exercising any right shall operate as a waiver of such rights or any other right. A waiver by Lender or Landlord of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's or Landlord's right otherwise to demand strict compliance with that provision or another provision of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Landlord, shall constitute a waiver of any of Lender's rights or of any of Landlord's obligations as to any further transactions. Whenever the consent of Lender or Landlord is required under this Agreement, the granting of such consent by Lender or Landlord in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender or Landlord.

Severability. If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provisions of this Agreement.

Definitions. The following capitalized words and terms shall have the following meanings when used in this Agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code:

Agreement. The word "Agreement" means this Landlord's Release and Consent, as this Landlord's Release and Consent may be amended or modified from time to time, together with all exhibits and schedules attached to this Landlord's Release and Consent from time to time.

Borrower. The word "Borrower" means NITA, INC. and includes all co-signers and co-makers signing the Note.

Collateral. The word "Collateral" means all of Borrower's right, title and interest in and to all the Collateral as described in the Collateral Description section of this Agreement.

Landlord. The word "Landlord" means B&T ENTERPRISES, LLC, and is used for convenience purposes only. Landlord's interest in the Premises may be that of a fee owner, lessor, sublessor or lienholder, or that of any other holder of an interest in the Premises which may be, or may become, prior to the interest of Lender.

Lease. The word "Lease" means that certain Ground Lease dated May 3, 1996 between JOHN WALTON and VIOLET E. WALTON and SKAGIT PARTNERS III, INC., including all leases and subleases arising out of or relating to the Ground Lease in anyway (and any renewals, amendments, modification or other like documents thereon), covering a parcel of land commonly known as 2829 Cedardale Road, Mount Vernon, in the County of Skagit, State of Washington.

Lender. The word "Lender" means Hanmi Bank, its successors and assigns.

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Loan. The word "Loan" means any and all loans and financial accommodations from Lender to Borrower whether now or hereafter existing, and however evidenced.

Premises. The word "Premises" means the real property located at 2829 Cedardale Road, Mount Vernon, in the County of Skagit, State of Washington, and legally described as:

SEE ATTACHED EXHIBIT "A."

Related Documents. The words "Related Documents" means all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Loan.

BORROWER AND LANDLORD ACKNOWLEDGE HAVING READ ALL THE PROVISIONS OF THIS LANDLORD'S RELEASE AND CONSENT, AND BORROWER AND LANDLORD AGREE TO ITS TERMS. THIS AGREEMENT IS DATED ~~JANUARY~~ ^{FEBRUARY} 1, 2007.

BORROWER:

LANDLORD:

NITA, INC.

B&T ENTERPRISES, LLC

By: _____

Song C. Pak
President & Secretary

By: _____

Authorized Officer

LENDER:

HANMI BANK

By: _____

Authorized Officer



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EXHIBIT "A"

Lot 1 of SHORT PLAT NO. 96-001, approved May 10, 1996, recorded May 17, 1996, in Volume 12 of Short Plats, pages 100 and 101, as Auditor's File No. 9605170034, records of Skagit County, Washington, and being a portion of the Northeast Quarter of the Northwest Quarter, Section 32, Township 34 North, Range 4 East of the Willamette Meridian.

Situated in Skagit County, Washington

- END OF EXHIBIT "A" -



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