

WHEN RECORDED RETURN TO:

Law Office Of
LAWRENCE A. PIRKLE
321 West Washington, Suite 300
Mount Vernon, Washington 98273
(360) 336-6587



200710050106
Skagit County Auditor

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DOCUMENT TITLE(S)

Assignment of Sublease and Conveyance of
Condominium Unit 9-5

REFERENCE NUMBER(S) OF DOCUMENTS ASSIGNED OR RELEASED:

Auditor File No. 200701180069
200702010107

GRANTOR(S):

Steve R. Verberendse

GRANTEE(S):

Fidalgo Skyway, LLC

ABBREVIATED LEGAL DESCRIPTION:

Unit 9-5, 48 Degrees North Hangars

TAX PARCEL NUMBER(S):

P125162, P125177, P125178 and P125185

Form of Assignment of Sublease and Conveyance of Condominium Unit

ASSIGNMENT OF SUBLEASE AND CONVEYANCE OF CONDOMINIUM UNIT

WHEREAS, the Grantor, STEVE R. VERBARENDES (a.k.a. STEVEN R. VERBARENDSE) was assigned this sublease from 48° NORTH AVIATION, LLC, a Washington Limited Liability Company, dated January 25, 2007 and recorded on February 1, 2007 under Skagit County Auditor's File No. 200702010107; and

WHEREAS, 48° NORTH AVIATION, LLC, a Washington Limited Liability Company, is the original Lessee of land under that certain Lease Agreement with the Port of Anacortes ("Ground Lessor") dated December 4, 2003 and recorded under Skagit County Auditor's Recording Number 200509290125, as amended in accordance with that certain First Amendment of Lease dated March 30, 2006 and recorded under Skagit County Auditor's Recording Number 200606280155 (the lease, as amended, the "Ground Lease"); and

WHEREAS, 48° NORTH AVIATION, LLC, a Washington Limited Liability Company has constructed improvements on the land and created a leasehold condominium in the land and improvements; and

WHEREAS, on January 18, 2007, and recorded under Skagit County Auditor's Recording Number 200701180069, 48° NORTH AVIATION, LLC, a Washington Limited Liability Company assigned its interest in the Ground Lease to the 48° NORTH HANGAR OWNERS ASSOCIATION (the "Association"); and

WHEREAS, on January 30, 2007, the Association subleased that portion of the Ground Lease allocated to the Unit (identified and described in section 1 below) to the 48° NORTH AVIATION, LLC, a Washington Limited Liability Company who in turn assigned the sublease to Grantor (the "sublease"); and

NOW, THEREFORE, in consideration of the mutual promises, covenants and contingencies, the parties agree as follows:

(1) **SUBLEASE.** In consideration of transfer to a wholly owned Limited Liability Company (mere change in form of ownership, WAC 458-61A-211), Grantor assigns its interest in the Sublease to the Grantee, FIDALGO SKYWAY, LLC, a Washington Limited Liability Company, for the following condominium unit, for a term commencing upon consent by the Port of Anacortes as contained herein, and ending upon the expiration date of the Ground Lease or its sooner termination according to its terms, including all of Grantor's interest in that portion of the improvements that are allocated to the Unit under the terms of Declaration, which Unit is described as follows:



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Unit 9-5 of 48° North Hangar Condominium, according to the Declaration of Condominium recorded in Skagit County, Washington on October 6, 2006 under Auditor's Number 200610060089, records of Skagit County, Washington and the Survey Map and Plans thereof recorded October 6, 2006, under Auditor's File No. 200610060088, records of Skagit County, Washington.

Situate in Skagit County, Washington.

(2) **Ground Lease.** All terms of the Ground Lease are incorporated within this document by this reference. Grantee is charged with a responsibility to be knowledgeable with all terms and conditions of the Ground Lease.

(3) **Condominium Association.** Grantee is not a party or third-party beneficiary under the Ground Lease. The Association will be responsible for paying rent and all other sums due under the Ground Lease to the Ground Lessor. Grantee and other Unit Owners are each responsible for paying to the Association a share (computed according to the "Allocated Interest" for their respective Unit as defined in the Declaration) of the rent and other sums due under the Ground Lease. The association will collect the proportionate rents paid on the Ground Lease by the Unit Owners in the form of Assessments. For purposes of Sections 64.34.220(2) and (3) of the Revised Code of Washington, the Association is designated as the representative of the Unit Owners on all matters relating to the Ground Lease including the collection of proportionate rents paid on the Ground Lease by the Unit Owners.

(4) **Termination of Ground Lease.** In the event that the Association fails to pay in full the rent due under the Ground Lease to Ground Lessor, or otherwise fails to cure a default under the Ground Lease which would entitle the Ground Lessor to terminate the Ground Lease (whether such default is due to the action of the Association, Grantee, other unit owner(s), or others), the Ground Lessor may terminate the entire Ground Lease and the entire interest of the Grantee and/or all the other Unit Owners in their respective Units, including where Grantee or other Unit Owners make timely payment of their proportionate share of the rent for the Ground Lease and/or otherwise comply with all covenants other than the payment of rent which is violated would entitle the Ground Lessor to terminate the Ground Lease.

(5) **48° NORTH AVIATION, LLC, Liability.** Notwithstanding anything contained herein, 48° NORTH AVIATION, LLC, a Washington Limited Liability Company shall at all times remain liable to the Ground Lessor for any and all obligations of the Lessee contained in the Ground Lease.



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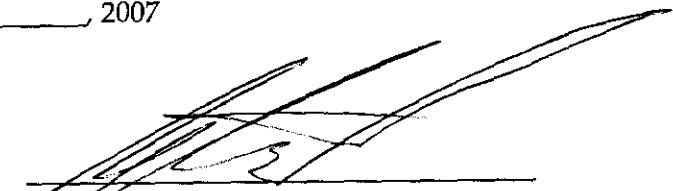
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Dated 28 day of September, 2007


STEVEN R. VERBARENDSE

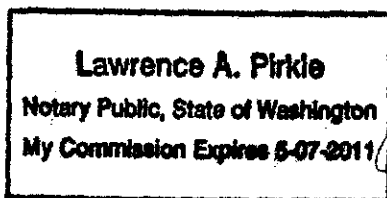
STATE OF WASHINGTON)

) ss.

COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that STEVEN R. VERBARENDSE is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.


GIVEN under my hand and official seal this 28 day of September, 2007



4741
SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

OCT 05 2007

Amount Paid \$ 0
Skagit Co. Treasurer
By *nam* Deputy


LAWRENCE A. PIRKLE
Notary Public in and for the
State of Washington
Residing at Mount Vernon
My Commission Expires: 5/7/11



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