



200710220132

Skagit County Auditor

10/22/2007 Page

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9 1:13PM

Document Title:

Lease

Reference Number:

Grantor(s):

additional grantor names on page ___

1. CF Central, LLC

2.

Grantee(s):

additional grantee names on page ___

1. Waterfall Pond Supply of Washington

2. Irven & Synthia Tennyson

Abbreviated legal description:

full legal on page(s) ___

18133/4

Assessor Parcel / Tax ID Number:

additional tax parcel number(s) on page ___

P16815

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

OCT 22 2007

Amount Paid \$
By Skagit Co. Treasurer
Deputy

Sp

Lease Agreement

1. This lease agreement is entered into as of October 1, 2007 by and between CF Central, LLC (Landlord /Property Owner) and Waterfall Pond Supply of Washington (Tenant)/ personally guaranteed by Irven Tennyson and Synthia Tennyson
2. Premises – Landlord/Property Owner leases to Tenant and Tenant leases from Landlord/Property Owner upon the terms and conditions herein the barn building in its entirety and adjoining approximate one acre currently used/ occupied by Tenants' business, known as *Waterfall Pond Supply of Washington* and all associated equipment, piping, storage, parking and shared access. The property commonly known as:

20408 Conway Frontage Road
Mount Vernon, WA 98273

Property Description:

West boundary is 215 feet from the West edge of the ditch along Conway Frontage Road, the North boundary is a row of trees between the house and the barn running perpendicular to Conway Frontage Road, South boundary is to the middle of shared access and East boundary is the Conway Frontage Road.

3. Lease Term – This lease shall be for the term of five (5) years from the date of signing. Tenant shall have the option of extending the lease for an additional period of up to five (5) years, and then an additional period of up to two (2) years after the second five (5) year period. Said options (lease extension periods) must be exercised at least 120 days before termination of the prior lease term.
4. Rent – Tenant shall pay \$1650.00 per month on the first day of each month. Landlord will allow a five day grace period, in which after the grace period, tenant will be considered late and late fees will be assessed in the amount of \$50.00 on the sixth day and an additional 1% of the monthly rental rate each day after, until all rent and assessed fees are paid in full. The monthly rent will increase at a rate of 3 % bi-annually, commencing on the anniversary date of the lease. In addition to rent, Tenant shall pay that portion of Insurance and Taxes that has been assigned to the property covered by this lease, (See sections 6 & 9) at a current rate of \$50.00 & \$46.34 for a total monthly rental payment of \$1746.34.
5. Utilities – Landlord/Property Owner shall supply electricity and water to the property. Tenant shall pay, in addition to rent, the utility charges to the landlord/Property Owner for the electricity and water used by the tenant. Parties shall agree upon a reasonable approximation of use when a meter is shared with other users, until which time the landlord arranges separate utility meters on the property. When separate meters become available, tenant agrees to pay the utility charges that are assessed to his/her assigned meter. The tenant shall pay for any other utility used or consumed on the premises during the term of the Lease.
6. Insurance – Landlord/Property Owner shall carry adequate insurance coverage on the property. Tenant shall pay, in addition to rent, that portion of the insurance policy that covers the premises rented by the tenant. (Currently \$50.00/Mo. As of 7/01/2007 - Tenant understands rate changes may occur as policy rates increase/decrease.)



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7. Liability Insurance – Tenant shall, at tenant's sole expense, obtain and keep in force a comprehensive public liability insurance, insuring tenant and as an additional insured, landlord/Property Owner, against any liability arising out of the ownership, use, occupancy, or maintenance of the premises and all areas appurtenant thereto. Such insurance shall be in the amount not less than \$1,000,000.00 (one million dollars.)
8. Personal Property Insurance – Any personal property insurance is the responsibility of the tenant.
9. Taxes - Tenant shall pay, in addition to rent, that portion of the property taxes that covers the premises rented by the tenant. Tax portion equals 21% of assessed taxes (currently \$46.34/Mo as of 07/01/2007.)
10. Use of Premises – Tenant shall use the premises for legal business purposes under the laws and codes of Skagit County, WA. Tenant shall not engage in the selling or distribution of produce without prior approval of the landlord/Property Owner.
11. Maintenance and Repairs – Tenant accepts property in "As Is" condition. All routine maintenance and repairs are the responsibility of the tenant. Tenant shall keep property in as good a condition as it is at the commencement of this lease. Tenant shall, upon expiration or sooner termination of this Lease, surrender the Premises to the landlord/Property Owner in as good condition and clean. Only ordinary wear and tear excepted.
12. Landlord/Property Owner's Obligation – Upon written notice by the tenant and agreement by the landlord/Property Owner, landlord/Property Owner shall, at landlord/Property Owner's expense, repair and maintain the structural portions of the building. In the event such maintenance and repairs are necessitated by the acts of neglect, fault, or omission of any duty by the tenant, tenant's agents, servants, employees or invitees, or any damage caused by breaking and entering, tenant shall pay to landlord/Property Owner the entire cost of such maintenance and repairs.
13. Assignment and Subletting – Tenant shall give Landlord/Property Owner 90 days notice of intent to sublease all or a portion of the premises or to assign performance under this lease. Landlord/Property Owner shall not unreasonably withhold consent to sublease or assignment assuming that the "New Tenant" is financially sound and of good character and agrees to abide by the same terms and conditions of the Lease. However, tenant shall remain primarily liable on this Lease despite a sublease or assignment unless specifically released by the landlord/Property Owner.
14. Prior Agreements – This Lease contains all of the agreements of all parties hereto with respect to this Lease, and no prior agreements or understandings pertaining to it shall be effective for any purpose. No provisions of this lease may be amended or added to except by agreement in writing signed by all parties hereto or their respective successors in interest. This Lease shall not be effective or binding upon any party until fully executed by both parties hereto.
15. Governing Law – This Lease shall be governed by and construed in accordance with the laws of the state of Washington, venue of Skagit County.
16. Attorney's Fees – In the event of any action or proceeding brought by either party against the other under this Lease, the prevailing party shall be entitled to recover attorneys' fees, expenses of litigation and costs of appeal.



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17. Notices – All notices to be given hereunder shall be deemed to have been given when given in writing by depositing the same in the United States mail, postage prepaid, registered or certified mail, and addressed to the party at the respective mailing address as herein set forth, and shall be deemed effective 24 hours thereafter unless otherwise specified herein.

Landlord/Property Owner:

CF Central, LLC
20408 Conway Frontage Road
Mount Vernon, WA 98273

Mailing Address: PO Box 1030
Burlington, WA 98233

Tenant: Waterfall Pond Supply of Washington
Personal Guarantors: Irven and Synthia Tennyson

Mailing Address: PO Box 329
Conway, WA 98238

It is understood that either party may change the mailing address to which notices may be sent by giving a written notice of such change to the other party hereto in the manner herein provided.

EXECUTED as of the 22th day of Sept, 2007

LANDLORD/ PROPERTY OWNER:

CF Central, LLC

A Washington Limited Liability Company

By: Michele Young
Its Registered Agent

TENANT:

Waterfall Pond Supply of WA

By: Irven Tennyson
Irven Tennyson Its President

GUARANTORS:

By: Irven Tennyson
Irven Tennyson

By: Synthia Tennyson
Synthia Tennyson



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State of Washington)
) ss.
County of Skagit)

I certify that I know or have satisfactory evidence that Michele Youngquist is the person who appeared before me and said person acknowledged that she signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as the Registered Agent of CF Central, LLC (Landlord/ Property Owner) to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 9/27/2007

Clara Alaniz
Notary Public in and for the state of
Washington, residing at Burlington, WA

My appointment expires 7/15/2011



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Skagit County Auditor

State of Washington)

) ss.

County of Skagit)

I certify that I know or have satisfactory evidence that Irven Tennyson is the person who appeared before me and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as a personal guarantee for the Tenant to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____

Notary Public in and for the state of
Washington, residing at _____

My appointment expires _____



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Skagit County Auditor

State of Washington)
) ss.
County of Skagit)

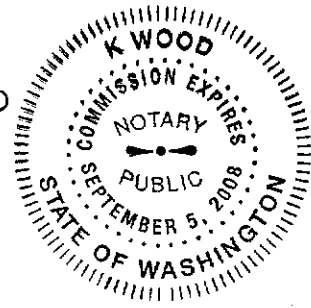
I certify that I know or have satisfactory evidence that Irven Tennyson is the person who appeared before me and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument as an agent of Waterfall Pond Supply of WA and acknowledged it as the Tenant to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 10-9-07

K Wood

Notary Public in and for the state of Washington, residing at Mant Verner

My appointment expires 9-5-08



State of Washington)
) ss.
County of Skagit)

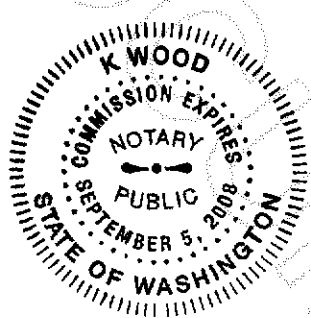
I certify that I know or have satisfactory evidence that Synthia Tennyson is the person who appeared before me and said person acknowledged that she signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as a personal guarantee for the Tenant to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 10-9-07

K Wood

Notary Public in and for the state of Washington, residing at Mant Verner

My appointment expires 9-5-08



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State of Washington }
County of Skagit }

On this day personally appeared before me Elizabeth Mitchell
to me known to be the person described in and who is authorized
to execute the within and foregoing instrument, and acknowledged
that he/she signed the same as his/her/their free and voluntary act and deed,
for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this

27th day of September, 2007.



Clara Alaniz
Notary Public in and for the State of
Washington, residing at Burlington WA
My appointment expires: July 15, 2011



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Skagit County Auditor



200709280120
Skagit County Auditor

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When recorded return to:

CF Central, LLC
PO Box 1030
Burlington, WA 98233

Quit Claim Deed

THE GRANTOR: Elizabeth Mitchell

For and in consideration of: Transfer to LLC

Conveys and quit claims to: CF Central, LLC

The following described real estate, situated in the County of Skagit, State of Washington, together with all after acquired title of the grantor therein.

OPEN SPACE #129 #759932 1973: DR 17: DK 3: SE1/4 NE1/4 EXC RD & DTCH & TR TO ST HWY

Commonly known as:
20356 CONWAY FRONTAGE ROAD and 20408 CONWAY FRONTAGE ROAD
Mount Vernon, WA 98233

Tax Parcel # P16815

Sept 27, 2007

Elizabeth Mitchell

4606
SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

SEP 28 2007

Amount Paid \$ ϕ
Skagit Co. Treasurer
By *MF* Deputy



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