



200710230077

Skagit County Auditor

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6 1:02PM

COPY

Document Title:

Lease

Reference Number :Grantor(s):☐ additional grantor names on page \_\_\_\_

1. John Sch, Sheri L.  
2.

Grantee(s):☐ additional grantee names on page \_\_\_\_

1. American magic Real Estate Inc  
2.

Abbreviated legal description:☐ full legal on page(s) \_\_\_\_

P57200  
P57201

Assessor Parcel / Tax ID Number:☐ additional tax parcel number(s) on page \_\_\_\_

Lot 5 18-20 BLS 1st to Ana

I, Richard Lord, am hereby requesting an emergency non-standard recording for an additional fee provided in RCW 36.18.010. I understand that the recording processing requirements may cover up or otherwise obscure some part of the text of the original document. Recording fee is \$40.00 for the first page, \$1.00 per page thereafter per document. In addition to the standard fee, an emergency recording fee of \$50.00 is assessed. This statement is to become part of the recorded document.

Signed

Richard Lord

Dated

10-23-07

After recording, please return to:

American Magic Real Estate, Inc.  
Tenant

19312 60th Ave W (Sunset D)  
Address

Lynden, WA 98036  
City, State, Zip

### MEMORANDUM OF LEASE

Grantor ["Lessor"]: Sheri L. Johnson

Grantee ["Tenant"]: American Magic Real Estate, Inc.

Legal Description: See attached

Assessor's Tax Parcel Number(s): 57200  
52201 ☒ additional legal description on page "A"

1. **Premises.** Lessor hereby leases to Tenant, upon the terms and conditions of the Lease Agreement dated 6-1-07, which terms and conditions are incorporated by this reference, the above-referenced premises.
2. **Term.** The Lease is for a term of 3 year(s) commencing 7-1-07 and contains (☒ a renewal option) (☐ an option to purchase the premises) (☒ a right of first refusal) (☐ other \_\_\_\_\_).
3. **Purpose of Memorandum.** This Memorandum of Lease is executed for the purpose of recordation, and does not modify the Lease.

SKAGIT COUNTY WASHINGTON  
REAL ESTATE EXCISE TAX

OCT 23 2007

Amount Paid \$  
Skagit Co. Treasurer  
By Lp Deputy



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CBA Form ST-LS  
Single Tenant Lease Agreement  
Rev. 1/03  
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CBY

**LEASE AGREEMENT**  
(Single Tenant for Entire Parcel - Triple Net)  
(CONTINUED)

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STATE OF WASHINGTON

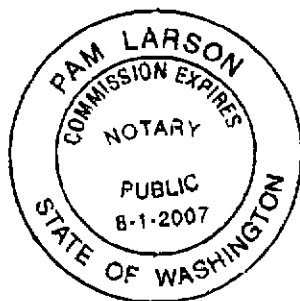
COUNTY OF Skagit

) ss.

I certify that I know or have satisfactory evidence that Sherri L. Johnson 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 signing of lease agreement to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument. 2216 Commercial Ave. Anacortes, WA 98221

DATED: June 1st, 2007.

(Seal or stamp)

Printed Name: Pam LarsonNOTARY PUBLIC in and for the State of Washington, residing at Mount VernonMy Commission expires: 08-01-2007200710230077  
Skagit County Auditor

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STATE OF WASHINGTON

COUNTY OF Snohomish

) ss.

I certify that I know or have satisfactory evidence that American Magic Real Estate, Inc. 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 signing of lease agreement to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: June 1st, 2007.

(Seal or stamp)

Printed Name: Patricia G. Lord - PresidentNOTARY PUBLIC in and for the State of Washington, residing at SnohomishMy Commission expires: 1-15-07

Susan J. Eastman  
Susan J Eastman  
6-1-2007



**LEASE AGREEMENT**  
(Single Tenant for Entire Parcel - Triple Net)

THIS LEASE AGREEMENT (the "Lease") is entered into this 23rd day of June 1, 2007, between Sheri L. Johnson ("Landlord"), and American Magni Real Estate Inc. ("Tenant"). Landlord and Tenant agree as follows:

**1. LEASE SUMMARY.**

**a. Leased Premises.** The leased commercial real estate (the "Premises") consist of the real property legally described on attached Exhibit A, and all improvements thereon.

**b. Lease Commencement Date.** The Lease shall commence on July 1, 2007, or such earlier or later date as provided in Section 3 (the "Commencement Date").

**c. Lease Termination Date.** The Lease shall terminate at midnight on June 30, 2010\*, or such earlier or later date as provided in Section 3 (the "Termination Date"). \* See Exhibit C.

**d. Base Rent.** The base monthly rent shall be (check one): ☐ \$ \_\_\_\_\_, or ☒ according to the Rent Rider attached hereto. Rent shall be payable at Landlord's address shown in Section 1(h) below, or such other place designated in writing by Landlord.

**e. Prepaid Rent.** Upon execution of this Lease, Tenant shall deliver to Landlord the sum of \$ 4,100.00 as prepaid rent, to be applied to the Rent due for the FIRST + LAST month(s) of the Lease.

**f. Security Deposit.** The amount of the security deposit is \$ 1500.00.

**g. Permitted Use.** The Premises shall be used only for Real Estate and related services and for no other purpose without the prior written consent of Landlord.

**h. Notice and Payment Addresses:**

Landlord: Sheri L. Johnson Email: Sheri@sheri-johnson.com

Tenant: PO Box 13393 Mill Creek, WA 98082 Fax No.: 425-778-8326

**2. PREMISES.** Landlord leases to Tenant, and Tenant leases from Landlord the Premises upon the terms specified in this Lease.

**3. TERM.**

**a. Commencement Date.** The Lease shall commence on the date specified in Section 1(b), or on such earlier or later date as may be specified by written notice delivered by Landlord to Tenant advising Tenant that the Premises are ready for possession and specifying the Commencement Date, which shall not be less than \_\_\_\_\_ days (30 if not filled in) days following the date of such notice. If Tenant occupies the Premises before the Commencement Date specified in Section 1(b), then the Commencement Date shall be the date of occupancy. If Landlord acts diligently to make the Premises available to Tenant, neither Landlord nor any agent or employee of Landlord shall be liable for any damage or loss due to Landlord's inability or failure to deliver possession of the Premises to Tenant as provided in this Lease. The Termination Date shall be modified upon any change in the Commencement Date so that the length of the Lease term is not changed. If Landlord does not deliver possession of the Premises to Tenant within \_\_\_\_\_ days (60 if not filled in) after the date specified in Section 1(b), Tenant may elect to cancel this Lease by giving written notice to Landlord within 10 days after such time period ends. If Tenant gives such notice, the Lease shall be cancelled, all prepaid rent and security deposits shall be refunded to tenant, and neither Landlord nor Tenant shall have any further obligations to the other. The first "Lease Year" shall commence on the Commencement Date and shall end on the date which is twelve (12) months from the end of the month in which the Commencement Date occurs. Each successive Lease Year during the initial term and any extension terms shall be twelve (12) months, commencing on the first day following the end of the preceding Lease Year, except that the last Lease Year shall end on the Termination Date.

**b. Tenant Obligations.** To the extent Tenant's tenant improvements are not completed in time for the Tenant to occupy or take possession of the Premises on the Commencement Date due to the failure of Tenant to fulfill any of its obligations under this Lease, the Lease shall nevertheless commence on the Commencement Date.

Except as specified elsewhere in this Lease, Landlord makes no representations or warranties to Tenant regarding the Premises, including the structural condition of the Premises and the condition of all mechanical, electrical, and other systems on the Premises. Except for any tenant improvements described on attached Exhibit B to be completed by Landlord (defined therein as "Landlord's Work"), Tenant shall be responsible for performing any work necessary to bring the Premises into condition satisfactory to Tenant. By signing this Lease, Tenant acknowledges that it has had adequate opportunity to investigate the Premises, acknowledges responsibility for making any corrections, alterations and repairs to the Premises (other than the Landlord's Work), and acknowledges that the time needed to complete any such items shall not delay the Commencement Date.

Attached Exhibit B sets forth all Landlord's Work, if any, and all tenant improvements to be completed by Tenant ("Tenant's Work"), which is to be performed on the Premises. Responsibilities for design, payment and performance of all such work shall be as set forth on attached Exhibit B. If Tenant fails to notify Landlord of any defects in the Landlord's Work within ten (10) days of delivery of possession to Tenant, Tenant shall be deemed to have accepted the Premises in their then condition. If Tenant discovers any major defects in the Landlord's Work during this 10-day period that would prevent Tenant from using the Premises for its intended purpose, Tenant shall so notify Landlord in writing and the Commencement Date shall be delayed until after Landlord has corrected to inspect and approve the Premises after Landlord's correction of such defects. The Cor inspection reveals minor defects in the Landlord's Work that will not prevent Tenant from using the Premises, Tenant shall prepare a punch list of all minor defects and provide the punch list to Landlord.



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Single Tenant Lease Agreement  
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**CBA**

**LEASE AGREEMENT**  
(Single Tenant for Entire Parcel - Triple Net)  
(CONTINUED)  
**EXHIBIT - C**

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**RENT RIDER & LEASE EXTENSIONS**

Rent to be paid as follows:

Year 1 = \$2,050.00 (7/1/07 - 6/30/08)

Year 2 = \$2,150.00 (7/1/08 - 6/30/09)

Year 3 = \$2,250.00 (7/1/09 - 6/30/10)

*SJ* | *6/1/07*  
*Amended*  
*6/1/07*

Each December for years 1, 2, & 3 there will be no rent due in December (Free month).

*Owner will allow a \$2500 T.I. Credit during Year 1+2*  
The following extensions may take place at Tenants option: *For a total of \$5000*  
4 additional extensions  
5 year periods (Total 20 years' extensions possible).

Each extension and year thereof, rent will be adjusted according to the governments "CPI" index AKA "CPP". This index will be used for Anacortes or the closest city that appears on index.

Owner must notify tenant in writing each time rent is being adjusted with a 20 day notice. Therefore, CPI will need to be checked the month prior to rent change date. Sellers agree to provide phone number used for CPI rental housing increase for verification purposes.



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(CONTINUED)

**EXHIBIT B**  
[Tenant Improvement Schedule]

**TENANT IMPROVEMENTS**

Garage is included in lease with the house/retail space.

Owner will allow "RE/MAX" signs and logos to be placed on building and/or garage. Any damage resulting from RE/max signs will be repaired prior to vacating property. Tenant will get all permits required and all work to be done in a professional manner.

Owner will cooperate with tenant in obtaining licensing, permits or changes of any kind needed by tenant that may require owner's signature.

Owner will allow pole signs, if they conform to city codes.

Owner will allow tenants to move or remove interior walls within the building and/or replace with half walls and half glass cubicles. Columns may be added to protect the buildings integrity. All work to be done according to licensed architect's specifications.

*SU/Amber*  
*10/23/07*  
WITH OWNER'S WRITTEN APPROVAL.  
~~"Beach House" signs to remain. However, if they need to be removed at a later time they may be replaced with "RE/MAX" signage or be repainted.~~

Lease is subject to signage approval or investigation, businesses license and final franchise approval from RE/MAX International/Regional Corporation within 10 days of mutual acceptance of lease.

Owner agrees to provide property in a clean "Vanilla Shell" condition that includes fresh interior paint and flooring in good condition after current tenants vacate. All repair work to be done prior to possession.



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