

When Recorded Return to:  
McCullough Hill Leary, P.S.  
701 Fifth Avenue, Suite 6600  
Seattle, WA 98104  
Attn: D. Douglas Matson



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Skagit County Auditor

\$224.00

5/8/2017 Page

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GUARDIAN NORTHWEST TITLE CO.

113746

Document Title:

Assignment and Assumption of Ground Lease  
and Lessor's Consent

Reference numbers of related documents

9407290099; 9505050073; 9704140062

Grantor:

Lindal Cedar Homes, Inc.

Grantee:

Watertank Road LLC

Legal description (abbreviated):

Portion Lot 48, Amended Skagit Regional  
Airport BSP, Phase 1, rec. # 200303040030.  
See Exhibit A for complete legal description

Assessor's Tax Parcel Number:

8012-000-048-0200 (P129707)

## ASSIGNMENT AND ASSUMPTION OF GROUND LEASE

This Assignment and Assumption of Ground Lease ("Assignment") is made this 1<sup>st</sup> day of May, 2017, between LINDAL CEDAR HOMES, INC., a Washington corporation, formerly known as Lindal Incorporated, a Washington corporation, successor by merger to Lindal Cedar Homes, Inc., a Delaware corporation ("Assignor"), WATERTANK ROAD LLC, a Washington limited liability company ("Assignee"), with the express agreement and consent of the PORT OF SKAGIT COUNTY, a Washington municipal corporation ("Lessor").

### RECITALS

A. Assignor leases from the Port the real property legally described in Exhibit A attached hereto ("Leased Premises") pursuant to that certain Lease Agreement between the Port as Lessor and Mel Edstrom and Timberline Forest Products, Inc., a Washington corporation ("Original Lessee") dated July 28, 1994 and recorded at Skagit County Auditor's File Number 9407290099, as amended and assigned as set forth below (collectively, with the amendments and assignments listed below, the "Lease");

1. First Amendment to Lease Agreement between Lessor and Timberline Forest Products, Inc. dated April 18, 1995 and recorded at Skagit County Auditor's File Number 9505050073.

2. Lessee's Assignment of Lease, Lessor's Consent and Second Amendment to Lease, by and among the Original Lessee, as the assignor, Lindal Cedar Homes, Inc., a Delaware corporation, as the assignee, and Lessor dated April 10, 1997 and recorded at Skagit County Auditor's File Number 9704140062, pursuant to which the lessee's interest was assigned to Lindal Cedar Homes, Inc., a Delaware corporation.

3. Assignment of Lease between Lindal Cedar Homes, Inc., a Delaware corporation, as the assignor, and Lindal Incorporated, a Washington corporation, dated August 27, 2001, regarding the assignment of the lessee's interest to Lindal Incorporated, a Washington corporation.

4. Third Amendment to Lease Agreement between Lessor and Lindal Incorporated, a Washington corporation, dated May 15, 2007.

B. Lindal Incorporated, a Washington corporation, has changed its name to Lindal Cedar Homes, Inc.

C. Assignor desires to transfer and assign its leasehold interest in the Leased Premises to Assignee, which is wholly owned by Assignor, and to immediately thereafter

transfer and assign its membership interest in Assignee to the shareholders of Assignor pro rata in accordance with their ownership interests in Assignor.

NOW, THEREFORE, the parties agree as follows:

#### AGREEMENT

1. Assignment. Assignor does hereby grant, transfer, assign and convey all of Assignor's right, title, interest, powers and other benefits under the Lease, together with all of Assignor's interest in the real property described therein, including but not limited to all buildings, appurtenances and leasehold improvements located thereon.
2. Assumption. Assignee does hereby accept the assignment of the Lease by Assignor and agrees to pay all rent due after the effective date of this Assignment and to assume and perform all duties and obligations required of the Assignor, as lessee under the terms of the Lease.
3. No Modifications. Except as set forth herein, the Lease has not been modified or amended and remains in full force and effect.
4. Counterparts. This Assignment may be executed in one or more counterparts, all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Assignment of Lease as of the date first set forth above.



**ASSIGNOR:**

LINDAL CEDAR HOMES, INC., a  
Washington corporation

By:   
Robert W. Lindal, President

SKAGIT COUNTY WASHINGTON  
REAL ESTATE EXCISE TAX

MAY 08 2017

Amount Paid \$   
Skagit Co. Treasurer  
By  Deputy

**ASSIGNEE:**

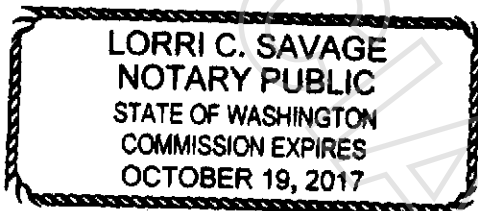
WATERTANK ROAD LLC, a  
Washington limited liability company

By:   
Robert W. Lindal, Manager

STATE OF WASHINGTON )  
 ) ss  
COUNTY OF KING )

I certify that I know or have satisfactory evidence that Robert W. Lindal 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 the President of LINDAL CEDAR HOMES, INC., a Washington corporation, to be the free and voluntary act of such corporation for the uses and purposes mentioned in the instrument.

DATED: April 28, 2017.

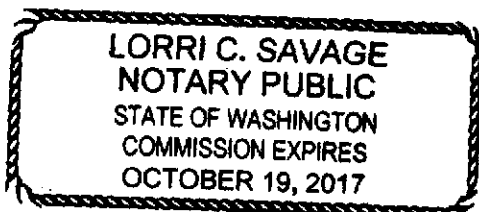


Lorri C Savage  
Notary Public for the State of Washington  
residing in Bremerton, WA  
(City) (State)  
Print name: Lorri C Savage  
Commission expires: 10-19-17

STATE OF WASHINGTON )  
 ) ss  
COUNTY OF KING )

I certify that I know or have satisfactory evidence that Robert W. Lindal 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 the Manager of WATERTANK ROAD LLC, a Washington limited liability company, to be the free and voluntary act of such limited liability company for the uses and purposes mentioned in the instrument.

DATED: April 28, 2017.



Lorri C Savage  
Notary Public for the State of Washington  
residing in Bremerton, WA  
(City) (State)  
Print name: Lorri C Savage  
Commission expires: 10-19-17

## CONSENT OF LESSOR

The Port of Skagit County, a Washington municipal corporation ("Lessor") hereby consents to the Assignment and Assumption of Ground Lease (to which this Lessor's Consent is attached) by Lindal Cedar Homes, Inc., a Washington corporation, as Assignor, to Watertank Road LLC, a Washington limited liability company, as Assignee. Lessor further consents to the subsequent assignment of Assignor's sole membership interest in Assignee to the shareholders of Assignor pro rata in accordance with their ownership interests in Assignor.

Nothing herein contained shall be construed to modify, waive or affect any of the provisions of the Ground Lease, except as specifically set forth herein.

The consent hereby given by Lessor does not constitute a waiver of the necessity of the consent by Lessor to any subsequent assignment or subletting, in whole or in part, of the Leased Premises or to any subsequent assignment of the Lease.

LESSOR:

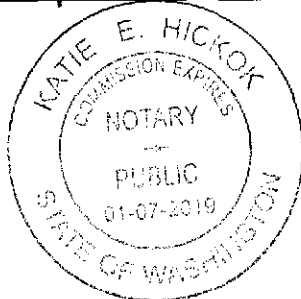
THE PORT OF SKAGIT COUNTY, a Washington municipal corporation

By: Scott Peterson  
Print name: Scott Peterson  
Title: Dir of Business Development

STATE OF WASHINGTON )  
 ) ss  
COUNTY OF Skagit )

I certify that I know or have satisfactory evidence that Scott Peterson is the person who appeared before me, and said person acknowledged that (s)he signed this instrument, on oath stated that (s)he was authorized to execute the instrument and acknowledged it as the Director of Business Dev. of THE PORT OF SKAGIT COUNTY, a Washington municipal corporation, to be the free and voluntary act of such corporation for the uses and purposes mentioned in the instrument.

DATED: April 28, 2017.



Katie Hickok  
Notary Public for the State of Washington  
residing in Wethers (City) (State)  
Print name: Katie Hickok  
Commission expires: 1-7-19

## EXHIBIT A

### LEASED PREMISES

The following described real estate situated in Skagit County, Washington:

That portion of Lot 48 of the Amended Skagit Regional Airport Binding Site Plan, Phase 1, as per plat recorded on March 4, 2003 under Auditor's File Number 200303040030, being a portion of the Southwest 1/4 of the Northwest 1/4 of Section 34, Township 35 North, Range 3 East, W.M., described as follows:

Lot 74, and portions of Lots 66, 67, 72, 73 and 75 of Skagit Regional Airport Binding Site Plan, Phase 1, approved August 22, 1986, and recorded August 25, 1986, in Book 7 of Short Plats, at Pages 111 through 120, inclusive, records of Skagit County, Washington, under Auditor's File Number 8608250002, described as follows:

Beginning at the Northeast corner of said Lot 75; thence South 0 degrees 41' 46" West along the East line of said Lot 75, a distance of 94.08 feet; thence North 88 degrees 58' 01" West parallel with the South line of said Lot 74, a distance of 181.02 feet; thence North 74 degrees 30' 01" West, 59.08 feet; thence North 86 degrees 20' 58" West, 36.05 feet; thence South 56 degrees 00' 20" West, 28.59 feet; thence North 88 degrees 58' 01" West, 120.38 feet; thence North 21 degrees 41' 05" West, 246.93 feet; thence North 16 degrees 00' 00" East, 170.03 feet; thence North 89 degrees 33' 47" West parallel with the North line of said Lot 73, a distance of 18.35 feet; thence North 1 degree 01' 59" East, 125.60 feet to a point on the North line of said Lot 72, said point also being on the South margin of Steele Road; thence South 89 degrees 33' 47" East along said South line, 49.08 feet; thence South 30 degrees 41' 13" East, 42.30 feet; thence North 81 degrees 16' 52" East, 152.32 feet; thence North 43 degrees 24' 00" West, 16.60 feet to a point on said North line of Lot 73; thence South 89 degrees 33' 47" East along said North line, 151.58 feet to the beginning of a curve to the right having a radius of 50.00 feet; thence Southeasterly along the arc of said curve to the right and the Northeasterly line of said Lot 73, through a central angle of 89 degrees 52' 24", an arc distance of 78.43 feet to a point of reverse curvature to the left, said curve having a radius of 505.26 feet; thence Southeasterly along the arc of said curve to the left and the East line of said Lot 73, through a central angle of 17 degrees 31' 42", an arc distance of 154.57 feet to the Southeast corner of said Lot 73; thence continuing Southeasterly along the arc of said curve to the left having a radius of 505.26 feet and the East line of said Lot 74, through a central angle of 4 degrees 57' 32", an arc distance of 43.73 feet to a point of reverse curvature to the right, said curve having a radius of 425.02 feet; thence Southeasterly along the arc of said curve to the right and said East line of Lot 74, through a central angle of 22 degrees 52' 25", an arc distance of 169.68 feet; thence South 0 degrees 41' 46" West along said East line of Lot 74, a distance of 20.00 feet to the point of beginning; said Site Plan being located in Section 33 and 34 of Township 35 North, Range 3 East, W.M., and Section 3 of Township 34 North, Range 3 East, W.M.