

Skagit County Auditor

\$128.00

7/20/2017 Page

6 10:27AM

Document Title: Farm Lease
Reference Number:
Grantor(s): 1. James A. Meyer (Jim)
2. Harlyn A. Meyer
Grantee(s): [1] additional grantee names on page
1. Terrance Meyer
2.
Abbreviated legal description: [/] full legal on page(s)
Lot 2 5P96-054 20/35/10
Assessor Parcel / Tax ID Number: [] additional tax parcel number(s) on page
P109420
I Harryn Meyer, am hereby requesting an emergency non-
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of the original document. Recording fee is \$73.00 for the first page, \$1.00 per page
thereafter per document. In addition to the standard fee, an emergency recording fee of
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Farm Lease

This Lease Agreement (this "Lease") is made effective as of July 19, 2017, by and between Jim and Harlyn Meyer ("Landlord"), and Terrance Meyer ("Tenant"). The parties agree as follows:

PREMISES. Landlord, in consideration of the lease payments provided in this Lease, leases to Tenant 55753 SR 20, 23 acres forest and open fields with a house, wood shed, RV site with hooked up travel trailer with deck, car port, yurt platform, and 'solar shed' (the "Premises") located at 55753 SR 20, Rockport, Washington 98283.

TERM. The lease term will begin on July 19, 2017 and will terminate on December 31, 2018, renewable annually thereafter.

LEASE PAYMENTS. Tenant shall pay to Landlord annual installments of \$1.00. Additionally, an amount equal to 1/12 of the annual cost of property taxes and homeowner's insurance on the Premises is payable in advance on the first day of each month. Lease payments shall be made to Landlord at 9577 Fruitdale Rd., Sedro-Woolley, Washington 98284, which location may be changed from time to time by Landlord.

POSSESSION. Tenant shall be entitled to possession on the first day of the term of this Lease, and shall yield possession to Landlord on the last day of the term of this Lease, unless otherwise agreed by both parties in writing. At the expiration of the term, Tenant shall remove its goods and effects and peaceably yield up the Premises to Landlord in as good condition as when delivered to Tenant, ordinary wear and tear excepted.

NO PARTNERSHIP. Nothing in this lease shall create a partnership, joint venture, employment, or any other relationship between Landlord and Tenant, than that of landlord and tenant. Neither party shall be liable, except as otherwise expressly provided herein, for the other party's obligations or liabilities. Tenant shall indemnify and hold Landlord and his property, including the Premises, free and harmless from all obligations and liabilities incurred by Tenant in conducting farming or other operations on the Premises, whether under this lease or otherwise.

USE OF PREMISES/ABSENCES. While Tenant is in residence at the Premises, Tenant may perform agricultural and forestry activities, build structures, create or improve roads, extend utilities, and operate an Air B&B. The Premises shall not be used for any other purpose without Landlord's prior written consent. Tenant shall, at Tenant's cost and expense, comply with any and all laws, ordinances, rules, regulations, requirements, and orders present or future, of any federal, state, county, or municipal governments which may in any way apply to the use, maintenance, operations, or production of crops on the leased premises, or the sale or disposition of those crops. Tenant agrees to conduct all of the activities specified above in accordance with good organic husbandry practices. Organic certification need not be maintained, however the land should be maintained such that re-certification can occur without a 'transitional to organic stage, except with the prior written consent of Landlord.

DISEASE, BLIGHT, NOXIOUS WEEDS. If any disease, blight, or noxious weed infestation of any character appears on the Premises or in or on any crop growing or grown on the Premises, Tenant shall consult with Landlord to decide a course of action to be implemented in a timely manner at Tenant's expense.

MAINTENANCE. Tenant shall keep the Premises in good repair, and in compliance with all applicable laws. Tenant shall not commit or suffer waste or willful damage to, or destruction of the Premises, and shall adhere to all provisions of Skagit Land Trust's Conservation Easement on the Premises.

UTILITIES AND SERVICES. Tenant shall pay all costs in connection with Tenant's operations on the leased Premises, including but not limited to costs of preparing the leased Premises for planting of crops, production costs, costs of tools and labor, electricity and other utilities.

PROPERTY TAXES AND HOMEOWNER'S INSURANCE. Landlord shall pay all property taxes which may be levied against the Premises, plus homeowner's insurance for the Premises; these costs will be reimbursed to Landlord as stipulated in "Lease Payments" above. Tenant shall pay, before delinquency, all personal property taxes or assessments levied on Tenant's personal property situated in or about the leased Premises during the term of this lease. On demand, Tenant shall provide to Landlord satisfactory evidence of payment of taxes.

BUSINESS LIABILITY INSURANCE. Tenant shall maintain adequate liability insurance for any and all business activities (and products resulting from those activities) occurring on or in conjunction with the Premises. On demand, Tenant shall provide to Landlord satisfactory evidence of current insurance.

DESTRUCTION OR CONDEMNATION OF PREMISES. If the Premises are damaged or destroyed by fire or other casualty to the extent that enjoyment of the dwelling unit or farmland is substantially impaired, Landlord, in its sole discretion may elect to repair the Premises or terminate the Lease upon thirty (30) days' written notice to Tenant. If the Premises are condemned or cannot be repaired, this Lease will terminate upon twenty (20) days' written notice by either party

DEFAULTS. Tenant shall be in default of this Lease if Tenant fails to fulfill any lease obligation or term by which Tenant is bound. Subject to any governing prevision of law to the contrary, if Tenant fails to cure any financial or other obligation within 30 days after written notice of such default is provided by Landlord to Tenant, Landlord may elect to cure such default and the cost of such action shall be added to Tenant's financial obligations under this Lease. All sums of money or charges required to be paid by Tenant under this Lease shall be additional rent, whether or not such sums or charges are designated as "additional rent." The rights provided by this paragraph are cumulative in nature and are in addition to any other rights afforded by law.

HOLDOVER. If Tenant maintains possession of the Premises for any period after the termination of this Lease ("Holdover Period"), Tenant shall pay to Landlord lease payment(s) during the Holdover Period at a rate equal to 150% of the most recent rate preceding the Holdover Period. Such holdover shall constitute a month-to-month extension of this Lease.

CUMULATIVE RIGHTS. The rights of the parties under this Lease are cumulative, and shall not be construed as exclusive unless otherwise required by law.

NON-SUFFICIENT FUNDS. Tenant shall be charged the maximum amount allowable under applicable law for each check that is returned to Landlord for lack of sufficient funds.

REMODELING OR STRUCTURAL IMPROVEMENTS. Tenant may conduct any construction or remodeling (at Tenant's expense) that may be required to use the Premises as specified above. Tenant may also construct such fixtures on the Premises (at Tenant's expense) that appropriately facilitate its use for such purposes. Such construction shall be undertaken and such fixtures may be erected only with the prior written consent of Landlord, which shall not be unreasonably withheld. At the end of the lease term, Tenant shall be entitled to remove (or at the request of Landlord, shall remove) any temporary fixtures, and shall restore the Premises to substantially the same condition of the Premises at the commencement of this Lease. All permanent

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construction, remodeling and fixtures shall remain intact on the Premises, with no financial consideration to Tenant, unless such financial consideration is agreed to in advance.

ACCESS BY LANDLORD TO PREMISES. Subject to Tenant's consent, (which shall not be unreasonably withheld), Landlord shall have the right to enter the Premises to make inspections, provide necessary services, or show the unit to prospective buyers, mortgagees, tenants or workers. However, Landlord does not assume any liability for the care or supervision of the Premises. As provided by law, in the case of an emergency, Landlord may enter the Premises without Tenant's consent. During the last three months of this Lease, or any extension of this Lease, Landlord shall be allowed to display the usual "To Let" signs and show the Premises to prospective tenants.

DANGEROUS MATERIALS. Tenant shall not keep or have on the Premises any article or thing of a dangerous, flammable, or explosive character that might substantially increase the danger of fire on the Premises, or that might be considered hazardous by a responsible insurance company, unless the prior written consent of Landlord is obtained and proof of adequate insurance protection is provided by Tenant to Landlord. Good fire prevention practices shall be maintained on the Premises, including, but not limited to clearing of brush around all buildings.

MECHANICS LIENS. Neither Tenant nor anyone claiming through the Tenant shall have the right to file mechanics liens or any other kind of lien on the Premises and the filing of this Lease constitutes notice that such liens are invalid. Further, Tenant agrees to (1) give actual advance notice to any contractors, subcontractors or suppliers of goods, labor, or services that such liens will not be valid, and (2) take whatever additional steps that are necessary in order to keep the Premises free of all liens resulting from construction done by or for the Tenant.

ASSIGNABILITY/SUBLETTING. Tenant may not assign or sublease any interest in the Premises, nor assign, mortgage or pledge this Lease, without the prior written consent of Landlord.

NOTICE. Notices under this Lease shall not be deemed valid unless given or served in writing and forwarded by mail, postage prepaid, addressed to the party at the appropriate address set forth below. Such addresses may be changed from time to time by either party by providing notice as set forth below. Notices mailed in accordance with these provisions shall be deemed received on the third day after posting.

LANDLORD:

Jim and Harlyn Meyer 9577 Fruitdale Rd. Sedro-Woolley, Washington 98284

TENANT:

Terrance Meyer P.O. Box 205 Rockport, WA 98283

GOVERNING LAW. This Lease shall be construed in accordance with the laws of the State of Washington.

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ENTIRE AGREEMENT/AMENDMENT. This Lease contains the entire agreement of the parties and there are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Lease. This Lease may be modified or amended in writing, if the writing is signed by the party obligated under the amendment.

SEVERABILITY. If any portion of this Lease shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Lease is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

WAIVER. The failure of either party to enforce any provisions of this Lease shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Lease.

BINDING EFFECT. The provisions of this lease shall be binding upon and inure to the benefit of both parties and their respective legal representatives, successors and assigns.

LANDLORD: / J/m Meyer and Harlyn Meyer TENANT: NOTARY PUBLIC STATE OF WASHINGTON. COMMISSION EXPIRES JULY 5. 2021 State of Washington County of Skugn The foregoing instrument was acknowledged before day of < Notary Name Here, Notary/Public

SKACIT COUNTY WASHINGTON REAL ESTATE EXCISE TAX

JUL 2 0 2017

Amount Paid S

Single Co. Treasurer

By Deputy

Exhibit A

DESCRIPTION.

Lot 2, Short Plat No. 96-054, approved July 23, 1996, recorded August 28, 1996 in Volume 12 of Short Plats, pages 138 and 139, under Auditor's File No. 9608280066 and being a portion of the Southeast 1/4 of Section 20, Township 35 North, Range 10 East, W.M.

TOGETHER WITH a non-exclusive easement for ingress, egress and utilities 30 feet in width over, under and across that portion of Government Lots 1 and 2 of Section 21, Township 35 North, Range 10 East, W.M. and Government Lots 1 and 2 of Section 29, Township 35 North, Range 10 East, W.M. as conveyed under Auditor's File Nos. 9606170014 and 9606240076 and as more particularly shown on the face of said Short Plat.

ALSO, TOGETHER WITH a non-exclusive easement for access and utilities over, under and across the South 15 feet of the East 102.09 feet of Lot 1 of said Short Plat 96-054, and over, under and across the North 15 feet the property more particularly described in that certain Boundary Adjustment Deed recorded June 17, 1996 under Auditor's File No. 9606170017, all as more particularly shown on the face of said Short Plat.

Situate in the County of Skagit, State of Washington.