
FOUNDERS

ROBERT D. CAMPBELL
(1906-2000)
HOLLIS H. BARNETT
Retired - 2021



CAMPBELL BARNETT PLLC
Attorneys at Law

ATTORNEYS

STEPHEN A. BURNHAM
JOHN M. FORSYTHE
HILLARY A. HOLMES
SHANNON R. JONES
DANIEL W. SMITH (of counsel)
MADELEINE A. SPENCER
JEREMY M. SWANN

Sender's e-mail:
steveb@campbellbarnettlaw.com

February 9, 2024

**VIA EMAIL mark@rjh-legal.com
AND FIRST CLASS MAIL**

Mark Roberts
Roberts Johns Hemphill
7525 Pioneer Way, Suite 202
Gig Harbor, WA 98335

RE Notice re 1977 Master Lease and related issues

Dear Mark:

Per our phone conference this morning, I am providing this letter related to the ownership of the 14 acres originally owned individually by the Tyson family and then the Tyson Limited Partnership. As you know it is now owned by ZTM Holdings LLC (Zack Rosenbloom's group). If the tone of this letter sounds confrontational that is not the intent. The facts and circumstances of the current ownership and operation of the Golf Course and the refusal to date of PenMet to approve an assignment of Tyson Limited Partnership's lease interest to ZTM Holdings LLC, requires that there is clear understanding about the Tyson/ZTM Holdings' positions on key issues related to the lease and future operations of the Golf Course. The intent of both Tyson and ZTM Holdings is to come to an agreement with PenMet regarding the completion of the existing lease term and then either negotiate for an extension of the existing lease with substantial amendments to meet the goals of PenMet and ZTM Holdings regarding the future use and operations of Golf Course including any future use of the 14 acres.

We have discussed Tyson Limited Partnership's prior ownership regarding the 14 acre parcel and the issues that creates regarding the long term use and operations of Madrona Links Golf Course. I believe a mutual understanding of several issues related to the current mixed ownership is important as we try to move forward with the remaining term of the Master Lease and consider the operation of the Golf Course following the termination of the lease. I need to be clear that Tyson Limited Partnership during its ownership of the 14 acres, and ZTM Holdings LLC during its current ownership, believe that the use of the 14 acre parcel is presently, and has always been. a permissive use as allowed by property owners past and present.

Upon termination of the Master Lease, ZTM Holdings LLC as the owner of the 14 acres will not agree to continue the current permissive use of the 14 acres for the Golf Course operations without a new long term lease agreement on terms acceptable to ZTM Holdings LLC. This position is consistent with

the past decades of use. The separate ownership and permissive use is established through separate lease agreements and assignments between the prior owners of the 14 acres and various lessees under the Master Lease, including the original operation of the Golf Course by the Tyson family and subsequent operation by DenMark, Inc. (a Tyson family entity), then JDL Inc. and Stutsman Enterprises. Throughout all of these various lessee occupancies, there was always separate agreements between the Tyson family and the lessee under the Master Lease for the use of their 14 acres. During the period the time Tyson Limited Partnership has been the lessee pursuant to the 1999 assignment, it was also the owner of the 14 acres during the period of its tenancy until the recent transfer to ZTM Holdings. It is clear from this ownership history that the use of the 14 acres and the operation of the Golf Course on that property has always been permissive and with the approval of the owners of the 14 acres.

Tyson Limited Partnership entered into a contract with ZTM Holdings LLC for the purpose of selling the 14 acres to ZTM Holdings LLC and assigning their lessee rights under the 1977 Master Lease to ZTM Holdings LLC. Pursuant to that Agreement, Tyson Limited Partnership transferred title to the 14 acres to ZTM Holdings LLC at the end of December 2023.. Tyson requested prior to that transfer that PenMet approve an assignment of Tyson's lease interest to ZTM Holdings LLC. PenMet has to date refused to approve that assignment. Tyson Limited Partnership and ZTM Holdings LLC believe withholding of that approval has been unreasonable and continues to be unreasonable. PenMet believes that ZTM Holdings is not qualified or has not demonstrated qualifications and that PenMet cannot reasonably rely on references from the Tyson family because of the current issues with Stutsman. As we discussed today in our phone conference Tyson's opinion is the ZTM is more qualified financially and has more business operations experience than Stutsman.

Under Paragraph 16 of the Master Lease approval of assignments may not be unreasonably withheld. ZTM Holdings and Tyson remain committed to getting PenMet approval, but need some agreed performance goals they can rely on. We have discussed Tyson and ZTM' opinion that the lack of approval is interfering with the ability of Tyson Limited Partnership and ZTM Holdings LLC to address PenMet's allegations of default in its November 3, 2023 letter.

In an effort to move forward with curing any defaults by Stutsman, I sent you a proposed Abeyance Agreement that provides Tyson Limited Partnership and ZTM Holdings LLC the freedom to move forward with enforcement actions against Stutsman and address PenMet's alleged defaults under the Master Lease. Based on our phone conference you will be getting revisions back to me next week. I am available to discuss any revisions to that agreement PenMet may request.

This letter is not intended to cover all of our discussion today. I have received your information on the Insurance Certificates and forwarded to the clients for follow up with Stutsman. Thank you. We also discussed mile stones for Tyson/ZTM to address several current problems and you may be including some of this in your revision of the Abeyance Agreement.

I am enclosing with this letter agreements related to the ownership and use of the 14 acres for your review. To date I have not been able to locate a Second or Third Amendment to the Master Lease, but based on the existence of a fourth, fifth and sixth amendment I believe there must be a Second and Third. We will continue to search on our end.

February 9, 2024
Page 3

If you have any questions regarding this letter, please let me know.

Very truly yours,

CAMPBELL BARNETT PLLC

A handwritten signature in blue ink that reads "Stephen A. Burnham/jeb". The signature is written in a cursive style.

Stephen A. Burnham

SAB/ljb
cc: client
encl.

1999

AFTER RECORDING MAIL TO:
Alan D. Macpherson
Attorney at Law
Gordon Thomas Honeywell
P.O. Box 1157
Tacoma, WA 98401-1157

RE-ASSIGNMENT OF LEASE AND AMENDMENT TO LEASE

Grantor: Lillian Tyson-Urbauer, a married woman as her separate property,
Grantee: Tyson Limited Partnership, a Washington limited partnership,
Legal Description on page 4.
Assessor's Tax Parcel No. 022120 403 2

IDENTIFICATION OF LEASE AND AMENDMENT TO LEASE

LESSOR: City of Tacoma

LESSEE: DenMARK, INC., a Washington corporation,

PROPERTY LOCATED AT: 36TH Street & Otto John NW, Gig Harbor, WA 98335

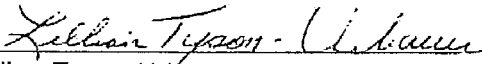
LEGAL DESCRIPTION: See Exhibit A attached and incorporated herein by this reference.

DATE OF LEASE: April 1, 1977, a copy of which is attached hereto as Exhibit "B" and Assignment of Lease and Amendment to Lease from DenMARK, INC. to Lillian Tyson-Urbauer, successor lessee, attached hereto as Exhibit "C"

RE-ASSIGNMENT

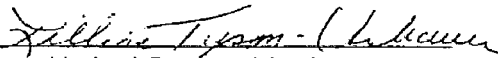
Effective the 21 day of December, 1999, for value received, Lessor hereby transfers, assigns and sets over to Tyson Limited Partnership, a Washington limited partnership, ("Successor Assignee"), all right, title and interest of Lillian Tyson-Urbauer, a married woman as her separate property, ("Successor Lessee") in the above described Lease and Assignment.

Dated: December 21, 1999.


Lillian Tyson-Urbauer

ACCEPTANCE

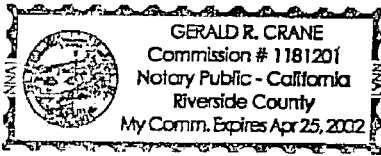
Assignee Tyson Limited Partnership, a Washington limited partnership, hereby accepts this Assignment of Lease and Amendment to Lease, and assumes all responsibilities of Lessee under the Lease and Amendment to Lease.


Tyson Limited Partnership, by
Lillian Tyson-Urbauer,
General Partner

STATE OF CALIFORNIA)
) ss.
County of Riverside

On this day personally appeared Lillian Tyson-Urbauer, known to be the individual described in and who executed the within and foregoing instrument and acknowledged to me that she signed the same as her free and voluntary act and deed for the purposes therein mentioned.

Given under my hand and official seal this 21 day of December, 1999.



Gerald R. Crane
Gerald R. Crane
(Type/Print Name)
NOTARY PUBLIC in and for the State of
California
residing at La Quinta
My appointment expires 4-25-02

EXHIBIT A

Portions of the Northeast $\frac{1}{4}$ and the Southeast $\frac{1}{4}$ of Section 20, Township 21 North, Range 2 East of the Willamette meridian described as follows:

Beginning at the northeast corner of the Southeast $\frac{1}{4}$ of said Section 20; thence N $88^{\circ} 21' 43''$ W along the north line of said Southeast $\frac{1}{4}$ a distance of 491.52 feet to the southwest corner of the east 15 acres of Southeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of said Section 20; thence N $1^{\circ} 45' 40''$ E along the west line of said 15 acres a distance of 730 feet; thence N $88^{\circ} 21' 43''$ W 979.39 feet to a point 150 feet west of the west line of the Southeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of said Section 20; thence S $1^{\circ} 42' 47''$ E parallel to said west line 780 feet to the north line of the Southeast $\frac{1}{4}$ of Section 20; thence N $88^{\circ} 21' 43''$ W along said north line to a point 1540 feet west of the east line of the Southeast $\frac{1}{4}$ of Section 20; thence S $1^{\circ} 37' 04''$ W 1285.86 feet to the northerly right of way line of (Otto Jahn Road) 36th Street N.W.; thence S $88^{\circ} 40' 15''$ E along the north line of said Street to the east line of Section 20; thence N $1^{\circ} 37' 04''$ E 1277.55 feet along said east line to the point of beginning.

PIERCE COUNTY, WA
200002110379
2-11-2000 02:11 pm
Fee Amt: \$31.00

AFTER RECORDING MAIL TO:
Alan D. Macpherson
Attorney at Law
Gordon Thomas Honeywell
P.O. Box 1157
Tacoma, WA 98401-1157

ASSIGNMENT OF INTEGRATED AGREEMENT

Grantor: DEN-MARK, INC., a Washington corporation, and Lillian Urbauer, in her separate capacity,
Grantee: Tyson Limited Partnership, a Washington limited partnership,

IDENTIFICATION OF INTEGRATED AGREEMENT

LESSOR: DEN-MARK, INC., a Washington corporation, and Lillian Urbauer, in her separate capacity,
LESSEE: JDL, INC., a Washington corporation

PROPERTY LOCATED AT: 36TH Street & Otto John NW, Gig Harbor, WA 98335

DATE OF AGREEMENT: February 1, 1986, copies of said Integrated Agreement and Amendment dated February 16 1996, are attached hereto as Exhibit "A"

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For reference only, not for re-sale.

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ASSIGNMENT

Effective the ____ day of December, 1999, for value received, Lessee hereby transfers, assigns and sets over to Tyson Limited Partnership, a Washington limited partnership, ("Assignee"), all right, title and interest of Lessor in the above described Integrated Agreement, as amended.

Dated: December 21, 1999.

DEN MARK, INC.

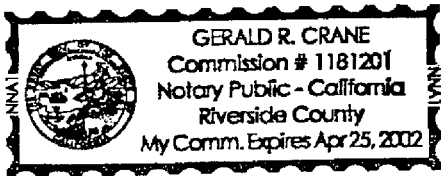
Lillian Urbauer
By: Lillian Urbauer, its President, also known as Lillian Tyson-Urbauer

STATE OF CALIFORNIA

COUNTY OF Riverside

On this 21 day of December, 1999, before me, the undersigned, a Notary Public in and for the State of California, duly commissioned and sworn, personally appeared Lillian Urbauer, also known as Lillian Tyson-Urbauer, to me known to be the President of DenMARK, INC. who executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath states that Lillian Urbauer, also known as Lillian Tyson-Urbauer is authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

Witness my hand and official seal hereto affixed the day and year first above written.



Gerald R. Crane
Gerald R. Crane
(Type/Print Name)
Notary Public in and for the State
California,
residing at La Quinta
My appointment expires: 4/25/02

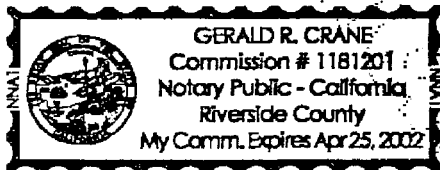
For reference only, not for re-sale.

Lillian Urbauer
Lillian Urbauer, also known as Lillian
Tyson-Urbauer, in her separate capacity

STATE OF CALIFORNIA)
) ss.
County of Riverside

On this day personally appeared Lillian Tyson-Urbauer, known to be the individual described in and who executed the within and foregoing instrument and acknowledged to me that she signed the same as her free and voluntary act and deed for the purposes therein mentioned.

Given under my hand and official seal this 21 day of December, 1999.



Gerald R Crane
Gerald R Crane
(Type/Print Name)
NOTARY PUBLIC in and for the State of
California
residing at La Quinta
My appointment expires 4-25-02

ACCEPTANCE

Assignee Tyson Limited Partnership, a Washington limited partnership, hereby accepts this Assignment of Integrated Agreement, and assumes all responsibilities of Lessor under the Integrated Agreement.

Lillian Tyson-Urbauer
Tyson Limited Partnership, by
Lillian Tyson-Urbauer,
General Partner

For reference only, not for re-sale.

INTEGRATED AGREEMENT

AGREEMENT TO LEASE GOLF COURSE AND TO SELL AND LEASE
CERTAIN RELATED ASSETS

THIS AGREEMENT is entered into this day between DENMARK, INC., a Washington corporation, and LILLIAN URBAUER, in her separate capacity hereinafter "Lessor", and JDL, INC., a Washington corporation, hereinafter "Lessee",

WITNESSETH

WHEREAS, Lessor is the owner of certain land being used for the purpose of contributing to the owning and operating of a business in Pierce County, Washington, known as the "Madrona Links Golf Course," (hereinafter "Madrona"), and

WHEREAS, Lessor is the lessee of certain land owned by the City of Tacoma, a Municipal corporation (hereinafter "Tacoma"), said land being leased by Lessor for the purpose of operating Madrona, and

WHEREAS, Lessor is the owner of equipment and inventory necessary for the operation of Madrona, and

WHEREAS, Lessor is the owner of a mobile home used in connection with Madrona, and

WHEREAS, Lessee desires to lease Madrona from Lessor, and in connection therewith, to purchase the inventory and equipment on the Madrona premises, and

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WHEREAS, Lessee wishes to engage Lessor in her capacity as owner of the Madrona operation for consulting purposes, and

WHEREAS, true copies of the existing lease with Tacoma, City Resolutions, and equipment and inventory lists are attached hereto, and hereby incorporated herein as though set forth in full at this point;

NOW, THEREFORE, it is mutually agreed as follows:

1. Representations of Lessor. Lessor makes to Lessee the following representations in connection with this agreement:

a. Lessor is the lessee under a lease with Tacoma, a true copy of said lease attached hereto, and incorporation herein, concerning Madrona, in Pierce County, Washington.

b. Lessor is the owner of stock, equipment and inventory, as shown by the lists attached hereto and incorporated herein by reference.

c. Lessor has certain liabilities for the purchase of equipment, which liabilities are disclosed herein.

d. Lessor has liabilities for the operation of Madrona, which liabilities are separately disclosed herein, and Lessor agrees to pay said liabilities, and save and hold Lessee harmless therefrom.

2. Sale of Equipment. At the time of closing of this agreement, Lessor shall sell to Lessee, and Lessee shall buy from Lessor the equipment described in the annexed inventories.

(Exhibit 1)

For reference only, not for re-sale.

a. Subordination Clause: Lessor agrees that Lessee may use the equipment which is described in Exhibit "A" as collateral for any loans that Lessee may require. Lessor further agrees to subordinate Lessor's interest in said equipment to that of the party extending credit and seeking a security interest in said equipment.

3. Purchase Price for Equipment. The purchase price to be paid by Lessee to Lessor for the operating assets is in the sum of FIFTY THOUSAND (\$50,000.00) DOLLARS, net, to Lessor.

4. Payment of Purchase Price for Equipment. The purchase price to be paid by Lessee to Lessor shall be in accordance with the terms of a Promissory Note executed by Lessee to Lessor. A true copy of said note is attached hereto, and hereby incorporated herein by reference. (Exhibit 2)

5. Sublease of Tacoma Property. The parties, in addition to transferring ownership of certain of the operating assets as described hereinabove, agree that Madrona shall be subleased by Lessor to Lessee for the period of ten (10) years, with an additional option to renew for an additional ten (10) year period, in accordance with the terms of the sublease, a true copy of said sublease being attached hereto, and hereby incorporated herein as though set forth in full at this point. (Exhibit 1)

6. Lease of Lessor's Property. Lessor agrees that certain real property owned by Lessor is to be leased to Lessee for the purposes of operating Madrona, and Lessor agrees to lease said

land to Lessee in accordance with the terms of a lease, a true copy of said lease being attached hereto, and hereby incorporated herein by reference as though set forth in full at this point. (Exhibit)

~~7. Lease of Mobile Home. Lessor agrees to lease to Lessee a mobile home, together with approximately four (4) acres of land in the vicinity of Madrona, in accordance with a rental agreement, a true copy of said rental agreement, being attached hereto, and hereby incorporated by reference herein as though set forth in full at this point. (Exhibit)~~

8. Consulting Agreement. The parties agree that a consulting agreement, retaining Lessor as consultant, shall be executed by Lessor and Lessee as consideration for this entire agreement. A true copy of said consulting agreement is attached hereto, and hereby incorporated herein as though set forth in full at this point. (Exhibit)

9. Right of First Refusal. The parties agree that Lessee shall have the absolute right, upon Lessor's death, incapacity or selling or conveying any interest which is the subject matter of this entire agreement, or any part thereof, to purchase from Lessor, the interest being sold, or conveyed. Lessor agrees to give Lessee ninety (90) days notice, in advance, or, at listing, of the sale of said interest including the terms thereof. In the event that Lessee does not exceed the terms of said sale within a ninety (90) day period after receiving the notice herein, said

right of first refusal as to that sale will be lost. Nothing herein shall prohibit Lessor or Lessee from using the assets herein by virtue of this agreement for purposes of obtaining financing subject to subordination agreements necessary to accomplish said financing by Lessee.

10. Assumption of Liabilities. Lessee, in addition to assuming certain liabilities with respect to the purchase of operating stock, and equipment, and inventory, agrees to pay the following liabilities of Lessor prorated to the date of closing, and agrees to hold Lessor harmless from any liability thereon or associated therewith, including any attorney's fees and costs incurred by Lessor in enforcing this provision:

- a. All liabilities due to taxing or other government agencies, including federal, state and local.
- b. All responsibilities under the existing lease between Tacoma and Lessor, a true copy of said lease being attached hereto and incorporated herein.
- c. Any liability incurred by Lessee prior to the date of closing.

11. Lease in "as is" Condition. It is understood by the parties to this agreement that the sale of the equipment herein is in the present condition of said assets. It is further understood that the lease and sublease of Madrona, the lease of the mobile home, and other real property, is in the present condition of said assets. In the event that Lessee wishes to

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replace certain of the equipment during the term of this purchase agreement. Lessee shall have the right to do so, however, where said purchase is for contemporary replacement, the newly acquired asset shall become a part of the security agreement herein, replacing the asset which is thereby deleted.

12. Replacement of Inventory. Lessee agrees that upon the termination of this agreement, that the inventory of food, dishes, supplies, and other supplies necessary for the operation of Madrona, shall be returned to the level existing as of the date of closing herein.

13. UCC-1 Filings. At closing, Lessee shall execute and deliver to Lessor UCC-1 Financing Statements in the form attached hereto and incorporated herein. (Exhibit 1)

14. Insurance. Lessee agrees to immediately apply for and obtain, upon closing, insurance as required by the lease between Tacoma and Lessor. Lessee further agrees to obtain insurance on the mobile home, and all building which are the subject matter of this agreement, in amounts sufficient to cover the fair market value of said assets. Lessee further covenants and warrants that Lessee will name Lessor herein as an insured under the policies of insurance provided for herein, and will promptly provide copies of said policies to Lessor. Lessee further covenants and warrants that Lessee will name any lien holders designated by Lessor herein as additional insureds under the policies of insurance and will promptly provide a copy of the applicable

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policy to them. Lessee agrees to maintain such insurance in full force and effect at all times during the terms of this agreement. Should Lessee fail to maintain such insurance, Lessor may do so at its own expense and charge the costs of same plus interest at the rate of fourteen (14%) percent per annum to Lessee.

15. Default. Any material breach by Lessee of the terms of the promissory note, security agreement, or any of the leases or subleases hereunder shall also be deemed a breach of this agreement, as will any material breach hereunder and shall entitle Lessor to accelerate the obligations and make the whole sum of both principal and interest due and owing at once without further notice, at the option of Lessor.

16. Remedies on Default. In the event of default by Lessee hereunder, Lessor shall have available all remedies provided by law and all those outlined in this agreement and the accompanying agreements.

17. Non-Waiver of Breach. The failure of Lessor to insist upon strict performance of any of the terms and conditions of this agreement, or to exercise any rights conferred herein, shall not be construed to be a waiver or relinquishment of any such matter, or any other covenants, terms and conditions, but the same shall remain in full force and effect.

18. Benefit. The agreement shall be binding upon and inure to the benefit of the respective parties hereto, their legal representatives, successors or assigns.

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19. Closing. Closing will take place in the offices of THOMPSON, KRILICH & LA PORTE, P.S., Tacoma, Washington, at which time all documents shall be executed and delivered and all sums required to be paid shall be so paid. Date of closing herein is established as 2/20/86 1986.

20. Rider and Exhibits. The riders attached to this agreement are an integral part hereof, and incorporated herein by reference as if set forth in full at this point.

21. Inspection of Property. Lessee has made a thorough inspection of the physical assets to be leased or sold hereunder and is fully satisfied and informed concerning same. Lessor makes no warranty or representation with respect to said property.

22. Price Adjustments. If Lessee shall fail to pay accounts or taxes for which it shall be responsible, and Lessor is called upon to pay the same, Lessor, in addition to its other remedies, may pay any or all of said obligations and add them to the amounts due Lessor hereunder, together with interest at the rate of Fourteen (14%) Percent per annum.

23. Survival of Representations. The representations, warranties and agreement of Lessor and Lessee contained in this agreement shall not be discharged or dissolved upon, but shall survive the closing, and shall be unaffected by any investigation made by any party at any time.

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24. Notices. Notices and demands shall be forwarded by certified mail, return receipt requested, postage prepaid, to Lessor or Lessee at the address indicated below the signatures hereon, subject to the right of either party to designate by notice in writing any new address to which notices and demands may be sent.

25. Amendment and/or Modification. Neither this agreement, nor any term of provision hereof, may be changed, waived, discharged, amended, modified or terminated orally, or in any manner other than by an instrument in writing signed by the party against which the enforcement of the change, waiver, amendment, modification or termination is sought.

26. Counterparts. This agreement may be executed in any number of counterparts, each of which shall be deemed to be an original.

27. Controlling Law. The validity, interpretation and performance of this agreement shall be governed by the laws of the State of Washington.

28. Venue. It is agreed that the venue for any action which may arise out of this agreement, or any counterparts thereof, will be in Pierce County, Washington.

29. Headings. Headings in this agreements are for convenience of reference only, and are not to be construed as a part of this agreement or in any way limiting or amplifying the provisions hereof.

For reference only, not for re-sale.

30. Non-Assignability. This agreement shall not be assignable by any party hereto without the prior written consent of other parties. Should Lessee assign its rights hereunder, or sell, transfer, convey or mortgage a majority of the assets transferred hereunder without the prior written approval of Lessor, then the entire purchase price shall be due and owing in full. Lessor further agrees not to unreasonably without its consent.

31. Verbal Agreements. There are no verbal or other agreements which modify or effect this agreement.

32. Authority to Execute. All parties to this agreement have full right, power and authority to execute this agreement and all related agreements in connection with this transaction.

33. Costs and Attorney's Fees. If either party hereto shall bring any suit or action against the other for relief, declaratory or otherwise, arising out of this agreement, the prevailing party shall have and recover against the other party, in addition to all court costs and disbursements, such sum as the Court may adjudge to be a reasonable attorneys' fee.

34. Necessary Consent. It is recognized that necessary consents may be required of the Lessor, and of Lessee in the closing of this agreement. In the event that said consents are not obtained prior to the date of closing, it is understood by both parties that each will warrant to the other that said consents will be obtained, and once obtained shall become a part

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of this agreement. The parties hereto agree with each other that they will obtain those consents to fully effectuate the terms of this agreement as soon as is reasonably possible. (~~Exhibit~~)

35. Receivership. In the event of default by Lessee or its successors or assigns in the making of any payment or in the performance of any terms of the promissory note and/or the accompanying security agreements, Lessor shall have the right, on Lessee's failure to remedy any such default within ten (10) days for a monetary default and within thirty (30) days for a nonmonetary default, after written notice to Lessee from Lessor specifying the default, to apply to the Superior Court for the State of Washington for an appointment of a receiver under Chapter RCW 7.60 to take charge of and maintain full control of said business, personal and real property and operate the same; and out of the amount so received from the operation of the business to pay the necessary operating and maintenance expenses; and to retain and pay the customary charges for management; and the payment of all sums due hereunder the Promissory Note and/or accompanying Security Agreement. Also, the receiver shall have the power and authority to pay any real or personal property taxes or assessments due and pay insurance premiums or renewals thereof as they fall due. The receiver shall determine which of said sums are to be paid first, and after payments of all of said sums, the receiver shall pay the excess so collected to the Lessee. The appointment of a receiver herein is solely for the

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purpose of preserving and maintaining the business assets being leased or sold by Lessor to Lessee hereunder, and to prevent said assets from being lost, removed or destroyed and to maintain the Promissory Note and Security in a current position. The application for an appointment of said receiver shall not effect or restrict the rights of the Lessor to any remedies granted to Lessor by Lessee in the accompanying documents.

Said appointment of a receiver shall be made for Lessee upon specification of the defaults within the time frame outlined herein, strictly as a matter of rights; and should Lessee be in default and not remedied the default within the time frame indicated, said appointment shall be agreed to by the Lessee herein, and Lessee hereby waives any and all defenses to the appointment of said receiver except as specified above.

36. Other Documents. Lessor and Lessee agree that the intent of this agreement will be carried out in good faith by both parties, said good faith will include the execution of all documents necessary to this agreement.

37. Indemnification. Lessee agrees to and shall indemnify Lessor, its successors and assigns, against any and all damages resulting from any breach of Lessee of any representation, warranty or agreement set forth in this agreement by Lessee or the untruth or inaccuracy thereof. Lessee further agrees to and shall indemnify Lessor against any and all debts, liabilities, choses in action or claims of any nature, absolute or contingent

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assumed by Lessee, together with expenses and legal fees resulting from any breach.

38. Guarantors. LILLIAN URBAUER agrees to act as personal guarantor for DEN-MARK, INC., a Washington corporation, as Lessor herein. LLOYD MONTGOMERY and MARY DIANE MONTGOMERY, husband and wife, agree to act as personal guarantors in behalf of JDL, INC., as Lessee, herein.

DATED this 1 day of January, 1986.

LESSOR: DEN-MARK, INC. LESSEE: JDL, INC.

By [Signature] PRESIDENT By [Signature] PRESIDENT

By [Signature] Secretary By [Signature] Secretary

GUARANTOR: LILLIAN URBAUER GUARANTOR: LLOYD MONTGOMERY

[Signature] [Signature]

INDIVIDUALLY LILLIAN URBAUER MARY DIANE MONTGOMERY

[Signature] [Signature]

LESSOR ADDRESS: LESSEE ADDRESS:

200002110379

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STATE OF WASHINGTON)
) ss.
County of Pierce)

On this day 1st day of February, 1986, personally appeared before me William Ventner and Ann Lund to me known to be the President and Secretary, respectively, of DEN-MARK, INC., the corporation that executed the within and foregoing Integrated Agreement, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand affixed my official seal the day and year first above written.

[Signature]
NOTARY PUBLIC in and for the
State of Washington, residing
at Tacoma. My Comm. Exp: 10-13-88

STATE OF WASHINGTON)
) ss.
County of Pierce)

On this day 1st day of February, 1986, personally appeared before me William Ventner and Ann Lund to me known to be the President and Secretary, respectively, of JDL, INC., the corporation that executed the within and foregoing Integrated Agreement, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand affixed my official seal the day and year first above written.

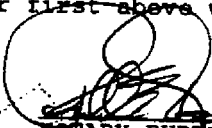
[Signature]
NOTARY PUBLIC in and for the
State of Washington, residing
at Tacoma. My Comm. Exp: 2-2-87

For reference only, not for re-sale.

STATE OF WASHINGTON)
) ss.
County of Pierce)

On this day 1st day of February, 1986, before me, the undersigned a Notary Public in and for the State of Washington, duly commissioned and sworn personally appeared Lillian Tyson-Urbauer, to me known to be the individual described in and who executed the foregoing instrument, and acknowledged to me that she signed and sealed the said instrument as her free and voluntary act and deed for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand affixed my official seal the day and year first above written.

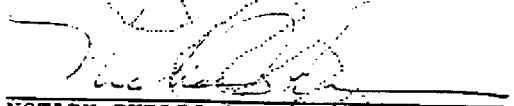


NOTARY PUBLIC in and for the State of Washington, residing at Tacoma. My Comm. Exp: 10-13-88

STATE OF WASHINGTON)
) ss.
County of Pierce)

On this day _____ day of _____, 1986, before me, the undersigned a Notary Public in and for the State of Washington, duly commissioned and sworn personally appeared Lloyd Montgomery and Mary Diane Montgomery, husband and wife, to me known to be the individuals described in and who executed the foregoing instrument, and acknowledged to me that they signed and sealed the said instrument as their free and voluntary act and deed for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand affixed my official seal the day and year first above written.



NOTARY PUBLIC in and for the State of Washington, residing at Tacoma. My Comm. Exp: _____

**AGREEMENT TO EXTEND GROUND LEASE, CONSENT TO
ASSIGNMENTS, AND AMENDMENT OF INTEGRATED
AGREEMENT**

THIS AGREEMENT is made between LILLIAN TYSON-URBAUER ("Urbauer"), as successor to the interests of DenMark, Inc., a dissolved Washington corporation ("DenMark"), and JDL, INC., a Washington corporation ("JDL").

RECITALS

- A. Urbauer is the fee simple owner of certain real property in Pierce County that is used by the Madrona Links Golf Course (the "Golf Course Parcel"). The Golf Course Parcel is leased to JDL pursuant to a Ground Lease executed February 1, 1986 (the "Ground Lease"), that expires by its terms on February 1, 1996. A copy of the Ground Lease is attached hereto as Exhibit A.
- B. Urbauer, as successor to the rights of DenMark, is the lessee of certain real property in Pierce County (the "City Property"), leased from the City of Tacoma pursuant to a lease agreement dated April 1, 1977 (the "City Lease"). A copy of the City Lease is attached hereto as Exhibit B.
- C. Urbauer subleased the City Property to JDL by a "Lease of Golf Course" dated February 1, 1986. By letter dated December 19, 1994, JDL exercised its right to extend the Lease of Golf Course for an additional ten year period, to expire on February 1, 2006. A copy of the Lease of Golf Course is attached hereto as Exhibit C.
- D. On February 1, 1986, in connection with the execution of the Ground Lease, Lease of Golf Course, and other documents, Urbauer and JDL entered into an "Integrated Agreement" summarizing and setting forth the rights of the various parties. Paragraph 9 of the Integrated Agreement grants JDL a first right of refusal in certain circumstances. A copy of the Integrated Agreement is attached hereto as Exhibit D.
- E. Urbauer wishes to convey her interests in the Golf Course Parcel, City Lease, Ground Lease, and Lease of Golf Course into a family limited partnership for estate planning purposes.
- F. JDL wishes to extend the Ground Lease for an additional ten year period so that it may continue to operate a portion of the Madrona Links Golf Course on the Golf Course Parcel.
- G. The parties wish to enter into an agreement extending the Lease of Golf Course for ten years from its current expiration date of February 1, 1996, to expire on February 1, 2006, and a simultaneous amendment amending Paragraph 9 of the Integrated Agreement.

AGREEMENTS

For and in consideration of the mutual covenants contained herein, the parties hereby agree as follows:

1. Extension of Ground Lease

1.1 The parties hereby agree that the term of the Ground Lease shall be extended for a ten year period from February 1, 1996, to expire, as extended, on February 1, 2006.

1.2 No other provision of the Ground Lease or Lease of Golf Course shall be amended or altered hereby. Except as set forth herein, no additional consideration is due Urbauer for this extension of the Ground Lease or pursuant to the terms of the Ground Lease.

2. Consent to Assignment

2.1 Urbauer represents that the "Tyson Family Limited Partnership" is a Washington limited partnership (the "Partnership"), formed or to be formed pursuant to Chapter 25.10 RCW, and that all interests in the Partnership will be owned by Urbauer, her lineal descendants, and their spouses.

2.2 JDL hereby consents to Urbauer's conveyance of her rights in the Golf Course Parcel, City Lease, Ground Lease, and Lease of Golf Course, to the Tyson Family Limited Partnership and agrees that such transfer does not grant JDL or any other party any right to acquire any interest in any of the foregoing.

2.3 The parties agree to cooperate to obtain approval from the City of Tacoma, as necessary, for the assignment of Urbauer's rights under the City Lease and lease of Golf Course, and further agrees that this Agreement shall not become effective as to the City Lease until Urbauer has received written approval from the City of Tacoma for such assignment.

3. Amendment of Integrated Agreement

3.1 The parties hereby agree to amend the Integrated Agreement by substituting the following revised Paragraph 9, in place of the original Paragraph 9 in its entirety:

"9. For purposes of this Paragraph 9, "Lessor" shall be deemed to include any spouse of Lillian Tyson Urbauer, lineal descendants of Lillian Tyson Urbauer and their spouses, and any entity a majority of which is controlled by Lessor, lineal descendants, and spouses.

For reference only, not for re-sale.

The parties agree that in the event of any conveyance of Lessor's interest in: (1) the property subject to the Ground Lease; or (2) rights under the lease with the City of Tacoma, the Ground Lease, or the Lease of Golf Course; then Lessee shall have a right of first refusal to acquire the interest so conveyed, at the same price and on the same terms as the conveyance triggering such right of first refusal.

Provided, that Lessee's right of first refusal shall not apply to any conveyance to a person who is defined to be a Lessor for purposes of this Paragraph

Lessor shall promptly deliver to Lessee notice of any proposed conveyance that would trigger Lessee's right of first refusal under this Paragraph, by registered mail, return receipt requested, at Lessee's last known mailing address. Such notice shall include full details of the proposed conveyance, including the proposed transferee and the amount and terms of payment of the purchase price for the interest ("Seller's Notice"). Lessee shall have 90 days from the date that the Seller's Notice is postmarked to exercise its right of first refusal by delivering notice ("Purchaser's Notice") of Lessee's intent to purchase no less than all of the offered interest at the same price and terms set forth in the Seller's Notice. The Purchaser's Notice must be sent registered mail, return receipt requested, and postmarked not later than the 90 days after the date of the postmark on Seller's Notice. Thereafter, Lessee will have 30 days to close the purchase; failure to close within such 30 day period, or failure to timely deliver the Purchaser's Notice shall be deemed a waiver of Lessee's right of first refusal.

Any conveyance that would be subject to Lessee's right of first refusal shall be null and void until the Seller's Notice has been provided as set forth herein and Lessee has waived its right of first refusal."

3.2 The parties expressly agree that all other provisions of the Integrated Agreement shall survive the execution of this Agreement, which shall be deemed a sufficient writing to satisfy Paragraph 25 of the Integrated Agreement.

For reference only, not for re-sale.

DATED the 16 day of ^{February} ~~January~~, 1996.

Lillian Tyson-Urbauer
Lillian Tyson-Urbauer

JDL, INC.:

Lloyd Montgomery
By Lloyd Montgomery
Its President

~~CALIFORNIA~~
STATE OF ~~WASHINGTON~~
) ss.
County of _____

see attached

On this day personally appeared before me Lillian Tyson-Urbauer, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that she signed the same as her free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this _____ day of _____, 1996.

Printed/Typed Name: _____
Notary Public in and for the State of
California Washington, residing at _____
My appointment expires: _____

STATE OF WASHINGTON)
) ss.
County of Pierce)

On this 1 day of February, 1996, before me, the undersigned, a notary public in and for the State of Washington, duly commissioned and sworn, personally appeared Lloyd Montgomery, to me known to be the President of JDL, Inc., the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

200002110379

WITNESS my hand and official seal hereto affixed the day and year first above written.

Richard L. Harris
Printed/Typed Name: Richard L. Harris
Notary Public in and for the State of
Washington, residing at Fairfax
My appointment expires: 12-3-99

For reference only, not for re-sale.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

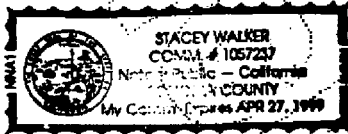
State of California

County of Riverside

On the 16 February 1996 before me, Stacey Walker, Notary Public

personally appeared Lillian Tyson-Debaver

personally known to me - OR - proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Stacey Walker
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Agreement to extend ground lease

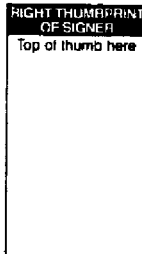
Document Date: _____ Number of Pages: 5

Signer(s) Other Than Named Above: Lloyd Montgomery

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

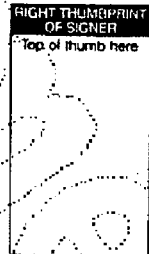
- Individual
- Corporate Officer
Title(s): _____
- Partner — Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing:

Signer's Name: _____

- Individual
- Corporate Officer
Title(s): _____
- Partner — Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing:

For reference only, not for re-sale.

200002110379

AFTER RECORDING MAIL TO:

Alan D. Macpherson
Attorney at Law
Gordon Thomas Honeywell
P.O. Box 1157
Tacoma, WA 98401-1157

ASSIGNMENT OF GROUND LEASE

Grantor: Lillian Urbauer, also known as Lillian Tyson-Urbauer, in her separate capacity.

Grantee: Tyson Limited Partnership, a Washington limited partnership

Legal Description on page 4.

Assessor's Tax Parcel No. 022120 102-5

Reference Nos. of Documents Released or Assigned: _____

Abbreviated Legal Description: 20-21-2 NE

IDENTIFICATION OF LEASE

LESSOR: Lillian Urbauer, in her separate capacity

LESSEE: JDL, INC., a Washington corporation

PROPERTY LOCATED AT: 36TH Street & Otto John NW, Gig Harbor, WA 98335

LEGAL DESCRIPTION: See Exhibit A attached and incorporated herein by this reference.

DATE OF LEASE: September 1, 1986, a copy of which is attached hereto as Exhibit "B"

For reference only, not for re-sale.

5-

For reference only, not for re-sale.

ASSIGNMENT

Effective the 21 day of December, 1999, for value received, Lessor hereby transfers, assigns and sets over to Tyson Limited Partnership, a Washington limited partnership ("Assignee"), all right, title and interest of Lessor in the above described Lease.

Dated: December 21, 1999.

Lillian Urbauer
Lillian Urbauer, also known as Lillian Tyson-Urbauer

ACCEPTANCE

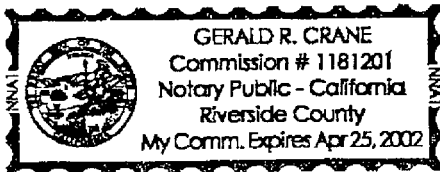
Assignee Tyson Limited Partnership, a Washington limited partnership, hereby accepts this Assignment of Lease and assumes all responsibilities of Lessor under the Lease.

Lillian Tyson-Urbauer
Tyson Limited Partnership, by
Lillian Tyson-Urbauer,
General Partner

STATE OF CALIFORNIA)
) ss.
County of Riverside

On this day personally appeared Lillian Tyson-Urbauer, known to be the individual described in and who executed the within and foregoing instrument and acknowledged to me that she signed the same as her free and voluntary act and deed for the purposes therein mentioned.

Given under my hand and official seal this 21 day of December, 1999.



Gerald R Crane
Gerald R Crane
(Type/Print Name)
NOTARY PUBLIC in and for the State of
California
residing at La Quinta
My appointment expires 4-25-02

EXHIBIT A

Portion of the south half of the northeast quarter of Section 20, Township 21 North, Range 2 East, W.M., described as follows:

Beginning at the southeast corner of the northeast quarter of said Section 20, thence north $88^{\circ} 22' 40''$ west 491.70 feet (Washington State Grid, South Zone, Basis of Bearing) along the south line of said south half of the northeast quarter to the southwest corner of the east 15 acres of said south half of the northeast quarter, thence north $1^{\circ} 46' 00''$ east 780 feet along the west line of said 15 acres to the true point of beginning, thence continuing north $1^{\circ} 46' 00''$ east to the southwesterly line of Washington State Highway #16, thence northwesterly along said southwesterly highway line to an intersection with the north line of said south half of the northeast quarter, thence north $88^{\circ} 22' 37''$ west along said north line to a point 1540 feet west of the east line of said Section 20, thence south $1^{\circ} 46' 00''$ east 1328.87 feet parallel to said east line and extending to the south line of said south half of the northeast quarter, thence south $88^{\circ} 22' 40''$ east 70.04 feet, thence north $1^{\circ} 42' 53''$ east 780 feet parallel to and 150 feet distant west of the west line of the southeast quarter of northeast quarter of said Section 20, thence south $88^{\circ} 22' 40''$ east 978.97 feet to the point of beginning.

For reference only, not for re-sale.

GROUND LEASE

THIS LEASE of part of a golf course is made on this 1 day of February, 1986, between LILLIAN URBAUER in her separate capacity (hereinafter "Lessor"), and JDL, INC., a Washington corporation (hereinafter "Lessee").

1. Subject Matter: The Lessor hereby leases to the Lessee and the Lessee hereby leases from the Lessor the following:

(a) Golf Course Land: An area of approximately fourteen (14) acres which area forms a part of the Madrona Links Golf Course, (hereinafter "Madrona"), said land being described in Exhibit "A" attached hereto and hereby incorporated herein as though set forth in full at this point.

2. Term: The term of this lease shall commence on February 1, 1986, and shall continue until February 1, 1996.

At the expiration of the term the lease may be extended for an additional ten (10) year term by the mutual consent and agreement of Lessor and Lessee, which must be evidence by a written memorandum.

3. Rental: The consideration for this lease is contained in the Lease of Golf Course between Lessor and Lessee of even date.

4. Use: Lessee shall use the premises to conduct and carry on a business known as the Madrona Links Golf Course. Lessee shall not employ any other name without express written consent of the Lessor.

5. Maintenance and Repairs:

(a) Golf Course: Lessee shall keep this part of the golf course including the greens and the fairways in good repair at all times during the terms of the lease. This duty shall include but not be limited to, the duty to provide for proper drainage, fertilize, trim, mow, cultivate and all of the things necessary to properly maintain a golf course throughout the term of this lease.

6. Lessee's Additional Covenants: Lessee also covenants as follows:

For reference only, not for re-sale.

For reference only, not for re-sale.

(a) To pay the rent as above stated at the time or times herein provided in lawful money of the United States.

(b) Not to assign or otherwise transfer this lease without the prior written consent of the Lessor.

(c) Not to sublet or sublease the premises, or any portion thereof, or allow anyone to occupy the same, or any portion thereof, without the prior written consent of the Lessor. Such consent shall not be unreasonably withheld.

(d) Not to commit or suffer any waste on or about the premises.

(e) Not to allow the premises to fall in such state of disorder as to increase the fire hazard thereon.

(f) To comply at Lessee's own expense, with all orders, notices, regulations and requirements of any public authority having jurisdiction respecting the premises.

7. Indemnity and Insurance: All personal property on the leased premises shall be kept at the risk of the Lessee. Lessor or Lessor's agent shall not be liable for any damage, either to person or property, sustained by Lessee or others, caused by any defects now in the premises or hereinafter occurred therein, or from any act or neglect of employees, co-lessees, or any other persons including Lessor or Lessor's agents, or due to the happening of any accident whatsoever, in and about the land. Lessee agrees to defend and hold Lessor harmless from any and all claims or damages suffered or alleged to be suffered in or about the described land by any person, firm or corporation arising on or after February 1, 1986, such indemnification to include all costs and expenses incurred as a result of the claim including counsel fees.

8. Bankruptcy and Insolvency Proceedings: Neither this lease nor any interest therein or estate created thereby, shall pass to any trustee or receiver in bankruptcy, nor to any other receiver, trustee or assignee for the benefit of creditors (or for any other purpose), by operation of law.

9. Eminent Domain: If the whole or any part of the demised land shall be acquired by Eminent Domain for any public or quasi public use or purpose, then the term of this lease shall terminate as of the date, title or possession shall be transferred in such proceeding, whichever shall occur first, and all

rent shall be paid up to that date and the Lessee shall not have claim against the Lessor for the value of any unexpired term of the lease. Lessee shall have as its option the right to pro rate the terms of this lease in percentage to the amount taken as compared to the whole.

10. Holding Over: In the event that Lessee remains in possession of the leased premises after the expiration of this lease, without the execution of a new lease, Lessee shall be deemed to be occupying the premises as a Lessee from month to month, subject to all of the conditions, provisions and obligations of this lease insofar as the same are applicable to a month to month tenancy.

11. Lessor's Remedies on Default: If any rental or other sums payable by Lessee to Lessor should be and remain unpaid for more than ten (10) days after the same are due and payable, or if Lessee shall violate or default in the performance of any of the other covenants, agreements, stipulations or conditions herein, then such violation or default shall continue for a period of ten (10) days after written notice by Lessor to Lessee of such violation or default then without prejudice or any other remedies which Lessor may have shall be optional for Lessor to declare this lease forfeited and their terms ended and to re-enter the premises, with or without the process of law and to take possession of any personal property situated therein, using such force as may be necessary for removal of all personal or chattels from the premises, or to effectuate such repossession, and Lessor shall not be liable for damages by reason of such re-entry or forfeiture, but notwithstanding such re-entry by Lessor the liability of Lessee for the rent provided herein shall not be relinquished or extinguished for the balance of the term of this lease, and Lessee covenants and agrees to make good to Lessor any deficiency arising from such re-entry and re-letting at a lessor rental than herein reserved and Lessee shall pay shall deficiency each month as the amount thereof is ascertained by Lessor. Provided, however that in the case of such re-entry the Lessor shall use Lessor's best efforts to re-let the premises upon such terms as Lessor shall deem fit and for a period which may expire either before or after the expiration date of this lease.

12. Costs and Attorneys' Fees: If by reason of any default on the part of the Lessee it become necessary for the Lessor to employ an attorney or in case Lessor shall bring suit to recover any rent due hereunder, or for breach of any provision of this lease or to recover possession of the premises, or if Lessee shall bring any action for any relief against Lessor, declaratory or otherwise, the prevailing party of any such action shall be entitled to judgment for reasonable attorneys' fees and all costs and expenses expended or incurred by said prevailing party in connection with such action.

For reference only, not for re-sale.

13. Waiver: One or more waiver of any covenant or condition by either party shall not be construed as a waiver of subsequent breach of the same covenant or condition, and the consent or approval by a party to or of any act by the other party requiring such consent or approval shall not be deemed to waive or render unnecessary future consent or approval to any subsequent similar act by said party.

14. Notices: Any notice required or permitted to be given shall be deemed sufficient if given in writing and deposited in any post office as first class mail and addressed to the Lessor. Either party may give written notice of change of address.

15. Binding Effect: This lease shall be binding upon and shall inure to the benefits of the parties, their successors and assigns.

16. Integration: This lease is the final written expression of the completed agreement of the parties and may not be altered, amended or modified, except with the consent of the parties expressed in writing and annexed hereto.

17. Controlling Law: The validity, interpretation and performance of this lease shall be governed by the laws of the State of Washington.

DATED this _____ day of _____, 1986.

LESSOR: LILLIAN URBAUER
LESSEE: JDL, INC.

By Lillian Urbauer
Principal and Individually

By [Signature]
President

Witness
by [Signature]
Secretary

Witness
[Signature]
Secretary

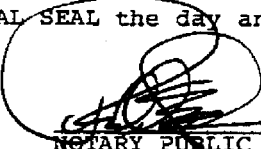
200002110382

For reference only, not for re-sale.

STATE OF WASHINGTON)
) ss.
County of Pierce)

On this 1st day of February, 1986, before me, the undersigned Notary Public in and for the State of Washington, duly commissioned and sworn personally appeared Lillian Urbauer to me known to be the individual described in and who executed the foregoing instrument, and acknowledged to me that she signed and sealed the said instrument as her free and voluntary act and deed for the uses and purposes therein mentioned.


WITNESS MY HAND AND OFFICIAL SEAL the day and year in this certificate above written.


NOTARY PUBLIC in and for the State of Washington, residing at Tacoma.
My Commission Expires: 10-13-88

STATE OF WASHINGTON)
) ss.
County of Pierce)

On this 1st day of February, 1986, before me, the undersigned Notary Public in and for the State of Washington, duly commissioned and sworn personally appeared Lloyd E. Montgomery to me known to be the individual described in and who executed the foregoing instrument and acknowledged to me that he signed and sealed the said instrument as his free and voluntary act and deed for the uses and purposes therein mentioned.

WITNESS MY HAND AND OFFICIAL SEAL the day and year in this certificate above written.


NOTARY PUBLIC in and for the State of Washington, residing at Tacoma.
My Commission Expires: 10-13-88

200002110382

141



201004191077 6 PGS
04/19/2010 03:30:38 PM \$67.00
PIERCE COUNTY, WASHINGTON

RETURN ADDRESS:

Kitsap Bank
Gig Harbor
4714 Point Fosdick Drive
NW
Gig Harbor, WA 98335

4355182
APR 19 2010

CTC



*****#011504132010*

ASSIGNMENT OF RENTS

Reference # (if applicable): _____ Additional on page _____

Grantor(s):
1. J.D.L., Inc.

Grantee(s)
1. Kitsap Bank

Legal Description: NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 20,
TOWNSHIP 21 NORTH, RANGE 2 EAST, WILLAMETTE MERIDIAN
Additional on page 2

Assessor's Tax Parcel ID#: 888887-711-0

THIS ASSIGNMENT OF RENTS dated April 13, 2010, is made and executed between J.D.L., Inc.; a Washington corporation (referred to below as "Grantor") and Kitsap Bank, whose mailing address is 4714 Point Fosdick Drive NW, Gig Harbor, WA 98335 (referred to below as "Lender").

For reference only, not for re-sale.

Unrecorded Document

ASSIGNMENT OF RENTS
(Continued)

Page 2

ASSIGNMENT. For valuable consideration, Grantor hereby assigns, grants a continuing security interest in; and conveys to Lender all of Grantor's right, title, and interest in and to the Rents from the following described Property located in Pierce County, State of Washington:

See EXHIBIT 'A', which is attached to this Assignment and made a part of this Assignment as if fully set forth herein.

The Property of its address is commonly known as 3604 22nd Avenue NW, Gig Harbor, WA 98335. The Property tax identification number is 888887-711-0. Grantor's interest in the Property is a leasehold interest as set forth in the Lease described below.

CROSS-COLLATERALIZATION. In addition to the Note, this Assignment secures all obligations, debts and liabilities, plus interest thereon, of Grantor to Lender, or any one or more of them, as well as all claims by Lender against Grantor or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Note, whether voluntarily or otherwise, whether due or not due, direct or indirect, determined or undetermined, absolute or contingent, liquidated or unliquidated, whether Grantor may be liable individually or jointly with others, whether obligated as guarantor, surety, accommodation party or otherwise, and whether recovery upon such amounts may be or hereafter may become barred by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable.

REVOLVING LINE OF CREDIT. This Assignment secures the Indebtedness including, without limitation, a revolving line of credit, with a variable rate of interest, which obligates Lender to make advances to Grantor so long as Grantor complies with all the terms of the Note and the line of credit has not been terminated, suspended or cancelled; the Note allows negative amortization. Funds may be advanced by Lender, repaid, and subsequently readvanced. The unpaid balance of the revolving line of credit may at certain times be lower than the amount shown or zero. A zero balance does not terminate the line of credit or terminate Lender's obligation to advance funds to Grantor. Therefore, the lien of this Assignment will remain in full force and effect notwithstanding any zero balance.

COLLATERAL DESCRIPTION. The word "Rents" as used in this Assignment means all of Grantor's present and future rights, title and interest in, to and under the following described specific Lease of all or a portion of the property described in the "Assignment" section herein.

The following is a general description of the specific lease:

LEASE TYPE:	Term
Lease Date:	February 1, 1986
Start Date:	January 1, 2010
End Date:	December 31, 2014
Lessee(s):	Tyson Limited Partnership (Lessee); and J.D.L., Inc. (Sublessee); 37828 Haljster Drive; Palm Desert, CA 92211
Description of the Premises:	3604 22nd Ave NW; Gig Harbor, WA 98335
Rental Amount:	percent of gross green fees (as defined in the Lease)
Deposit Amount:	
Lease Terms:	Rent shall be payable to PenMet Parks quarterly, on or before the 15th day of the months of April, July, October and January. In addition to the quarterly rental due to PenMet Parks, beginning January 1, 2010, through December 31, 2014, Sublessee agrees to invest One (1%) of the gross green fees (as defined in the Lease) into capital improvements on the Premises.
Recording Data:	Assignment of Integrated Agreement dated April 1, 1977, recorded under Pierce County Auditor's filing #200002110379; Assignment of Lease of Golf Course dated December 21, 1999, recorded under Pierce County Auditor's filing #200002110380; Re-Assignment of Lease of Golf Course dated December 21, 1999, recorded under Pierce County Auditor's filing #200002110381; and an Unrecorded 4th Amendment to Lease dated March 4, 2010 to be recorded with new Deed of Trust

THIS ASSIGNMENT IS GIVEN TO SECURE (1) PAYMENT OF THE INDEBTEDNESS AND (2) PERFORMANCE OF ANY AND ALL OBLIGATIONS OF GRANTOR UNDER THE NOTE, THIS ASSIGNMENT, AND THE RELATED DOCUMENTS. THIS ASSIGNMENT IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Assignment or any Related Documents, Grantor shall pay to Lender all amounts secured by this Assignment as they become due, and shall strictly perform all of Grantor's obligations under this Assignment. Unless and until Lender exercises its right to collect the Rents as provided below and so long as there is no default under this Assignment, Grantor may remain in possession and control of and operate and manage the Property and collect the Rents, provided that the granting of the right to collect the Rents shall not constitute Lender's consent to the use of cash collateral in a bankruptcy proceeding.

GRANTOR'S REPRESENTATIONS AND WARRANTIES. Grantor warrants that:

Ownership. Grantor is entitled to receive the Rents free and clear of all rights, liens, encumbrances, and claims except as disclosed to and accepted by Lender in writing.

Right to Assign. Grantor has the full right, power and authority to enter into this Assignment and to assign and convey the Rents to Lender.

No Prior Assignment. Grantor has not previously assigned or conveyed the Rents to any other person by any instrument now in force.

No Further Transfer. Grantor will not sell, assign, encumber, or otherwise dispose of any of Grantor's rights in the Rents except as provided in this Assignment.

LENDER'S RIGHT TO RECEIVE AND COLLECT RENTS. Lender shall have the right at any time, and even though no default shall have occurred under this Assignment, to collect and receive the Rents. For this purpose, Lender is hereby given and granted the following rights, powers and authority:

Notice to Tenants. Lender may send notices to any and all tenants of the Property advising them of this Assignment and directing all Rents to be paid directly to Lender or Lender's agent.

For reference only, not for re-sale.

ASSIGNMENT OF RENTS
(Continued)

Page 3

Enter the Property. Lender may enter upon and take possession of the Property; demand, collect and receive from the tenants or from any other persons liable therefor, all of the Rents; institute and carry on all legal proceedings necessary for the protection of the Property, including such proceedings as may be necessary to recover possession of the Property; collect the Rents and remove any tenant or tenants or other persons from the Property.

Maintain the Property. Lender may enter upon the Property to maintain the Property and keep the same in repair; to pay the costs thereof and of all services of all employees, including their equipment, and of all continuing costs and expenses of maintaining the Property in proper repair and condition, and also to pay all taxes, assessments and water utilities, and the premiums on fire and other insurance effected by Lender on the Property.

Compliance with Laws. Lender may do any and all things to execute and comply with the laws of the State of Washington and also all other laws, rules, orders, ordinances and requirements of all other governmental agencies affecting the Property.

Lease the Property. Lender may rent or lease the whole or any part of the Property for such term or terms and on such conditions as Lender may deem appropriate.

Employ Agents. Lender may engage such agent or agents as Lender may deem appropriate, either in Lender's name or in Grantor's name, to rent and manage the Property, including the collection and application of Rents.

Other Acts. Lender may do all such other things and acts with respect to the Property as Lender may deem appropriate and may act exclusively and solely in the place and stead of Grantor and to have all of the powers of Grantor for the purposes stated above.

No Requirement to Act. Lender shall not be required to do any of the foregoing acts or things, and the fact that Lender shall have performed one or more of the foregoing acts or things shall not require Lender to do any other specific act or thing.

APPLICATION OF RENTS. All costs and expenses incurred by Lender in connection with the Property shall be for Grantor's account and Lender may pay such costs and expenses from the Rents. Lender, in its sole discretion, shall determine the application of any and all Rents received by it; however, any such Rents received by Lender which are not applied to such costs and expenses shall be applied to the Indebtedness. All expenditures made by Lender under this Assignment and not reimbursed from the Rents shall become a part of the Indebtedness secured by this Assignment, and shall be payable on demand, with interest at the Note rate from date of expenditure until paid.

FULL PERFORMANCE. If Grantor pays all of the Indebtedness when due and otherwise performs all the obligations imposed upon Grantor under this Assignment, the Note, and the Related Documents, Lender shall execute and deliver to Grantor a suitable satisfaction of this Assignment and suitable statements of termination of any financing statement; on file evidencing Lender's security interest in the Rents and the Property. Any termination fee required by law shall be paid by Grantor, if permitted by applicable law.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Grantor fails to comply with any provision of this Assignment or any Related Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Assignment or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Rents or the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Assignment also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

DEFAULT. Each of the following, at Lender's option, shall constitute an Event of Default under this Assignment:

Payment Default. Grantor fails to make any payment when due under the Indebtedness.

Other Defaults. Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Assignment or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Grantor.

Default on Other Payments. Failure of Grantor within the time required by this Assignment to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

Default in Favor of Third Parties. Any guarantor or Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of any guarantor's or Grantor's property or ability to perform their respective obligations under this Assignment or any of the Related Documents.

Environmental Default. Failure of any party to comply with or perform when due any term, obligation, covenant or condition contained in any environmental agreement executed in connection with the Property.

False Statements. Any warranty, representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under this Assignment or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Defective Collateralization. This Assignment or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Insolvency. The dissolution or termination of Grantor's existence as a going business, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against the Rents or any property securing the Indebtedness. This includes a garnishment of any of Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

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ASSIGNMENT OF RENTS
(Continued)

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Property Damage or Loss. The Property is lost, stolen, substantially damaged, sold, or borrowed against.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

Adverse Change. A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

Insecurity. Lender in good faith believes itself insecure.

Cure Provisions. If any default, other than a default in payment is curable and if Grantor has not been given a notice of a breach of the same provision of this Assignment within the preceding twelve (12) months, it may be cured if Grantor, after Lender sends written notice to Grantor demanding cure of such default: (1) cures the default within ten (10) days; or (2) if the cure requires more than ten (10) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

RIGHTS AND REMEDIES ON DEFAULT. Upon the occurrence of any Event of Default and at any time thereafter, Lender may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

Accelerate Indebtedness. Lender shall have the right at its option without notice to Grantor to declare the entire Indebtedness immediately due and payable, including any prepayment penalty that Grantor would be required to pay.

Collect Rents. Lender shall have the right, without notice to Grantor, to take possession of the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender shall have all the rights provided for in the Lender's Right to Receive and Collect Rents Section, above. If the Rents are collected by Lender, then Grantor irrevocably designates Lender, as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Appoint Receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding or pending foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Other Remedies. Lender shall have all other rights and remedies provided in this Assignment or the Note or by law.

Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Assignment, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Assignment, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Assignment:

Amendments. This Assignment, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Assignment. No alteration or amendment to this Assignment shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Caption Headings. Caption headings in this Assignment are for convenience purposes only and are not to be used to interpret or define the provisions of this Assignment.

Governing Law. This Assignment will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Washington without regard to its conflicts of law provisions. This Assignment has been accepted by Lender in the State of Washington.

Choice of Venue. If there is a lawsuit, Grantor agrees upon Lender's request to submit to the jurisdiction of the courts of Pierce County, State of Washington.

Merger. There shall be no merger of the interest or estate created by this assignment with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Interpretation. (1) In all cases where there is more than one Borrower or Grantor, then all words used in this Assignment in the singular shall be deemed to have been used in the plural where the context and construction so require. (2) If more than one person signs this Assignment as "Grantor," the obligations of each Grantor are joint and several. This means that if Lender brings a lawsuit, Lender may sue any one or more of the Grantors. If Borrower and Grantor are not the same person, Lender need not sue Borrower first, and that Borrower need not be joined in any lawsuit. (3) The names given to paragraphs or sections in this Assignment are for convenience purposes only. They are not to be used to interpret or define the provisions of this Assignment.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Assignment unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Assignment

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ASSIGNMENT OF RENTS
(Continued)

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shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Assignment. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Assignment, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Notices. Subject to applicable law, and except for notice required or allowed by law to be given in another manner, any notice required to be given under this Assignment shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first-class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Assignment. Any party may change its address for notices under this Assignment by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Subject to applicable law, and except for notice required or allowed by law to be given in another manner, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

Powers of Attorney. The various agencies and powers of attorney conveyed on Lender under this Assignment are granted for purposes of security, and may not be revoked by Grantor until such time as the same are renounced by Lender.

Severability. If a court of competent jurisdiction finds any provision of this Assignment to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Assignment. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Assignment shall not affect the legality, validity or enforceability of any other provision of this Assignment.

Successors and Assigns. Subject to any limitations stated in this Assignment on transfer of Grantor's interest, this Assignment shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Assignment and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Assignment or liability under the Indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Assignment.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Washington as to all Indebtedness secured by this Assignment.

Waiver of Right of Redemption. NOTWITHSTANDING ANY OF THE PROVISIONS TO THE CONTRARY CONTAINED IN THIS ASSIGNMENT, GRANTOR HEREBY WAIVES ANY AND ALL RIGHTS OF REDEMPTION FROM SALE UNDER ANY ORDER OR JUDGMENT, OF FORECLOSURE ON GRANTOR'S BEHALF AND ON BEHALF OF EACH AND EVERY PERSON, EXCEPT JUDGMENT CREDITORS OF GRANTOR, ACQUIRING ANY INTEREST IN OR TITLE TO THE PROPERTY SUBSEQUENT TO THE DATE OF THIS ASSIGNMENT.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Assignment. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Assignment shall have the meanings attributed to such terms in the Uniform Commercial Code:

Assignment. The word "Assignment" means this ASSIGNMENT OF RENTS, as this ASSIGNMENT OF RENTS may be amended or modified from time to time, together with all exhibits and schedules attached to this ASSIGNMENT OF RENTS from time to time.

Borrower. The word "Borrower" means J.D.L., Inc..

Default. The word "Default" means the Default set forth in this Assignment in the section titled "Default".

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Assignment in the default section of this Assignment.

Grantor. The word "Grantor" means J.D.L., Inc..

Guarantor. The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the Indebtedness.

Guaranty. The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Lender to enforce Grantor's obligations under this Assignment, together with interest on such amounts as provided in this Assignment. Specifically, without limitation, Indebtedness includes all amounts that may be indirectly secured by the Cross-Collateralization provision of this Assignment.

Lease. The word "Lease" means the lease of the Property dated February 1, 1986, between Landlord, as defined in Related Documents, and Grantor, which was recorded as follows: Assignment of Integrated Agreement dated April 1, 1977, recorded under Pierce County Auditor's filing #200002110379; Assignment of Lease of Golf Course dated December 21, 1999, recorded under Pierce County Auditor's filing #200002110380; Re-Assignment of Lease of Golf Course dated December 21, 1999, recorded under Pierce County Auditor's filing #200002110381; and an Unrecorded 4th Amendment to Lease dated March 4, 2010 to be recorded with new Deed of Trust.

Lender. The word "Lender" means Kitsap Bank, its successors and assigns.

Note. The word "Note" means the promissory note dated April 13, 2010, in the original principal amount of \$200,000.00 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement.

Property. The word "Property" means all of Grantor's right, title and interest in and to all the Property as described in the "Assignment" section of this Assignment.

For reference only, not for re-sale.

ASSIGNMENT OF RENTS
(Continued)

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the indebtedness.

Rents. The word "Rents" means all of Grantor's present and future rights, title and interest in, to and under any and all present and future leases, including, without limitation, all rents, revenue, income, issues, royalties, bonuses, accounts receivable, cash or security deposits, advance rentals, profits and proceeds from the Property, and other payments and benefits derived or to be derived from such leases of every kind and nature, whether due now or later, including without limitation Grantor's right to enforce such leases and to receive and collect payment and proceeds thereunder.

THE UNDERSIGNED ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS ASSIGNMENT, AND NOT PERSONALLY BUT AS AN AUTHORIZED SIGNER, HAS CAUSED THIS ASSIGNMENT TO BE SIGNED AND EXECUTED ON BEHALF OF GRANTOR ON APRIL 13, 2010.

GRANTOR:

J.D.L., INC.

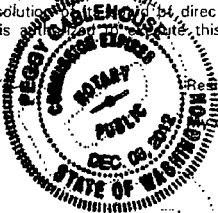
By: Lloyd E. Montgomery
Lloyd E. Montgomery, President of J.D.L., Inc.

CORPORATE ACKNOWLEDGMENT

STATE OF WA)
COUNTY OF Pierce) SS

On this 13 day of April, 20 10, before me, the undersigned Notary Public, personally appeared Lloyd E. Montgomery, President of J.D.L., Inc., and personally known to me or proved to me on the basis of satisfactory evidence to be an authorized agent of the corporation that executed the ASSIGNMENT OF RENTS and acknowledged the Assignment to be the free and voluntary act and deed of the corporation, by authority of its Bylaws or by resolution of its board of directors, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Assignment and in fact executed the Assignment on behalf of the corporation.

By: Peggy Appleton Residing at Vaughn
Notary Public in and for the State of WA commission expires 12-8-12



For reference only, not for re-sale.

DUPLICATE

AFTER RECORDING MAIL TO:

Alan D. Macpherson
Attorney at Law
Gordon Thomas Honeywell
P.O. Box 1157
Tacoma, WA 98401-1157

RE-ASSIGNMENT OF LEASE AND AMENDMENT TO LEASE

Grantor: Lillian Tyson-Urbauer, a married woman as her separate property,
Grantee: Tyson Limited Partnership, a Washington limited partnership,
Legal Description on page 4.
Assessor's Tax Parcel No. 022120 403 2
Abbreviated Legal Description: 20-21-2 *NE*

IDENTIFICATION OF LEASE AND AMENDMENT TO LEASE

LESSOR: City of Tacoma

LESSEE: DenMARK, INC., a Washington corporation,

PROPERTY LOCATED AT: 36TH Street & Otto John NW, Gig Harbor, WA 98335

LEGAL DESCRIPTION: See Exhibit A attached and incorporated herein by this reference.

DATE OF LEASE: April 1, 1977, a copy of which is attached hereto as Exhibit "B" and Assignment of Lease and Amendment to Lease from DenMARK, INC. to Lillian Tyson-Urbauer, successor lessee, attached hereto as Exhibit "C"

RE-ASSIGNMENT

Effective the 21 day of December, 1999, for value received, Lessor hereby transfers, assigns and sets over to Tyson Limited Partnership, a Washington limited partnership, ("Successor Assignee"), all right, title and interest of Lillian Tyson-Urbauer, a married woman as her separate property, ("Successor-Lessee") in the above described Lease and Assignment.

Dated: December 21, 1999.

Lillian Tyson-Urbauer
Lillian Tyson-Urbauer

ACCEPTANCE

Assignee Tyson Limited Partnership, a Washington limited partnership, hereby accepts this Assignment of Lease and Amendment to Lease, and assumes all responsibilities of Lessee under the Lease and Amendment to Lease.

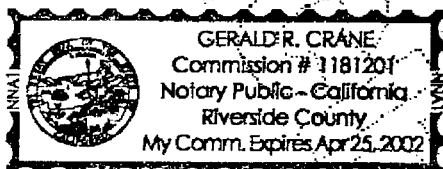
Lillian Tyson-Urbauer
Tyson Limited Partnership, by
Lillian Tyson-Urbauer,
General Partner

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STATE OF CALIFORNIA)
) ss.
County of Riverside

On this day personally appeared Lillian Tyson-Urbauer, known to be the individual described in and who executed the within and foregoing instrument and acknowledged to me that she signed the same as her free and voluntary act and deed for the purposes therein mentioned.

Given under my hand and official seal this 21 day of December, 1999.



Gerald R. Crane
Gerald R. Crane
(Type/Print Name)
NOTARY PUBLIC in and for the State of
California
residing at La Quinta
My appointment expires 4-25-02

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EXHIBIT A

Portions of the Northeast ¼ and the Southeast ¼ of Section 20, Township 21 North, Range 2 East of the Willamette meridian described as follows:

Beginning at the northeast corner of the Southeast ¼ of said Section 20; thence N 88° 21' 43" W along the north line of said Southeast ¼ a distance of 491.52 feet to the southwest corner of the east 15 acres of Southeast ¼ of the Northeast ¼ of said Section 20; thence N 1° 45' 40" E along the west line of said 15 acres a distance of 730 feet; thence N 88° 21' 43" W 979.39 feet to a point 150 feet west of the west line of the Southeast ¼ of the Northeast ¼ of said Section 20; thence S 1° 42' 47" E parallel to said west line 780 feet to the north line of the Southeast ¼ of Section 20; thence N 88° 21' 43" W along said north line to a point 1540 feet west of the east line of the Southeast ¼ of Section 20; thence S 1° 37' 04" W 1285.86 feet to the northerly right of way line of (Otto Jahn Road) 36th Street N.W.; thence S 88° 40' 15" E along the north line of said Street to the east line of Section 20; thence N 1° 37' 04" E 1277.55 feet along said east line to the point of beginning.

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LEASE
AND
AMENDMENT TO LEASE

THIS LEASE, made this 1st day of April, 1977,
~~1976~~, by and between the CITY OF TACOMA, a municipal corporation
of the State of Washington, hereinafter referred to as the "City,"
and DENMARK, INC., a corporation organized and existing under the
laws of the State of Washington, hereinafter referred to as "Lessee,"

WITNESSETH:

WHEREAS the City is the owner of the following described
real property situated in the County of Pierce, State of Washington,
to wit:

(described in "Exhibit B" attached hereto)

encompassing approximately 71 acres, said land being totally
unimproved, and

WHEREAS the City is desirous of having constructed thereon
a public golf course, together with appurtenant structures for the
operation of said golf course for the benefit of the public, and

WHEREAS the Lessee has completed a design diagram necessary
for the construction of said golf course, a copy of which is attached
hereto and made a part hereof, and

WHEREAS the Lessee is desirous of constructing, operating
and maintaining such a golf course with appurtenances under a lease
from the City and providing the City a source of revenue by way of
rental;

NOW, THEREFORE, it is hereby agreed that

The City, for and in consideration of the agreements and
covenants here mentioned, and for the further consideration of the

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Lessee having heretofore prepared the design diagrams of the proposed public golf course, and having agreed to construct at the sole cost of the Lessee said public golf course and appurtenant structures, hereby leases to said Lessee, for the purposes and upon the terms and conditions stated herein, the foregoing described property.

1. TERM OF LEASE. The term of this lease shall be thirty (30) years, commencing on the day the golf course is open and ready for play to the general public, together with an option to renew for two additional 10-year periods, provided Lessee gives written notice of intention to renew one year before the end of said thirty (30) year term.

2. WORK TO BE DONE BY LESSEE. The Lessee agrees that within not more than thirty-six (36) consecutive calendar months from the date of this lease, said Lessee will construct on the premises herein described, a public golf course, with appurtenant services and structures, at Lessee's sole cost and expense, and in accordance with plans and design diagram attached hereto and made a part hereof. In the event the Lessee fails to construct the first phase of the golf course within thirty-six (36) consecutive calendar months as above provided, this lease shall cease and terminate, and all improvements shall revert to the City as provided in Paragraph 12 hereof. The Lessee shall proceed to complete the second phase of the golf course within the term of the lease, provided additional land is acquired to provide a total of one hundred (100) acres and said land is suitable for golf course development in discretion of Lessee. The first and second phases of the golf course are marked "Exhibit A" and by this reference incorporated herein.

3. RENT. The Lessee agrees to pay, and the City agrees to accept, as rent for the leased premises, upon the completion, acceptance and opening for general public use said golf course and club house, the following sum:

The rental for the first five (5) years shall be three (3) percent of the gross greens fees, payable quarterly to the Lessor. All rates and charges relating to rental payable for said leased premises shall be subject to re-evaluation and renegotiation at intervals of five (5) years from the effective date of this agreement. HOWEVER, the rental for such period shall be subject to reevalua-

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ation and renegotiation as above provided. In the event that the parties hereto cannot mutually agree upon the rental payable for said premises at any such 5-year interval for the ensuing 5 years, then each of the parties hereto shall appoint one appraiser. If the two appraisers cannot agree upon the proper rental therefor, they shall appoint a third appraiser. The rental fixed by any two of such appraisers shall be the rental recommended to be paid for said premises for the ensuing five (5) years; PROVIDED, HOWEVER, that in the event either of the parties should be dissatisfied and unwilling to accept such rental so fixed as a fair and reasonable rental for said premises, either of the parties may apply to the Superior Court of Washington for the purpose of having the court fix such rental upon proper evidence being introduced by both parties, and such rental as fixed by said Superior Court shall be final, conclusive, and binding upon all parties concerned. In determining the reasonable rental for such premises, the appraisers, the parties and the court shall take into consideration all facts and circumstances normally considered, particularly the extent and amount of contributions and expenditures made by both parties in the construction of permanent improvements on said premises, the amount of rent charged by the lessor, the present state of said land and the value of permanent improvements thereto, and the fact that the City will ultimately receive and that Pierce County will receive real estate tax not presently being received. In no event shall such readjusted rental be set at such a rate or maintained at such a rate as to prevent the Lessee herein from realizing operating expenses, a return of capital investment, and a reasonable profit. Should the percentage of change of the applicable consumer price index be substantially greater than the percentage of the greens fee increase, the Lessee will be entitled to submit his direct golf course operational costs as an evaluation factor to the arbitrators or the court in rent fixing.

For reference only, not for re-sale.

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For reference only, not for re-sale.

Greens fees for the purposes of assessing rent shall include any consideration paid for the privilege of using the golf course for playing golf.

4. USE OF LEASED PROPERTY. Lessee shall use the leased premises for a public golf course, with appurtenant services and structures. Lessee shall use the entire premises for conducting thereon a public golf course and activities associated therewith in a good, prudent and businesslike manner continuously during the entire term of this lease, with the exception of seasonal or temporary closures for such periods as may be reasonably necessary for such purposes as repairs, or rehabilitation, and for reasons beyond Lessee's reasonable control, including, but not limited to, inclement weather.

5. LESSEE TO COMPLY WITH ALL APPLICABLE LAWS. Lessee agrees that, in its use and occupancy of the leased premises, it will comply with all applicable laws, rules, regulations and ordinances of every governmental body or agency whose authority extends to the leased premises, or to any business conducted upon the leased premises.

6. CITY MAY INSPECT LEASED PREMISES. The City may enter upon the leased premises at any reasonable time for the purpose of inspecting the premises.

7. TAXES. Lessee promises to pay when due all taxes levied upon or assessed against Lessee's property and upon Lessee's possessory interest in the real estate hereinafter described, including leasehold taxes assessed by the State of Washington and the County of Pierce. The Lessee shall save and hold the Lessor harmless from any and all such taxes and assessments.

8. UTILITIES. Lessee shall be liable for and shall pay throughout the term of this lease, all charges for utilities services furnished to the leased premises.

9. LIENS. The Lessee shall have no authority, express or implied, to create any lien on said premises, and will hold the Lessor harmless from any loss by reason of labor or material lien.

The Lessee shall have the right to install at its own

expense business fixtures and equipment normal for its activities, and the right to remove the same at the expiration of the lease; PROVIDED, that the Lessee shall pay for all damages suffered to the premises by such removal; PROVIDED, ALSO, that this article shall not authorize the Lessee to remove permanent buildings or structures from said premises without the prior approval of the Lessor.

10. MAINTENANCE AND REPAIR. The Lessee agrees to keep and maintain the leased premises in good condition and repair, and at the expiration or termination of this lease, Lessee will return the leased premises, together with all structures, facilities and improvements thereto, except business fixtures and equipment, to the City in good condition and repair, reasonable wear and tear and damage by fire or unavoidable casualty excepted.

11. INSURANCE. Lessee agrees to defend and save the City harmless from any and all liability, including the expense of litigation, caused by injury, including death, to any person or for damage to any property, regardless of how such injury or damage be caused, sustained or alleged to have been sustained as a result of any condition or occurrence whatsoever in any way to the premises described herein or related in any way to the Lessee's use and occupancy of the premises and of the buildings situated thereon. In addition, the Lessee shall at its own expense, maintain liability insurance with a reputable insurance company or companies approved by the Lessor in the minimum amount of \$500,000 single limit. The City shall be named as an additional insured as respects to all claims arising out of Lessee's operations. Such policy shall include an endorsement specifying that such coverage shall be primary over any other valid and collectible insurance. It shall also require the insurance company to give the City 30 days' notice of termination on cancellation addressed to Property Management and Insurance Division, City Clerk's Office, Room 338, County-City Building, Tacoma, Washington 98402. It shall also specify that the Lessee is solely responsible for payment of all premiums due and collectible for the coverage required.

A copy of the policy shall be furnished to the City within 30 days of the inception of this lease and shall be renewed and be in full force and effect at all times for the term of this lease.

The Lessee shall carry a policy of fire insurance to the full value of buildings and structures naming the City as an additional named insured, as its interests may appear.

12. DEFAULTS. Time is of the essence of this agreement, and in the event of the failure of the Lessee to pay the rentals, or other charges at the time and in the manner specified, or to keep any of the covenants or agreements herein set forth to be kept and performed, the City may elect to terminate this lease and reenter and take possession of the premises; PROVIDED, HOWEVER, that the Lessee shall be given written notice by certified mail, in writing, stating the nature of the default in order to permit such default to be remedied by Lessee within ninety (90) days from the date of receipt of said written notice. In the event of forfeiture as herein provided, all improvements on said premises shall become the property of the City.

13. NOTICES. All notices required or desired to be given to this lease shall be personally served or given by mail. If mailed, they should be sent by certified mail to the following respective addresses:

To City: _____

To Lessee: _____

14. WAIVER. The acceptance of rental by the City for any period or periods after a default by the Lessee hereunder shall not be deemed a waiver of such default; unless the City shall so intend and shall so advise the Lessee in writing. No waiver by the City of any default hereunder by the Lessee shall be construed to be or act as a waiver of any subsequent default by Lessee.

15. EQUIPMENT. The Lessee shall furnish the business fixtures and equipment and personal property necessary for the operation of a public golf course and activities associated therewith. The Lessee, upon termination of this lease agreement, shall have the right to remove from the premises his business fixtures and equipment and other personal property; PROVIDED, HOWEVER, that the Lessee shall not remove permanent buildings or structures placed upon said premises.

16. SUBLEASING OR ASSIGNMENT. No part of the premises leased shall be sublet or assigned to other than responsible persons approved

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by the Lessor, for any use whatsoever. Copies of all agreements between the Lessee and any sublessee or assignee or other party relating in any way to the use of the leased premises shall be filed with the City Manager; PROVIDED that the controlling interests of the stock in Denmark, Inc. shall not be transferred or alienated without obtaining the prior approval of the Lessor, as above provided for subleasing or assignment, it being the intent that the Lessee shall not alienate, sublease or assign possessory interest in the premises, either directly or by transfer of stock, without the prior approval of the City; PROVIDED FURTHER that said approval shall not be unreasonably withheld; and PROVIDED FURTHER that the foregoing provisions shall not limit or restrict a transfer of the Lessee's interest by inheritance; and further that the City shall consent in the event of a transfer occasioned by operation of law.

17. RECORDS. The Lessee shall at all times keep adequate and accurate records showing the number of greens fees collected and paid. All such books and records relating to greens fees shall be open to inspection and audit by the proper officials of the Lessor at all reasonable times.

18. DISCRIMINATION. In addition to the assurances hereinabove given, the Lessee agrees to offer its services without restriction on a fair and equal basis to all persons, regardless of race, color, creed, or national origin, as required by Section 601 of the Civil Rights Act of 1964 and Part 15 of the Federal Aviation Administration regulations.

19. INSOLVENCY OR BANKRUPTCY. It shall be deemed a breach of the covenants of this lease if the Lessee is adjudged insolvent by any court, goes into bankruptcy by voluntary petition or otherwise, or a receiver is appointed to take charge of its business, or if the Lessee makes an assignment for the benefit of creditors to whom the Lessee is alleged to be in default, and, in such event, the lease may, as hereinafter provided, be terminated at the option of the Lessor, in which event all rights of the company or any person claiming through it shall utterly cease and terminate and all payments made thereon shall belong to the Lessor, and the Lessor may reenter and take full possession of the premises, including all improvements therein, except for business fixtures and equipment, as if this lease had never been made.

20. AGENTS. The employees or agents of the Lessee shall not be considered as employees or agents of the City.

21. EMINENT DOMAIN. In the event, during the term of this lease or any renewal or extension thereof, the whole or a significant portion of the leased premises is acquired by the exercise of the power of eminent domain, and it is impossible to use the premises as a golf course, this lease shall terminate at the time possession must be surrendered, and the Lessee shall be relieved of the payment of the unpaid balance of the total consideration herein. In the event, during the term of this lease or any renewal or extension thereof, only a portion of the demised premises are acquired by the exercise of the power of eminent domain, the Lessee shall have the election as to whether it will terminate and cancel this lease at the time a portion of the leased premises must be surrendered, or remain on the demised premises with the remaining unpaid balance of the total consideration herein provided.

It is understood and agreed that Lessee shall be entitled to receive the entire amount of the condemnation award for all improvements Lessee has made upon said golf course property and buildings together with any award implying loss of value to the Lessee as a result of loss or reduction in income, and shall have the sole and exclusive right to negotiate with any condemning authority for said purpose during the first twenty (20) years of this lease. Thereafter, the parties shall share in the proceeds received from the condemning authority for the taking of the leasehold improvements, as follows: During the first five-year period, the City shall receive twenty (20) percent of said award. During the next five (5) years thereafter, the City shall receive forty (40) percent, and after the lease has been in effect for thirty (30) years, the City shall receive eighty (80) percent of any such damages. In addition, the City shall be entitled to receive the amount of the condemnation award for the value of the land.

The rights of the City shall in no way prejudice or interfere with any claims which the Lessee may have against the authority

exercising the power of eminent domain for damages or otherwise for the destruction of, or interference with, the business of the Lessee on the demised premises, and/or the leasehold improvements.

22. TRANSFER OF LESSEE'S INTEREST PURSUANT TO CONSTRUCTION LOAN.

The improvements required to be made by the Lessee under the terms and conditions hereof are to be financed by procuring construction loans from one or more lending institutions which require additional provisions not heretofore provided for. Therefore, in the event that the Lessee, during the term of this lease, should default in any manner whatsoever resulting in a cancellation thereof, or should it fail or refuse to pay any sums due under the terms and conditions of said construction loans, and in the further event that the Lessee should fail for any reason whatsoever to pay the balance then due on any of said construction loans pursuant to the provisions of said loan instruments, or should any payment so made be declared invalid, then only in those events, subject to Paragraph d, the following terms and conditions shall apply, notwithstanding any other provisions in the lease to the contrary, particularly Paragraphs 16 and 19.

a. Such lending institution or institutions having financed the construction of improvements required hereunder, notwithstanding any other provisions of this agreement, shall have the right to enter into possession of said premises itself or by some third person or persons first approved by the Tacoma City Council and operate as Lessee under the terms and conditions hereof for such period of time as may be required to pay any indebtedness still due and owing on such construction loan. It is specifically understood and agreed that all other terms and conditions of this agreement shall be binding upon such lending institution or third person entering into possession of said premises.

b. In the event any lending institution shall enter into possession of said premises as provided in this

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agreement, and at the expiration of the term of this agreement as set forth in Paragraph 1, there remains due and owing an unpaid balance on any construction loan, then in that event, such lending institution shall have the option to renew and extend this lease for a period of an additional ten years, as may be required to pay any indebtedness still due and owing on any such construction loan. In no event shall the term of this lease, together with any extension or renewal thereof, exceed the term of fifty (50) years from the date of the execution thereof.

c. In the event that the Lessee shall faithfully perform all terms and conditions of this lease, and further, make any and all payments due on construction loans to any and all lending institutions, then this Paragraph 22 shall be ineffective and held for naught.

d. PROVIDED, that the City, its successors and assigns reserve the right, in the event of default by the Lessee, to pay the balance due on any construction loans and thereby succeed to all rights of the Lessee. In the event of default and nonpayment by either the Lessee or City, then only in those events the foregoing terms and conditions shall apply.

THIS AGREEMENT is a consolidation and incorporation of any and all former agreements or understandings, written or oral, had between the parties or any representatives thereof, and constitutes the sole agreement between the parties hereto and is binding on the successors in interest and assigns of

For reference only, not for re-sale.

both parties.

IN WITNESS WHEREOF the parties hereto have executed
this lease agreement this 1st day of April, 1977

Attest:

[Signature]
City Clerk

Countersigned:

[Signature]
Director of Finance

Approved as to Form:
William J. Barber
[Signature]
Assistant City Attorney

CITY OF TACOMA

By [Signature]
Mayor

DENMARK, INC,

By [Signature]
President

STATE OF WASHINGTON)
County of Pierce) ss.

On this day personally appeared before me Gordon N. Johnston
and H. B. Bond, Mayor and City Clerk, respectively

to me known to be the individuals described in and who executed the
within and foregoing instrument, and acknowledged that they signed
the same as their free and voluntary act and deed, for the purposes
therein mentioned.

Given under my hand and official seal this 4th day of
April, 1977.

[Signature]
Notary Public in and for the State
of Washington, residing at Tacoma.

RFJ 7/22/76

DESCRIPTION

Portions of the Northeast $\frac{1}{4}$ and the Southeast $\frac{1}{4}$ of Section 20, Township 21 North, Range 2 East of the Willamette Meridian described as follows:

Beginning at the northeast corner of the Southeast $\frac{1}{4}$ of said Section 20; thence N $88^{\circ} 21' 43''$ W along the north line of said Southeast $\frac{1}{4}$ a distance of 491.52 feet to the southwest corner of the east 15 acres of Southeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of said Section 20; thence N $1^{\circ} 45' 40''$ E along the west line of said 15 acres a distance of 730 feet; thence N $88^{\circ} 21' 43''$ W 979.59 feet to a point 150 feet west of the west line of the Southeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of said Section 20; thence S $1^{\circ} 42' 47''$ E parallel to said west line 780 feet to the north line of the Southeast $\frac{1}{4}$ of Section 20; thence N $88^{\circ} 21' 43''$ W along said north line to a point 1540 feet west of the east line of the Southeast $\frac{1}{4}$ of Section 20; thence S $1^{\circ} 37' 04''$ W 1285.86 feet to the northerly right of way line of (Otto Jahn Road) 36th Street N.W.; thence S $88^{\circ} 40' 15''$ E along the north line of said Street to the east line of Section 20; thence N $1^{\circ} 37' 04''$ E 1277.55 feet along said east line to the point of beginning.

For reference only, not for re-sale.

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For reference only, not for re-sale.

AFTER RECORDING MAIL TO:
Alan D. Macpherson
Attorney at Law
Gordon Thomas Honeywell
P.O. Box 1157
Tacoma, WA 98401-1157

ASSIGNMENT OF LEASE AND AMENDMENT TO LEASE

Grantor: DenMARK, INC., a Washington corporation,
Grantee: Lillian Tyson Urbauer, a married woman as her separate property,
Legal Description on page 4:
Assessor's Tax Parcel No. 022120 403 2

IDENTIFICATION OF LEASE AND AMENDMENT TO LEASE

LESSOR: City of Tacoma

LESSEE: DenMARK, INC., a Washington corporation,

PROPERTY LOCATED AT: 36TH Street & Otto John NW, Gig Harbor, WA 98335

LEGAL DESCRIPTION: See Exhibit A attached and incorporated herein by this reference.

DATE OF LEASE AND AMENDMENT TO LEASE: April 1, 1977, a copy of which is attached hereto as Exhibit "B"

EXHIBIT C

200002110378

ASSIGNMENT

Effective the 21 day of December, 1999, for value received, Lessee hereby transfers, assigns and sets over to Lillian Tyson-Urbauer, a married woman as her separate property, ("Assignee"), all right, title and interest of Lessee in the above described Lease.

Dated: December 21, 1999.

DenMARK, INC.

Lillian Urbauer
By: Lillian Urbauer, its President, also known as Lillian Tyson-Urbauer

STATE OF CALIFORNIA)

COUNTY OF Riverside)

On this 21 day of December, 1999, before me, the undersigned, a Notary Public in and for the State of California, duly commissioned and sworn, personally appeared Lillian Urbauer, also known as Lillian Tyson-Urbauer, to me known to be the President of DenMARK, INC. who executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath states that Lillian Urbauer, also known as Lillian Tyson-Urbauer is authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

Witness my hand and official seal hereto affixed, the day and year first above written.

Gerald R. Crane
Gerald R. Crane

(Type/Print Name)
Notary Public in and for the State
California,
residing at La Quinta
My appointment expires: 4-25-02



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For reference only, not for re-sale.

EXHIBIT A

Portions of the Northeast ¼ and the Southeast ¼ of Section 20, Township 21 North, Range 2 East of the Willamette meridian described as follows:

Beginning at the northeast corner of the Southeast ¼ of said Section 20; thence N 88° 21' 43" W along the north line of said Southeast ¼ a distance of 491.52 feet to the southwest corner of the east 15 acres of Southeast ¼ of the Northeast ¼ of said Section 20; thence N 1° 45' 40" E along the west line of said 15 acres a distance of 730 feet; thence N 88° 21' 43" W 979.39 feet to a point 150 feet west of the west line of the Southeast ¼ of the Northeast ¼ of said Section 20; thence S 1° 42' 47" E parallel to said west line 780 feet to the north line of the Southeast ¼ of Section 20; thence N 88° 21' 43" W along said north line to a point 1540 feet west of the east line of the Southeast ¼ of Section 20; thence S 1° 37' 04" W 1285.86 feet to the northerly right of way line of (Otto John Road) 36th Street N.W.; thence S 88° 40' 15" E along the north line of said Street to the east line of Section 20; thence N 1° 37' 04" E 1277.55 feet along said east line to the point of beginning.

For reference only, not for re-sale.

PIERCE COUNTY, WA
200002110381
2-11-2000 02:11 PM
Fee Amt: \$26.00

AFTER RECORDING MAIL TO:
Alan D. Macpherson
Attorney at Law
Gordon Thomas Honeywell
P.O. Box 1157
Tacoma, WA 98401-1157

RE-ASSIGNMENT OF LEASE OF GOLF COURSE

Grantor: Lillian Tyson-Urbauer, a married woman as her separate property,
Grantee: Tyson Limited Partnership, a Washington limited partnership,
Legal Description on page 4.
Assessor's Tax Parcel No. 022120.403.2
Abbreviated Legal Description: 20-21-2 *NE*

IDENTIFICATION OF LEASE OF GOLF COURSE

LESSOR: DEN MARK, INC.

LESSEE: JDL, INC., a Washington corporation.

PROPERTY LOCATED AT: 36TH Street & Otto John NW, Gig Harbor, WA 98335

LEGAL DESCRIPTION: See Exhibit A attached and incorporated herein by this reference.

DATE OF LEASE: April 1, 1977, a copy of which is attached hereto as Exhibit "B" and Assignment of Lease and Amendment to Lease from DenMARK, INC. to Lillian Tyson-Urbauer, Successor Lessee, attached hereto as Exhibit "C"

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For reference only, not for re-sale.

Ne

RE-ASSIGNMENT

Effective the 21 day of December, 1999, for value received, Lessor hereby transfers, assigns and sets over to Tyson Limited Partnership, a Washington limited partnership, ("Successor Assignee"), all right, title and interest of Lillian Tyson-Urbauer, a married woman as her separate property, ("Successor Lessor") in the above described Lease and Assignment.

Dated: December 21, 1999.

Lillian Tyson-Urbauer
Lillian Tyson-Urbauer

ACCEPTANCE

Assignee Tyson Limited Partnership, a Washington limited partnership, hereby accepts this Assignment of Lease, and assumes all responsibilities of Lessor under the Lease.

Lillian Tyson-Urbauer
Lillian Tyson-Urbauer

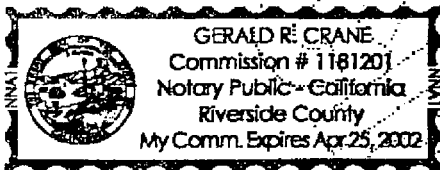
For reference only, not for re-sale.

STATE OF CALIFORNIA)
) ss.

County of Riverside

On this day personally appeared Lillian Tyson-Urbauer, known to be the individual described in and who executed the within and foregoing instrument and acknowledged to me that she signed the same as her free and voluntary act and deed for the purposes therein mentioned.

Given under my hand and official seal this 21 day of December, 1999.



Gerald R. Crane
Gerald R. Crane
(Type/Print Name)
NOTARY PUBLIC in and for the State of
California
residing at La Quinta
My appointment expires 4-25-02

For reference only, not for re-sale.

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EXHIBIT A

Portions of the Northeast $\frac{1}{4}$ and the Southeast $\frac{1}{4}$ of Section 20, Township 21 North, Range 2 East of the Willamette meridian described as follows:

Beginning at the northeast corner of the Southeast $\frac{1}{4}$ of said Section 20; thence N $88^{\circ} 21' 43''$ W along the north line of said Southeast $\frac{1}{4}$ a distance of 491.52 feet to the southwest corner of the east 15 acres of Southeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of said Section 20; thence N $1^{\circ} 45' 40''$ E along the west line of said 15 acres a distance of 730 feet; thence N $88^{\circ} 21' 43''$ W 979.39 feet to a point 150 feet west of the west line of the Southeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of said Section 20; thence S $1^{\circ} 42' 47''$ E parallel to said west line 780 feet to the north line of the Southeast $\frac{1}{4}$ of Section 20; thence N $88^{\circ} 21' 43''$ W along said north line to a point 1540 feet west of the east line of the Southeast $\frac{1}{4}$ of Section 20; thence S $1^{\circ} 37' 04''$ W 1285.86 feet to the northerly right of way line of (Otto Jahn Road) 36th Street N.W.; thence S $88^{\circ} 40' 15''$ E along the north line of said Street to the east line of Section 20; thence N $1^{\circ} 37' 04''$ E 1277.55 feet along said east line to the point of beginning.

For reference only, not for re-sale.

LEASE
AND
AMENDMENT TO LEASE

THIS LEASE, made this 1st day of April, 1977,
~~1976~~, by and between the CITY OF TACOMA, a municipal corporation
of the State of Washington, hereinafter referred to as the "City,"
and DePMARK, INC., a corporation organized and existing under the
laws of the State of Washington, hereinafter referred to as "Lessee,"

W I T N E S S E T H :

WHEREAS the City is the owner of the following described
real property situated in the County of Pierce, State of Washington,
to wit:

(described in "Exhibit B" attached hereto)

encompassing approximately 71 acres, said land being totally
unimproved, and

WHEREAS the City is desirous of having constructed thereon
a public golf course, together with appurtenant structures for the
operation of said golf course for the benefit of the public, and

WHEREAS the Lessee has completed a design diagram necessary
for the construction of said golf course, a copy of which is attached
hereto and made a part hereof, and

WHEREAS the Lessee is desirous of constructing, operating
and maintaining such a golf course with appurtenances under a lease
from the City and providing the City a source of revenue by way of
rental;

NOW, THEREFORE, it is hereby agreed that

The City, for and in consideration of the agreements and
covenants here mentioned, and for the further consideration of the

Lessee having heretofore prepared the design diagrams of the proposed public golf course, and having agreed to construct at the sole cost of the Lessee said public golf course and appurtenant structures, hereby leases to said Lessee, for the purposes and upon the terms and conditions stated herein, the foregoing described property.

1. TERM OF LEASE. The term of this lease shall be thirty (30) years, commencing on the day the golf course is open and ready for play to the general public, together with an option to renew for two additional 10-year periods, provided Lessee gives written notice of intention to renew one year before the end of said thirty (30) year term.

2. WORK TO BE DONE BY LESSEE. The Lessee agrees that within not more than thirty-six (36) consecutive calendar months from the date of this lease, said Lessee will construct on the premises herein described, a public golf course, with appurtenant services and structures, at Lessee's sole cost and expense, and in accordance with plans and design diagram attached hereto and made a part hereof. In the event the Lessee fails to construct the first phase of the golf course within thirty-six (36) consecutive calendar months as above provided, this lease shall cease and terminate, and all improvements shall revert to the City as provided in Paragraph 12 hereof. The Lessee shall proceed to complete the second phase of the golf course within the term of the lease, provided additional land is acquired to provide a total of one hundred (100) acres and said land is suitable for golf course development in discretion of Lessee. The first and second phases of the golf course are marked "Exhibit A" and by this reference incorporated herein.

3. RENT. The Lessee agrees to pay, and the City agrees to accept, as rent for the leased premises, upon the completion, acceptance and opening for general public use said golf course and club house, the following sum:

The rental for the first five (5) years shall be three (3) percent of the gross greens fees, payable quarterly to the Lessor. All rates and charges relating to rental payable for said leased premises shall be subject to re-evaluation and renegotiation at intervals of five (5) years from the effective date of this agreement. HOWEVER, the rental for such period shall be subject to reevalua-

ation and renegotiation as above provided. In the event that the parties hereto cannot mutually agree upon the rental payable for said premises at any such 5-year interval for the ensuing 5 years, then each of the parties hereto shall appoint one appraiser. If the two appraisers cannot agree upon the proper rental therefor, they shall appoint a third appraiser. The rental fixed by any two of such appraisers shall be the rental recommended to be paid for said premises for the ensuing five (5) years; PROVIDED, HOWEVER, that in the event either of the parties should be dissatisfied and unwilling to accept such rental so fixed as a fair and reasonable rental for said premises, either of the parties may apply to the Superior Court of Washington for the purpose of having the court fix such rental upon proper evidence being introduced by both parties, and such rental as fixed by said Superior Court shall be final, conclusive, and binding upon all parties concerned. In determining the reasonable rental for such premises, the appraisers, the parties and the court shall take into consideration all facts and circumstances normally considered, particularly the extent and amount of contributions and expenditures made by both parties in the construction of permanent improvements on said premises, the amount of rent charged by the Lessor, the present state of said land and the value of permanent improvements thereto, and the fact that the City will ultimately receive and that Pierce County will receive real estate tax not presently being received. In no event shall such readjusted rental be set at such a rate or maintained at such a rate as to prevent the Lessee herein from realizing operating expenses, a return of capital investment, and a reasonable profit. Should the percentage of change of the applicable consumer price index be substantially greater than the percentage of the greens fee increase, the Lessee will be entitled to submit his direct golf course operational costs as an evaluation factor to the arbitrators or the court in rent fixing.

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Greens fees for the purposes of assessing rent shall include any consideration paid for the privilege of using the golf course for playing golf.

4. USE OF LEASED PROPERTY. Lessee shall use the leased premises for a public golf course, with appurtenant services and structures. Lessee shall use the entire premises for conducting thereon a public golf course and activities associated therewith in a good, prudent and businesslike manner continuously during the entire term of this lease, with the exception of seasonal or temporary closures for such periods as may be reasonably necessary for such purposes as repairs, or rehabilitation, and for reasons beyond Lessee's reasonable control, including, but not limited to, inclement weather.

5. LESSEE TO COMPLY WITH ALL APPLICABLE LAWS. Lessee agrees that, in its use and occupancy of the leased premises, it will comply with all applicable laws, rules, regulations and ordinances of every governmental body or agency whose authority extends to the leased premises, or to any business conducted upon the leased premises.

6. CITY MAY INSPECT LEASED PREMISES. The City may enter upon the leased premises at any reasonable time for the purpose of inspecting the premises.

7. TAXES. Lessee promises to pay when due all taxes levied upon or assessed against Lessee's property and upon Lessee's possessory interest in the real estate hereinafter described, including leasehold taxes assessed by the State of Washington and the County of Pierce. The Lessee shall save and hold the Lessor harmless from any and all such taxes and assessments.

8. UTILITIES. Lessee shall be liable for and shall pay throughout the term of this lease, all charges for utilities services furnished to the leased premises.

9. LIENS. The Lessee shall have no authority, express or implied, to create any lien on said premises, and will hold the Lessor harmless from any loss by reason of labor or material lien.

The Lessee shall have the right to install at its own

expense business fixtures and equipment normal for its activities, and the right to remove the same at the expiration of the lease; PROVIDED, that the Lessee shall pay for all damages suffered to the premises by such removal; PROVIDED, ALSO, that this article shall not authorize the Lessee to remove permanent buildings or structures from said premises without the prior approval of the Lessor.

10. MAINTENANCE AND REPAIR. The Lessee agrees to keep and maintain the leased premises in good condition and repair, and at the expiration or termination of this lease, Lessee will return the leased premises, together with all structures, facilities and improvements thereto, except business fixtures and equipment, to the City in good condition and repair, reasonable wear and tear and damage by fire or unavoidable casualty excepted.

11. INSURANCE. Lessee agrees to defend and save the City harmless from any and all liability, including the expense of litigation, caused by injury, including death, to any person or for damage to any property, regardless of how such injury or damage be caused, sustained or alleged to have been sustained as a result of any condition or occurrence whatsoever in any way to the premises described herein or related in any way to the Lessee's use and occupancy of the premises and of the buildings situated thereon. In addition, the Lessee shall at its own expense, maintain liability insurance with a reputable insurance company or companies approved by the Lessor in the minimum amount of \$500,000 single limit. The City shall be named as an additional insured as respects to all claims arising out of Lessee's operations. Such policy shall include an endorsement specifying that such coverage shall be primary over any other valid and collectible insurance. It shall also require the insurance company to give the City 30 days' notice of termination or cancellation addressed to Property Management and Insurance Division, City Clerk's Office, Room 338, County-City Building, Tacoma, Washington 98402. It shall also specify that the Lessee is solely responsible for payment of all premiums due and collectible for the coverage required.

A copy of the policy shall be furnished to the City within 30 days of the inception of this lease and shall be renewed and be in full force and effect at all times for the term of this lease.

The Lessee shall carry a policy of fire insurance to the full value of buildings and structures naming the City as an additional named insured, as its interests may appear.

12. DEFAULTS. Time is of the essence of this agreement, and in the event of the failure of the Lessee to pay the rentals, or other charges at the time and in the manner specified, or to keep any of the covenants or agreements herein set forth to be kept and performed, the City may elect to terminate this lease and reenter and take possession of the premises; PROVIDED, HOWEVER, that the Lessee shall be given written notice by certified mail, in writing, stating the nature of the default in order to permit such default to be remedied by Lessee within ninety (90) days from the date of receipt of said written notice. In the event of forfeiture as herein provided, all improvements on said premises shall become the property of the City.

13. NOTICES. All notices required or desired to be given to this lease shall be personally served or given by mail. If mailed, they should be sent by certified mail to the following respective addresses:

To City: _____

To Lessee: _____

14. WAIVER. The acceptance of rental by the City for any period or periods after a default by the Lessee hereunder shall not be deemed a waiver of such default, unless the City shall so intend and shall so advise the Lessee in writing. No waiver by the City of any default hereunder by the Lessee shall be construed to be or act as a waiver of any subsequent default by Lessee.

15. EQUIPMENT. The Lessee shall furnish the business fixtures and equipment and personal property necessary for the operation of a public golf course and activities associated therewith. The Lessee, upon termination of this lease agreement, shall have the right to remove from the premises his business fixtures and equipment and other personal property; PROVIDED, HOWEVER, that the Lessee shall not remove permanent buildings or structures placed upon said premises.

16. SUBLEASING OR ASSIGNMENT. No part of the premises leased shall be sublet or assigned to other than responsible persons approved

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by the Lessor, for any use whatsoever. Copies of all agreements between the Lessee and any sublessee or assignee or other party relating in any way to the use of the leased premises shall be filed with the City Manager; PROVIDED that the controlling interests of the stock in DenMark, Inc. shall not be transferred or alienated without obtaining the prior approval of the Lessor, as above provided for subleasing or assignment, it being the intent that the Lessee shall not alienate, sublease or assign possessory interest in the premises, either directly or by transfer of stock, without the prior approval of the City; PROVIDED FURTHER that said approval shall not be unreasonably withheld; and PROVIDED FURTHER that the foregoing provisions shall not limit or restrict a transfer of the Lessee's interest by inheritance; and further that the City shall consent in the event of a transfer occasioned by operation of law.

17. RECORDS. The Lessee shall at all times keep adequate and accurate records showing the number of greens fees collected and paid. All such books and records relating to greens fees shall be open to inspection and audit by the proper officials of the Lessor at all reasonable times.

18. DISCRIMINATION. In addition to the assurances hereinabove given, the Lessee agrees to offer its services without restriction on a fair and equal basis to all persons, regardless of race, color, creed, or national origin, as required by Section 601 of the Civil Rights Act of 1964 and Part 15 of the Federal Aviation Administration regulations.

19. INSOLVENCY OR BANKRUPTCY. It shall be deemed a breach of the covenants of this lease if the Lessee is adjudged insolvent by any court, goes into bankruptcy by voluntary petition or otherwise, or a receiver is appointed to take charge of its business, or if the Lessee makes an assignment for the benefit of creditors to whom the Lessee is alleged to be in default, and, in such event, the lease may, as hereinafter provided, be terminated at the option of the Lessor, in which event all rights of the company or any person claiming through it shall utterly cease and terminate and all payments made thereon shall belong to the Lessor, and the Lessor may reenter and take full possession of the premises, including all improvements therein, except for business fixtures and equipment, as if this lease had never been made.

20. AGENTS. The employees or agents of the Lessee shall not be considered as employees or agents of the City.

21. EMINENT DOMAIN. In the event, during the term of this lease or any renewal or extension thereof, the whole or a significant portion of the leased premises is acquired by the exercise of the power of eminent domain, and it is impossible to use the premises as a golf course, this lease shall terminate at the time possession must be surrendered, and the Lessee shall be relieved of the payment of the unpaid balance of the total consideration herein. In the event, during the term of this lease or any renewal or extension thereof, only a portion of the demised premises are acquired by the exercise of the power of eminent domain, the Lessee shall have the election as to whether it will terminate and cancel this lease at the time a portion of the leased premises must be surrendered, or remain on the demised premises with the remaining unpaid balance of the total consideration herein provided.

It is understood and agreed that Lessee shall be entitled to receive the entire amount of the condemnation award for all improvements Lessee has made upon said golf course property and buildings together with any award implying loss of value to the Lessee as a result of loss or reduction in income, and shall have the sole and exclusive right to negotiate with any condemning authority for said purpose during the first twenty (20) years of this lease. Thereafter, the parties shall share in the proceeds received from the condemning authority for the taking of the leasehold improvements, as follows: During the first five-year period, the City shall receive twenty (20) percent of said award. During the next five (5) years thereafter, the City shall receive forty (40) percent, and after the lease has been in effect for thirty (30) years, the City shall receive eighty (80) percent of any such damages. In addition, the City shall be entitled to receive the amount of the condemnation award for the value of the land.

The rights of the City shall in no way prejudice or interfere with any claims which the Lessee may have against the authority

exercising the power of eminent domain for damages or otherwise for the destruction of, or interference with, the business of the Lessee on the demised premises, and/or the leasehold improvements.

22. TRANSFER OF LESSEE'S INTEREST PURSUANT TO CONSTRUCTION

LOAN. The improvements required to be made by the Lessee under the terms and conditions hereof are to be financed by procuring construction loans from one or more lending institutions which require additional provisions not heretofore provided for. Therefore, in the event that the Lessee, during the term of this lease, should default in any manner whatsoever resulting in a cancellation thereof, or should it fail or refuse to pay any sums due under the terms and conditions of said construction loans, and in the further event that the Lessee should fail for any reason whatsoever to pay the balance then due on any of said construction loans pursuant to the provisions of said loan instruments, or should any payment so made be declared invalid, then only in those events, subject to Paragraph d, the following terms and conditions shall apply, notwithstanding any other provisions in the lease to the contrary, particularly Paragraphs 16 and 19.

a. Such lending institution or institutions having financed the construction of improvements required hereunder, notwithstanding any other provisions of this agreement, shall have the right to enter into possession of said premises itself or by some third person or persons first approved by the Tacoma City Council and operate as Lessee under the terms and conditions hereof for such period of time as may be required to pay any indebtedness still due and owing on such construction loan. It is specifically understood and agreed that all other terms and conditions of this agreement shall be binding upon such lending institution or third person entering into possession of said premises.

b. In the event any lending institution shall enter into possession of said premises as provided in this

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agreement, and at the expiration of the term of this agreement as set forth in Paragraph 1, there remains due and owing an unpaid balance on any construction loan, then in that event, such lending institution shall have the option to renew and extend this lease for a period of an additional ten years, as may be required to pay any indebtedness still due and owing on any such construction loan. In no event shall the term of this lease, together with any extension or renewal thereof, exceed the term of fifty (50) years from the date of the execution thereof.

c. In the event that the Lessee shall faithfully perform all terms and conditions of this lease, and further, make any and all payments due on construction loans to any and all lending institutions, then this Paragraph 22 shall be ineffective and held for naught.

d. PROVIDED, that the City, its successors and assigns reserve the right, in the event of default by the Lessee, to pay the balance due on any construction loans and thereby succeed to all rights of the Lessee. In the event of default and nonpayment by either the Lessee or City, then only in those events the foregoing terms and conditions shall apply.

THIS AGREEMENT is a consolidation and incorporation of any and all former agreements or understandings, written or oral, had between the parties or any representatives thereof, and constitutes the sole agreement between the parties hereto and is binding on the successors in interest and assigns of

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both parties.

IN WITNESS WHEREOF the parties hereto have executed this lease agreement this 1st day of April, 1977

Attest:

[Signature]
City Clerk

Countersigned:

[Signature]
Director of Finance

Approved as to form:
William J. Barker

[Signature]
Assistant City Attorney

CITY OF TACOMA

By [Signature]
Mayor

DENMARK, INC.

By [Signature]
President
Title

STATE OF WASHINGTON } ss.
County of Pierce }

On this day personally appeared before me Gordon N. Johnston
and H. B. Bond, Mayor and City Clerk, respectively

to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the purposes therein mentioned.

Given under my hand and official seal this 4th day of April, 1977.

[Signature]
Notary Public in and for the State of Washington, residing at Tacoma.

RFJ 7/22/76

DESCRIPTION

Portions of the Northeast $\frac{1}{4}$ and the Southeast $\frac{1}{4}$ of Section 20, Township 21 North, Range 2 East of the Willamette Meridian described as follows:

Beginning at the northeast corner of the Southeast $\frac{1}{4}$ of said Section 20; thence N $88^{\circ} 21' 43''$ W along the north line of said Southeast $\frac{1}{4}$ a distance of 491.52 feet to the southwest corner of the east 15 acres of Southeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of said Section 20; thence N $1^{\circ} 45' 40''$ E along the west line of said 15 acres a distance of 730 feet; thence N $88^{\circ} 21' 43''$ W 979.39 feet to a point 150 feet west of the west line of the Southeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of said Section 20; thence S $1^{\circ} 42' 47''$ E parallel to said west line 780 feet to the north line of the Southeast $\frac{1}{4}$ of Section 20; thence N $88^{\circ} 21' 43''$ W along said north line to a point 1540 feet west of the east line of the Southeast $\frac{1}{4}$ of Section 20; thence S $1^{\circ} 37' 04''$ W 1285.86 feet to the northerly right of way line of (Otto Jahn Road) 36th Street N.W.; thence S $88^{\circ} 40' 15''$ E along the north line of said Street to the east line of Section 20; thence N $1^{\circ} 57' 04''$ E 1277.55 feet along said east line to the point of beginning.

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AFTER RECORDING MAIL TO:
Alan D. Macpherson
Attorney at Law
Gordon Thomas Honeywell
P.O. Box 1157
Tacoma, WA 98401-1157

ASSIGNMENT OF LEASE AND AMENDMENT TO LEASE

Grantor: DenMARK, INC., a Washington corporation,
Grantee: Lillian Tyson-Urbauer, a married woman as her separate property,
Legal Description on page 4.
Assessor's Tax Parcel No. 022120 403 2

IDENTIFICATION OF LEASE AND AMENDMENT TO LEASE

LESSOR: City of Tacoma

LESSEE: DenMARK, INC., a Washington corporation,

PROPERTY LOCATED AT: 36TH Street & Otto John NW, Gig Harbor, WA 98335

LEGAL DESCRIPTION: See Exhibit A attached and incorporated herein by this reference.

DATE OF LEASE AND AMENDMENT TO LEASE: April 1, 1977, a copy of which is attached hereto as Exhibit "B"

EXHIBIT C

200002110381

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ASSIGNMENT

Effective the 21 day of December, 1999, for value received, Lessee hereby transfers, assigns and sets over to Lillian Tyson-Urbauer, a married woman as her separate property, ("Assignee"), all right, title and interest of Lessee in the above-described Lease.

Dated: December 21, 1999.

DenMARK, INC.

Lillian Urbauer
By: Lillian Urbauer, its President, also known as Lillian Tyson-Urbauer

STATE OF CALIFORNIA)

COUNTY OF Riverside)

On this 21 day of December, 1999, before me, the undersigned, a Notary Public in and for the State of California, duly commissioned and sworn, personally appeared Lillian Urbauer, also known as Lillian Tyson-Urbauer, to me known to be the President of DenMARK, INC. who executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath states that Lillian Urbauer, also known as Lillian Tyson-Urbauer is authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

Witness my hand and official seal hereto affixed the day and year first above written.

Gerald R. Crane
Gerald R. Crane

(Type/Print Name)
Notary Public in and for the State
California,
residing at La Quinta
My appointment expires: 4-25-02



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EXHIBIT A

Portions of the Northeast ¼ and the Southeast ¼ of Section 20, Township 21 North, Range 2 East of the Willamette meridian described as follows:

Beginning at the northeast corner of the Southeast ¼ of said Section 20; thence N 88° 21' 43" W along the north line of said Southeast ¼ a distance of 491.52 feet to the southwest corner of the east 15 acres of Southeast ¼ of the Northeast ¼ of said Section 20; thence N 1° 45' 40" E along the west line of said 15 acres a distance of 730 feet; thence N 88° 21' 43" W 979.39 feet to a point 150 feet west of the west line of the Southeast ¼ of the Northeast ¼ of said Section 20; thence S 1° 42' 47" E parallel to said west line 780 feet to the north line of the Southeast ¼ of Section 20; thence N 88° 21' 43" W along said north line to a point 1540 feet west of the east line of the Southeast ¼ of Section 20; thence S 1° 37' 04" W 1285.86 feet to the northerly right of way line of (Otto John Road) 36th Street N.W.; thence S 88° 40' 15" E along the north line of said Street to the east line of Section 20; thence N 1° 37' 04" E 1277.55 feet along said east line to the point of beginning.

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