

RETURN TO:  
CITY OF ANACORTES  
P.O. BOX 547  
ANACORTES, WA 98221



200102120108  
, Skagit County Auditor

2/12/2001 Page 1 of 4 3:33:23PM

## Memorandum of Lease

**Grantor/Lessor:** Heritage Construction Group, LLC.

**Grantee/Lessee:** Anacortes Cinemas, L. L. C.

**ISLAND TITLE COMPANY**

**Date of Lease Execution:** 02-08-01

QA 3625 ✓

ACCOMMODATION RECORDING

**Legal Property Description:**

Attached as Exhibit A

**Assessor's parcel number:** P55073 ; P55074

**Abbreviated Legal:** ptn 7, lots 8-10, block 35, CITY OF ANACORTES

**Use:** Motion Picture Cinema

### Lease Term:

The term of this Lease shall be for an initial period of twenty (25) years commencing upon October 1, 2001. The initial term of this Lease shall expire on the same date as Landlord's initial term with the City of Anacortes, which date is 11:59 p.m. January 31, 2026.

### Renewal:

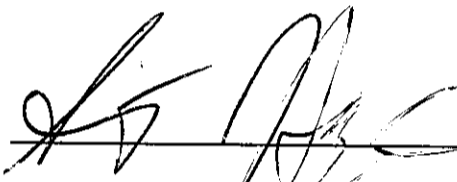
This Lease may be renewed for five (5) additional five-year terms, unless Tenant gives written notice of its intent not to renew the term of this Lease, not later than 120 days prior to the end of the initial twenty-five (25) year term or prior to the end of any five year renewal period whichever is sooner.

### Address of Parties:

<i>Landlord:</i>	Heritage Construction Group, LLC PO Box 1420 Ocean Shores, WA 98569
<i>Tenant</i>	Anacortes Cinemas, L. L. C. 502 High Avenue, Suite #110 Port Orchard, WA 98366

IN WITNESS WHEREOF, the parties have entered into this Lease as of the later of the two signature dates below.

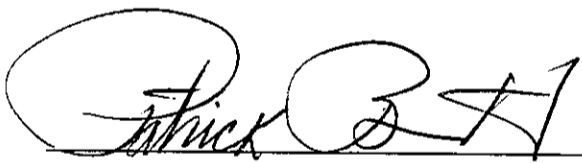
**ANACORTES CINEMAS, L.L.C.**



By: Steve Lange,

Its: Manager

**HERITAGE CONSTRUCTION GROUP, LLC**

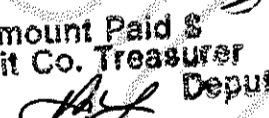


By: Patrick Brunstad

Its: Manager

SKAGIT COUNTY WASHINGTON  
Real Estate Excise Tax

FEB 12 2001

Amount Paid \$  
Skagit Co. Treasurer  
By  Deputy

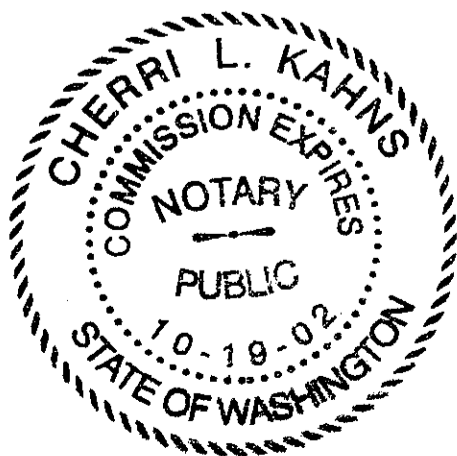
STATE OF WASHINGTON )


COUNTY OF Skagit )

SS:

On this 8<sup>th</sup> day of February 2001, before me personally appeared Patrick M. Brunstad, to me known to be the (president, vice president, secretary, treasurer, or other authorized officer or agent, as the case may be) of the limited liability company that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said company, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.

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



  
Notary Public in and for the State of Washington  
Residing at Mount Vernon  
My appointment expires: 10-19-02



200102120108  
Skagit County Auditor

STATE OF WASHINGTON )

COUNTY OF Skagit )

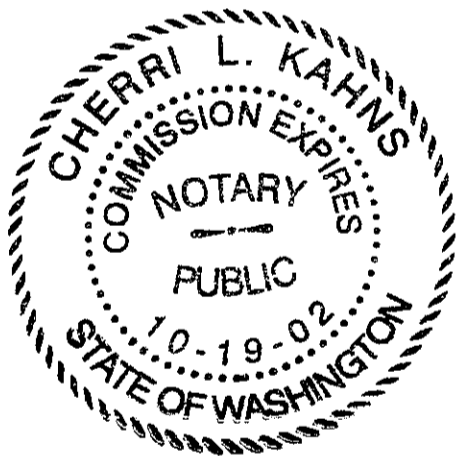
SS:

On this 8th day of February, 2001, before me personally appeared Steve Lange, to me known to be the (president, vice president, secretary, treasurer, or other authorized officer or agent, as the case may be) of the limited liability company that executed the within and foregoing instrument, and acknowledged 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 was authorized to execute said instrument.

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

Cherri Kahns Cherri Kahns

Notary Public in and for the State of Washington  
Residing at Mount Vernon  
My appointment expires: 10-19-02



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EXHIBIT A

The south 70 feet of the west 25 feet of Lot 7, Lots 8, 9, and 10 together with the north 4 feet of the abutting alley, Block 35, original plat of Anacortes



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