

Return TO: Rosemary Kamb  
Attorney at Law



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, Skagit County Auditor

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## FARM LEASE

THIS LEASE AGREEMENT is made and entered into this 1<sup>st</sup> day of JANUARY, 2001 between THE ESTATE OF MARTHA TELLESBO AND HER HEIRS OR ASSIGNS, as Lessor, and FRANK and ALICE SYBRANDY, as Lessee.

That in consideration of the covenants and agreements hereinafter set forth by the Lessee to be kept and performed, the Lessor hereby leases to Lessee 38 acres of real property situate in Skagit County, State of Washington, described as follows:

P107664

Lot 2, Short Plat No. 95-006, approved June 29, 1995, recorded July 7, 1995, in Volume 12 of Short Plats, page 1, under Auditor's File No. 9507070056; being a portion of the West 1/2 of the West 1/2 Of the Southwest 1/4 of Section 13, Township 33 North, Range 3 East W.M.

The following are the terms and conditions of this Lease Agreement:

**1. Term.** This lease shall be paid for a period of five (5) years, commencing on January 1, 2001 and terminating on December 31, 2005.

**2. Rental.** The rental to be paid for such premises during the lease term shall be one hundred fifty dollars (\$150.00) per acre per year on approximately 38 acres, payable semi-annually on or before the 15<sup>th</sup> day of April 2001, and the 15<sup>th</sup> day of October 2001, and similarly in each remaining calendar year during the term hereof.

SKAGIT COUNTY WASHINGTON  
Real Estate Excise Tax  
PAID

APR 11 2001

Amount Paid \$  
Skagit County Treasurer  
By: Deputy

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**3. Right of First Refusal.** In the event the Lessor desires to sell the real property herein described during the term of the lease, Lessee shall have the first right to purchase the premises. Upon receipt of an offer of purchase, Lessor shall submit same to Lessee who shall have thirty (30) days in which to purchase on the same terms and conditions as the offer. Lessee shall have the first right of refusal as to each and every bona fide offer received by Lessor. To protect the Lessee's rights, the parties agree that this lease shall be recorded with the Skagit County Auditor. Such lease shall include sufficient detail to put any prospective purchasers of the premises on notice of Lessee's rights.

**4. Lessee's Covenant and Use.** The Lessee covenants and agrees with the Lessor to:

- A. Operate the said premises as a farm during the term hereof in a husbandlike and businesslike manner with proper regard for the interests of Lessor as well as those of Lessee, and to carry on such farming operations in accordance with the standards for the operation of farms in Skagit County, Washington. It is understood and agreed that such farming may include the application of insecticides and herbicides customary for crops grown thereon and Lessee agrees to be responsible therefor. Lessor also agrees that the Lessee may spread manure on the said premises.
- B. Occupy said farm premise continuously during said term and to use the same for no other purpose than that of a farm.
- C. Not commit or permit the commission of waste upon the said premises or the improvements located thereon.
- D. Not assign this lease or sublet the premises or any portion thereof during the term of this lease hereof without the written consent of the Lessor first being obtained, which consent shall not be unreasonably denied, and agree that any such assignment of this lease or subletting of premises without the written consent of Lessor shall be absolutely void, and shall vest no right, title or interest whatsoever in and to said assignee or subtenant.

**5. Topsoil Replacement.** In the event that soil or topsoil is removed from the leased premises during the term of this agreement by Lessee, and in the normal farming activities of Lessee, then Lessee agrees, over the remaining term of this lease agreement, to replace on said leased premises a like and similar amount of soil or topsoil previously removed. This provision shall not apply to the removal of topsoil caused by the elements.



**6. Lessee Accepts Property in Present Condition.** The Lessee agrees that it has examined the condition of the land and the improvements located thereon, knows the condition thereof, and accepts the same as they now are and agrees to return the same to Lessor in the same condition, reasonable depreciation, wear and tear and damage by the elements excepted.

**7. Hold Harmless and Liability.** It is agreed that Lessor accepts no responsibility for any loss or damage that may be sustained to the growing crops of Lessee from whatever source or cause whatsoever, including trespass by livestock, except for damages and losses caused by the negligence of Lessor, Lessor's agents or employees. Lessee agrees to indemnify and hold harmless the Lessor from any and all loss, claim, charge, damage or suit of any kind whatsoever by third parties arising out of or in any manner connected with or growing out of Lessee's use or occupation of the leased premises, or any of its operations thereon. Lessor's claim, charge, damage or suit of any kind whatsoever which may be brought against Lessee, or which the Lessee may pay, incur, or suffer, by reason of damage or loss caused by the negligence of Lessor, Lessor's agents or employees, or Lessor's failure to perform any of its obligations under this lease. Lessor shall indemnify and hold harmless the Lessee and Lessee's agents from any and all damages of every kind and nature whatsoever that may be claimed or accrue by reason of any accident in or about any buildings, structures, and areas adjacent thereto, or caused by the acts or neglect of the Lessor or any agent of the Lessor. It is agreed that neither the Lessee nor the Lessee's agents shall be liable for the death of or injury to any person in or about any buildings, structures, or areas adjacent thereto, which are under Lessor's control, or for loss of or damage to any property of the Lessor which is located on the premises or in or adjacent to any buildings and structures.

**8. Crops to be Grown.** There shall be no limitation placed on the crops which may be grown on the premises, the Lessor trusting and knowing that the Lessee will use and establish a proper program. (Crops to be grown on the premises by Lessee shall be limited to \_\_\_\_\_).

**9. Building or Structures.** Except as specifically set forth herein, Lessee shall have no obligation to maintain buildings and/or structures located on the leased premises. Lessee (may) (may not) use the following buildings and/or structures: No building on premises. To the extent Lessee is authorized to use a building or structure, Lessee agrees to maintain said structure to the extent said maintenance by Lessee's use.



**10. Repairs.** After commencement of this lease, the Lessee agrees to make repairs to fences, open ditches and blind ditches and such other parts and portions of the leased premises as may be necessitated by Lessee's farming activities. Lessee shall not be required to make repairs or improvements necessitated by third parties, damaged by the elements or unavoidable casualty.

**11. Possession and Quiet Enjoyment.** Lessor covenants that so long as the Lessee performs all of the covenants and conditions to be performed by the Lessee and abides by all of the rules and regulations as set forth herein, Lessee shall have the peaceful and quiet enjoyment of the demised premises for the term of this lease.

**12. Payment of Taxes and Assessments.** The Lessor shall be responsible for the payment of all real estate taxes and assessments against premises during the term of this lease.

**13. Termination.** Upon the termination of this lease, the Lessee will peaceably yield up and deliver possession of said premises to Lessor leaving the premises in as good a state and condition as it was at the time of the commencement of this lease, reasonable wear and tear, damage by the elements and/or unavoidable casualty excepted.

**14. Arbitration.** It is the intention of the parties hereto that all the terms and conditions of this agreement be specifically enforceable. It is also the intention of the parties hereto that all disputes be resolved in a reasonable and economic manner. In the event parties are unable to agree upon a fair rental for any renewal period, or in the event of any other dispute hereunder, either party may petition the presiding judge of the Skagit County Superior Court, State of Washington, upon ten (10) days notice to the other parties, to appoint a single arbitrator to determine the issues. The arbitrator shall be impartial and disinterested, and insofar as practical shall be knowledgeable concerning the issues in question. The decision of said arbitrator shall be final and binding and no appeal may be taken therefrom except upon the grounds that the decision is arbitrary or capricious. Any arbitration shall be conducted under the laws of the State of Washington and under the jurisdiction and the arbitration rules of the Superior Court of the State of Washington for Skagit County. Said decision may be confirmed by a court of law, if necessary, in accordance with the provisions of RCW 7.04.

**15. Successors and Assigns.** It is further agreed that all provisions hereof shall extend to and include executors, representatives, administrators, heirs, successors and assigns of the respective parties hereto.



**16. Default.** It is further stipulated and agreed that if the Lessee shall fail, refuse or neglect to pay the rental at the time and in the manner herein specified, time of payment being hereby declared to the essence of this agreement, and if Lessee fails to cure said default within ten (10) days after receipt of written notice from Lessor, then all rights hereunder shall be forfeited, and the Lessor shall have the right to re-enter upon the leased premises and remove all persons therefrom, except that Lessee shall have a reasonable opportunity to remove the crops growing thereon prior to Lessor re-taking possession of said premises.

**17. Attorney's Fees.** In the event that it is necessary for either of the parties herein to bring an action to enforce the terms, conditions, or covenants of this lease agreement, then the prevailing party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements.

**18. Notices.** All notices under this lease shall be in writing and delivered in person or deposited in the United States mail, postage prepaid, both regular and certified, and addressed to the Lessor or Lessee, as shown below, or at such other address as may be designated by either party in writing:

Lessor: \_\_\_\_\_

Lessee: \_\_\_\_\_

Notices delivered in person shall be deemed to be received upon delivery. Notices deposited in the United States mail shall be deemed to be received two (2) days after the same are deposited, postage prepaid.

**19. Entire Agreement.** This Lease Agreement contains the complete Agreement between the parties and shall supersede all other agreements, either oral or written, between the parties. The parties stipulate that neither of them has made any representations except as are specifically set forth in this Lease Agreement and each of the parties acknowledges that they have relied on their own judgment in entering into this Lease Agreement.



IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

LESSOR:

LESSEE:

John A. Tellesbo  
John A. Tellesbo

Frank Sybrandy  
Frank Sybrandy

Linda H. Tellesbo  
Linda H. Tellesbo

Alice Sybrandy  
Alice Sybrandy

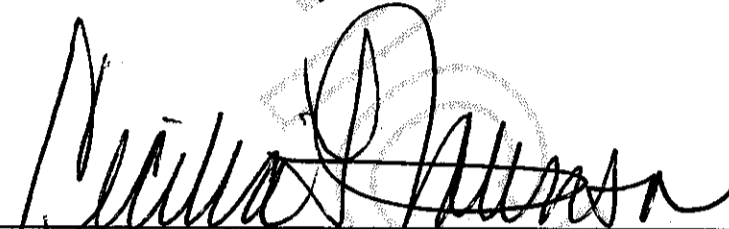
Marsha L. Kembel  
Marsha L. Kembel

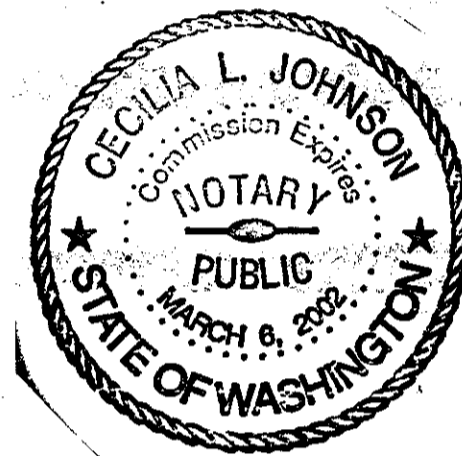


STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF SKAGIT )

On this day personally appeared before me Frank and Alice Sybrandy, to me known to be the individuals described in and who executed the above and foregoing instrument and acknowledged to me that they signed the same as their free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 14<sup>th</sup> day of February, 2001.

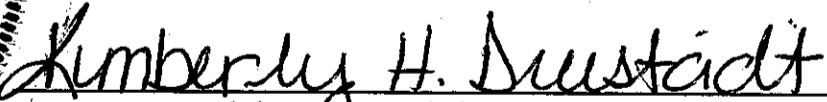
  
\_\_\_\_\_  
Notary Public in and for the State of Washington,  
Residing at Mount Vernon  
My Commission expires 03-06-02

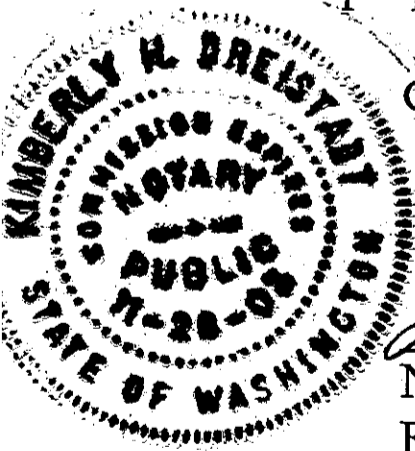


STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF KING )

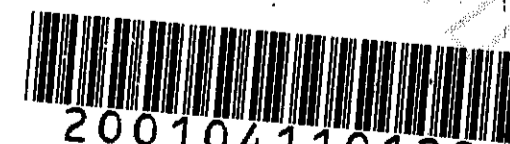
On this day personally appeared before me John A. Tellesbo, to me known to be the individual described in and who executed the above and foregoing instrument and acknowledged to me that he signed the same as his free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 20<sup>th</sup> day of February, 2001.

  
\_\_\_\_\_  
Notary Public in and for the State of Washington,  
Residing at Snohomish County  
My Commission expires 11-28-2003



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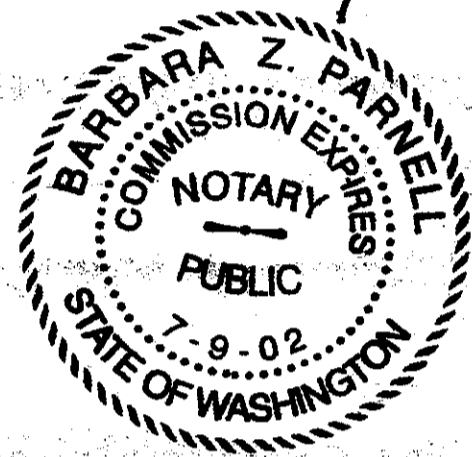
  
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STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF KING )

On this day personally appeared before me Marsha L. Tellesbo, to me known to be the individual described in and who executed the above and foregoing instrument and acknowledged to me 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 28<sup>th</sup> day of February, 2001.

Barbara Z. Parnell  
Notary Public in and for the State of Washington,  
Residing at Arlington, WA  
My Commission expires 7-9-02

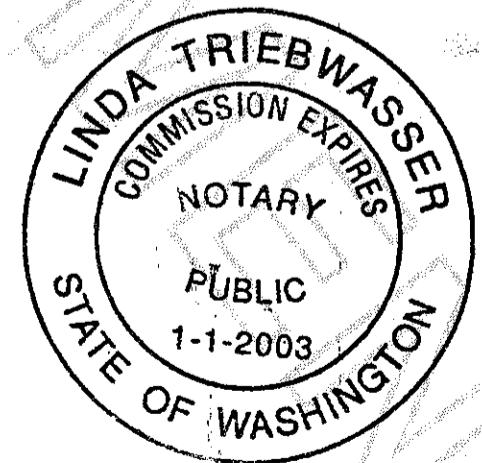


STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF Island )


On this day personally appeared before me Linda H. Tellesbo, to me known to be the individual described in and who executed the above and foregoing instrument and acknowledged to me 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 13<sup>th</sup> day of March, 2001.

Linda Triebwasser  
Notary Public in and for the State of Washington,  
Residing at Cameron Island, WA  
My Commission expires 1-1-2003



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