

Return Address:



200509220200
Skagit County Auditor

9/22/2005 Page 1 of 6 3:58PM

LAND TITLE OF SKAGIT COUNTY

118008-S

Document Title(s) (for transactions contained therein): 1. 2. Memorandum of Lease 3. 4.
Reference Number(s) of Documents assigned or released: (on page of documents(s))
Grantor(s) 1. Dubose Model Home Income Fund 2. 3. 4.
Additional Names on page of document.
Grantee(s) 1. The Quadrant Corp 2. 3. 4.
Additional Names on page of document.
Legal Description (abbreviated i.e. lot, block, plat or section, township, range) Lot 8 Skagit Highlands
Additional legal is on page of document.
Assessor's Property Tax Parcel/Account Number P 123148
The Auditor/Recorder will rely on information provided on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.

EXHIBIT B TO MASTER SALE AND RENTAL AGREEMENT

Form of Memorandum of Lease

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

Marc T. Kretschmer
Phillips McCullough Wilson Hill & Fikso PS
2025 First Avenue, Suite 1130
Seattle, Washington 98121-2100

SKAGIT COUNTY WASHINGTON
Real Estate Excise Tax
PAID

SEP 22 2005

Amount Paid \$ 0
Skagit County Treasurer
By: [Signature] Deputy

Reference Number of Related Document: N/A

Grantor: Dubose Model Home Income Fund #2, Ltd.

Grantee: The Quadrant Corporation

Abbreviated Legal Description: Lot 1008, Subdivision Skagit Highlands, in Skagit Co., Mt. Vernon, Washington 98274

Additional Legal Description is on Exhibit A to Document

Assessor's Property Tax Parcel or Account No.: 4867-000-008-0000/
P123148

MEMORANDUM OF LEASE

By this MEMORANDUM OF LEASE entered into as of the 7th day of September, 05, concurrently with a Model Home Purchase and Leaseback Agreement (the "Agreement") with the same parties covering the same property, DUBOSE MODEL HOME INCOME FUND #2, LTD., a Texas limited partnership ("Dubose"), and THE QUADRANT CORPORATION, a Washington corporation ("Quadrant"), hereby agree as follows:

1. Dubose hereby leases to Quadrant, and Quadrant hereby leases from Dubose, certain improved real property commonly known as Lot 1008, of Skagit Highlands located in the County of Skagit, State of Washington, which property is more fully described in Exhibit 1 attached hereto and incorporated herein by this reference (the "Property").

2. The lease shall commence on the above date and shall terminate on the date set forth in the aforesaid Agreement and shall otherwise be subject to the terms and conditions contained therein.



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IN WITNESS WHEREOF, Dubose and Quadrant have executed this Memorandum of Agreement as of the day and year first above written.

DUBOSE MODEL HOME INCOME FUND #2, LTD.,
a Texas limited partnership

By: Dubose GP Management, L.P., General Partner


LARRY G. DUBOSE, PRESIDENT

THE QUADRANT CORPORATION,
a Washington Corporation

By: 

~~JIM SANSBURN~~ *Dee Jay Phelps*
VICE PRESIDENT, ~~FINANCE~~ *Sales Operations*

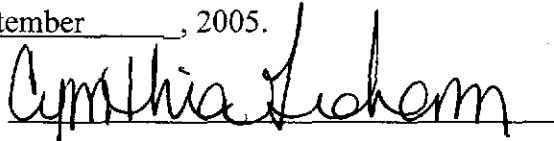


STATE OF TEXAS)

COUNTY OF HARRIS)

I certify that I know or have satisfactory evidence that **LARRY G. DUBOSE** is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the Member of **DUBOSE MODEL HOME INCOME FUND #2, LTD.**, a **Texas Limited Partnership**, to be the free and voluntary act of such corporation for the uses and purposes mentioned in the instrument.

Dated this 7th day of September, 2005.



Cynthia Graham



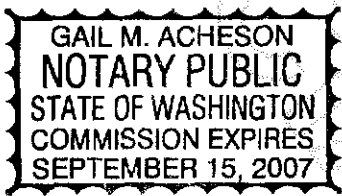
NOTARY PUBLIC in and for the State of
Texas, residing at Houston
My Commission expires: May 6, 2008



STATE OF WASHINGTON)
)
COUNTY OF King)

I certify that I know or have satisfactory evidence that DeeJay Phelps is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the VICE PRESIDENT, SALES OPERATIONS of THE QUADRANT CORPORATION, a Washington Corporation, to be the free and voluntary act of such corporation for the uses and purposes mentioned in the instrument.

Dated this 9th day of SEPTEMBER, 2005.



Gail M. Acheson
Gail M. Acheson
(print or type name)
NOTARY PUBLIC in and for the State of
Washington, residing at Kirkland
My Commission expires: 9/15/07


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Escrow No.: 05-1341-SA

EXHIBIT "A"

LEGAL DESCRIPTION

Lot 8, "SKAGIT HIGHLANDS DIVISION 1", a Planned Unit Development, recorded on August 16, 2005, under auditor's File No. 200508160182, records of Skagit County, Washington.

Situate in the City of Mount Vernon, County of Skagit, State of Washington.



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