



201207020143

Skagit County Auditor

7/2/2012 Page

1 of

4 3:35PM

When recorded return to

Associated Petroleum Products, Inc.
Attn: J. Bradley Buckhalter
P.O. Box 1397
Tacoma, WA 98401

CHICAGO TITLE

620015124

MEMORANDUM OF LEASE

Grantor: Big Rock MV, LLC, a Washington limited liability company

Grantee: Associated Petroleum Products, Inc., a Washington corporation

Legal Description:

Tract 1, Short Plat No. 29-87, approved February 12, 1988, recorded February 12, 1988 in Book 8 of Short Plats, page 23, under Auditor File No. 8802120024, and being a portion of the South half of the Southwest quarter of Section 14, Township 34 North, Range 4 East W.M., situate in the County of Skagit, State of Washington.

Assessor's Tax Parcel ID#(s): P24749

Documents Assigned or Released: None

MEMORANDUM OF LEASE

This MEMORANDUM OF LEASE (this "Memorandum") is made as of June 16th 2012, by and between Big Rock MV, LLC, a Washington limited liability company ("Landlord"), and Associated Petroleum Products, Inc., a Washington corporation ("Tenant"), as a memorandum of an unrecorded Lease (the "Lease") dated April 6, 2011, between Landlord's predecessor in interest and Tenant, concerning a limited right of use of the property legally described herein above, which legal description is incorporated by this reference.

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

JUL 02 2012

Amount Paid \$
Skagit Co. Treasurer
By *mdm* Deputy

1. Lease Summary.

Lease Date: April 6, 2011
Effective Date: November 1, 2010
Original Landlord: Rockies, LLC
Successor in interest to original Landlord: Big Rock MV, LLC
Tenant: Associated Petroleum Products, Inc.

2. Lease History. Under the provisions of a Master Lease between Randy and Marsha Audette, husband and wife (hereinafter, "Audette"), as Master Landlord, and Rockies, LLC, a Washington limited liability company, as Tenant, Rockies, LLC leased the above-described premises from Audette. A Memorandum of said Lease was recorded under Skagit County Auditor File No. 201004120090. The Master Lease was terminated by a Termination of Lease recorded under Skagit County Auditor File No. 201206 210013.

3. Application of Sublease. On April 6, 2011, Rockies, LLC and Associated Petroleum Products, Inc. (hereinafter, "APP") entered into a Sublease which, among other things, provided for the operation of a gasoline and fueling concession on the subject property by Tenant. Under terms of the Sublease, the Master Landlord, Randy and Marsha Audette, agreed that if the Lease between Audette and Rockies, LLC was terminated at any time during the term of the Sublease between Rockies, LLC and APP, the Rockies, LLC/APP lease would become primary, notwithstanding the termination of the Master Lease. Under the terms of the consent of the Master Landlord, the Lease with APP would continue in full force and effect.

4. Successor in Interest. Big Rock MV, LLC has succeeded to the interest of Audette in respect to the ownership of the subject property. The parties hereto acknowledge the continuing effect of the Lease entered into between Rockies, LLC and Associated Petroleum Products, Inc., and further agree that the said Lease is now primary, in view of the termination of the Master Lease between Audette and Rockies, LLC. The Landlord under the Rockies, LLC/APP Lease is now Big Rock MV, LLC, the owner of the subject property. The Tenant continues to be Associated Petroleum Products, Inc.

5. Prior Leases Superseded. The parties hereto confirm that the Lease referenced under Skagit County Auditor File No. 200301100270, which was entered into between Randy and Marsha Audette, husband and wife, and Associated Petroleum Products, Inc., has been terminated and superseded by the Rockies, LLC/Associated Petroleum Products, Inc. Lease dated April 6, 2011.

6. Lease. Landlord, Big Rock MV, LLC, hereby confirms that Tenant, Associated Petroleum Products, Inc., has leased from Landlord's predecessor in interest specific rights of use of the subject premises, upon the terms, covenants and conditions set forth in the Lease dated April 6, 2011, which provisions are hereby incorporated into this Memorandum by reference as if set forth fully herein. Capitalized terms not herein defined shall have the meanings ascribed to them in the Lease.

7. Term. The initial term of the Lease commenced on November 1, 2010, and continues for a term of ten (10) years thereafter, unless renewed as set forth below.



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8. **Option to Extend.** Tenant has one option to extend the lease for a term of three (3) years. Said option shall be exercised in the manner provided in, and in accordance with and subject to the provisions of the Lease.

9. **Interpretation.** This Memorandum is not a complete summary of the Lease. Provisions in this Memorandum shall not be used in interpreting the Lease provisions. In the event of conflict between the Memorandum and the unrecorded Lease, the unrecorded Lease shall control.

10. **Purpose of Memorandum.** This Memorandum is prepared for the purpose of providing for record notice of the following:

- A. The existence of the Lease between the parties;
- B. The Tenant's interest in the Premises thereunder; and
- C. The terms, covenants, conditions and provisions thereof as described in the Lease, and in no way modifies the express and particular provisions of the Lease.

11. **Use Restrictions and Exclusives.** Pursuant to the Lease terms, the Tenant may have certain exclusive rights or may be subject to certain restrictions which are more carefully outlined as follows: The Tenant's use of the premises is for the purpose of vending of gasoline and diesel fuel for motor vehicles by unattended pump service, and all related business thereto, and for no other business or purposes without the prior consent of the Landlord. Title to all gasoline and diesel fuel on the premises will remain vested in the Tenant until the time such gasoline or diesel fuel is purchased and dispensed to customers' fuel tanks, at which time title to the fuel will pass to the customers. Other uses and restrictions are more fully detailed in the Lease.

12. **Notices to the Parties.** All notices to be given to the parties shall be mailed as follows:

If to Landlord:
Big Rock MV, LLC
14799 State Route 9
Mount Vernon, WA 98273

If to Tenant:
Associated Petroleum Products, Inc.
Attn: J. Bradley Buckhalter
P.O. Box 1397
Tacoma, WA 98401

DATED this 28th day of June, 2012

DATED this 28th day of June, 2012

LANDLORD:
Big Rock MV, LLC

TENANT:
Associated Petroleum Products, Inc.


By: Mark G. Hesck, Member


By: Luke Xitco, President and Chief
Executive Officer


By: Michelle Dayton-Duggan, Member



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State of Washington)
)ss
County of Skagit)

I certify that I know or have satisfactory evidence that Mark G. Hesch and Michelle Dayton-Duggan are the persons who appeared before me; that they acknowledged that they signed this instrument, on oath stated that they were authorized to execute the instrument and acknowledged as the Members of Big Rock MV, LLC, to be the free and voluntary act of them for the uses and purposes contained in the instrument.

DATED: June 28, 2012.

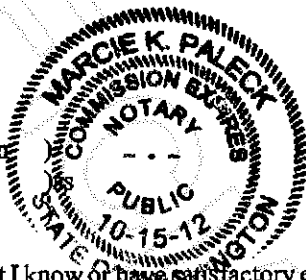
MARCIE K. PALECK

Marcie K. Paleck, Notary Public
My commission expires February 15, 2012

Residing in Mount Vernon, WA

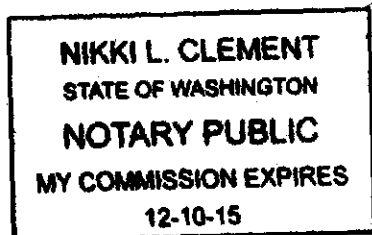
State of Washington

County of Pierce



I certify that I know or have satisfactory evidence that Luke Xitco is the person who appeared before me; that he acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged as the President and Chief Executive Officer of Associated Petroleum Products, Inc., to be the free and voluntary act of him for the uses and purposes contained in the instrument.

DATED: June 28, 2012.



Nikki L. Clement, Notary Public
My commission expires 12-10-15

