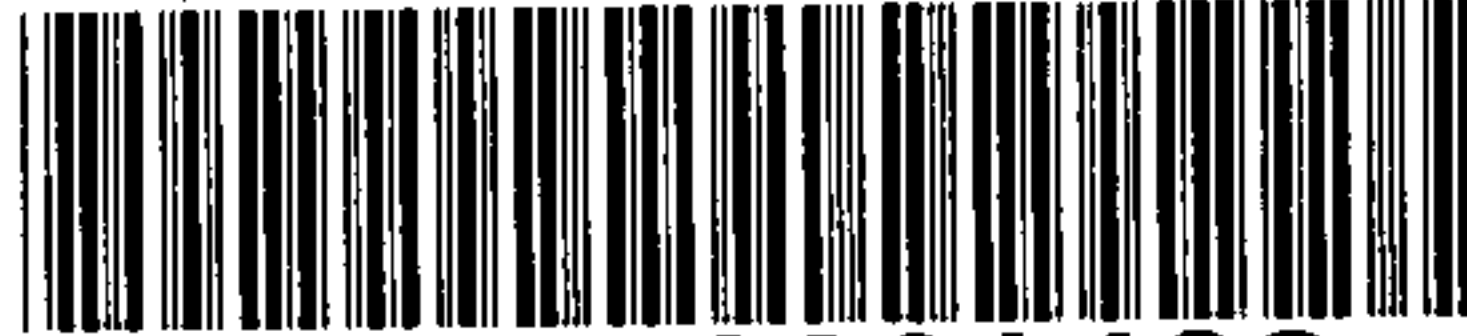


After recording, return to:

Van Ness Feldman GordonDerr
2025 First Avenue, Suite 500
Seattle, WA 98121-3140
Attn: Joel M. Gordon



20120426001483

CHICAGO TITLE MEMO 75.00
PAGE-001 OF 014
04/26/2012 13:48
KING COUNTY, WA

DOCUMENT TITLE(S) (or transactions contained therein):

Memorandum of Option Agreement

REFERENCE NUMBER(S) OF DOCUMENTS ASSIGNED OR RELEASED: **N/A**

GRANTOR(S) (Last name first, then first name and initials)

1. **CLISE PROPERTIES, INC.**, a Washington corporation;
2. **2213 EIGHTH AVENUE, LLC**, a Washington limited liability company;
3. **SEVENTH AT BLANCHARD LLC**, a Washington limited liability company;
4. **BANK OF AMERICA, N.A.**, Trustee under Agreement with Rosalind Clise - A. H. Clise Fund
5. **BANK OF AMERICA, N.A.**, Trustee under Agreement with Rosalind Clise-Jocelyn Fund
6. **BANK OF AMERICA, N.A.**, Trustee under Agreement with Rosalind Clise - Sylvia Fund
7. **CLISE, WILLIAM E.**
8. **CLISE, ROBERT ERIC**
9. **CLISE-KERR, DEBORAH R.**
10. **BANK OF AMERICA, N.A.**, Trustee of the Living Trust of Jocelyn Clise

GRANTEE(S) (Last name first, then first name and initials)

1. **ACORN DEVELOPMENT LLC**, a Delaware limited liability company

LEGAL DESCRIPTION (abbreviated: i.e., lot, block, plat or section, township, range)

Portion of Lots 7-12, Block 18, Volume 1 of Plats, Page 121.
Portion of Lots 1&2 and Lots 4-12, Block 21, Volume 1 of Plats, Page 121

☒ Additional legal is on Exhibit A of document

ASSESSOR'S PROPERTY TAX PARCEL/ACCOUNT NUMBERS

Block 18 -- Lots 7-8: 066000-0130-04; Lots 9-12: 066000-0150-09;
Block 21 -- Lots 1-2: 066000-0325-09; Lot 4: 066000-0340-00; Lots 5-6: 66000-0345-05;
Lots 7-10 plus N 16' of Lot 11: 066000-0355-02 (Taxable Portion); Lots 7-10 plus N 16' of Lot 11:
066000-0355-93 (Exempt Portion); Remainder of Lots 11 & 12: 066000-0375-08

☐ Assessor Tax # not yet assigned

MEMORANDUM OF OPTION AGREEMENT

This MEMORANDUM OF OPTION AGREEMENT (this "Memorandum") dated for reference purposes this 20 day of April, 2012, is by and between CLISE PROPERTIES, INC., a Washington corporation 2213 EIGHTH AVENUE, LLC, a Washington limited liability company; SEVENTH AT BLANCHARD LLC, a Washington limited liability company; BANK OF AMERICA, N.A., in its capacity as Trustee under Agreement with Rosalind Clise – A.H. Clise Fund; BANK OF AMERICA in its capacity as Trustee under Agreement with Rosalind Clise – Jocelyn Fund; BANK OF AMERICA, N.A., in its capacity as Trustee under Agreement with Rosalind Clise – Sylvia Fund; WILLIAM E. CLISE, ROBERT ERIC CLISE, DEBORAH R. CLISE-KERR, and BANK OF AMERICA, N.A. in its capacity as Trustee of the Living Trust of Jocelyn Clise (individually and collectively each considered and referenced herein as "Owner") and ACORN DEVELOPMENT LLC, a Delaware limited liability company ("Purchaser").

1. Owner owns real property in King County, Washington, legally described on Exhibit A attached hereto and made a part hereof (the "Property"). The Property is located in the corporate limits of the City of Seattle, King County, Washington, and is comprised of the east half of Block 18 (Lots 7-12) and all of Block 21 except Lot 3, all in the Second Addition to the Town of Seattle as laid off by the Heirs of Sarah A. Bell, deceased, as per map recorded in Volume 1 of Plats, Page 121, Records of King County, Washington.

2. Pursuant to that certain Option Agreement between Owner and Purchaser dated the 27th day of January, 2012 (the "Option Agreement"), Purchaser has the Option to purchase the Property from Owner and upon the exercise of Purchaser's Option, Owner shall sell the Property to Purchaser on the terms and conditions specified therein.

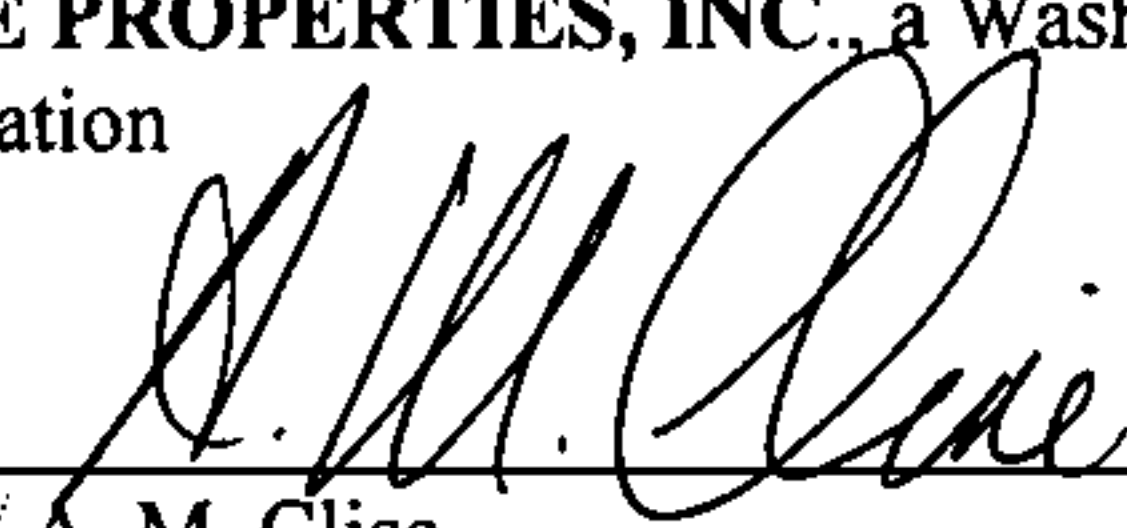
3. This Memorandum is executed for the purpose of recordation in the Official Records of King County, Washington, in order to give constructive notice of the Option Agreement, and shall not be construed to define, limit or modify the terms of the Option Agreement. This Memorandum may be executed in counterparts, which shall be treated as originals for all intents and purposes, and all so executed shall constitute one agreement, binding on all of the parties hereto, notwithstanding that all the parties are not signatory to the original or the same counterpart. Any such counterpart shall be admissible into evidence as an original hereof against the person who executed it.

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, each Party has caused this Agreement to be executed and delivered in its name by a duly authorized officer or representative.

OWNER:

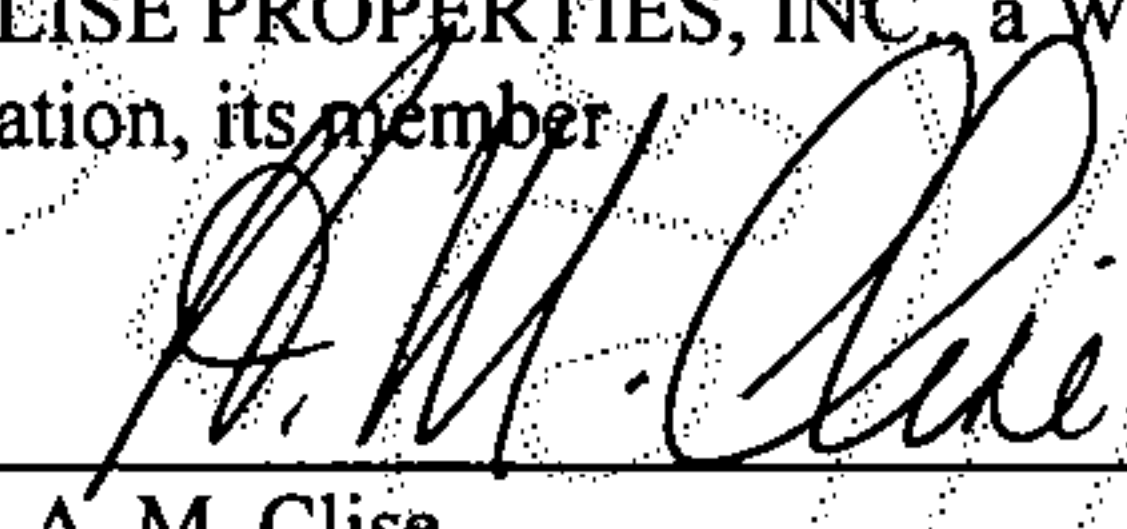
CLISE PROPERTIES, INC., a Washington corporation

By: 
A. M. Clise
Chairman and CEO

Date: March 30, 2012

2213 EIGHTH AVENUE, LLC, a Washington limited liability company

By: CLISE PROPERTIES, INC., a Washington corporation, its member

By: 
A. M. Clise
Chairman and CEO

Date: March 30, 2012

SEVENTH AT BLANCHARD LLC, a Washington limited liability company

By: CLISE PROPERTIES, INC., a Washington corporation, its member

By: 
A. M. Clise
Chairman and CEO

Date: March 30, 2012

**BANK OF AMERICA, N.A., in its capacity as
Trustee under Agreement with Rosalind Clise -
A. H. Clise Fund**

By: [Signature]
Name: JAMES K. GALLAGHER
Title: SENIOR VICE PRESIDENT
Date: 3/30/2012

By: [Signature]
Name: JOHN T. MARGESON
Title: VICE PRESIDENT
Date: 3/30/2012

**BANK OF AMERICA, N.A., in its capacity as
Trustee under Agreement with Rosalind Clise -
Jocelyn Fund**

By: [Signature]
Name: JAMES K. GALLAGHER
Title: SENIOR VICE PRESIDENT
Date: 3/30/2012

By: [Signature]
Name: JOHN T. MARGESON
Title: VICE PRESIDENT
Date: 3/30/2012

**BANK OF AMERICA, N.A., in its capacity as
Trustee under Agreement with Rosalind Clise -
Sylvia Fund**

By: [Signature]
Name: JAMES K. GALLAGHER
Title: SENIOR VICE PRESIDENT
Date: 3/30/12

By: [Signature]
Name: JOHN T. MARGESON
Title: VICE PRESIDENT
Date: 3/30/2012

William E. Clise

WILLIAM E. CLISE

Date: 4/5/12

Robert Eric Clise

ROBERT ERIC CLISE

Date: 4-2-2012

DEBORAH R. CLISE-KERR

Date: _____

BANK OF AMERICA, N.A., in its capacity as
Trustee of the Living Trust of Jocelyn Clise

By: [Signature]

Name: JAMES K. GALLAGHER

Title: SENIOR VICE PRESIDENT

Date: 3/30/2012

By: [Signature]

Name: JOHN F. MARGESON

Title: VICE PRESIDENT

Date: 3/30/2012

PURCHASER:

ACORN DEVELOPMENT LLC, a Delaware
limited liability company,

By: [Signature]

Name: JOHN SCHAEFFER

Title: VICE PRESIDENT

WILLIAM E. CLISE

Date: _____

ROBERT ERIC CLISE

Date: _____



DEBORAH R. CLISE-KERR

Date: _____

Deborah R. Clise-Kerr 3-30-2022

BANK OF AMERICA, N.A., in its capacity as
Trustee of the Living Trust of Jocelyn Clise

By: _____

Name: _____

Title: _____

Date: _____

By: _____

Name: _____

Title: _____

Date: _____

PURCHASER:

ACORN DEVELOPMENT LLC, a Delaware
limited liability company,

By: _____

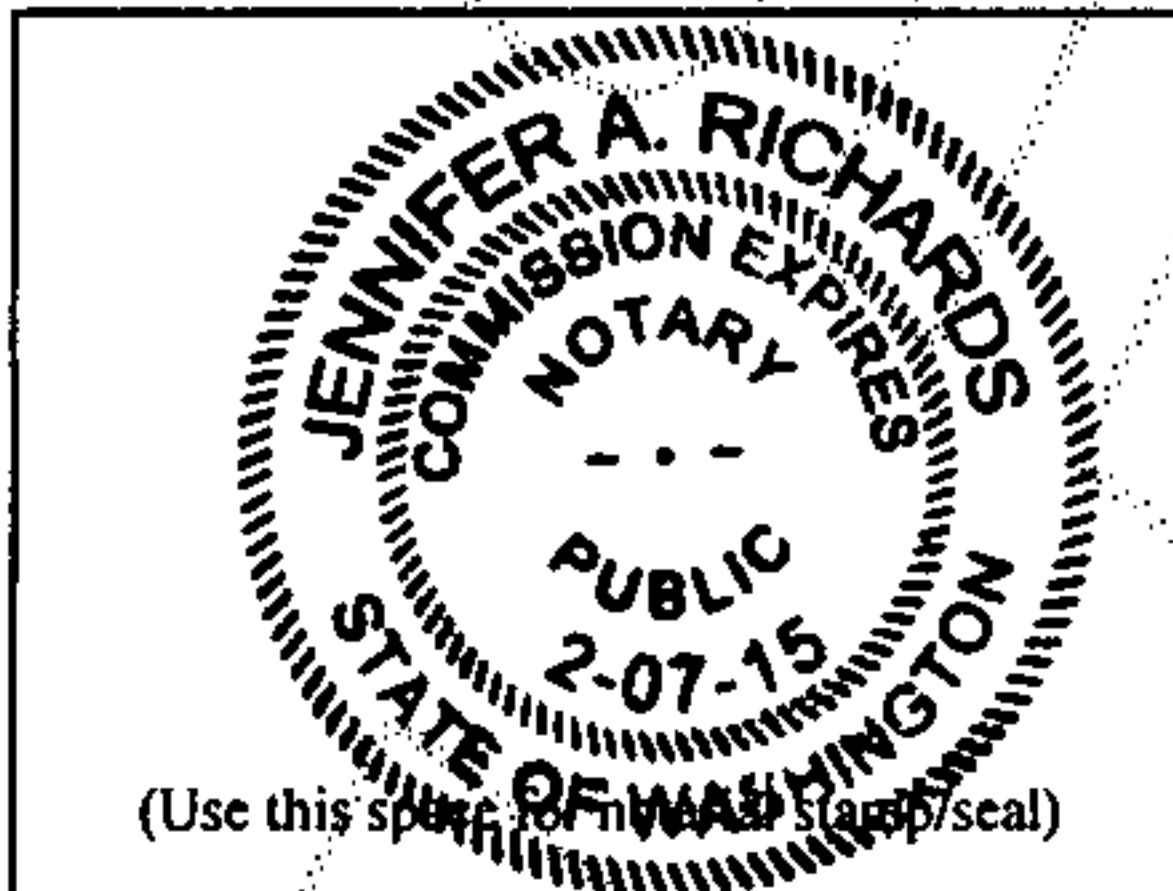
Name: _____

Title: _____

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that A. M. Clise is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Chairman and CEO of CLISE PROPERTIES, INC., a Washington corporation, to be the free and voluntary act of such party for the uses and purposes stated therein.

Dated 3.30.12



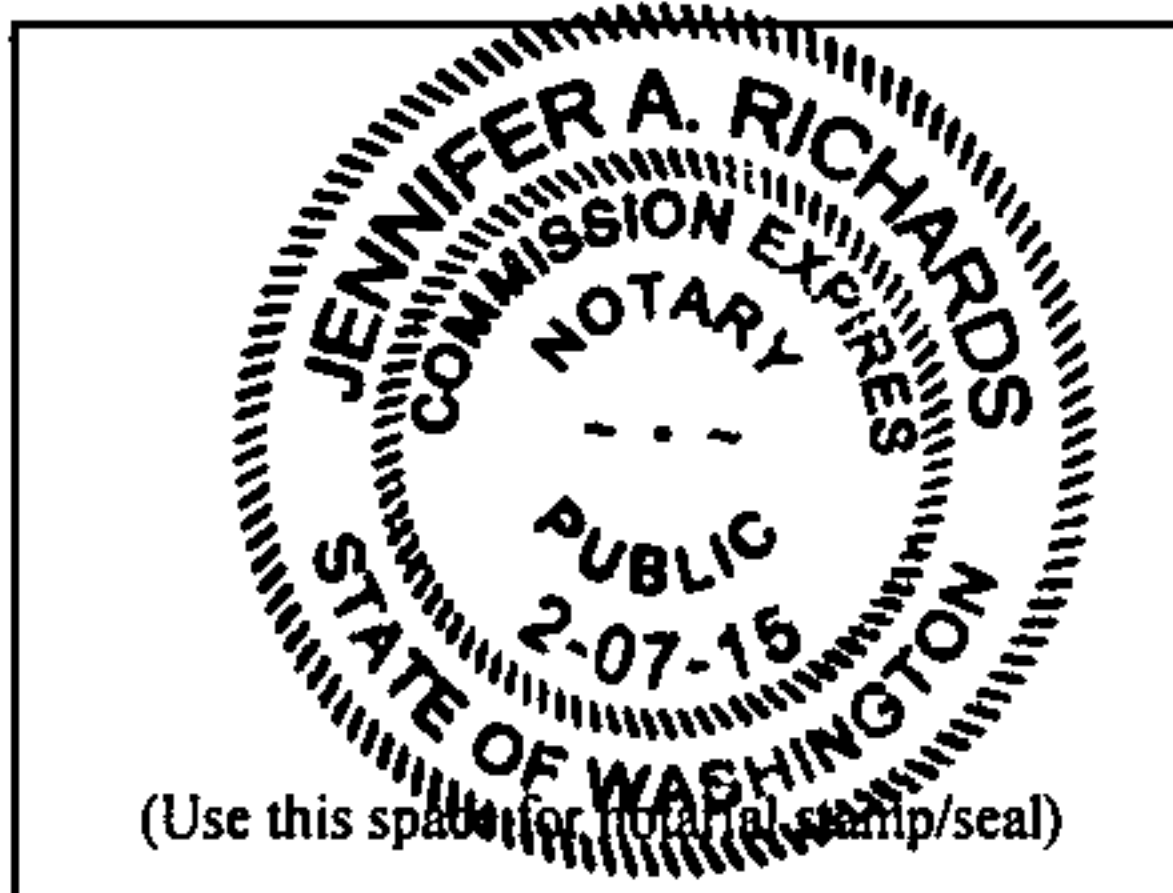
Jennifer A. Richards

Name: JENNIFER A. RICHARDS
NOTARY PUBLIC, State of Washington
My appointment expires 2-7-15

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that A. M. Clise is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Chairman and CEO of CLISE PROPERTIES, INC., a Washington corporation, acting in its capacity as member of 2213 EIGHTH AVENUE, LLC, a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes stated therein.

Dated 3.30.12



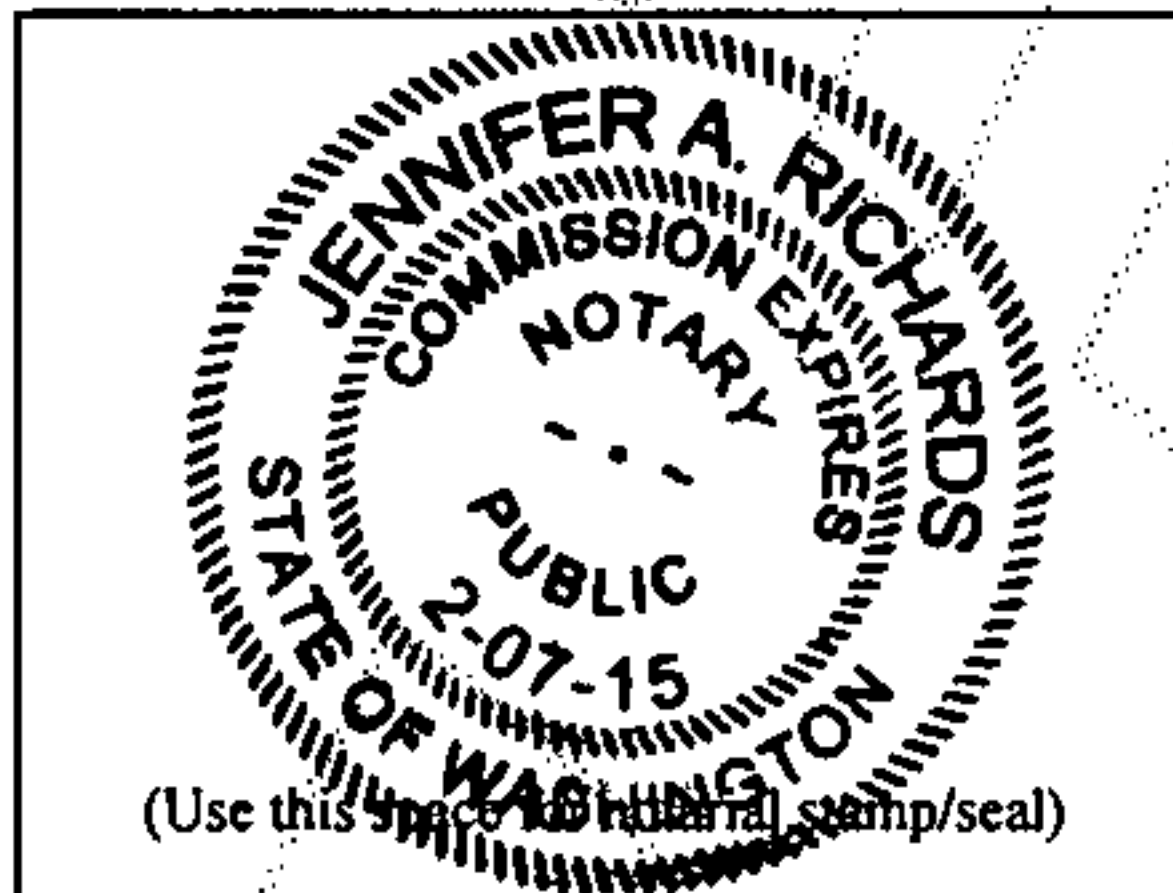
Jennifer A. Richards

Name: JENNIFER A. RICHARDS
NOTARY PUBLIC, State of Washington
My appointment expires 2-7-15

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that A. M. Clise is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Chairman and CEO of CLISE PROPERTIES, INC., a Washington corporation, acting in its capacity as member of SEVENTH AT BLANCHARD LLC, a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes stated therein.

Dated 3.30.12

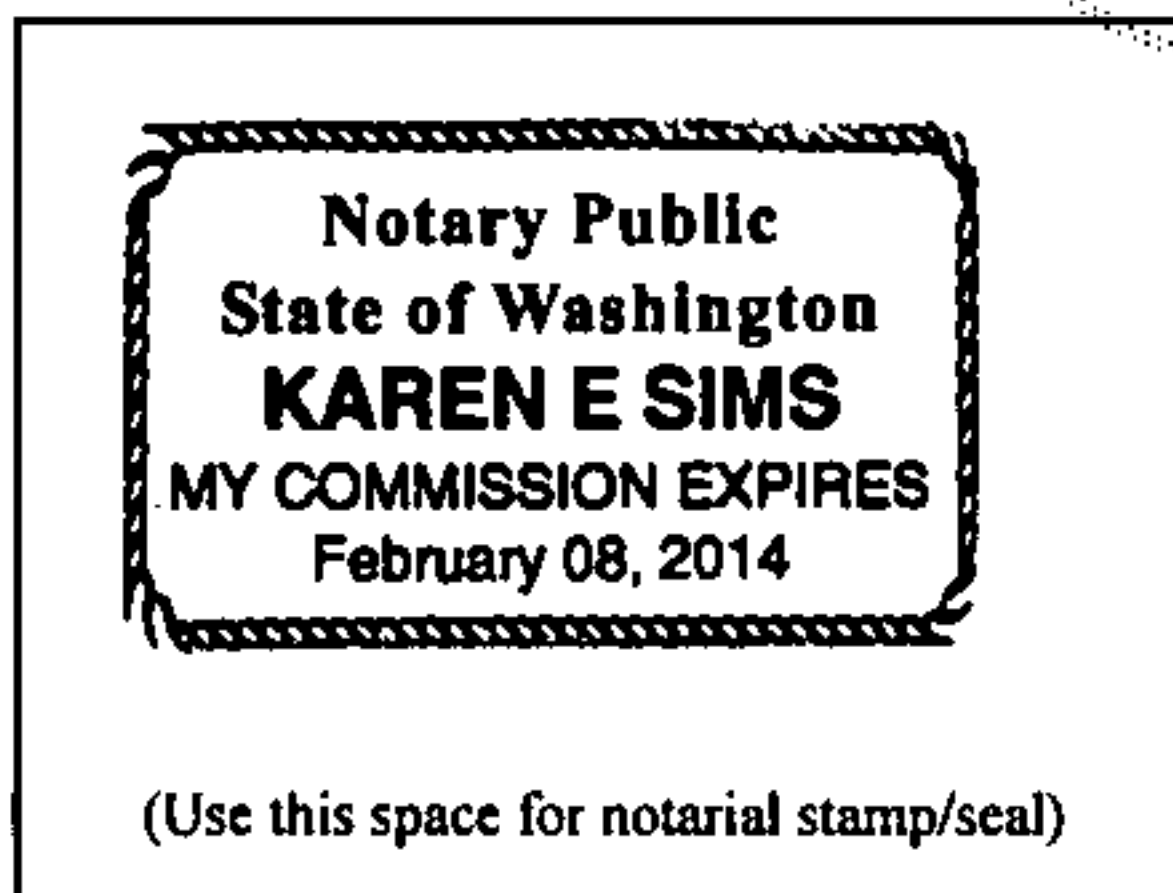


Jennifer A. Richards
Name: JENNIFER A. RICHARDS
NOTARY PUBLIC, State of Washington
My appointment expires 2.7.15

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that James K. Gallagher and John T. Morgan are the persons who appeared before me, and said persons acknowledged that they signed this instrument, on oath stated that they were authorized to execute the instrument and acknowledged it as the Senior Vice President and Vice President of BANK OF AMERICA, N.A., in its capacity as Trustee under Agreement with Rosalind Clise - A. H. Clise Fund, to be the free and voluntary act of such party for the uses and purposes stated therein.

Dated March 30, 2012

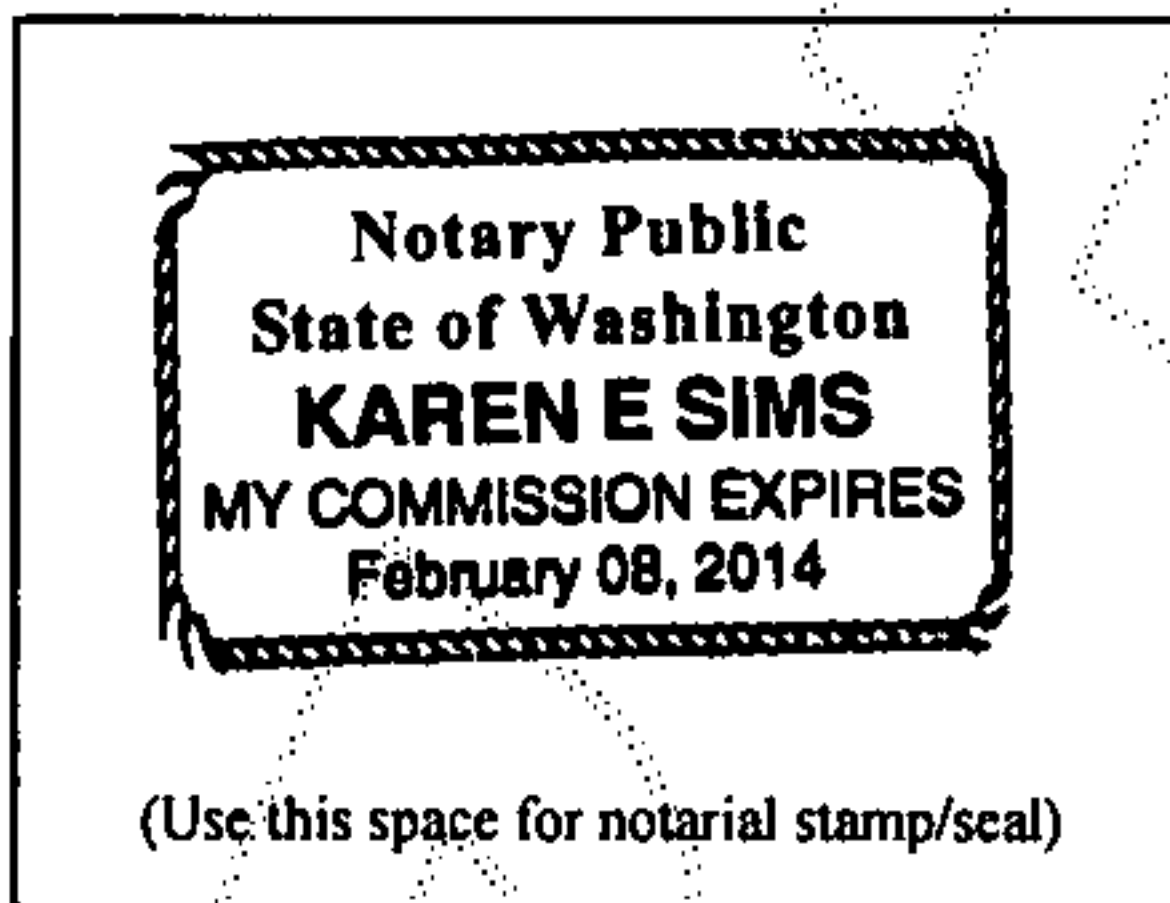


Karen E. Sims
Name: Karen E. Sims
NOTARY PUBLIC, State of Washington
My appointment expires 02-08-2014

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that James K. Gallagher and John T. Margeson are the persons who appeared before me, and said persons acknowledged that they signed this instrument, on oath stated that they were authorized to execute the instrument and acknowledged it as the Senior Vice President and Vice President of Bank of America, N.A., in its capacity as Trustee under Agreement with Rosalind Clise – Jocelyn Fund, to be the free and voluntary act of such party for the uses and purposes stated therein.

Dated March 30, 2012.

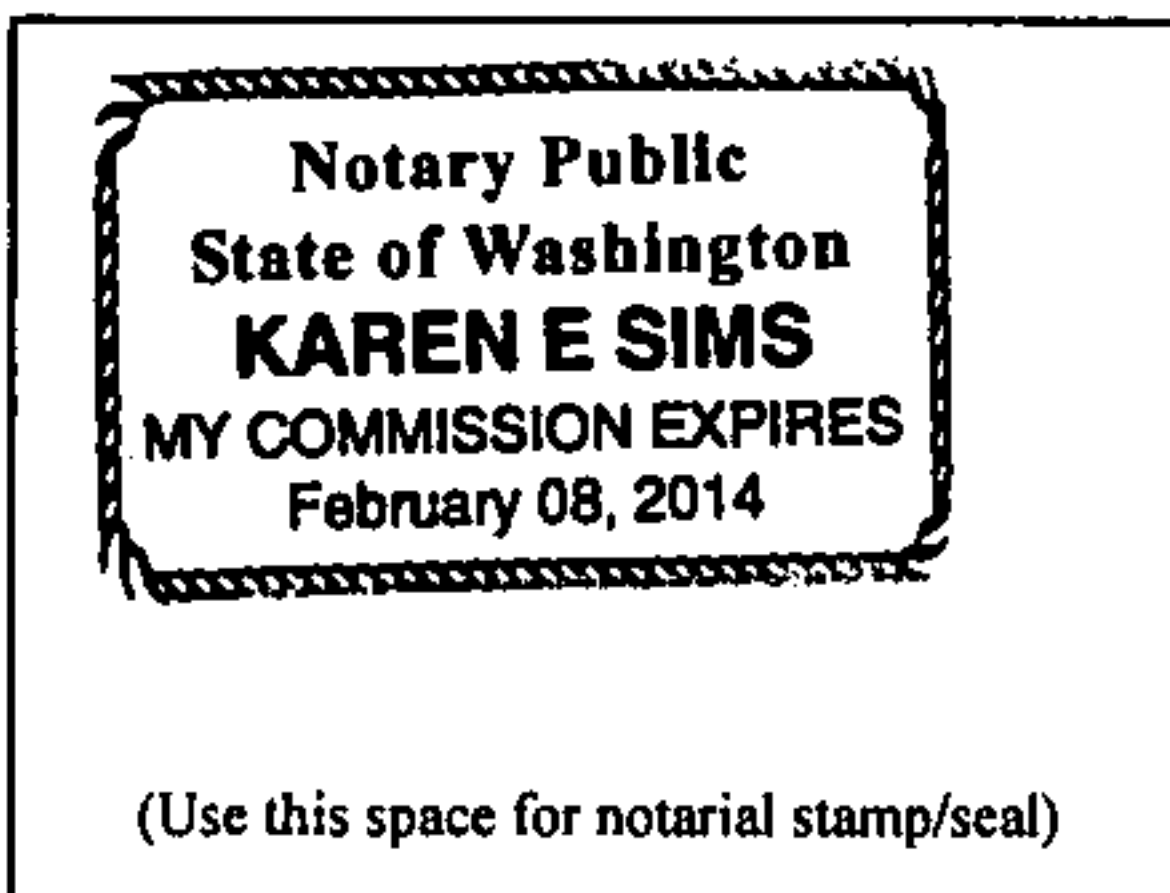


Karen E. Sims
Name: Karen E. Sims
NOTARY PUBLIC, State of Washington
My appointment expires 02-08-2014

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that James K. Gallagher and John T. Margeson are the persons who appeared before me, and said persons acknowledged that they signed this instrument, on oath stated that they were authorized to execute the instrument and acknowledged it as the Senior Vice President and Vice President of Bank of America, N.A., in its capacity as Trustee under Agreement with Rosalind Clise – Sylvia Fund, to be the free and voluntary act of such party for the uses and purposes stated therein.

Dated March 30, 2012.

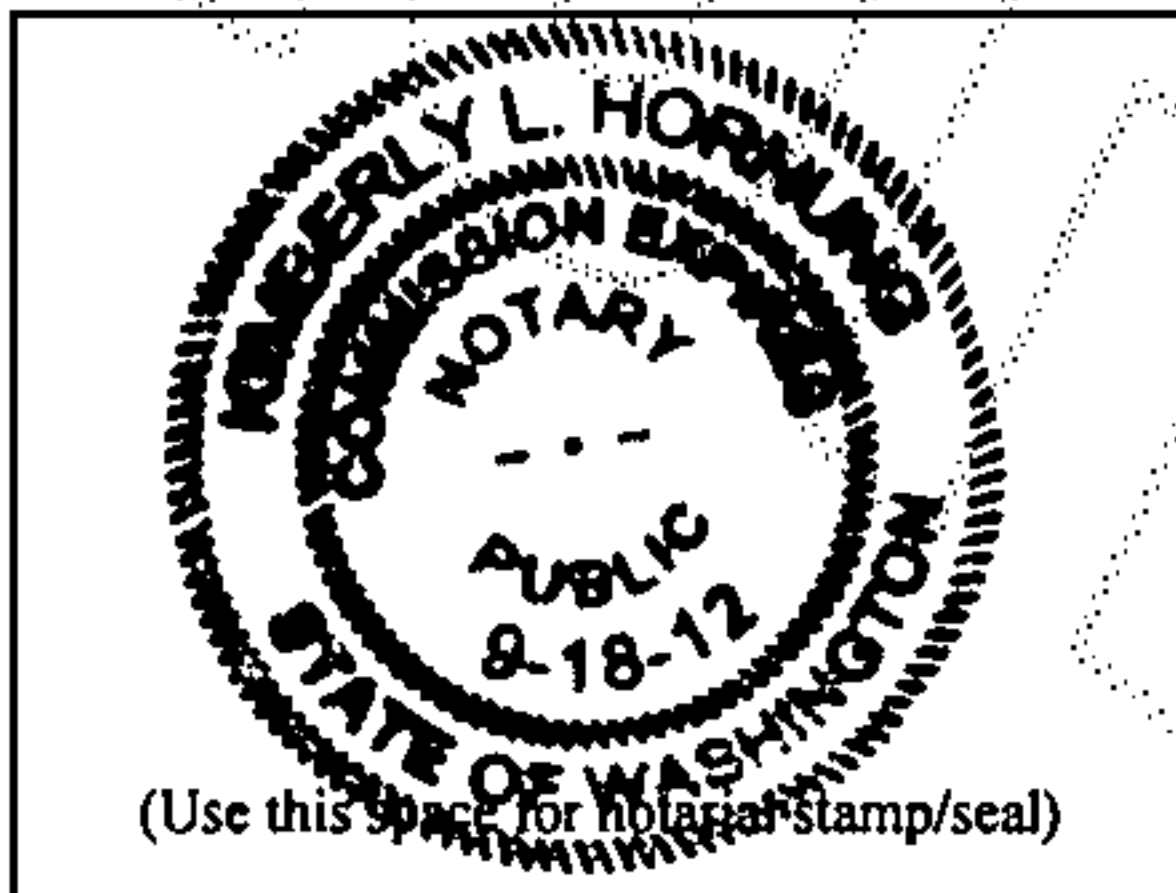


Karen E. Sims
Name: Karen E. Sims
NOTARY PUBLIC, State of Washington
My appointment expires 02-08-2014

STATE OF WA)
) ss.
COUNTY OF King)

I certify that I know or have satisfactory evidence that WILLIAM E. CLISE is the person who appeared before me, and said person acknowledged that he signed this instrument, and acknowledged it to be his free and voluntary act for the uses and purposes stated therein.

Dated April 5, 2012.

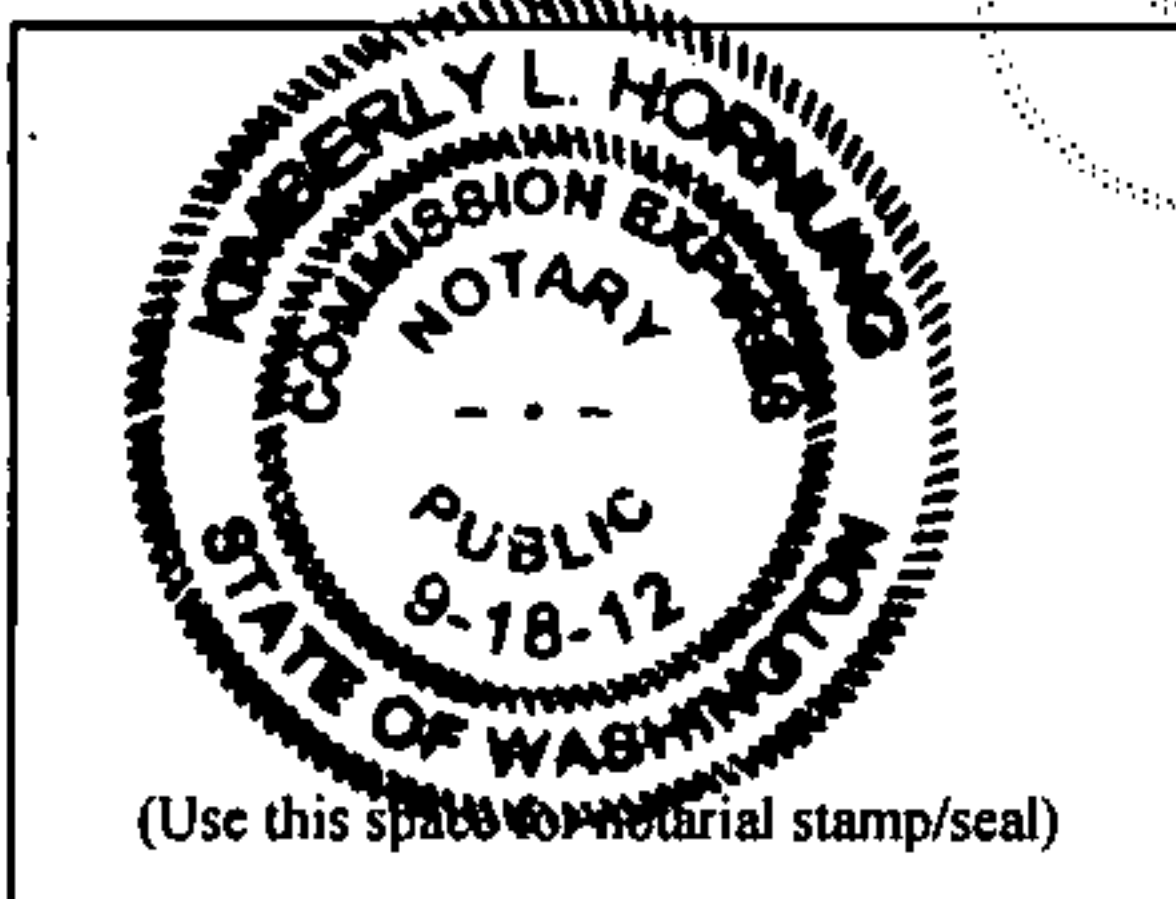


Kimberly L Horning
Name: Kimberly L Horning
NOTARY PUBLIC, State of WA
My appointment expires 9-18-12

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that ROBERT ERIC CLISE is the person who appeared before me, and said person acknowledged that he signed this instrument, and acknowledged it to be his free and voluntary act for the uses and purposes stated therein.

Dated April 2, 2012.

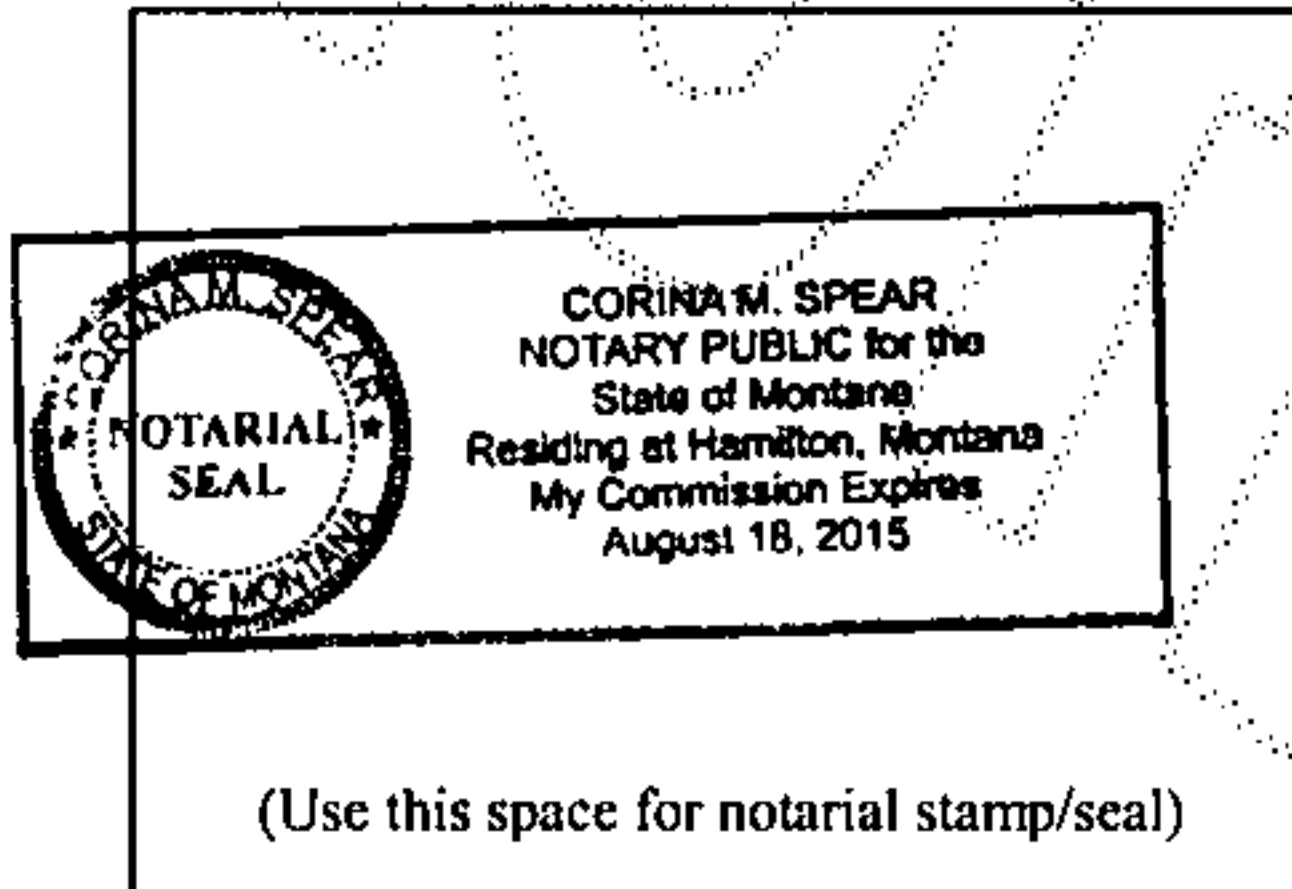


Kimberly L Horning
Name: Kimberly L Horning
NOTARY PUBLIC, State of Washington
My appointment expires 9-18-12

STATE OF MONTANA)
COUNTY OF Beavalli) ss.

I certify that I know or have satisfactory evidence that DEBORAH R. CLISE-KERR is the person who appeared before me, and said person acknowledged that she signed this instrument, and acknowledged it to be her free and voluntary act for the uses and purposes stated therein.

Dated 3-30-12.

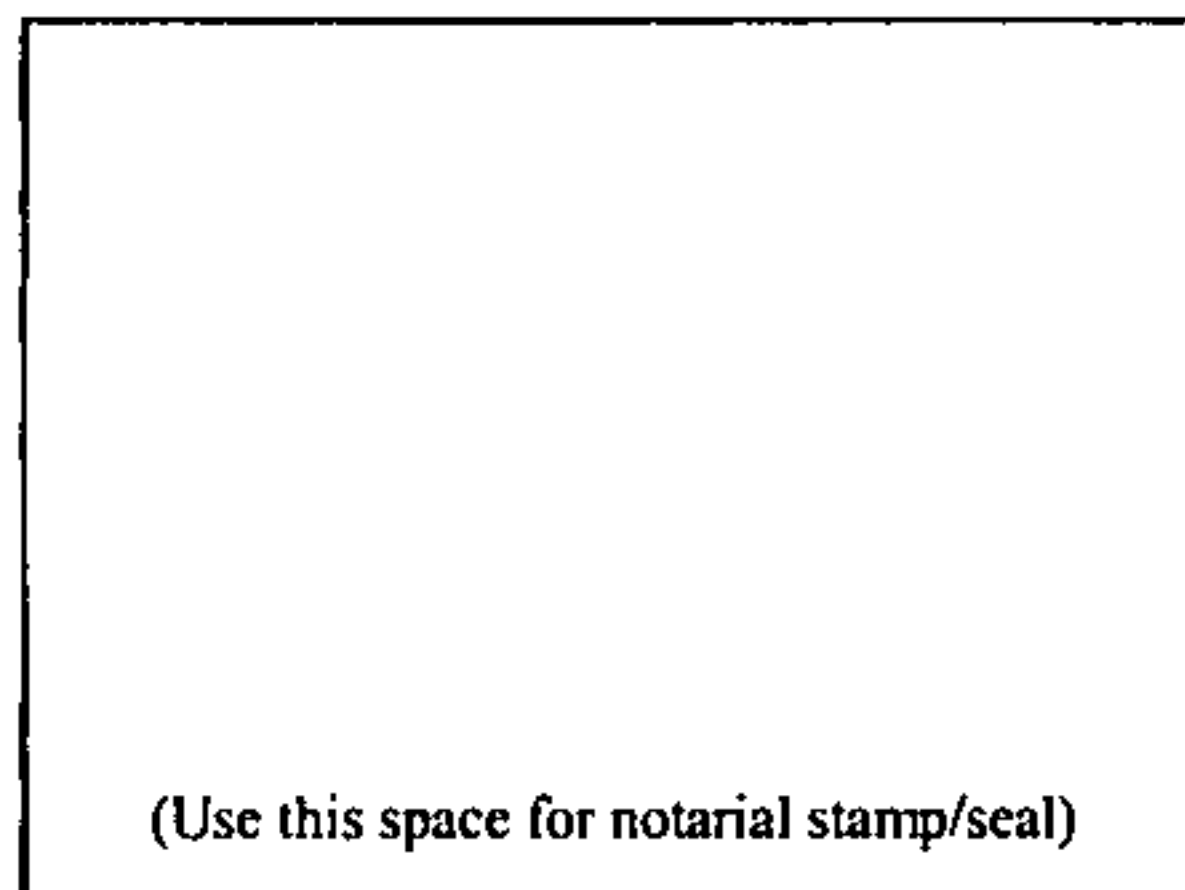


Name: Corina M. Spear
NOTARY PUBLIC, State of Montana,
Residing at Hamilton
My commission expires August 18, 2015

STATE OF WASHINGTON)
COUNTY OF KING) ss.

I certify that I know or have satisfactory evidence that _____ and _____ are the persons who appeared before me, and said persons acknowledged that they signed this instrument, on oath stated that they were authorized to execute the instrument and acknowledged it as the _____ and _____ of Bank of America, N.A., in its capacity as Trustee under Agreement with Rosalind Clise – Jocelyn Clise Fund, to be the free and voluntary act of such party for the uses and purposes stated therein.

Dated _____.

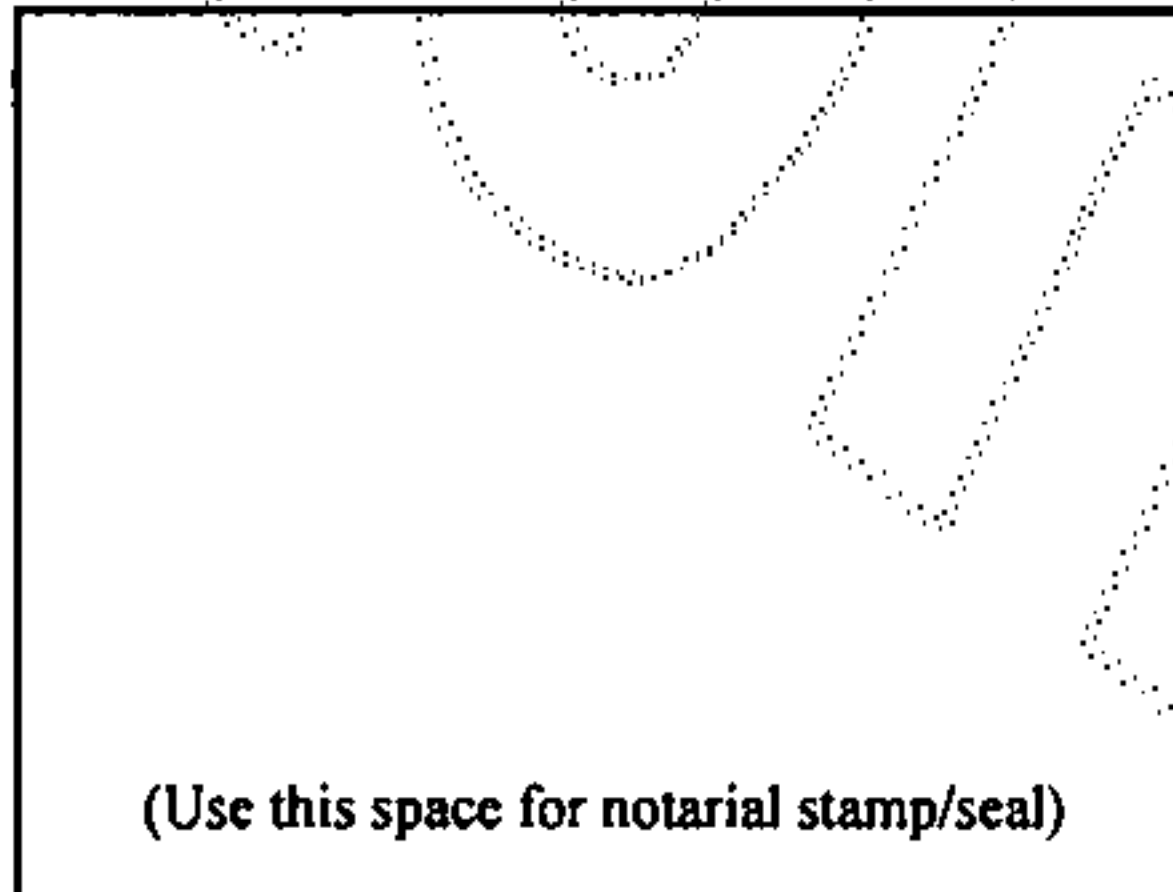


Name: _____
NOTARY PUBLIC, State of Washington
My appointment expires _____

STATE OF MONTANA)
) ss.
COUNTY OF _____)

I certify that I know or have satisfactory evidence that DEBORAH R. CLISE-KERR is the person who appeared before me, and said person acknowledged that she signed this instrument, and acknowledged it to be her free and voluntary act for the uses and purposes stated therein.

Dated _____.

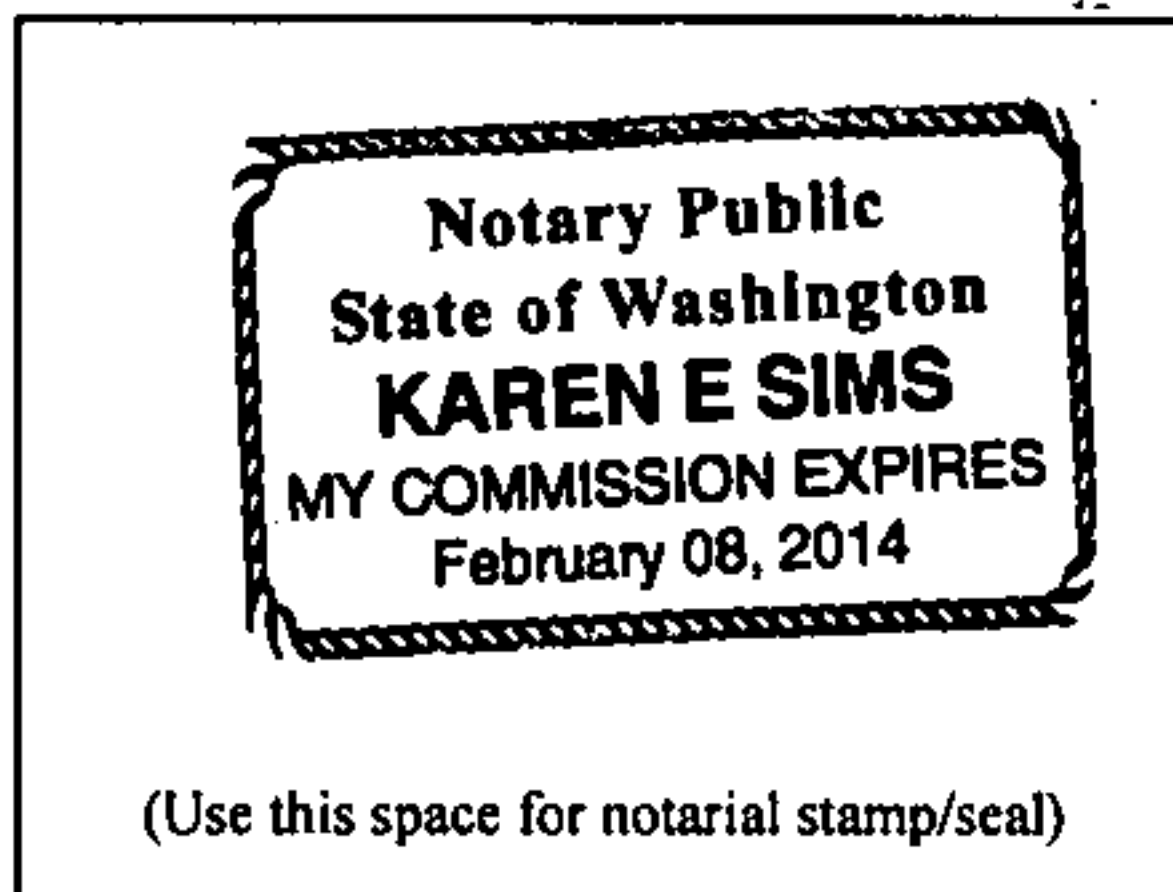


Name: _____
NOTARY PUBLIC, State of Montana,
Residing at _____
My commission expires _____

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that James K. Gallagher and John T. Morgan are the persons who appeared before me, and said persons acknowledged that they signed this instrument, on oath stated that they were authorized to execute the instrument and acknowledged it as the Senior Vice President and Vice President of Bank of America, N.A., in its capacity as Trustee under Agreement with Rosalind Clise – Jocelyn Clise Fund, to be the free and voluntary act of such party for the uses and purposes stated therein.

Dated 3-30-2012

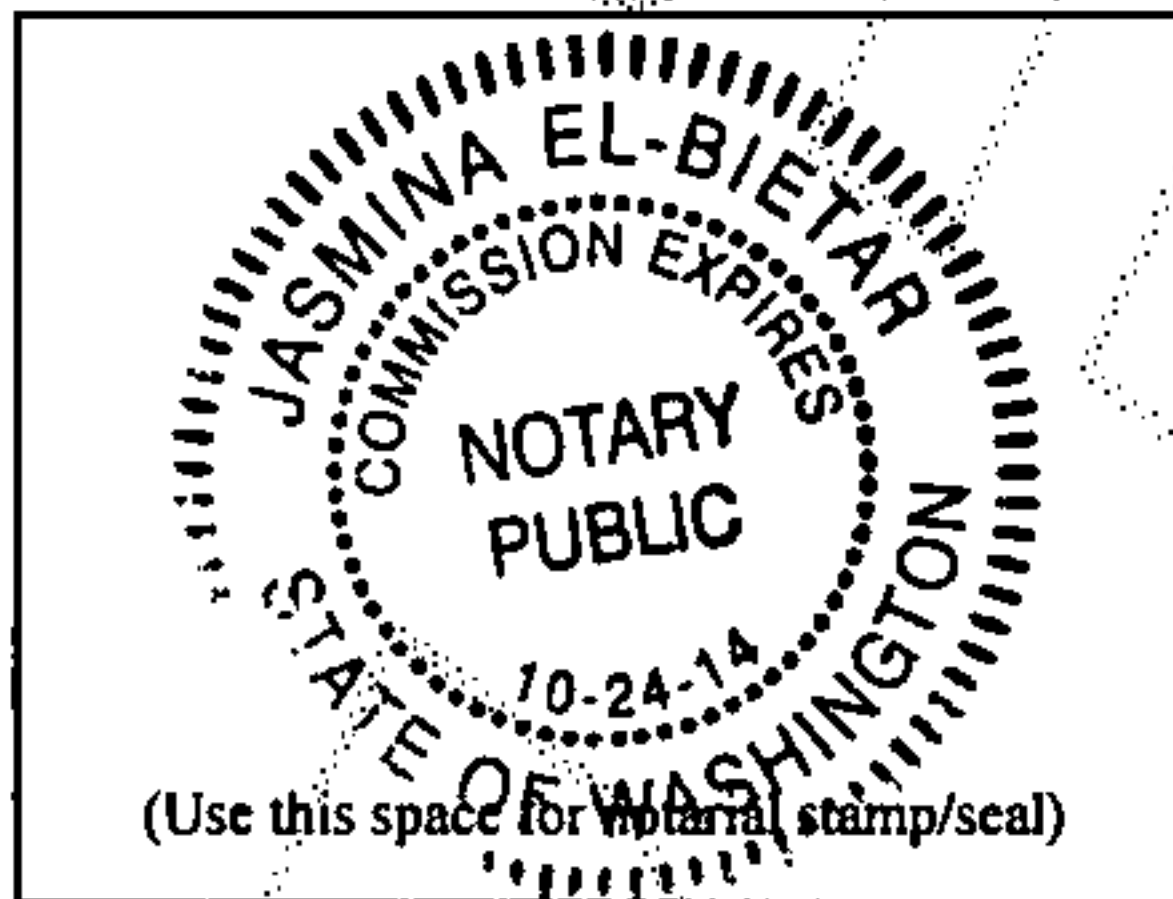


Karen E. Sims
Name: Karen E. Sims
NOTARY PUBLIC, State of Washington
My appointment expires 02-08-2014

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that JOHN SCHOETTLER is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the VICE PRESIDENT of ACORN DEVELOPMENT LLC, a Delaware limited liability company, to be the free and voluntary act of such party for the uses and purposes stated therein.

Dated APRIL 20, 2012.



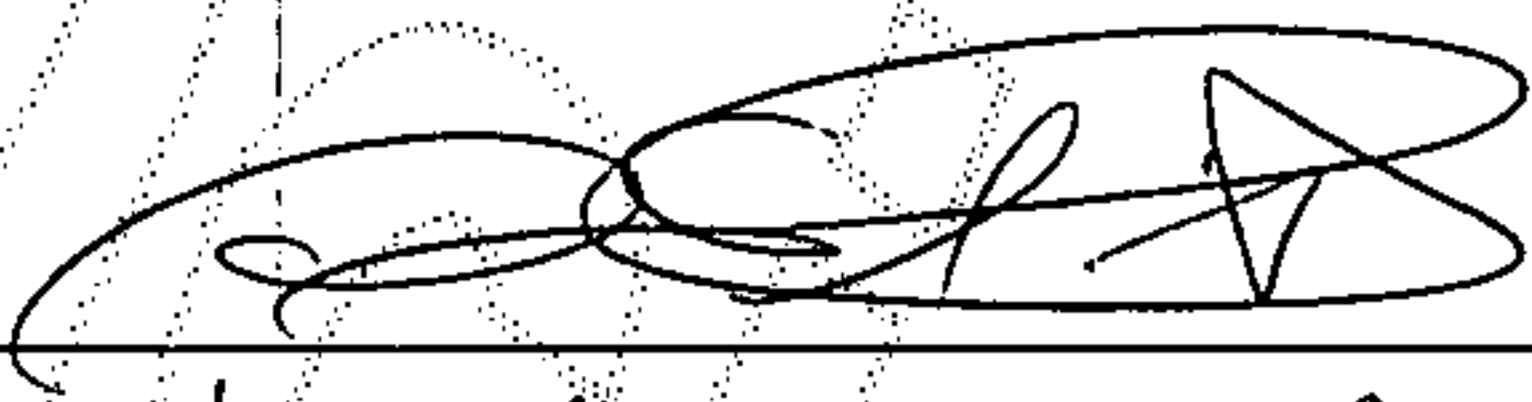

Name: JASMINA EL-BIETAR
NOTARY PUBLIC, State of Washington
My appointment expires 10-24-2014

EXHIBIT A
To
Memorandum of Option Agreement

LEGAL DESCRIPTION

Block 18 – East Half

LOTS 7, 8, 9, 10, 11 AND 12, BLOCK 18, SECOND ADDITION TO THE TOWN OF SEATTLE, AS LAID OFF BY THE HEIRS OF SARAH A. BELL, DECEASED (COMMONLY KNOWN AS HEIRS OF SARAH A. BELL'S SECOND ADDITION TO THE CITY OF SEATTLE), ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 1 OF PLATS, PAGE(S) 121, IN KING COUNTY, WASHINGTON;

EXCEPT THE NORTHEASTERLY 12 FEET THEREOF CONDEMNED IN KING COUNTY SUPERIOR COURT CAUSE NUMBER 193437 FOR WIDENING OF 7TH AVENUE, AS PROVIDED BY CITY OF SEATTLE ORDINANCE NUMBER 50890.

Block 21 – Except Lot 3

LOTS 1, 2, 4, 5, 6, 7, 8, 9, 10, 11 AND 12, BLOCK 21, SECOND ADDITION TO THE TOWN OF SEATTLE, AS LAID OFF BY THE HEIRS OF SARAH A. BELL, DECEASED (COMMONLY KNOWN AS HEIRS OF SARAH A. BELL'S SECOND ADDITION TO THE CITY OF SEATTLE), ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 1 OF PLATS, PAGE(S) 121, IN KING COUNTY, WASHINGTON;

EXCEPT THOSE PORTIONS CONDEMNED IN KING COUNTY SUPERIOR COURT CAUSE NUMBER 193437 FOR THE WIDENING OF 7TH AVENUE AND 8TH AVENUE, AS PROVIDED BY ORDINANCE NUMBER 50890 OF THE CITY OF SEATTLE.