

After recording, return to:

Michael M. Wyman
Lemargie Kenison Wyman And Whitaker
PO Box 965
Ephrata WA 98823

FIRST AMENDMENT TO LEASE OF AIRPORT

Grantor: Desert Aire Owners Association, a Washington non-for-profit corporation.
Grantee: Grant County Airport District #1, a/k/a Desert Aire Airport District, a municipal subdivision of the State of Washington.

Partial Legal Description of Property: Portions of East ½ of Section 22, and the West ½ of Section 23 - all in Township 14N, Range 23 E.W.M., Grant County, Washington.

Full Legal Description of Property can be found on the attached Exhibit "A".

Assessor's Tax

Parcel No.: 15-0110-005.

Auditor's File No. of

Related Document: 940825063

THIS FIRST AMENDMENT TO LEASE OF AIRPORT ("this Amendment") is made and entered into on this ___ day of August, 2006, by and between DESERT AIRE OWNERS ASSOCIATION, a Washington not-for-profit corporation ("Lessor"), and GRANT COUNTY AIRPORT DISTRICT #1, also known as Desert Aire Airport District, a municipal subdivision of the State of Washington ("Lessee"), and shall be effective on the above date.

Whereas, Lessor and Lessee entered into a Lease of Airport dated August 22, 1994 which was recorded by the Grant County Auditor's Office on August 25, 1994 under Grant County Auditor's File No. 940825063 ("Lease of Airport"); and,

Whereas, the initial term of the Lease of Airport is twenty (20) years, and said initial term commenced on August 22, 1994 and will end on August 21, 2014; and,

Whereas, the Washington State Department of Transportation, Aviation Division, has stipulated in its approval of the Desert Aire Airport Layout Plan dated January of 2006 that all future Grants from the State to the Lessee for purposes of funding projects including maintenance and safety improvements to the Desert Aire Airport will be contingent upon there being twenty (20) years remaining on the initial term of the Lease of Airport, and,

Whereas, the Washington State Department of Transportation, Aviation Division, has stipulated in its approval of the Desert Aire Airport Layout Plan dated January of 2006 that areas adjacent to the runway

FIRST AMENDMENT TO LEASE OF AIRPORT

known as the "Runway Safety Area" and "Runway Object Free Area" be under the control of the Lessee, and,

Whereas, Lessor and Lessee deem it advisable to amend the Lease of Airport to extend the initial term of the Lease of Airport by an additional seventeen (17) years and expand the leased premises controlled by the Lessee as provided herein.

Now, Therefore, the parties hereto hereby covenant and agree that the Lease of Airport shall be, and it hereby is, amended as follows:

Section I "AGREEMENT". The Exhibit "A" referenced in Section I "AGREEMENT" of the Lease of Airport (which sets out the legal description of the leased premises) and the language set forth therein shall be and are hereby stricken and replaced with the attached Exhibit "A" (which is made a part hereof and incorporated herein by this reference) and the language set forth therein. The leased premises, which are referred to as "The Premises" throughout the Lease of Airport, shall be and are hereby expanded to include all of the real property described in the attached "Exhibit "A". When used in Section I and any other provision of the Lease of Airport, the words "The Premises" shall mean and be defined as the real property described in the attached Exhibit "A".

Section III "TERM". In addition to the options to renew and extend set forth in Section III "TERM" of the Lease of Airport, the initial term of the Lease of Airport shall be and is hereby extended by an additional seventeen (17) years such that the initial term ends on August 21, 2031. The first sentence of Section III "TERM" of the Lease of Airport shall be and is hereby deleted and shall be and is hereby replaced with the following sentence: This Lease shall be for a term of Thirty-Seven (37) years beginning on the 22nd day of August, 1994, and ending on the 21st day of August, 2031.

Except as amended herein, the Lease of Airport as originally executed shall remain in full force and effect.

In Witness Whereof, the authorized representatives of the parties hereto have executed this Amendment to be effective on the date first written above.

LESSOR:

DESERT AIRE OWNERS ASSOCIATION

By: _____
Ron Reese, President

By: _____
Ralph Herth, Secretary

LESSEE:

GRANT COUNTY AIRPORT DISTRICT #1
a/k/a Desert Aire Airport District

By: _____
David Strand, Commissioner

By: _____
Ralph Herth, Commissioner

By: _____
Cliff Naser, Commissioner

FIRST AMENDMENT TO LEASE OF AIRPORT

STATE OF WASHINGTON

COUNTY OF GRANT

I certify that I know or have satisfactory evidence that Ron Reese and Ralph Herth signed this instrument, on oath stated that they were authorized to execute the instrument and acknowledged it as the President and Secretary, respectively, of DESERT AIRE OWNERS ASSOCIATION, a Washington not-for-profit corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

DATED: _____, 2006.

(Notary Type or Print Name)
NOTARY PUBLIC in and for State of Washington
My commission expires: _____

STATE OF WASHINGTON

COUNTY OF GRANT

I certify that I know or have satisfactory evidence that David Strand, Ralph Herth, and Cliff Naser signed this instrument, on oath stated that they were authorized to execute the instrument and acknowledged it as the Commissioners of GRANT COUNTY AIRPORT DISTRICT #1, a/k/a Desert Aire Airport District, a municipal subdivision of the State of Washington, to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

DATED: _____, 2006.

(Notary Type or Print Name)
NOTARY PUBLIC in and for State of Washington
My commission expires: _____

FIRST AMENDMENT TO LEASE OF AIRPORT

Exhibit "A" to First Amendment to Lease of Airport

LEGAL DESCRIPTION OF LEASED PREMISES

a) "DESERT AIRE AIRPORT AREA"

THOSE PORTIONS OF THE EAST ½ OF SECTION 22, AND THE WEST ½ OF SECTION 23 - ALL IN TOWNSHIP 14N, RANGE 23 E.W.M., GRANT COUNTY, WASHINGTON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTH-EASTERLY CORNER OF LOT 417, "RE-PLAT OF DESERT AIRE NO. 1", ACCORDING TO THE PLAT THERE-OF RECORDED IN BOOK 14 OF PLATS, PAGE 60, RECORDS OF GRANT COUNTY, WASHINGTON; THE TRUE POINT OF BEGINNING (T.P.O.B.) OF THIS DESCRIPTION;

THENCE: N64DEGREES 39' 00"W-PARALLEL WITH THE NORTHERLY LINE OF SAID PLAT OF "DESERT AIRE NO. 1"-1298.939 FT. TO THE SOUTH EASTERLY CORNER OF A CERTAIN PARCEL OF LAND CONVEYED TO: C. BRUCE ESKILDSEN AND RECORDED UNDER AUDITOR'S FILE NUMBERS: 748444 AND 775722, RECORDS OF GRANT COUNTY, WASHINGTON:

THENCE: N25DEGREES 21' 00"E-105.000 FT. TO THE NORTH-EASTERLY CORNER OF THE AFOREMENTIONED ESKILDSEN'S PROPERTY:

THENCE: N64DEGREES 39' 00"W-150.000 FT. TO THE NORTH-WESTERLY CORNER OF THE AFOREMENTIONED ESKILDSEN'S PROPERTY:

THENCE: S25DEGREES 21' 00"W-105.000 FT. TO THE SOUTH-WESTERLY CORNER OF THE AFOREMENTIONED ESKILDSEN'S PROPERTY, SAID POINT IS BEING THE NORTH-EAST CORNER OF A "TWENTY FT. (20') ACCESS 7 UTILITY EASEMENT" ACCORDING TO THE PLAT OF "DESERT AIRE NO. 7", RECORDED IN BOOK 12 OF PLATS, AT PAGE 68, RECORDS OF GRANT COUNTY, WASHINGTON;

THENCE: N64DEGREES 39' 00"W-ALONG THE NORTHERLY LINE OF SAID "DESERT AIRE NO. 7"-2120.000 FT. TO THE NORTH-WESTERLY CORNER OF LOT 26 OF SAID "DESERT AIRE NO. 7" AND TO THE EASTERLY LINE OF A CERTAIN PARCEL OF LAND CONVEYED TO: KARL ILLIG AND RECORDED UNDER AUDITOR'S FILE NUMBER: 648336, RECORDS OF GRANT COUNTY, WASHINGTON;

THENCE: N25DEGREES 21' 00"E-90.00 FT. TO THE NORTH-EASTERLY CORNER OF THE AFOREMENTIONED ILLIG'S PROPERTY:

THENCE: N64DEGREES 39' 00"W-105.000 FT. TO THE NORTH-WESTERLY CORNER OF THE AFOREMENTIONED ILLIG'S PROPERTY;

THENCE: S25DEGREES 21' 00"W-ALONG THE WESTERLY LINE OF THE AFOREMENTIONED ILLIG'S PROPERTY-260.00 FT. TO THE NORTHERLY RIGHT-OF-WAY OF ROADWAY KNOWN AS "AIRPORT WAY";

FIRST AMENDMENT TO LEASE OF AIRPORT

THENCE: N64DEGREES/39' 00"W- ALONG THE NORTHERLY RIGHT-OF-WAY OF AFOREMENTIONED "AIRPORT WAY" ROADWAY – 116.530 FT.;

THENCE: ALONG THE EASTERLY RIGHT-OF-WAY OF PLAT OF "DESERT AIRE NO. 9", NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 450.00' FOR AN ARC OF 961.14 FT. OF WHICH THE CORD BEARS N3DEGREES 00' 40"W 788.59 FT; TO POINT "B" ON SAID "DESERT AIRE NO. 9" AT THE WESTERLY CORNER OF LOT 154;

THENCE: S58DEGREES 29' 20"E ALONG THE SOUTHERLY LINE OF AFOREMENTIONED LOT 154 TO THE SOUTH-EASTERLY CORNER OF SAID LOT 154 –221.98FT.;

THENCE: N25DEGREES 48' 03"E-TO THE SOUTH-EASTERLY INSIDE CORNER OF AFOREMENTIONED LOT 154-50.0000 FT.;

THENCE: S64DEGREES 39' 00"E-PARALLEL WITH THE SOUTHERLY LINE OF SAID PLAT OF "DESERT AIRE NO. 9" 4072.000' FT. (NOTE: THE BEARINGS FOR THIS SAME PROPERTY LINE IS SHOWN ON THE SURVEY PLAT OF "DESERT AIRE NO. 9" as S64DEGREES 11' 56"E AND S64DEGREES 11' 57"E". THIS DISCREPANCY WAS FIELD CHECKED AND FOUND THE NORTHERLY BOUNDARY OF THE AIRPORT PARCEL DOES RUN PARALLEL TO THE SOUTHERLY BOUNDARY.);

THENCE: S25DEGREES 21' 00"W-550.000 FT.

THENCE: N64DEGREES 39' 00"W-72 FT. TO THE TRUE POINT OF BEGINNING (T.P.O.B.) - CONTAINING: 54.48 ACRES MORE OR LESS.

SUBJECT TO EASEMENTS, RESTRICTIONS, RESERVATIONS, ETC., AS SHOWN AND OF RECORDS (IF ANY).

SITUATED IN GRANT COUNTY, WASHINGTON.