

When Recorded Please Return To:
Lawrence A. Pirkle
321 West Washington, Suite 300
Mt. Vernon, WA 98273



200008180012

Kathy Hill, Skagit County Auditor
8/18/2000 Page 1 of 3 9:19:43AM

This Space For Recorder's Use Only

QUIT CLAIM DEED

THE GRANTOR, CLEAR LAKE & WESTERN RAILROAD, INC., a Washington Corporation formerly Mount Vernon Terminal Railway, Inc., for and in consideration of mere change in form of Identity (Transfer pursuant to Internal Revenue Code 721), conveys and quit claims to **GRANTEE**, MOUNT VERNON TERMINAL RAILWAY, L.L.C., a Washington Limited Liability Company, the following described real estate, situated in the County of Skagit, State of Washington, together with all after acquired title of the grantor therein.

Parcel No: 340418-0-044-0202, 340418-0-077-0004

Abbreviated Legal:

Ptn Gov. Lot 8, 18-34-4 E W.M. More fully described on Exhibit "A" herein incorporated by this reference.

Dated 1st day of August, 2000

Clear Lake & Western Railroad, Inc.

by: George Stephenson, President

36833
SKAGIT COUNTY WASHINGTON
Real Estate Excise Tax

AUG 18 2000

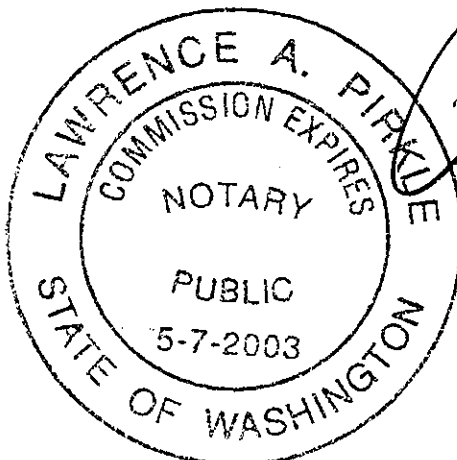
by: Shirley J. Stephenson, Secretary

State of Washington)
)ss.
County of Skagit)

Amount Paid \$ 6
By Skagit Co. Treasurer
Deputy

On this day, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared GEORGE STEPHENSON and SHIRLEY J. STEPHENSON to me known to be the President and Secretary of CLEAR LAKE & WESTERN RAILROAD, INC. the corporation that executed the foregoing instrument, and acknowledged the said instrument to be a free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute the said instrument.

GIVEN under my hand and official seal this 1st day of August, 2000



LAWRENCE A. PIRKLE

Notary Public in and for the State of Washington
Residing at: Mt. Vernon
My Commission Expires: 5/7/03

EXHIBIT "A"

PARCEL "A":

That portion of Government Lot 3, Section 18, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at a point on the West line of that certain strip of land conveyed to the Bellingham and Skagit Railway Company, a corporation, by deed dated September 9, 1911 and recorded in Volume 87 of deeds page 217, records of Skagit County, Washington, which point is 597.46 feet West and 16.5 feet North of the Southeast corner of said Section;
thence North 36°58' East along the West line of said railroad company strip of land a distance of 300 feet to the true place of beginning;
thence South 53°02' East 100 feet to a point 50 feet North 53°02' West from center line of Great Northern Railroad;
thence North 36°58" East along the Westerly line of Great Northern Railroad Company right of way 471.50 feet to the Southeast corner of a strip of land deeded by Puget Sound & Cascade Transportation Co., to C. O. Davis and recorded in Volume 221 of deeds, page 232, records of Skagit County;
thence West along South line of said strip 118.46 feet;
thence South 36°58' West 408.00 feet to the point of beginning,
EXCEPT that portion of said property described as follows:

Beginning at a point on the Westerly line of that certain strip of land conveyed to Bellingham & Skagit Railway Company by deed dated September 9, 1911, and recorded in Volume 87 of Deeds, page 217, which point is 597.46 feet West and 16.5 feet North of the Southeast corner of said Section 18;
thence North 36°58' East along the Westerly line of said right of way 600 feet to the true point of beginning;
thence South 53°02' East 40 feet;
thence North 36°58' East to the terminal point of the former Pacific Northwest Traction Company right of way as conveyed to Mount Vernon Terminal Railway, Inc., by deed recorded in Volume 180 of Deeds, page 30, records of Skagit County;
thence West to a point which is North 36°58' East of the true point of beginning;
thence South 36°58' West to the true point of beginning.

AND EXCEPT the following:

Beginning at the Southeast corner of Section 18, Township 34 North, Range 4 East, W.M.;
thence South 89°58' West along the South line of said Section 18, 537.00 feet;
thence North 36°58' East and parallel with the centerline of the Mount Vernon Terminal Railway Co., Inc. right-of-way, 277.44 feet;
thence North 53°02' West, 8.49 feet to the true point of beginning;

- Continued -



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EXHIBIT "A"

DESCRIPTION CONTINUED:

Parcel "A" Continued:

thence North 53°02' West, 48.86 feet to the Westerly line of the Mount Vernon Terminal Railway Co. Inc. right-of-way;
thence North 36°58' East along the Westerly right-of-way line of the Mount Vernon Terminal Railway Co. Inc., 300.00 feet;
thence South 53°02' East, 48.86 feet;
thence South 36°58' West and parallel with the Westerly right of way line of the Mount Vernon Terminal Railway Co. Inc., 300.00 feet to
the true point of beginning.

ALSO, EXCEPT the following:

That portion of Government Lot 8 in Section 18, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at the Northeast corner of Tract "B" of Short Plat No. MV-3-89 approved October 2, 1989 and recorded October 3, 1989 under Auditor's File No. 8910030020;
thence South 31°32'32" West along the West right-of-way line of the Burlington Northern Railway and the East line of said Tract "B", a distance of 88.78 feet;
thence South 89°11'15" West, a distance of 48.58 feet to the true point of beginning of this property description;
thence South 31°32'32" West, a distance of 83.20 feet;
thence North 58°27'28" West 10.10 feet;
thence South 31°32'32" West, 61.29 feet;
thence following the Mount Vernon Terminal Railway Westerly right of way lines on the following courses: North 58°27'28" West, 8.86 feet; North 31°32'32" East, 132.48 feet; and North 89°11'15" East, a distance of 22.45 feet to the true point of beginning.

Situate in the County of Skagit, State of Washington.

PARCEL "B":

That portion of Government Lot 8 in Section 18, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at the Northeast corner of Tract "B" of Short Plat No. MV-3-89 approved October 2, 1989 and recorded October 3, 1989 under Auditor's File No. 8910030020;
thence South 31°32'32" West along the West right of way line of the Burlington Northern Railway and the East line of said Tract "B", a distance of 88.78 feet;
thence South 89°11'15" West, a distance of 26.76 feet;
thence North 31°32'32" East, a distance of 88.78 feet;
thence North 89°11'15" East along the North line of said Tract "B", a distance of 26.76 feet to the point of beginning.

Situate in the County of Skagit, State of Washington.

