

When Recorded Return to:



200109210003

Skagit County Auditor

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NOTICE OF CONTINUANCE
LAND CLASSIFIED AS CURRENT USE OR FOREST LAND
Chapter 84.34 And 84.33 Revised Code of Washington

Grantor(s) Trillium Corporation
Grantee(s) IP Forestry, LLC
Legal Description see attached.
1-35-7

Assessor's Property Tax Parcel or Account Number 350701-0-003-0008
Reference Numbers of Documents Assigned or Released _____

If the new owner(s) of land that is classified or designated as current use or forest land wish(es) to continue the classification or designation of this land, the new owner(s) must sign below. All new owners must sign. If the new owner(s) do(es) not desire to continue the classification or designation, all additional or compensating tax calculated pursuant to RCW 84.34.108 or RCW 84.33.120, 140 shall be due and payable by the seller or transferor at the time of sale. To determine if the land qualifies to continue classification or designation, the county assessor may be consulted.

Name of New Owner(s) Gordon Iverson
IP Forestry, LLC

Address 398 Shallow Shore Rd.
Bellingham, WA 98226

Phone No. 360-220-3366 Excise Tax No. _____

File No. _____ Taxing District _____

Date of Sale or Transfer 9 / 21 / 01 Date of Notice / /

Interest in Property: Fee Owner Contract Purchaser Other

To inquire about the availability of this notice in an alternate format for the visually impaired or in a language other than English, please call (360) 753-3217. Teletype (TTY) users may call (800) 451-7985

REV 64 0047-1 (1/03/00)

A. CLASSIFICATION UNDER CHAPTER 84.34 RCW. I/we request that this land retains the current use classification as Open Space Land, Farm and Agricultural Land, Timberland, and I am/we are aware of the following use classification of the land:

1. OPEN SPACE LAND MEANS EITHER:

- a) any land area so designated by an official comprehensive land use plan adopted by any city or county and zoned accordingly; or
- b) any land area, the preservation of which in its present use would: (i) conserve and enhance natural or scenic resources; (ii) protect streams or water supply; (iii) promote conservation of soils, wetlands, beaches, or tidal marshes; (iv) enhance the value to the public of abutting or neighboring parks, forests, wildlife preserves, nature reservations or sanctuaries or other open space; (v) enhance recreation opportunities; (vi) preserve historic sites; (vii) preserve visual quality along highway, road, and street corridors or scenic vistas; or (viii) retain in its natural state tracts of land not less than one acre situated in an urban area and open to public use on such conditions as may be reasonably required by the legislative body granting the open space classification; or
- c) any land that meets the definition of farm and agricultural conservation land. "Farm and agricultural conservation land is either: (i) land that was previously classified as open space farm and agricultural land that no longer meets the criteria of farm and agricultural land, and that is reclassified as open space and under RCW 84.34.020(1); or (ii) land that is traditional farmland that is not classified under chapter 84.33 or 84.34 RCW, that has not been irrevocably devoted to a use inconsistent with agricultural uses, and that has a high potential for returning to commercial agriculture.

2. FARM AND AGRICULTURAL LAND MEANS EITHER:

- a) any land in contiguous ownership of twenty or more acres devoted: (i) primarily to the production of livestock or agricultural commodities, for commercial purposes; or (ii) enrolled in the federal conservation reserve program or its successor administered by the United States department of agriculture; or (iii) other similar commercial activities as may be established by rule; or
- b) any parcel of land at least five acres but less than twenty acres devoted primarily to agricultural uses and produces a gross income equal to two hundred dollars or more per acre per year for three out of the five calendar years preceding the date of application for classification under chapter 84.34 RCW; or
- d) any parcel of land that is less than five acres devoted primarily to agricultural uses and produces a gross income equal to fifteen hundred dollars or more per year for three out of the five calendar years preceding the date of application for classification under chapter 84.34 RCW; or
- d) any land on which the principal place of residence of the farm operator or owner of land or housing for employees is sited if the classified farm and agricultural land is classified pursuant to subsection (a) of this section, if the residence or housing is on or contiguous to the classified parcel, and the use of the residence or housing is integral to the use of the classified land for agricultural purposes.

Agricultural land also includes (i) land on which appurtenances necessary for the production, preparation, or sale of commercial agricultural products are situated when the appurtenances are used in conjunction with the land(s) producing agricultural products, (ii) land incidentally used for an activity or enterprise that is compatible with commercial agricultural purposes as long as the incidental use does not exceed twenty percent of the classified land, and (iii) any noncontiguous parcel of land from one to five acres in size that constitutes an integral part of the commercial agricultural operations of a classified parcel of farm and agricultural land.

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3. **TIMBER LAND MEANS** any land in contiguous ownership of five or more acres devoted primarily to the growing and harvesting of forest crops for commercial purposes and not classified as reforestation land pursuant to Chapter 84.28 RCW. Timber land means the land only.

I/we declare that I am/we are aware of the liability of withdrawal or removal of this land from classification to the following extent:

1. If the owner has filed the proper notice of request to withdraw the classified land and the land has been classified for a minimum of ten years he/she shall pay an amount equal to the difference between the tax computed on the basis of "current use" and the tax computed on the basis of true and fair value plus interest at the same statutory rate charged on delinquent property taxes. The additional tax and interest shall be paid for the preceding seven years.
2. If land is removed from classification because of a change to a non-conforming use, land is removed prior to the minimum ten year period, or land is removed because the owner(s) failed to comply with the two year notice of withdrawal he/she shall be liable to pay the additional tax and interest described in 1 above plus a penalty of twenty percent of the additional tax and interest. The additional tax, interest, and penalty shall be paid for the preceding seven years.
3. The additional tax, interest, and/or penalty shall not be imposed if the withdrawal or removal from classification resulted solely from:
 - a) transfer to a government entity in exchange for other land located within the state of Washington;
 - b) a taking through the exercise of the power of eminent domain, or sale or transfer to an entity having the power of eminent domain in anticipation of the exercise of this power, said entity having manifested its intent in writing or by other official action;
 - c) a natural disaster such as a flood, windstorm, earthquake, or other calamity rather than by virtue of the act of the landowner changing the use of the classified land;
 - d) official action by an agency of the state of Washington or by the county or city within which the land is located that disallows the present classified use of the land;
 - e) transfer of land to a church when the land would qualify for exemption pursuant to RCW 84.36.020;
 - f) acquisition of property interests by a state or federal agency, county, city, town, metropolitan park district, metropolitan municipal corporation, nonprofit historic preservation corporation as defined in RCW 64.04.130, or nonprofit nature conservancy corporation or association as defined in RCW 84.34.250;
 - g) removal of classified farm and agricultural land on which the principal residence of the farm operator or owner or housing for employees;
 - h) removal of land from classification after enactment of a statutory exemption that qualifies the land for exemption and receipt of notice from the owner to remove the land from classification;
 - i) the creation, sale, or transfer of forestry riparian easements under RCW 76.13.120; or
 - j) the creation, sale, or transfer of a fee interest or a conservation easement for the riparian open space program under RCW 76.09.040.

B CLASSIFICATION UNDER CHAPTER 84.33 RCW. I/we request that this land retain its classification or designation as forest land and I am/we are aware of the following definition of forest land:

FOREST LAND means and is synonymous with timber land and means all land in contiguous ownership of at least twenty acres that is primarily devoted to and used for growing and harvesting timber. Forest land means the land only.

- a) **CLASSIFIED FOREST LAND** is land whose highest and best use is the growing and harvesting of timber.
- b) **DESIGNATED FOREST LAND** is land that is primarily devoted to and used for growing and harvesting timber but whose value for other purposes may be greater than its value for use as forest land.

REV 64 0047-3 (1/03/00)



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I/we declare that I am/we are aware of the liability of removal of this land from classification or designation and upon removal a compensating tax shall be imposed that shall be equal to the difference between the amount of tax last levied on the land as forest land and an amount equal to the new assessed valuation of the land multiplied by the mileage rate of the last levy extended against the land, multiplied by a number, not greater than ten, equal to the number of years the land was classified or designated as forest land.

The compensating tax shall not be imposed if the removal of classification or designation resulted solely from:

- a) transfer to a government entity in exchange for other forest land located within the state of Washington;
- b) a taking through the exercise of the power of eminent domain, or sale or transfer to an entity having the power of eminent domain in anticipation of the exercise of this power;
- c) a donation of fee title, development rights, or the right to harvest timber, to a government agency or organization qualified under RCW 84.34.210 and 64.04.130 for the purposes enumerated in those sections or the sale or transfer of fee title to a governmental entity or a nonprofit nature conservancy corporation, as defined in RCW 64.04.130, exclusively for the protection and conservation of lands recommended for state natural area preserve purposes by the natural heritage council and natural heritage plan as defined in Chapter 79.70 RCW;
- d) the sale or transfer of fee title to the parks and recreation commission for park and recreation purposes;
- e) official action by an agency of the State of Washington or by the county or city within which the land is located that disallows the present use of such land;
- f) the creation, sale, or transfer of forestry riparian easements under RCW 76.13.120; or
- g) the creation, sale, or transfer of a fee interest or a conservation easement for the riparian open space program under RCW 76.09.040.

Agreement to tax according to use shall not be considered to be a contract and can be abrogated at any time by the legislature in which event no additional tax or penalty shall be imposed. (RCW 84.34.070).

IP Forestry, LLC
 Property Owner _____ Date 9/20/01
 By: Gordon Iverson, Manager

Address 398 Shallow Shore Rd.
 Bellingham, WA 98226

Property Owner _____ Date / /

Address _____

Property Owner _____ Date / /

Address _____

Property Owner _____ Date / /

Address _____

REV 64 0047-4 (1/03/00)



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**EXHIBIT A
STUMPAGE PARCELS**

PARCEL 350701: RUSSELLS RANCH (PARCEL #54)

THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER; THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER; GOVERNMENT LOTS 3 AND 4, SECTION 1, TOWNSHIP 35 NORTH, RANGE 7 EAST OF THE WILLAMETTE MERIDIAN; EXCEPT COUNTY ROAD;

ALSO EXCEPT THAT CERTAIN 100 FOOT STRIP CONVEYED TO SKAGIT COUNTY FOR ROAD BY DEED RECORDED JULY 9, 1970, UNDER AUDITOR'S FILE NO. 741026 RECORDS OF SKAGIT COUNTY, WASHINGTON; SITUATE IN SKAGIT COUNTY, WASHINGTON

PARCEL 350702: RUSSELLS RANCH (PARCEL #54)

THE NORTH HALF; THE NORTH HALF OF THE SOUTHWEST QUARTER; AND THE NORTH HALF OF THE SOUTHEAST QUARTER OF SECTION 2, TOWNSHIP 35 NORTH, RANGE 7 EAST OF THE WILLAMETTE MERIDIAN;

EXCEPT THAT CERTAIN 100 FOOT STRIP CONVEYED TO SKAGIT COUNTY BY DEED RECORDED JULY 9, 1970, UNDER AUDITOR'S FILE NO. 741026 RECORDS OF SKAGIT COUNTY, WASHINGTON; SITUATE IN SKAGIT COUNTY, WASHINGTON

PARCEL 350703: RUSSELLS RANCH (PARCEL #54)

THE NORTH HALF; THE SOUTH HALF OF THE SOUTHWEST QUARTER; NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; AND THE SOUTH HALF OF THE SOUTHEAST QUARTER, ALL IN SECTION 3, TOWNSHIP 35 NORTH, RANGE 7 EAST OF THE WILLAMETTE MERIDIAN;

EXCEPT THOSE PORTIONS CONVEYED TO SKAGIT COUNTY BY DEEDS RECORDED JULY 9, 1970 AND SEPTEMBER 20, 1971, UNDER AUDITOR'S FILE NOS. 741026 AND 758244 RECORDS OF SKAGIT COUNTY, WASHINGTON, RESPECTIVELY; SITUATE IN SKAGIT COUNTY, WASHINGTON

PARCEL 350704: RUSSELLS RANCH (PARCEL #54)

GOVERNMENT LOTS 1, 2, 3, AND 4, AND THE SOUTH HALF OF SECTION 4, TOWNSHIP 35 NORTH, RANGE 7 EAST OF THE WILLAMETTE MERIDIAN; SITUATE IN SKAGIT COUNTY, WASHINGTON



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PARCEL 350709: RUSSELLS RANCH (PARCEL #54)

THE NORTHEAST QUARTER OF SECTION 9, TOWNSHIP 35 NORTH, RANGE 7 EAST OF THE WILLAMETTE MERIDIAN;

THE NORTH HALF OF THE SOUTHEAST QUARTER OF SAID SECTION 9;

A STRIP OR PIECE OF LAND 50 FEET WIDE, BEING 25 FEET WIDE ON EITHER SIDE OF THE CENTERLINE OF THE LOGGING RAILWAY OF LYMAN TIMBER COMPANY AS SAME IS NOW LOCATED AND ESTABLISHED THROUGH AND UPON THE NORTH HALF OF THE SOUTHWEST QUARTER OF SAID SECTION 9, TO WIT:

BEGINNING AT A POINT ON THE SECTION LINE APPROXIMATELY 193 FEET SOUTH OF THE QUARTER CORNER BETWEEN SECTIONS 8 AND 9; THENCE SOUTH 87°00'00" EAST, 2,090 FEET; THENCE ON A 06°00'00" CURVE TO THE LEFT TURNING THROUGH AN ANGLE OF 19°00'00", FOR A DISTANCE OF 317 FEET; THENCE NORTH 68°00'00" EAST APPROXIMATELY 235 FEET TO A POINT ON THE CENTERLINE OF SECTION 9 APPROXIMATELY 175 FEET SOUTH OF THE CENTER CORNER OF SAID SECTION 9; THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER AND THAT PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 9, LYING NORTH OF THE LANDS AND RIGHT-OF-WAY OWNED BY OR IN USE BY THE GREAT NORTHERN RAILWAY COMPANY;

EXCEPT ALL ROAD AND RAILROAD RIGHTS-OF-WAY OVER AND ACROSS SAID PREMISES.

AND EXCEPT THAT PORTION CONVEYED TO WILLIS ENTERPRISES BY DEED RECORDED OCTOBER 14, 1991, UNDER AUDITOR'S FILE NO. 9110140046 AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 9; THENCE SOUTH 01°07'38" WEST ALONG THE WEST LINE OF THE NORTHEAST QUARTER OF SECTION 16, A DISTANCE OF 86.59 FEET TO THE NORTH RIGHT-OF-WAY LINE OF THE BURLINGTON NORTHERN RAILROAD; THENCE NORTH 80°40'32" EAST ALONG SAID NORTHERLY RIGHT-OF-WAY LINE, A DISTANCE OF 1,287.73 FEET; THENCE NORTH 00°25'49" EAST PARALLEL WITH THE WEST LINE OF SAID SOUTHEAST QUARTER, A DISTANCE OF 639.98 FEET; THENCE SOUTH 83°51'29" WEST, A DISTANCE OF 1,277.00 FEET, MORE OR LESS, TO THE WEST LINE OF SAID SOUTHEAST QUARTER; THENCE SOUTH 00°25'49" WEST ALONG SAID WEST LINE OF THE SOUTHEAST QUARTER TO THE POINT OF BEGINNING.

PARCEL 350710: RUSSELLS RANCH (PARCEL #54)

THE NORTHWEST QUARTER; THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER AND THE NORTH HALF OF THE NORTHEAST QUARTER, LYING NORTHWESTERLY OF BAKER LAKE ROAD, AS CONVEYED TO SKAGIT COUNTY BY DEED RECORDED JULY 9, 1970, UNDER AUDITOR'S FILE NO. 741026 RECORDS OF SKAGIT COUNTY, WASHINGTON, IN SECTION 10, TOWNSHIP 35 NORTH, RANGE 7 EAST OF THE WILLAMETTE MERIDIAN;

SITUATE IN SKAGIT COUNTY, WASHINGTON

PARCEL 350921: SAUK MTN (PARCEL #55)

THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 21, TOWNSHIP 35 NORTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN. SITUATE IN SKAGIT COUNTY, WASHINGTON

PARCEL 350922: SAUK MTN (PARCEL #55)

THE NORTH HALF OF THE NORTHEAST QUARTER; THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER; GOVERNMENT LOTS 1, 2, 3, 4, 5 AND 6; THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER; THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; AND THE SOUTHWEST QUARTER OF SECTION 22, TOWNSHIP 35 NORTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN. SITUATE IN SKAGIT COUNTY, WASHINGTON



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**SKAGIT COUNTY
STUMPAGE PARCELS
TAX PARCEL NUMBERS**

350701-0-003-0008
350701-0-004-0007
350701-2-001-0006
350701-3-001-0004
350702-0-001-0009
350702-0-002-0008
350702-0-003-0007
350702-0-004-0006
350702-1-001-0007
350702-2-001-0005
350702-3-001-0003
350702-4-001-0001
350703-0-001-0008
350703-0-002-0007
350703-0-003-0006
350703-0-004-0005
350703-1-001-0006
350703-2-001-0004
350703-3-003-0000
350703-4-001-0000
350703-4-003-0008
350703-4-004-0007
350704-0-001-0015
350704-3-001-0019
350709-4-004-0027
350709-4-004-0010
350709-4-003-0100
350710-1-002-0014
350921-4-001-0006
350922-1-001-0001



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