

When Recorded Return to:

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Seattle, Washington 98101-3197



200112200099

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 Smith & Burkland Farms, Inc.

Grantee S & B Properties L.L.C.

Legal Description Ptn of NE 1/4 of NW 1/4 and Gov Lot 1 S7 T33 R4

Complete legal description is on Exhibit A of Real Estate Excise Tax Affidavit

Assessor's Property Tax Parcel or Account Numbers 330407-2-001-0120, 330312-1-003-0009,
330312-0-003-0001, 340431-3-006-0007,
340431-0-006-0003, 330430-0-024-0003

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 & B Properties L.L.C.

Address 18495 Dike Road, Mount Vernon, Washington 98273

Phone No. _____

Excise Tax No. _____

File No. _____

Taxing District _____

Date of Sale or Transfer ____ / ____ / ____

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

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.



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.



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.

The agreement to tax according to use of the property is not a contract and can be annulled or canceled at any time by the Legislature (RCW 84.34.070).

S & B PROPERTIES L.L.C.,
a Washington limited liability company

By: Richard Smith, Member 11/30/2001
Property Owner Date

18495 Dike Road, Mount Vernon, Washington 98273
Address

EXHIBIT A

Legal Description:

Parcel 1:

THAT PORTION OF THE NORTHEAST ¼ OF THE NORTHWEST ¼ AND OF GOVERNMENT LOT 1 IN SECTION 7, TOWNSHIP 33 NORTH, RANGE 4, E.W.M., DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTH LINE OF COUNTY ROAD AND THE EAST LINE OF THE NORTHEAST ¼ OF THE NORTHWEST ¼ OF SECTION 7, TOWNSHIP 33 NORTH, RANGE 4; E.W.M.; THENCE SOUTH ALONG THE EAST LINE OF SAID NORTHEAST ¼ OF THE NORTHWEST ¼, 500 FEET; THENCE WEST, PARALLEL WITH THE SOUTH LINE OF COUNTY ROAD, 2,190 FEET; THENCE NORTH PARALLEL WITH THE EAST LINE OF SAID NORTHEAST ¼ OF THE NORTHWEST ¼, 500 FEET TO THE SOUTH LINE OF COUNTY ROAD; THENCE EAST ALONG THE SOUTH LINE OF THE COUNTY ROAD, 2,190 FEET TO THE POINT OF BEGINNING.

THE GRANTOR FURTHER GRANTS TO GRANTEE AN EASEMENT, 10 FEET IN WIDTH, FOR THE PURPOSE OF INSTALLING, REPAIRING, MAINTAINING, AND REPLACING A WATER LINE OR LINES. SAID EASEMENT IS SITUATE IN SKAGIT COUNTY, WASHINGTON AND DESCRIBED AS FOLLOWS:

THAT PORTION OF GOVERNMENT LOT 1, SECTION 7, TOWNSHIP 33 NORTH, RANGE 4, E.W.M., DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE EAST LINE OF THE COUNTY ROAD, DESIGNATED DIKE ROAD, AND THE SOUTH LINE OF THE COUNTY ROAD, DESIGNATED SKAGIT ROAD, THENCE SOUTHERLY ALONG THE EAST LINE OF THE DIKE ROAD, 10 FEET; THENCE EASTERLY PARALLEL TO THE SOUTH LINE OF SKAGIT ROAD TO THE WEST LINE OF THE PROPERTY HEREINABOVE CONVEYED BY GRANTOR TO GRANTEE; THENCE NORTH ALONG THE WEST LINE OF THE PROPERTY CONVEYED, 10 FEET TO THE

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SOUTH LINE OF THE COUNTY ROAD; THENCE WESTERLY ALONG THE SOUTH LINE OF THE COUNTY ROAD TO POINT OF BEGINNING.

Tax Parcel No: 330407-2-001-0120
P16474

Parcel 2:

GOVERNMENT LOT 3 AND THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 12, TOWNSHIP 33 NORTH, RANGE 3 EAST OF THE WILLAMETTE MERIDIAN;

EXCEPT DIKE AND DITCH RIGHTS-OF-WAY, AND ROADS AS CONVEYED BY DEEDS RECORDED APRIL 19, 1900, AND RECORDED APRIL 10, 1931, UNDER AUDITOR'S FILE NOS. 33208 AND 242450, RESPECTIVELY, RECORDS OF SKAGIT COUNTY, WASHINGTON;

ALSO EXCEPT THAT PORTION OF GOVERNMENT LOT 3 DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 12;
THENCE SOUTH 89°59'02" EAST ALONG THE NORTH LINE OF SAID NORTHEAST QUARTER A DISTANCE OF 1901.27 FEET; THENCE AT RIGHT ANGLE TO SAID NORTH LINE, SOUTH 00°00'58" WEST A DISTANCE OF 2089.67 FEET TO THE TRUE POINT OF BEGINNING;
THENCE SOUTH 89°59'02" EAST PARALLEL WITH SAID NORTH LINE A DISTANCE OF 430.00 FEET, MORE OR LESS, TO THE SKAGIT RIVER; THENCE SOUTHERLY ALONG SAID SKAGIT RIVER A DISTANCE OF 530.00 FEET, MORE OR LESS, TO AN INTERSECTION WITH THE SOUTH LINE OF SAID GOVERNMENT LOT 3;
THENCE WESTERLY ALONG SAID SOUTH LINE A DISTANCE OF 430.00 FEET, MORE OR LESS, TO A POINT THAT IS SOUTH 04°10'35" WEST FROM THE TRUE POINT OF BEGINNING;
THENCE NORTH 04°10'35" EAST A DISTANCE OF 520.00 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING.

Tax Parcel Nos.: 330312-1-003-0009
P15770

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330312-0-003-0001
P15754

Parcel 3:

THE NORTH ½ OF THE SOUTH ½ OF THE SOUTHWEST ¼ OF SECTION 31,
TOWNSHIP 34 NORTH, RANGE 4 EAST, W.M., EXCEPT DIKE ROAD.

SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON.

Tax Parcel Nos.: 340431-3-006-0007
P29307
340431-0-006-0003
P29240

Parcel 4:

THE NORTH ½ OF THE FOLLOWING DESCRIBED TRACT IN SECTION 30,
TOWNSHIP 33 NORTH, RANGE 4 EAST, W.M., DESCRIBED AS FOLLOWS:

THE SOUTH ½ OF GOVERNMENT LOT 8; THE SOUTH ½ OF THE NORTHEAST
¼ OF THE SOUTHEAST ¼ AND THAT PORTION OF THE SOUTHEAST ¼ OF
THE SOUTHEAST ¼ AND OF GOVERNMENT LOT 13, LYING NORTH OF A
LINE PARALLEL WITH AND 908.6 FEET NORTH OF THE SOUTH LINE OF
SAID SECTION 30,

EXCEPT ROADS AND DIKE AND DRAINAGE DITCH RIGHTS OF WAY,

AND EXCEPT THE RIGHT OF WAY OF GREAT NORTHERN RAILWAY
COMPANY.

SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON.

Tax Parcel No.: 330430-0-024-0003
P17510

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