



200305300165

Skagit County Auditor

5/30/2003 Page

1 of

11 11:31AM

WHEN RECORDED, RETURN TO:

Name: Jennifer D. Cobb
Address: 999 Third Avenue, Suite 1900
City, State, Zip: Seattle, WA 98104

105515
LAND TITLE COMPANY OF SKAGIT COUNTY

After Recording Return to:

Jennifer D. Cobb
Jameson Babbitt Stites & Lombard. P.L.L.C.
999 Third Avenue, Suite 1900
Seattle, WA 98104

Document Title or Titles:

Special Warranty Deed

Reference Nos. of Documents
Assigned or Released:

None

Name of Grantor:

GranCorp Skagit, LLC, a Washington limited
liability company

Name of Grantee:

Bourne Family, LLC, a Washington limited
liability company

Pages Referencing Additional Names:

None

Abbreviated Legal Description:

Lot 2, Plat No. 1-92, Skagit County,
Washington

Assessor's Property Tax Parcel
Number or Account Number:

340407-1-002-0609

WHEN RECORDED, RETURN TO:

Name: Jennifer D. Cobb
Address: 999 Third Avenue, Suite 1900
City, State, Zip: Seattle, WA 98104

SPECIAL WARRANTY DEED

THE GRANTOR GRANCORP SKAGIT, LLC, a Washington limited liability company, for and in consideration of Ten Dollars (\$10.00), in hand paid, grants, bargains, sells, conveys and confirms to BOURNE FAMILY, LLC, a Washington limited liability company, the following described real estate, situated in the County of Skagit, State of Washington:

LOT 2 AND THE SOUTH 13 FEET OF LOT 1 OF BURLINGTON SHORT PLAT NO. 1-92 AS APPROVED JULY 18, 1989 AND RECORDED JULY 27, 1992 IN VOLUME 10 OF SHORT PLATS, PAGE 105, UNDER AUDITORS FILE NO 9207270058, RECORDS OF SKAGIT COUNTY, WASHINGTON.

SUBJECT TO TAXES AND ASSESSMENTS NOT YET DUE AND PAYABLE AND THE EXCEPTIONS LISTED ON EXHIBIT A ATTACHED HERETO.

The Grantor for itself and for its successors in interest does by these presents expressly limits the covenants of the deed to those herein expressed, and excludes all covenants arising or to arise by statutory or other implication, and does hereby covenant that against all persons whomsoever lawfully claiming or to claim by, through or under said Grantor and not otherwise, will forever warrant and defend the said described real estate.

Tax Account Number: 340407-1-002-0609

2599
SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

MAY 30 2003

Amount Paid \$ 760611.20
By Skagit Co. Treasurer
Deputy

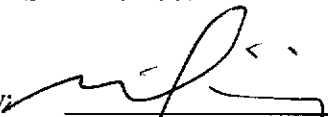


200305300165
Skagit County Auditor

DATED: may 16, 2003.

GRANCORP SKAGIT, LLC, a Washington
limited liability company

By: GranCorp, Inc.
Its: Sole Member

By: 
Michael Heijer
Its: President



200305300165

Skagit County Auditor

5/30/2003 Page

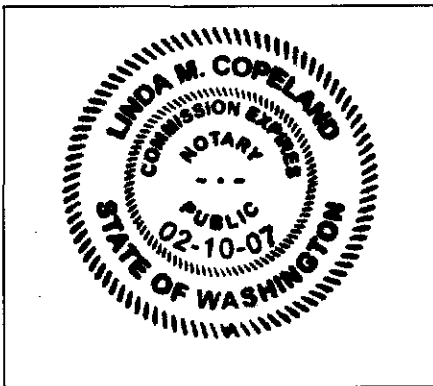
3 of 11 11:31AM

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that the person appearing before me and making this acknowledgment is the person whose true signature appears on this document.

On this 16 day of May, 2003, before me personally appeared MICHAEL HEIJER, to me known to be the President of GRANCORP, INC., to me known to be the Sole Member of GRANCORP SKAGIT, LLC, a Washington limited liability company, the limited liability company that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said limited liability company, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

WITNESS my hand and official seal hereto affixed the day and year first above written.



(Use This Space for Notarial Seal Stamp)

Linda M. Copeland
Notary Public in and for the State of Washington,
residing at Renton
My commission expires: 2/10/07
Linda M. Copeland
[Type or Print Notary Name]



200305300165

Skagit County Auditor

5/30/2003 Page 4 of 11 11:31AM

SPECIAL WARRANTY DEED

EXHIBIT A SUBJECT ITEMS

MEMORANDUM OF LEASE, INCLUDING TERMS & CONDITIONS THEREOF:

Lessor: Pemcor Properties (U.S.) Inc., an Oregon corporation
Lessee: Michaels Stores, Inc., a Delaware corporation
For A Term Of: Commencing on the "Completion Date" of the Lease (as such term is defined in the Lease) and ending on February 28, 2012
Dated: December 19, 2001
Recorded: March 4, 2002
Auditor's No.: 200203040217
(Affects Lot 2 of BU SP 1-92)

AND EASEMENTS AND COVENANTS ON THE FOLLOWING PAGES A through U



200305300165
Skagit County Auditor

5/30/2003 Page

5 of 11 11:31AM

EXCEPTIONS:

A. EASEMENT AND THE TERMS AND CONDITIONS THEREOF:

Grantee: The City of Burlington, a municipal corporation
Purpose: For utility purposes
Area Affected: The East 10 feet
Dated: August -, 1985
Recorded: September 24, 1985
Auditor's No.: 8509240002

B. EASEMENT AND THE TERMS AND CONDITIONS THEREOF:

Grantee: Perpetual Savings Bank, F.S.B., and Public Utility District No. 1 of Skagit County, Washington, a municipal corporation
Purpose: The construction and maintenance of a water line, lines or related facilities, including the right to construct, operate, maintain, inspect, improve, remove, restore, alter, replace, relocate, connect to and locate at any time a pipe or pipes, line or lines or related facilities
Area Affected: A 15 foot strip of land, over and across a portion of Lot 2 as shown on Burlington Short Plat No. 1-92
Dated: July 14, 1989
Recorded: July 31, 1989
Auditor's No.: 8907310011

C. EASEMENT AND THE TERMS AND CONDITIONS THEREOF:

Grantee: Public Utility District No. 1 of Skagit County, Washington, a municipal corporation
Purpose: The construction and maintenance of a water line, lines or related facilities, including the right to construct, operate, maintain, inspect, improve, remove, restore, alter, replace, relocate, connect to and locate at any time a pipe or pipes, line or lines or related facilities
Area Affected: A 15 foot strip of land, over and across a portion of Lot 2 as shown on Burlington Short Plat No. 1-92
Dated: March 1, 1989
Recorded: December 11, 1989
Auditor's No.: 8912110032



200305300165
Skagit County Auditor

5/30/2003 Page

6 of

11 11:31AM

EXCEPTIONS CONTINUED:

D. Notes shown on Short Plat, as follows:

- 1.) All maintenance and construction of private roads are the responsibility of the lot owners and the responsibility of maintenance shall be in direct relationship to usage of road;
- 2.) Short Plat Number and date of approval shall be included in all deeds and contracts;
- 3.) Zoning - C-1/Commercial;
- 4.) Sewage Disposal - Burlington Sanitary Sewer;
- 5.) Water - P.U.D. No. 1;
- 6.) Burlington storm drain system extension to Garl Street improvement "as built".

E. AN EASEMENT, AFFECTING THE PORTION OF SAID PREMISES AND FOR THE PURPOSES STATED HEREIN, AND INCIDENTAL PURPOSES.

For: Sewer line
In Favor Of: City of Mount Vernon
Disclosed By: Burlington Short Plat No. 1-92
Filed: July 27, 1992
Auditor's No.: 9207270058
Affects: As shown on the face of the Short Plat

F. AN EASEMENT, AFFECTING THE PORTION OF SAID PREMISES AND FOR THE PURPOSES STATED HEREIN, AND INCIDENTAL PURPOSES.

For: Power line
In Favor Of: Puget Sound Power & Light
Disclosed By: Burlington Short Plat No. 1-92
Filed: July 27, 1992
Auditor's No.: 9207270058
Affects: As shown on the face of the Short Plat

G. EASEMENT, INCLUDING THE TERMS, COVENANTS, AND PROVISIONS THEREOF, GRANTED BY INSTRUMENT:

Recorded: October 29, 1985
Auditor's No.: 8510290029
In Favor Of: City of Burlington
For: Utility
Affects: A portion of the East 30 feet of Parcel "B"

H. EASEMENT, INCLUDING THE TERMS, COVENANTS AND PROVISIONS THEREOF, GRANTED BY INSTRUMENT:

Recorded: August 15, 1986
Auditor's No.: 8608150057
In Favor Of: City of Burlington
For: Utility and roadway
Affects: A portion of the East 40 feet of Parcel "B"



200305300165
Skagit County Auditor

EXCEPTIONS CONTINUED:

I. EASEMENT, INCLUDING THE TERMS, COVENANTS AND PROVISIONS THEREOF,
GRANTED BY INSTRUMENT:

Recorded: November 25, 1986
Auditor's No.: 8611250003
In Favor Of: City of Burlington
For: Utility and roadway
Affects: A portion of the East 40 feet of Parcel "B"

J. EASEMENT, INCLUDING THE TERMS, COVENANTS AND PROVISIONS THEREOF,
GRANTED BY INSTRUMENT:

Recorded: April 9, 1987
Auditor's No.: 8704090044
In Favor Of: City of Burlington
For: Utility and roadway
Affects: A portion of the East 40 feet of Parcel "B"

K. EASEMENT, INCLUDING THE TERMS, COVENANTS AND PROVISIONS THEREOF,
GRANTED BY INSTRUMENT:

Recorded: July 15, 1987
Auditor's No.: 8707150029
In Favor Of: Lee Ambers
For: Ingress and egress
Affects: A portion of the East 40 feet of Parcel "B"

L. EASEMENT, INCLUDING THE TERMS, COVENANTS AND PROVISIONS THEREOF,
GRANTED BY INSTRUMENT:

Recorded: November 23, 1988
Auditor's No.: 8811230047
In Favor Of: W.I.M. Goodrick and Linda Goodrick, husband and wife
For: Sanitary sewer and storm sewer
Affects: That portion of Parcel "B" within the North 20 feet of the Northeast ¼,
Northeast ¼, Section 7, Township 34 North, Range 4 East, W.M.

M. EASEMENT, INCLUDING THE TERMS, COVENANTS AND PROVISIONS THEREOF,
GRANTED BY INSTRUMENT:

Recorded: July 5, 1989
Auditor's No.: 8907050033
In Favor Of: Puget Sound Power & Light Company
For: Underground distribution and electric lines and appurtenances thereto
Affects: A 12 foot strip through a portion of Parcel "B"



200305300165
Skagit County Auditor

EXCEPTIONS CONTINUED:

N. EASEMENT, INCLUDING THE TERMS, COVENANTS AND PROVISIONS THEREOF, GRANTED BY INSTRUMENT:

Recorded: July 17, 1989
Auditor's No.: 8907170072
In Favor Of: City of Burlington
For: Sewer
Affects: That portion of Parcel "B" within the North 25 feet of the Northeast ¼ of the Northeast ¼, Section 7, Township 34 North, Range 4 East, W.M.

O. EASEMENT, INCLUDING THE TERMS, COVENANTS AND PROVISIONS THEREOF, GRANTED BY INSTRUMENT:

Recorded: December 5, 1989
Auditor's No.: 8912050040
In Favor Of: City of Burlington
For: Sewer line
Affects: That portion of Parcel "B" within the North 25 feet of the Northeast ¼ of the Northeast ¼, Section 7, Township 34 North, Range 4 East, W.M.

P. AN EASEMENT INCLUDING THE TERMS, COVENANTS AND PROVISIONS THEREOF, GRANTED BY INSTRUMENT:

Recorded: July 17, 1989
Auditor's No.: 8907170076
In Favor Of: MG Burlington II Limited Partnership, a Washington D.C. Partnership
For: Ingress, egress and utilities
Affects: Parcel "B"

Q. EASEMENT, INCLUDING THE TERMS, COVENANTS AND PROVISIONS THEREOF, GRANTED BY INSTRUMENT:

Recorded: July 16, 1993
Auditor's No.: 9306160092
In Favor Of: City of Burlington
For: Emerging vehicle ingress and egress
Affects: That portion of Parcels "B" and "C" lying within the following described tract:

A portion of Parcel "A" of Short Plat No. B-1-92, recorded in Book 10 of Short Plats, pages 88 and 89, under Auditor's File No. 9206110001, records of Skagit County, Washington, located in Section 7, Township 34 North, Range 4 East, W.M., being more particularly described as follows: Beginning at the Southeast corner of said Parcel "A" being also the Southeast corner of Phase II of the Pacific Edge Factory Outlet Stores as shown on Survey map recorded in Book 8 of Surveys, page 85, under Auditor's File No. 8811150002, records of Skagit County, Washington; thence North 1°23'42" West a distance of 291.30 feet to the Northeast corner of said Parcel "A"; thence North 88°14'08" West a distance of 51.54 feet; thence South 1°45'52" East a distance of 291.32 feet to the South line of said Parcel "A"; thence South 88°37'28" East a distance of 67.60 feet to the point of beginning.



200305300165
Skagit County Auditor

EXCEPTIONS CONTINUED:

R. CONDITIONS CONTAINED IN DEED:

Recorded: April 18, 2002
Auditor's No.: 200204180049
As Follows:

"The above described property will be combined or aggregated with contiguous property owned by the grantee. This lot boundary adjustment is not for the purpose of creating an additional lot."

S. RECIPROCAL EASEMENT AND COVENANT AGREEMENT AND THE TERMS AND CONDITIONS THEREOF:

Dated: May 3, 2002
Executed By: First Horizon Group Limited Partnership, a Delaware limited partnership
And Between: Pemcor Holdings (Burlington), LLP, a Washington limited liability partnership
Recorded: May 3, 2002
Auditor's No.: 200205030134

T. EASEMENT AND THE TERMS AND CONDITIONS THEREOF:

Grantee: Public Utility District No. 1 of Skagit County, Washington, a municipal corporation
Purpose: The perpetual right, privilege, and authority enabling the District to do all things necessary or proper in the construction and maintenance of a water, and communication, lines or other similar public services related facilities, including the right to construct, operate, maintain, inspect, improve, remove, restore, alter, replace, relocate, connect to and locate at any time a pipe or pipes, line or lines or related facilities, along with necessary appurtenances for the transportation and control of water, and electronic information on facilities.
Area Affected: The South 3 feet of Lot 2. This easement is in addition to the 15 foot easement shown on the above mentioned Lot 2 and recorded under Auditor's File Nos. 8907310011 and 8912110032.
Dated: May 23, 2002
Recorded: June 3, 2002
Auditor's No.: 200206030075



200305300165
Skagit County Auditor

5/30/2003 Page 10 of 11 11:31AM

EXCEPTIONS CONTINUED:

U. AGREEMENT FOR NON-LIABILITY AND THE TERMS AND CONDITIONS THEREOF

Between: Public Utility District No. 1 of Skagit County
And: Pemcor Properties (Burlington), LLP
Dated: May 23, 2002
Recorded: June 5, 2002
Auditor's No.: 200206050021
Regarding:

The District has agreed to accept the owner's request to construct a concrete foundation for a retail building to be constructed within the North three feet of the West 170 feet of the East 241 feet of the South 18 feet of Lot 2 (P24043) in Short Plat BURL 1-92, recorded under Auditor's File No. 9207270058, records of Skagit County, Washington; being a portion of the District's existing utility easements through Lot 2 of Short Plat BURL 1-92 and recorded under Auditor's File Nos. 8907310011 and 8912110032, records of Skagit County, Washington.

The owners, acknowledges and agree to indemnify and hold the District harmless for any damages, including but not limited to, damage to the building or property that is caused by leaks, breaks or failure of the District's existing or future water pipeline located within 10 feet of the building, for as long as the building and pipeline(s) exists.

The owners will not interfere with the District's operation and maintenance of the water pipeline and agree to abide by all the rules and regulations of the District.

In the event of dispute between the owners and the district over the terms and conditions thereof or over any claims pursuant hereto the prevailing party shall be entitled to their attorney fees and costs. Venue shall be in the Superior Court of the State of Washington for Skagit County."



200305300165
Skagit County Auditor