08150095 Ō Skagit County Auditor 25 10:25AM 1 of 8/15/2003 Page Document Title: Reference Number : additional grantor names on page ____ Grantor(s): 1. wan son shank A 2. WILSON, AND M Grantee(s): 🚺 additional grantee names on page___. 1. Hna 2. Abbreviated legal description: X full legal on 5-34-2 Assessor Parcel / Tax ID Number: [] additional tax parcel number(s) on page ____ P19937

FOSTER PEPPER & SHEFELMAN PLLC ATTORNEYS AT LAVIES NIG 15 AN 9:10

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NOTICE OF LIS PENDENS

To:

All Concerned Persons

Date:

August <u>15</u>, 2003

YOU ARE HEREBY NOTIFIED that an action has been instituted by the City of Anacortes captioned In the Matter of the Petition of the City of Anacortes to acquire by condemnation certain property and property rights for the improvement of the City's Water Utility, water supply and distribution facilities, as contemplated by City of Anacortes Ordinance Nos. 2616 and 2624, Skagit County Cause No. 03-2-00874-8, as reflected in the First Amended Petition for Condemnation filed on July 9, 2003, to appropriate, condemn and damage real estate for public use to enable the improvement of the City's Water Utility, water supply and distribution facilities.

The action affects the title to the property located in Skagit County, Washington, as reflected in the attached Exhibit A.

CITY OF ANACORTES

Ian Munce, WSBA No. 21527 ANACORTES CITY ATTORNEY and FOSTER PEPPER & SHEFELMAN PLLC P. Stephen DiJulio, WSBA No. 7139 Sharon E. Cates, WSBA No. 29273 Special Assistant City Attorneys



Skagit County Auditor

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SUPERIOR COURT OF WASHINGTON IN AND FOR SKAGIT CITY

8 In the Matter of the Petition of the City of Anacortes to acquire by condemnation certain
9 property and property rights for the improvement of the City's Water Utility, water supply and
10 distribution facilities, as contemplated by City of Anacortes Ordinances Nos. 2616 & 2624

No. 03-2-00874-8

FIRST AMENDED PETITION FOR CONDEMNATION

Petitioner, the City of Anacortes, (the "City"), submits the following as an amendment to its original Petition for Condemnation, incorporating City of Anacortes Ordinance No. 2624 and a revised list of Interested Parties:

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1. Petitioner

The City is a municipal corporation of the State of Washington and is authorized by the laws of the State of Washington, including, without limitation, RCW 8.12.030 and Chapter 8.12 RCW to appropriate, condemn and damage real estate for public use.

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Public Use

2.

The object and use for which the property and property rights described herein are sought to be taken or damaged is a public object and a public use, *i.e.*, acquisition of real property to enable the City to construct and improve a system of supply and distribution facilities for conveying into and through the City of Anacortes and to City customers a supply of fresh water, and for the purpose of protecting such supply of fresh water from pollution, as elaborated more fully below:

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FIRST AMENDED PETITION FOR CONDEMNATION - 1



Skagit County Auditor

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PEPPER & SHEFELMAN PLLC 111 THIRD AVENUE, SUITE 3400 TTLE, WASHINGTON 98101-3299 206-447-4400

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The City operates the largest municipally owned water supply and distribution system 1 ("System" or "Water Utility") in Skagit County. The Water Utility provides the entire domestic 2 water needs for the oil refineries, the Town of LaConner, the City of Oak Harbor, the City of 3 Anacortes and portions of Fidalgo Island, as well as providing service to Skagit County Public 4 Utility District in several areas of Skagit County. The System's water treatment plant, which was 5 completed in 1970, is located on the Skagit River near the City of Mount Vernon and has a capacity 6 of 33 million gallons per day. The City has over 100 miles of combined transmission and 7 distribution lines. Following planning and study, the City has determined to construct a new 24- or 8 36-inch water distribution main and to improve its System through the intertie of its distribution 9 mains and the relocation and reconstruction of sections of its existing 36-inch water distribution 10main, in accordance with the specifications set forth in City Ordinance Nos. 2616 and 2624 (the 11 "Ordinances"). Accordingly, the City Council has determined that certain properties and property 12 rights be condemned, appropriated, taken and damaged for the improvement of the System, as 13 provided in the Ordinances. 14

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Necessity

3.

It is necessary that the City acquire title to the real property identified in the Ordinances in 16 order to make the improvements to the Water Utility as outlined above. This proceeding is brought 17 to obtain an adjudication of public use and necessity for the taking or damaging of the property or 18 property rights listed herein and to ascertain the just compensation to be paid for such taking or 19 damaging. 20

4. **Necessity of Decree as to Compensation**

The City and the interested parties listed below have been unable to agree upon the compensation to be paid by the City for the property rights or interest to the necessary portions of the respective parcels.

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FIRST AMENDED PETITION FOR CONDEMNATION - 2

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ER & SHEFELMAN PLLC ID AVENUE, SUITE 3400 VASHINGTON 98101-3299 206-447-4400

5. Prior Court Proceedings

The City obtained easement rights for another section of its Water Utility improvements through prior court proceedings. The City filed a Petition for Condemnation for Parcel Nos. 15362-15369 on September 8, 2000. The Skagit County Superior Court entered its Order on Public Use and Necessity relating to these properties on February 2, 2001.

The Ordinances

6.

The City Council of City Commissioners adopted Ordinance No. 2616 on May 5, 2003. A 7 true and correct copy of Ordinance No. 2616 is attached to this Petition as Exhibit A and is 8 incorporated herein by this reference. The City Council adopted Ordinance No. 2624 on June 16, 9 2003. A true and correct copy of Ordinance No. 2624 is attached to this Petition as Exhibit B and is 10 incorporated herein by this reference. Both Ordinances authorize and direct the City Attorney, and 11 any Special Assistant City Attorneys, to begin and prosecute the necessary proceedings provided by 12 law to condemn, take and appropriate the land and other property rights necessary to carry out the 13 provisions of the Ordinances. 14

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7. Interested Parties

16 The public records of Skagit County disclose that the persons set out in Exhibit C, attached to 17 this First Amended Petition and incorporated herein by this reference, have interests in the respective 18 pieces of real property to be taken by the City. The parenthetical references are for information 19 only, and do not constitute an admission or acknowledgement of a party's interest in any of the 20 parcels. The real property at issue is described more fully in Exhibit D, also attached hereto and 21 incorporated herein by this reference, upon which the construction will be necessary to provide for 22 the Water Utility improvements described above.

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FIRST AMENDED PETITION FOR CONDEMNATION - 3 FOSTER PEPPER & SHEFELMAN PLLC 1111 Third Avenue, Suite 3400 Seattle, Washington 98101-3299 206-447-4400

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Wherefore, the City prays that the Court enter an order:

Adjudicating that the use for which the property sought is a public use, that the public interest requires the prosecution of this action; and that the acquisition of the property described in this petition is for a public use.

Directing that a jury be summoned and called in the manner provided by law to ascertain the just compensation to be paid for the property and property rights described herein, unless a jury be waived, in which case the same determination shall be made by the Court, sitting without a jury;

9 3. Assigning the first reasonably available trial date for the ascertaining of such 10 compensation; and

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4. For such other and further relief as the Court deems just and equitable. Respectfully submitted this <u>9</u> day of July, 2003.

ANACORTES CITY ATTORNEY

' Munie

Ian Munce, WSBA #21527

and

FOSTER PEPPER & SHEFELMAN PLLC P. Stephen DiJulio, WSBA # 7139 Sharon E. Cates, WSBA # 29273 Special Assistant City Attorneys

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FOSTER PEPPER & SHEFELMAN PLLC 1111 Third Avenue, Suite 3400 Seattle, Washington 98101-3299 206-447-4400

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FIRST AMENDED PETITION

FOR CONDEMNATION - 4

EXHIBIT A

EXHIB*** *

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2 00874 03 FILFD SKAGIT COUNTY CLERK ORDINANCE NOSKAGIE 160UNTY, 144

AN ORDINANCE of the City ⁴⁰⁹ Anacorces ¹ Washington, relating ¹ to <u>1</u>. N Pull property acquisition; providing for the acquisition of certain properties for the improvement of the Water Utility, a system of supply and distribution facilities for conveying into and through the city of Anacortes and to City customers a supply of fresh water, and for the purpose of protecting such supply of fresh water, and for the purpose of protecting such supply of fresh water, and for the condemnation, appropriation, taking and damaging of land and other property rights necessary therefore; all located within Section 5, Township 34 N, Range 2 East, W.M., Skagit County, Washington. [In re Anacortes Water Transmission Facilities]

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FORTER PEPPER 4

THE CITY COUNCIL OF THE CITY OF ANACORTES, WASHINGTON, does hereby ordain as follows:

SECTION 1. RECITALS AND FINDINGS

1.1 The City of Anacortes ("City") operates the largest municipally-owned water supply and distribution system ("System" or "Water Utility") in Skagit County. The Water Utility provides the entire domestic water needs for the oil refineries, the Town of LaConner, the City of Oak Harbor, the City of Anacortes and portions of Fidalgo Island, as well as providing service to Skagit County Public Utility District in several areas of Skagit County.

1.2 The System's water treatment plant, which was completed in 1970, is located on the Skagit River near the City of Mount Vernon and has a capacity of 33 million gallons per day. The City has over 100 miles of combined transmission and distribution lines.

1.3 . The City, following planning and study, has determined to construct a new 36inch water distribution main and to improve its System through the intertie of its distribution mains and the relocation and reconstruction of sections of its existing 36-inch water distribution main.

1.4 The public use and necessity require that the property and property rights herein identified be condemned, appropriated and taken for public use by the Water Utility for such purposes as it may now or hereafter declare in the public interest

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SECTION 2. PUBLIC CONVENIENCE, USE AND NECESSITY DECLARED

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2.1 The public convenience, use and necessity demand that the real property in Skagit County, Washington, described in greater detail in Exhibit 1 to this Ordinance be and the same is hereby condemned for the improvement of the Water Utility, a system of supply, transmission, and distribution facilities for conveying into and through the City of Anacortes and to City customers a supply of fresh water, and for the purpose of protecting such supply of fresh water from pollution.

2.2 In the condemnation of the described property for the improvement of the Water Utility, and for general municipal purposes, the City shall acquire the fee and/or easement interest in property as so generally and particularly described in Exhibit 1.

SECTION 3. JUST COMPENSATION

))

All lands, rights, privileges and other property lying within the limits of the lots, blocks and tracts of land described in Exhibit 1 hereof are hereby condemned, appropriated, taken and damaged for the purpose of improving the Water Utility and other public use. Such lands, rights, privileges and other property are to be condemned, appropriated, taken or damaged only after just compensation has been made or paid into court for the owners thereof as provided by law.

SECTION 4. STUDY - SURVEY

The Public Works Department, in consultation with the City Attorney, may conduct such necessary studies and surveys to identify alternative routes for the possible relocation and reconstruction of City's existing water transmission mains in the vicinity of SR-20.

SECTION 5. RESERVATION

Nothing in this ordinance limits the City in its identification and acquisition of property and property rights necessary for its Utility purposes. The City reserves the right to acquire other or different properties for the Water Utility. .

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SECTION 6. FUNDING

The entire cost of the improvement and acquisition provided for by this ordinance shall be paid from the Water Utility Fund, or from such general funds of the City of Anacortes as may be provided by law.

SECTION 7. PROSECUTION AUTHORIZED

The City Attorney, and any Special Assistant City Attorneys, be and are hereby authorized and directed to begin and prosecute the actions and proceedings in the manner provided by law to condemn, take, damage and appropriate the lands and other property necessary to carry out the provisions of this ordinance. In conducting said condemnation proceedings, the Office of the City Attorney is hereby authorized to enter into stipulations for the purpose of minimizing damages, including the reduction in area of land or modification of the interest to be acquired by the City.

SECTION 8. EFFECTIVE DATE

This Ordinance shall take effect and be in force five (5) days from and after its passage, approval and publication in the manner required by law.

PASSED by the City Council and APPROVED by the Mayor of the City of Anacortes, Washington, this <u>5th</u> day of <u>May</u>, 2003 at a regular open public meeting thereof.

Mayor H. Dean Maxwell

ATTEST: George Khaio, Chy Clerk Go S E A L 4 WASHING WASHING APPROVED AS TO FORM:

Jan Munce, City Attorney



 \hat{y} I, George Khfzizn, City Clerk of the City of Anacortes, Washington, certify that the attached copy of Ordinance No. 2616 is a true and correct copy of the original ordinance passed on the 5th day of <u>Mary</u>, 2003, as such ordinance appears on the Minute Book of the City. DATED this 8th day of May _____, 2003. George Khtaian, Lity Clerk 200308150095 Skagit County Auditor 8/15/2003 Page 11 of 25 10:25AM 50079407.01

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EXHIBIT B

Ехнівіт В



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ORDINANCE NO. 2624

AN ORDINANCE of the City of Anacortes, Washington, relating to property acquisition; providing for the acquisition of certain properties for the improvement of the Water Utility, a system of supply and distribution facilities for conveying into and through the city of Anacortes and to City customers a supply of fresh water, and for the purpose of protecting such supply of fresh water from pollution; providing for the condemnation, appropriation, taking and damaging of land and other property rights necessary therefore; all located within Section 5, Township 34 N, Range 2 East, W.M., Skagit County, Washington. [In re Anacortes Water Transmission Facilities]

THE CITY COUNCIL OF THE CITY OF ANACORTES, WASHINGTON, does hereby ordain as follows:

SECTION 1. RECITALS AND FINDINGS

1.1 The City of Anacortes ("City") operates the largest municipally-owned water supply and distribution system ("System" or "Water Utility") in Skagit County. The Water Utility provides the entire domestic water needs for the oil refineries, the Town of LaConner, the City of Oak Harbor, the City of Anacortes and portions of Fidalgo Island, as well as providing service to Skagit County Public Utility District in several areas of Skagit County.

1.2 The System's water treatment plant, which was completed in 1970, is located on the Skagit River near the City of Mount Vernon and has a capacity of 33 million gallons per day. The City has over 100 miles of combined transmission and distribution lines.

1.3 The City, following planning and study, has determined to construct a new 24- to 36-inch water distribution main and to improve its System through the intertie of its distribution mains and the relocation and reconstruction of sections of its existing 36-inch water distribution main.

1.4 The public use and necessity require that the property and property rights herein identified be condemned, appropriated and taken for public use by the Water Utility for such purposes as it may now or hereafter declare in the public interest.

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SECTION 2. PUBLIC CONVENIENCE, USE AND NECESSITY DECLARED

2.1 The public convenience, use and necessity demand that the real property in Skagit County, Washington, described in greater detail in Exhibit 1 to this Ordinance be and the same is hereby condemned for the improvement of the Water Utility, a system of supply, transmission, and distribution facilities for conveying into and through the City of Anacortes and to City customers a supply of fresh water, and for the purpose of protecting such supply of fresh water from pollution.

2.2 In the condemnation of the described property for the improvement of the Water Utility, and for general municipal purposes, the City shall acquire the fee and/or easement interest in property as so generally and particularly described in Exhibit 1.

SECTION 3. JUST COMPENSATION

All lands, rights, privileges and other property lying within the limits of the lots, blocks and tracts of land described in Exhibit 1 hereof are hereby condemned, appropriated, taken and damaged for the purpose of improving the Water Utility and other public use. Such lands, rights, privileges and other property are to be condemned, appropriated, taken or damaged only after just compensation has been made or paid into court for the owners thereof as provided by law.

SECTION 4. STUDY - SURVEY

The Public Works Department, in consultation with the City Attorney, may conduct such necessary studies and surveys to identify alternative routes for the possible relocation and reconstruction of City's existing water transmission mains in the vicinity of SR-20.

SECTION 5. RESERVATION

Nothing in this ordinance limits the City in its identification and acquisition of property and property rights necessary for its Utility purposes. The City reserves the right to acquire other or different properties for the Water Utility.

> 200308150095 Skagit County Auditor

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SECTION 6. FUNDING

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The entire cost of the improvement and acquisition provided for by this ordinance shall be paid from the Water Utility Fund, or from such general funds of the City of Anacortes as may be provided by law.

SECTION 7. PROSECUTION AUTHORIZED

The City Attorney, and any Special Assistant City Attorneys, be and are hereby authorized and directed to begin and prosecute the actions and proceedings in the manner provided by law to condemn, take, damage and appropriate the lands and other property necessary to carry out the provisions of this ordinance. In conducting said condemnation proceedings, the Office of the City Attorney is hereby authorized to enter into stipulations for the purpose of minimizing damages, including the reduction in area of land or modification of the property interest to be acquired by the City.

SECTION 8, EFFECTIVE DATE

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This Ordinance shall take effect and be in force five (5) days from and after its passage, approval and publication in the manner required by law.

PASSED by the City Council and APPROVED by the Mayor of the City of Anacortes, Washington, this 16 day of JUNE, 2003 at a regular open public meeting thereof.

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Mayor H. Dean Maxwell

APPROVED AS TO FORM:

8/15/2003 Page

Love Deputy City Clerk 2000 City Attorney



ATTEST



Skagit County Auditor

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I, <u>George Khtaian</u>, City Clerk of the City of Anacortes, Washington, certify that the attached copy of Ordinance No. <u>2624</u> is a true and correct copy of the original ordinance passed on the <u>16</u> day of <u>June</u>, 2003, as such ordinance appears on the Minute Book of the City.

DATED this day of July____ 2003.

City C



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EXHIBIT C

EXHIBIT C



EXHIBIT C

INTERESTED PARTIES

Swanson / Anacortes Mobile Home Property

Parcel A

Α.

1.

Daniel A. Swanson and Jane Doe Swanson;

Ann M. Wilson;

Anacortes Mobile Home and R.V. Park, a Washington general

partnership, and its general partners;

Loretta Espinoza;

Arthur O. Beck and Barbara Beck;

State of Washington (ingress and egress);

Skagit County (sewage system); and

Puget Sound Power & Light (electricity transmission line).

2. <u>Parcel B</u>

Daniel A. Swanson and Jane Doe Swanson;

Ann M. Wilson;

Anacortes Mobile Home and R.V. Park, a Washington general

partnership, and its general partners;

Loretta Espinoza;

Arthur O. Beck and Barbara Beck; and

Skagit County (sewage system).

3. Parcel C

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Daniel A. Swanson and Jane Doe Swanson;

Ann M. Wilson;

Anacortes Mobile Home and R.V. Park, a Washington general

partnership, and its general partners; Loretta Espinoza;

Arthur O. Beck and Barbara Beck; and Skagit County (sewage system).

EXHIBIT C

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EXHIBIT C

Parcel D

4.

Daniel A. Swanson and Jane Doe Swanson;

Ann M. Wilson;

Anacortes Mobile Home and R.V. Park, a Washington general

partnership, and its general partners;

Harold N. Rock, Jr.; and

Skagit County (sewage system).

B. Fidalgo Country Inn / Commodore Motor Hotel Property

Fidalgo Country Inn, L.L.C., a Washington Limited Liability Company; Commodore Motor Hotel, Inc., a Washington corporation;

First American Title Insurance Company;

North Sound Bank;

Puget Sound Power & Light Company (electric lines); and Skagit County (sewage system).

C. As to All Parcels

Skagit County (as taxing authority for general taxes, liens or assessments); and

All other persons or parties unknown claiming any right, title, estate, lien, or interest in the real estate described in the Petition herein, pursuant to RCW 4.28.150.



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EXHIBIT C

EXHIBIT D

EXHIBIT D



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Schedule "A-1"

DESCRIPTION:

PARCEL "A":

That portion of Government Lot 2, Section 5, Township 34 North, Range 2 East, W.M., described as follows:

Beginning at a point on the North and South ½ section line of said Section 5, at a point 220 feet South of the center of said Section 5;

thence North along said North and South ½ section line a distance of 590.7 feet, more or less, to the South line of the Anacortes - Mount Vernon highway as it existed prior to September 7, 1956;

thence Easterly along said South line of said highway, a distance of 631.62 feet, more or less, to the East line of the land conveyed to Edward F. Fountain by deed dated May 13, 1925 and recorded May 18, 1925, in Volume 136 of Deeds, page 599, records of said County;

thence South 8°5' East to the North line of the right of way of the Fidalgo City and Anacortes Electric Railway;

thence continuing South 8°5' East to the South line of said right of way;

thence continuing South 13°33' East a distance of 225.4 feet; thence West and parallel with the East and West center Section line, a distance of 660.06 feet, more or less, to the point of beginning,

EXCEPT State Highway 525,

EXCEPT Primary State Highway No. 1 as conveyed by Deed recorded October 15, 1956, under Auditor's File No. 542875,

EXCEPT that portion thereof lying North and West of the following described line:

Beginning at the center of said Section 5;

thence North 01°27'50" East along the North-South centerline of Section 5, 244.83 feet;

thence South 88°32'10" East 30 feet to the East right of way of State Highway 525, which point is the Northwest corner of a tract conveyed to Willard R. Evans and Bernice Evans, by deed recorded December 4, 1953, under Auditor's File No. 495853 and the true point of beginning of said line;

thence continue South 88°32'10" East along the North line of said Evans tract and said North line extended to the Southerly line of said Primary Highway No. 1 and the termination of said line,

AND EXCEPT that portion lying South and West of the following described line:



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Schedule "A-1"

DESCRIPTION CONTINUED:

PARCEL "A" continued:

Beginning at the intersection of the Easterly line of the State Highway along the North and South centerline of said Section 5, with the South line of the Anacortes - Mount Vernon Highway as it existed prior to September 7, 1956;

thence Southerly along the Easterly line of the State Highway along the North and South centerline of said Section 5, 185 feet to the true point of beginning of said line, said point being the Northwest corner of a tract conveyed to Willard R. Evans, et ux, by deed recorded December 4, 1953, under Auditor's File No. 495853;

thence Easterly along a line perpendicular to the said Easterly line of said State Highway 220 feet;

thence Southerly along a line parallel to said Easterly line of said State Highway to the South line of the main tract above described and the termination of said line.

Situate in the County of Skagit, State of Washington.

PARCEL "B":

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That portion of Government Lot 2 in Section 5, Township 34 North, Range 2 East, W.M., described as follows:

Beginning at a point which is 220 feet East of the East line of the road along the West line of said subdivision and 220 feet South of the East and West centerline of said Section 5; thence East to a point which is 220 feet South and 669.6 feet East of the centerline of Section 5; said point being the Southeast corner of a tract conveyed to M. D. Wilcox by deed recorded in Volume 24 of Deeds, page 172, under Skagit County Auditor's File No. 6835, heretofore erroneously referred to as recorded in Volume 60 of Deeds, page 339, under Auditor's File No. 240172;

thence South 13°33' East 25.3 feet; thence South 28°45' East 106.7 feet; thence West to a point South of the point of beginning; thence North to the point of beginning.

Situate in the County of Skagit, State of Washington.

- continued -



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Schedule "A-1"

DESCRIPTION CONTINUED:

PARCEL "C":

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A non-exclusive easement for ingress and egress over and across the following described tract:

That portion of Government Lot 2 in Section 5, Township 34 North, Range 2 East, W.M., lying within a 30 foot strip of land which is adjacent to and South of the following described line:

Beginning at the intersection of the East line of the State Highway along the North and South centerline of said Section 5 with the South line of the Anacortes - Mount Vernon Highway as it existed prior to September 7, 1956;

thence Southerly along the Easterly line of the State Highway along said North and South centerline 350 feet to the true point of beginning of the line to be described;

thence Easterly perpendicular to said Easterly line of said State Highway 220 feet to the terminal point of said line.

Situate in the County of Skagit, State of Washington.

PARCEL "D":

That portion of Lot 2 in Section 5, Township 34 North, Range 2 East, W.M., described as follows:

Beginning at the intersection of the Easterly line of the road along the North and South centerline of said Section 5 with the South line of the old Anacortes-Mount Vernon Highway;

thence Southerly along the Easterly line of the road along the North and South centerline of said Section 5, a distance of 350.00 feet to the true point of beginning, said point being the Southwest corner of a tract of land conveyed to Willard R. Evans, et ux, by Deed recorded December 4, 1953, under Auditor's File No. 495853;

thence Easterly along the South line of said Evans tract and said tract extended a distance of 220 feet;

thence Southerly along a line parallel to the East line of said North-South road to a point 220 feet South of the East and West centerline of said Section 5;

thence East to a point which is 220 feet South and 669.6 feet East of the center of said Section 5, said point being the Southeast corner of a tract conveyed to M. D. Wilcox by Deed recorded in Volume 24 of Deeds, page 172, under Auditor's File No. 6835, heretofore erroneously referred to as recorded in Volume 60 of Deeds, page 339, under Auditor's File No. 240172, records of Skagit County;

- continue^

Skagit County Auditor

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PARCEL "D" continued:

thence South 13°33' East 25.3 feet; thence South 28°45' East, 106.7 feet; thence West to a point 359 feet East of the North and South centerline of said Section 5; thence South 0°13' West to a point which is 391 feet South of the East and West centerline of said Section 5 and 359 feet East of the North and South centerline of said Section 5; thence North 88°57' West along a line parallel to the East and West centerline of said Section 5, 329 feet, more or less, to the East right of way line of the aforementioned road along the North and South centerline of said Section 5; thence North along said right of way line 400 feet, more or less, to the true point of beginning,

EXCEPT the following described tract:

Beginning at a point which is 220 feet East of the East line of the road along the West line of said subdivision and 220 feet South of the East and West centerline of said Section 5;

thence East to a point which is 220 feet South and 669.6 feet East of the centerline of Section 5; said point being the Southeast corner of a tract conveyed to M. D. Wilcox by Deed recorded in Volume 24 of Deeds, page 172, under Skagit County Auditor's File No. 6835, heretofore erroneously referred to as recorded in Volume 60 of Deeds, page 339, under Auditor's File No. 240172;

thence South 13°33' East, 25.3 feet; thence South 28°45' East, 106.7 feet; thence West to a point South of the point of beginning; thence North to the point of beginning.

Situate in the County of Skagit, State of Washington.



FIDALGO COUNTRY INN, L.L.C AND COMMODORE MOTOR HOTEL, INC. Tax Parcel Nos. 340205-0-040-0005 and 340205-0-040-0500

Legal Description:

LOTS 1 AND 2, SKAGIT COUNTY SHORT PLAT NO. 90-45, RECORDED JANUARY 24, 1991, UNDER AUDITOR'S FILE NO 9101240033, RECORDS OF SKAGIT COUNTY, WASHINGTON, ACCORDING TO THE PLAT RECORDED IN VOLUME 9 OF SHORT PLATS, PAGE 308, BEING A PORTION OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER AND GOVERNMENT LOT 3, SECTION 5, TOWNSHIP 34 NORTH, RANGE 2 EAST, W.M. SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON



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