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After recording return document to:

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Port of Skagit County P. O. Box 348 Burlington, WA 98233

Document Title: Avigation Easement
Reference Number of Related Document:
Grantor(s): Bouslog Investments, LLC and JBK Investments, LLC
Additional Grantor(s) on pageof document.
Grantee(s): Port of Skagit County
Additional Grantee(s) on page of document.
Abbreviated legal description: GL3, SEC. 2, T34N, R3E, W.M.
Additional legal description(s) o page(s) of document.
Assessor's tax/parcel numbers: <u>P20979</u> , <u>P20984</u> , <u>P21031</u> , <u>P21030</u> , <u>P20983</u> , <u>P21083</u> , <u>P118502</u> ,
P118503, P118504, P118505, P118507, P118509, P118511, P35354, P35378, P35386

# **AVIGATION EASEMENT**

This Avigation Easement made this 16th day of April, 2004, between Bouslog Investments, LLC, and JBK Investments, LLC, (hereafter "Grantor"), and the Port of Skagit County, a Washington municipal corporation within the County of Skagit of the State of Washington (hereafter "Grantee"), provides that:

#### RECITALS

The parties hereto acknowledge the following:

- Grantor owns certain real property in Skagit County, Washington, described on Exhibit A A. and depicted on Exhibit B (the "Property"). All exhibits mentioned herein and attached hereto are incorporated herein as if set forth in full.
- B. Grantee is the owner and operator of the Skagit Regional Airport ("Airport"), an identified essential public facility pursuant to the Washington Growth Management Act, Chapter 36,70A RCW ("GMA"). The Airport is operated pursuant to federal law and Title 53 RCW and RCW 36.70A.510 and RCW 36.70.547 and legally described in Exhibit C and depicted in Exhibit D hereto.
- C. The Airport is a principal airport in Skagit County, serving both recreational and commercial aircraft, including freight and passenger carriers. The Airport provides an essential transportation service and facilitates economic growth in Skagit County.
- Skagit County has identified developed and undeveloped property in the vicinity of the D. Airport as part of an Urban Growth Area and/or for inclusion in an Urban Growth Area in which urban growth is planned to occur ("Sub-Area"). The Sub-Area includes, among other real property, all of the Property. Skagit County is in the process of developing a Bayview Ridge Sub-Area Plan ("Sub-Area Plan"). The Sub-Area Plan is likely to include amendments to the Skagit County Comprehensive Plan, Unified Development Code ("UDC") and other Skagit County regulations so that Urban Development-Residential and Urban Development-Industrial can occur on the Property and other properties in the vicinity. As used herein, "Urban Development-Residential" means now or in the future: residential development with an overall density of four (4) or more dwelling units per acre (with a limit of no more than 12 units actually built on a per acre basis) and located no closer to the Airport than depicted as alternatives 2, 3 and 4 ("the Alternatives") in the Final Environmental Impact Statement for the Bayview Ridge Sub-Area Plan dated February 2004 ("FEIS"). As used herein, "Urban Development-Industrial" means now or in the future: any industrial or commercial development depicted in the Alternatives in the areas within the Bayview Ridge Sub-Area and Urban Growth Area and generally described in the Bayview Ridge Subarea Plan and Development Standards, each dated January 2004, for Bayview Ridge Industrial ("BR-I"), Bayview Ridge Heavy Industrial

**Avigation Easement** 

Grantor: Bouslog Investments, LLC & JBK Investments, LLC

Grantee: Port of Skagit County



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("BR-HI") or Bayview Ridge Light Industrial ("BR-LI") and Bayview Ridge Community Center.

- B. Portions of the Property lie within the Skagit Regional Airport Safety Overlay Zones established by the Washington State Department of Transportation's Aviation Division as set forth in the Airport Land Use Compatibility Study prepared by Reid Middleton and published in 2000 and on file with Skagit County ("Compatibility Study"). Portions of the Property also lie within certain aircraft noise contours established in the Airport Master Plan, 1995, prepared by W & H Pacific and on file at the Port of Skagit County. These overlay zones and noise contours are depicted on maps comprising a portion of the Skagit County UDC Airport Environs Overlay Map Portfolio, and are incorporated by reference herein.
- F. The parties hereto acknowledge that persons owning or occupying property within the vicinity of the Airport may experience noise, exhaust fumes, illumination, smoke, vibration and loss of quiet enjoyment due to aircraft overflights associated with landing and taking off ("Overflight Effects").
- G. The Grantor and Grantee have cooperated in the preparation of the Compatibility Study, the Bayview Ridge Subarea Plan, and the proposed Development Standards. The Grantor understands that the Grantee seeks mitigation measures within the Bayview Ridge Sub-Area Plan and as a condition of development as part of the environmental review processes required by the State Environmental Policy Act ("S.E.P.A.") beyond those included in the Compatibility Study. The mitigation measures requested by Grantee are as follows (all of which are collectively referred to herein as "Development Mitigation Measures"):
  - 1. The use of avigation easements;
  - 2. The publication, recordation and incorporation of the above-referenced overlay zone and noise contour maps;
  - 3. The use of notices disclosing and acknowledging Overflight Effects ("Notices"); and
  - 4. The Port having asserted prescriptive rights to an avigation easement over and upon the Property and the Port's continuing assertion of prescriptive avigation easements upon and over other properties within the Skagit County UDC Airport Environs Overlay zone (Skagit County Code Section 14.16.210).

Grantor agrees to execute this Avigation Easement and to the use of Notices in conjunction with or prior to any Urban Development-Residential or Urban Development-Industrial on the Property.

**Avigation Easement** 

Grantor: Bouslog Investments, LLC & JBK Investments, LLC

Grantee: Port of Skagit County



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- The Grantee declares and affirms that: (1) with the execution of this Avigation Easement, the use of Notices in conjunction with Urban Development on Grantor's Property, and the adoption of any "Sub-Area Proposal" (which as used herein means any Bayview Ridge Sub-Area Plan and Development Standards that allow Urban Development-Residential and Urban Development-Industrial, within the areas depicted in the Alternatives and includes the Development-Industrial on the Property in the areas depicted in the Alternatives is in all respects compatible with the existing and future use and operation of the Skagit Regional Airport; and (2) this Avigation Easement together with the use of Notices mitigates the effects of incompatible uses associated with Urban Development-Residential and Urban Development-Industrial while the Compatibility Study provides the necessary guidance and requirements to discourage and/or mitigate the effects of Urban Development-Residential and Urban Development-Industrial otherwise potentially incompatible with the Airport; all as required by the GMA.
- I. Grantee has further asserted that it has obtained a prescriptive easement for avigation allowing the operations of the Skagit Regional Airport to cause Overflight Effects on and over Grantor's Property and other properties in the vicinity ("Prescriptive Easement"). Grantor disputes that Grantee has obtained a Prescriptive Easement upon or over its property. Grantor and Grantee have agreed to settle this dispute according to the terms of this Avigation Easement. The parties agree that this Avigation Easement therefore constitutes the compromise of a disputed claim and that this Avigation Easement is not a waiver by either party of its contentions concerning Grantee's asserted Prescriptive Easement nor is it an admission that the position asserted by the other party is factually or legally correct. As part of this settlement, the Grantor executes this Avigation Easement, subject, as are all aspects this Avigation Easement, to the contingency stated in Section 7 below.
- J. Grantee has participated in the development of the Sub-Area Plan. Grantee has recognized that inclusion in the Sub-Area Proposal of provisions that would allow Urban Development-Residential and Urban Development-Industrial throughout the Property and within the Sub-Area would: (1) foster economic growth in Skagit County; (2) benefit the further development and utilization of the Bayview Business and Industrial Park located adjacent to the Skagit Regional Airport; and (3) be consistent with Grantee's mission as a public port district; provided that the regulations allowing Urban Development-Residential and Urban Development-Industrial on the Property adopted by Skagit County are consistent with the Compatibility Study and this Avigation Easement. To this end, the Grantee will continue to support adoption of any Sub-Area Proposal that allows Urban Development-Residential and Urban Development-Industrial on the Property in the areas depicted in the Alternatives for such development.
- K. Grantor recognizes that Grantee's continued support for the Sub-Area Proposal will facilitate adoption of a Sub-Area Plan that is beneficial to Grantor and to Grantee's

**Avigation Easement** 

Grantor: Bouslog Investments, LLC & JBK Investments, LLC

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mission. Grantor grants this Avigation Easement in reliance upon Grantee's commitment to continue its participation in the Sub-Area Planning process and to continue its support for the Sub-Area Proposal, as set forth more fully in Section No. 7, below (Grantor's Commitment").

- L. Grantee recognizes and acknowledges that so long as this Avigation Easement is in effect, it satisfies, as to the Property, any other requirements that may be adopted in the Sub-Area to execute an avigation easement as a condition for any permit to undertake Urban Development-Residential and Urban Development-Industrial on the Property. Further, the Grantee acknowledges that with this Avigation Easement and the use of Notices, Urban Development-Residential and Urban Development-Industrial occurring on the Property is in compliance with RCW 36.70A, the GMA and, in particular, RCW 36.70.547.
- M. Grantor and Grantee acknowledge and agree that as used herein: (1) the term "Day-night average sound level (DNL or Ldn)," shall mean the 24-hour Average sound level, in decibels, for the period from midnight to midnight, obtained after the addition of ten decibels to sound levels for the periods between midnight and 7 a.m., and between 10 p.m. and midnight, local time; and (2) the term "Average sound level" means the level, in decibels, of the mean-square, A-weighted sound pressure during a specified period, with reference to the square of the standard reference sound pressure of 20 micropascals.
- N. Grantor is willing to grant Grantee this Avigation Easement with respect to Grantor's real property in accordance with the terms and conditions of this Agreement and the forgoing recitals.

### **CONVEYANCE OF EASEMENT**

- 1. The Grantor, for and in consideration of Grantee's Commitments herein, does hereby grant to Grantee, its successors and assigns, a perpetual and assignable easement in, near, upon and over the Property (legally described in Exhibit "A" and depicted in Exhibit "B") for the free and unrestricted passage and flight of aircraft of the class size and category as is now or hereinafter may be operationally compatible with the Skagit Regional Airport ("Aircraft"), across and about the airspace above an imaginary plane, as such plane is defined by Part 77 of the Federal Aviation Regulations, over or in the vicinity of the Property (the "Airspace").
- 2. The aforesaid easement described in Number 1. above includes but is not limited to:
  - a. For the use and benefit of the public and Grantee, the continuing right by any and all persons to fly, or cause or permit the flight of Aircraft in, through, across or about any portion of the Airspace hereinabove described; and

**Avigation Easement** 

Grantor: Bouslog Investments, LLC & JBK Investments, LLC

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- b. The right to cause or create, or permit or allow to be caused or created upon the Property, Overflight Effects as may be inherent in the proper operation of Aircraft.
- c. *Provided*, that the rights conveyed to Grantee pursuant to this Avigation Easement shall be limited as follows:
  - (i) Over lands designated Bayview Ridge Residential ("BR-R") or Bayview Ridge Urban Reserve ("BR-URv") in any of the Alternatives, the rights conveyed to Grantee hereby shall be limited to those operations of the Skagit Regional Airport that meet noise level classification fifty-five (55) Day-night Average sound level (DNL or Ldn); and
  - (ii) Over any lands designated Bayview Ridge Industrial ("BR-I"), Bayview Ridge Heavy Industrial ("BR-HI") or Bayview Ridge Light Industrial ("BR-LI") in any Alternative, the rights conveyed to Grantee hereby shall be limited to those operations of the Skagit Regional Airport that meet noise level classification sixty-five (65) Day-night Average sound level (DNL or Ldn); and
  - (iii) further provided, that, in the event any land designated Bayview Ridge Industrial ("BR-I"), Bayview Ridge Heavy Industrial ("BR-HI") or Bayview Ridge Light Industrial ("BR-LI") in any Alternative shall hereafter be re-designated to allow any residential use, this Avigation Easement as it shall effect such property shall be subject to the higher sixty-five (65) Ldn limitation that had existed prior to the change in designation.
- 3. The easement herein granted shall be deemed both appurtenant to and for the direct benefit of that real property which now or hereinafter constitutes the Skagit Regional Airport, and shall further be deemed in gross, being conveyed to the Grantee for the benefit of the Grantee, and any and all members of the general public who may use said easement taking off from, landing upon, or operating such aircraft in or about the Airport, or is otherwise flying through said Airspace; provided however, only the Port of Skagit County and its successors in interest shall have any right of action under this Avigation Easement to enforce this Avigation Easement or bring any claim relative to this Avigation Easement.
- 4. This grant of Avigation Easement shall not operate to deprive the Grantor, its successors or assigns, of any rights that it may otherwise have from time to time against any individual or private operator for negligent, or unlawful operation of aircraft, or any intentionally harassing operation of any aircraft.

**Avigation Easement** 

Grantor: Bouslog Investments, LLC & JBK Investments, LLC

Grantee: Port of Skagit County

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- 5. The Avigation Easement, covenants and agreements described herein shall continue in effect until the Skagit Regional Airport shall be abandoned or shall cease to be used for public airport purposes, at which time it shall terminate without further action required.
- It is understood and agreed that these covenants and agreements run with the land and shall be binding upon the heirs, representatives, administrators, executives, successors, and assigns of the Grantor, and that for the purposes of this instrument, the Property shall be the servient tenement and the Airport shall be the dominant tenement.
- 7. The Avigation Easement, covenants and agreements described herein shall continue in effect so long as (1) Port of Skagit County Resolution No. 04-03 is not repealed or modified by the Grantee; and (2) The Grantee and none of its staff members or representatives, acting in an official capacity, shall not directly or indirectly challenge, oppose in any forum, public or private, or in any manner the Sub-Area Proposal. In the event that the Port or any of its Commissioners or staff shall take any action or undertaking, directly or indirectly, opposing or challenging the Sub-Area Proposal, then such action or undertaking shall be grounds to terminate this Avigation Easement through the dispute resolution process in paragraph 8.
- 8. Any dispute over the enforcement, interpretation or violation of the terms of this Avigation Easement shall be resolved pursuant to all Washington State Statutes and Superior Court Rules and Skagit County Local Rules for Mandatory Arbitration. The arbitrator shall have jurisdiction to provide legal and/or equitable relief. Venue for any action shall be Skagit County. The prevailing party in any action, excluding the arbitration, shall receive its reasonable costs and attorney's fees associated therewith, including appeals.

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SKAGIT COUNTY WASHINGTON Real Estate Excise Tax RAIO

APR 2 6 200

Skagit County Treasurer

By:

Deputy

**Avigation Easement** 

Grantor: Bouslog Investments, LLC & JBK Investments, LLC

Grantee: Port of Skagit County

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### GRANTEE:

16	AT STATE OF THE ST	
Da	ed this 16th day of April	2004
Ву	any wash	
	Jerry Kaufman, Commission Vice Presiden	t
Atte	station:	
Ву:	Gland Villente	
·	Glenn B. Allen, Jr., Commission Secretary	
		s.

STATE OF WASHINGTON )

COUNTY OF SKAGIT

On this 16th day of April 2004, before me, the undersigned, a Notary Public in and for the state of Washington, duly commissioned and sworn, personally appeared Jerry Kaufman and Glenn B. Allen, Jr., to me known to be the vice president and secretary, respectively of the Port of Skagit County, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the 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,

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year first above written.



Karmen M. Separarell & Notary Public in and for the state of

Washington, residing at Stagit Coun

My commission expires: 03-26-200

Printed Name: Karmen M. Separavich Hara

**Avigation Easement** 

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Grantee: Port of Skagit County

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GRANTOR:	
Dated this 16th day of April, 20	004
BOUSLOG INVESTMENTS, LLC	JBK INVESTMENTS, LLC
By: John Bouslog	By: Barbara A. Bazant
STATE OF WASHINGTON )	
COUNTY OF SKAGIT )	
in and for the State of Washington, duly consults bouslog to me known to be a member of Bouinstrument, and acknowledged said instrument corporation, for the uses and purposes there	, 2004, before me, the undersigned Notary Public ommissioned and sworn, personally appeared John uslog Investments, LLC, that executed the foregoing at to be the free and voluntary act and deed of said in mentioned, and on oath stated that he was duly affixed is the corporate seal of said corporation.

WITNESS my hand and official seal hereto the day and year in this certificate first above written.



Notary Public in and for the state of Washington, residing at Skagit-Coun:

My commission expires: 03-26-2006

Printed Name: Karmen M. Separovich Hardy

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Grantor: Bouslog Investments, LLC & JBK Investments, LLC

Grantee: Port of Skagit County



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STATE OF WASHINGTON ) )SS COUNTY OF SKAGIT

On this 16th day of April , 2004, before me, the undersigned Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Barbara A. Bazant to me known to be a member of JBK Investments, LLC, that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that she was duly authorized to execute the same and that the seal affixed is the corporate seal of said corporation.

WITNESS my hand and official seal hereto the day and year in this certificate first above written.



Karmen M. Separarch Hara Notary Public in and for the state of

Washington, residing at Skaait Cour My commission expires: 03-26-200

Printed Name: Karmen M. Separovich Hardy

Avigation Easement

Grantor: Bouslog Investments, LLC & JBK Investments, LLC

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#### EXHIBIT A

#### DESCRIPTION:

### PARCEL "A":

That portion of Government Lot 3 in Section 2, Township 34 North, Range 3 East, W.M., lying Southerly of the State Road right-of-way commonly known as Peterson Road as conveyed to the State of Washington by deed dated July 5, 1938, and recorded September 6, 1938, under Auditor's File No. 305470, records of Skagit County, Washington, EXCEPT that portion thereof lying within the East 1,000 feet of the North 378 feet of said Government Lot 3, AND EXCEPT the East 16 feet of the remainder.

Situate in the County of Skagit, State of Washington.

### PARCEL "B":

That portion of Government Lot 4, Section 2, Township 34 North, Range 3 East, W.M., lying Southerly of the State Road right-of-way commonly known as Peterson Road as conveyed to the State of Washington by deed dated July 5, 1938, and recorded September 6, 1938, under Auditor's File No. 305470, records of Skagit County, Washington, EXCEPT the East 30 feet thereof and EXCEPT the following-described tract:

Beginning at a point 330 feet East and 30 feet South of the Northwest corner of said Lot 4; thence South 330 feet; thence East 396 feet; thence North 330 feet; thence West 396 feet to the point of beginning.

Situate in the County of Skagit, State of Washington.

### PARCEL "C":

The Southwest ¼ of the Northwest ¼ of Section 2, Township 34 North, Range 3 East, W.M., EXCEPT the East 446 feet of the South 264 feet of the North ½ thereof, AND EXCEPT the East 30 feet of the North 407.55 feet thereof.

Situate in the County of Skagit, State of Washington.

### PARCEL "D"

That portion of Government Lot 4 of Section 2, Township 34 North, Range 3 East, W.M., described as follows:

Beginning at a point 330 feet East and 30 feet South of the Northwest corner of said Government Lot 4;

thence South 330 feet,

thence East 132 feet to the true point of beginning;

thence continue East 264 feet;

thence North 330 feet:

thence West 264 feet to a point 132 feet East of the point of beginning:

thence South 330 feet to the true point of beginning.

Situate in the County of Skagit, State of Washington.

### PARCEL "E":

Lots 2 and 4 of Skagit County Short Plat No. 96-012, approved October 2, 1996, and recorded October 11, 1996, under Auditor's File No. 9610110054, in Volume 12 of Short Plats, page 155, records of Skagit County, Washington; being a portion of the East ½ of the Northeast ¼ of Section 3, Township 34 North, Range 3 East, W.M., EXCEPT from said Lots 2 and 4, that portion conveyed to Skagit County by deed recorded September 24, 2001, under Auditor's File No. 200109240142, records of Skagit County, Washington.

### EXCEPT that portion described as follows:

Beginning at the Northeast corner of said Section 3 as shown on Skagit Regional Airport Binding Site Plan, Phase 2, Division 1, as approved January 22, 2002, and recorded January 22, 2002, under Skagit County Auditor's File No. 200201220163;

thence South 0°18'24" West, along the East line of said Section (called South 0°16'51" West on said Skagit County Short Plat No. 96-012) 2,725.88 feet to the East ¼ corner of said Section (also being the Southeast corner of said Lot 4, Skagit County Short Plat No. 96-012);

thence North 88°19'14" West, along the East-West centerline of said Section, 747.19 feet, more or less, to a point on the Southeasterly line of the Southeast Runway Protection Zone for Runway 10/28 and being the true point of beginning;

thence continue North 88°19'14" West along said East-West centerline 570.34 feet, more or less, to the Southwest corner of said Southeast ¼ of the Northeast ¼;

thence North 0°13'06" East along the West line of said subdivision, 1,159.60 feet, more or less, to the Northeasterly line of said Runway Protection Zone;

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### PARCEL "E" Continued:

thence South 60°53'48" East along said Northeasterly line, 1,179.29 feet, more or less, to an angle point in said Runway Protection Zone at a point bearing North 37°38'02" East from the true point of beginning,

thence South 37°38'02" West along said Southeasterly line of the Runway Protection Zone, 761.08 feet, more or less, to the true point of beginning.

Situate in the County of Skagit, State of Washington.

### PARCEL "F":

Lots 1A through 1G, inclusive, Bay Ridge Business Park Binding Site Plan BSP No. 00-0154, recorded October 29, 2001, under Skagit County Auditor's File No. 200110290120.

TOGETHER WITH and SUBJECT TO an easement for ingress, egress and utilities over Preston Place as delineated on the face of said Binding Site Plan No. BSP 00-0154.

Situate in the County of Skagit, State of Washington.

### PARCEL "G":

The East ½ of the Southeast ¼ of Section 34, Township 35 North, Range 3 East, W.M.;

EXCEPT that portion lying within the Peterson Road right-of-way along the South line thereof;

ALSO EXCEPT that portion thereof conveyed to Fisher and Sons, Inc., by Deed recorded August 18, 1997, under Auditor's File No. 9708180087;

AND ALSO EXCEPT that portion thereof described as follows:

All that portion of the East ½ of the Southeast ¼ of Section 34, Township 35 North, Range 3 East, W.M., being more particularly described as follows:

Beginning at the Southeast corner of Section 34, Township 35 North, Range 3 East, W.M.; thence North 88°20'14" West along the South line of said Section 34, a distance of 645.76 feet, more or less, to the Northerly extension of the centerline of a 60.00 foot easement as shown on Skagit County Short Plat No. 96-012, approved October 2, 1996, and recorded in Auditor's File No. 9610110054, records of Skagit County, Washington, in Book 12 of Short Plats, at page 155, records of Skagit County, Washington;

thence North 1°27'22" East, a distance of 1,041.74 feet;

thence North 88°20'48" West, a distance of 30.00 feet to the true point of beginning

# PARCEL "G" Continued:

ALB

thence continue North 88°20'48" West, a distance of 645.96 feet to the West line of the Southeast ¼ of said Section 34;

thence North 1°27'22" East along said line a distance of 500.00 feet,

thence South 88°20'48" East a distance of 645.96 feet:

thence South 1°27'22" West a distance of 500.00 feet to the true point of beginning.

Situate in the County of Skagit, State of Washington.

### PARCEL "H":

Tract 2-A of Revised Short Plat No. 23-82, approved October 26, 1982, and recorded under Skagit County Auditor's File No. 8210270059, lying in the Southwest ¼ of Section 35, Township 35 North, Range 3 East, W.M., EXCEPT those portions described as follows:

- 1.) Beginning at the Southwest corner of Lot A-2 of Revised Short Plat No. 37-82 (approved September 22, 1988 and recorded September 30, 1988, under Auditor's File No. 8809200016); thence along a fence as it existed in September 2000, South 89°22'20" West, 4.23 feet; thence continuing along said fence, South 1°05'14" West, 204.80 feet; thence continuing along said fence and along its Easterly prolongation, North 89°19'18" East, 446.82 feet to the West easement line of Sunrise Lane; thence along said line, North 0°32'30" West, 5.31 feet; thence along the South line of a tract described in the Statutory Warranty Deed (for a boundary adjustment) recorded under Auditor's File No. 9605100107, records of Skagit County, Washington, South 89°22'20" West, 436.74 feet; thence along the West line of said tract, North 0°32'30" West, 200.00 feet to the point of beginning.
- 2.) That portion of Lot 2-A of Revised Short Plat No. 23-82, approved October 26, 1982, recorded October 27, 1982, under Auditor's File No. 8210270059, in Book 6 of Short Plats, page 19, records of Skagit County, Washington, lying Easterly of Sunrise Lane as shown on said Short Plat, and lying North of the South line extended West to said Sunrise Lane of Tract "A" of Short Plat No. 44-77, approved July 18, 1977, recorded July 19, 1977, in Book 2 of Short Plats, page 84, under Auditor's File No. 860873, records of said County, and being a portion of the Southwest ¼ of Section 35, Township 35 North, Range 3 East, W.M.
- 3.) Beginning at the Southwest corner of Lot A2 as shown on Short Plat No. 37-82, revised, as recorded in Book 8 of Short Plats, at page 71, records of Skagit County, Washington; thence North 89°22'20" East along the South line of said Lot A2, a distance of 436.74 feet to the West line of Sunrise Lane as shown on said Short Plat; thence South 0°32'30" East along the West line thereof, a distance of 200.00 feet; thence South 89°22'20" West parallel to the South line of said Lot A2 a distance of 436.74 feet to a point which lies South 0°32'30" East from the point of beginning; thence North 0°32'30" West a distance of 200.00 feet to the point of beginning.

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### PARCEL "H" Continued:

4.) Beginning at the South ¼ of said Section 35; thence North 0°32'30" West along the North/South centerline of said Section 35 a distance of 674.00 feet to the Southeast corner of Tract "A" of Short Plat No. 44-77, as recorded in Book 2 of Short Plats, at page 84, records of Skagit County, Washington; thence South 89°22'20" West along the South line of said Tract "A" and said line extended, a distance of 170.00 feet to the West line of a 30 foot easement, as shown on said Short Plat; thence South 0°32'30" East parallel with the East line of said Southeast ¼, a distance of 674.00 feet to the South line of said Southeast ¼; thence North 89°22'20" East along said South line 170.00 feet to the point of beginning.

### PARCEL "I":

Tract 2-D of Revised Short Plat No. 23-82, approved October 26, 1982, and recorded under Skagit County Auditor's File No. 8210270059, lying in the Southwest ¼ of Section 35, Township 35 North, Range 3 East, W.M.

Situate in the County of Skagit, State of Washington.

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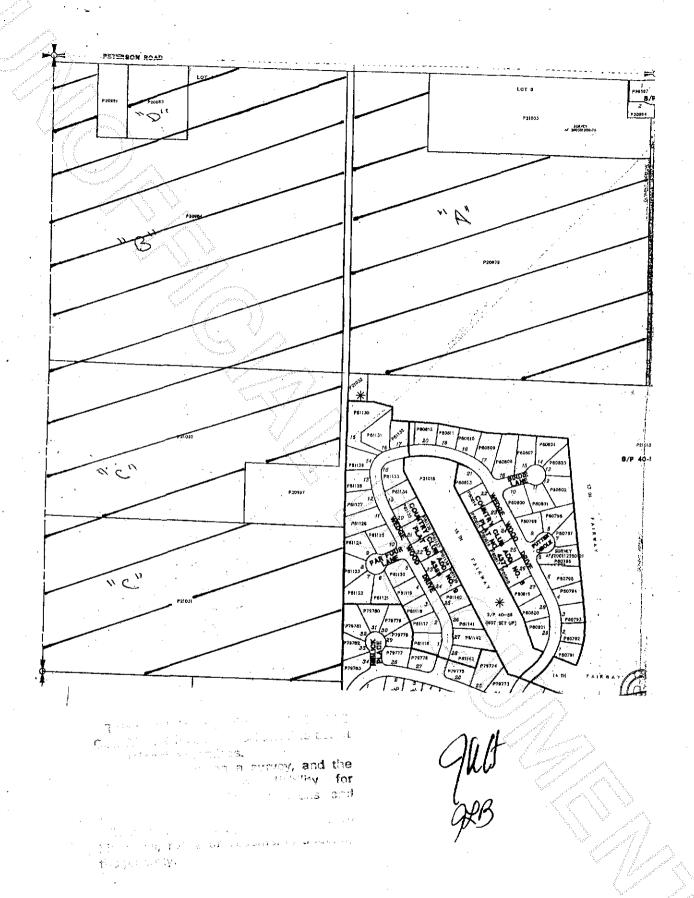
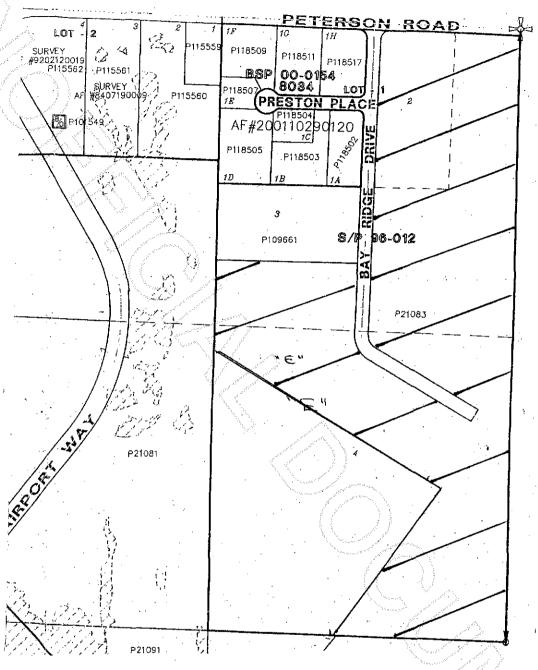


EXHIBIT B



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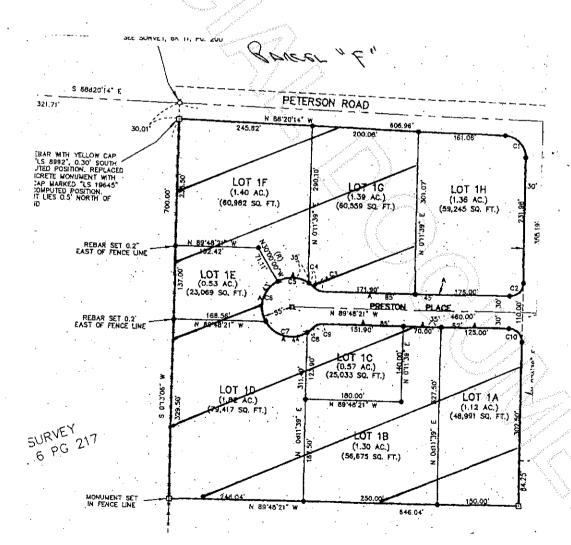
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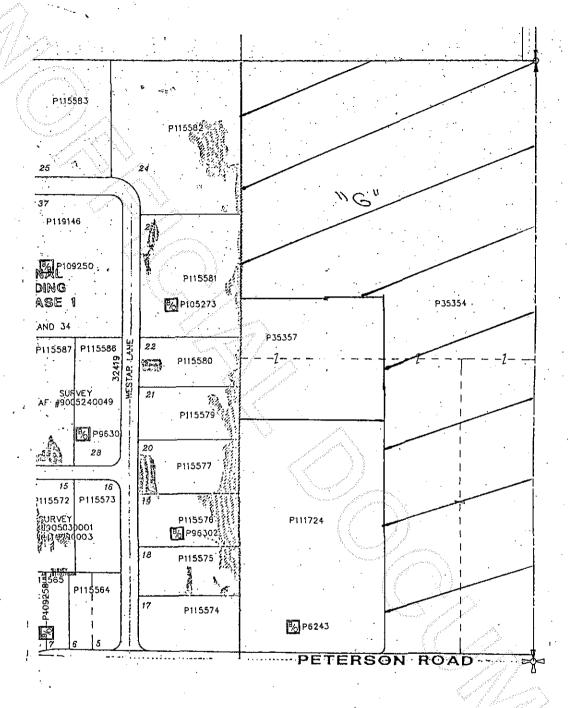
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This exetch is a courtesy of LAND TITLE COMPANY OF SKAGIT COUNTY to assist in locating the premises.

It is not based on a survey, and the Company assumes no limbility for ariations, if any, in dimensions and locations.

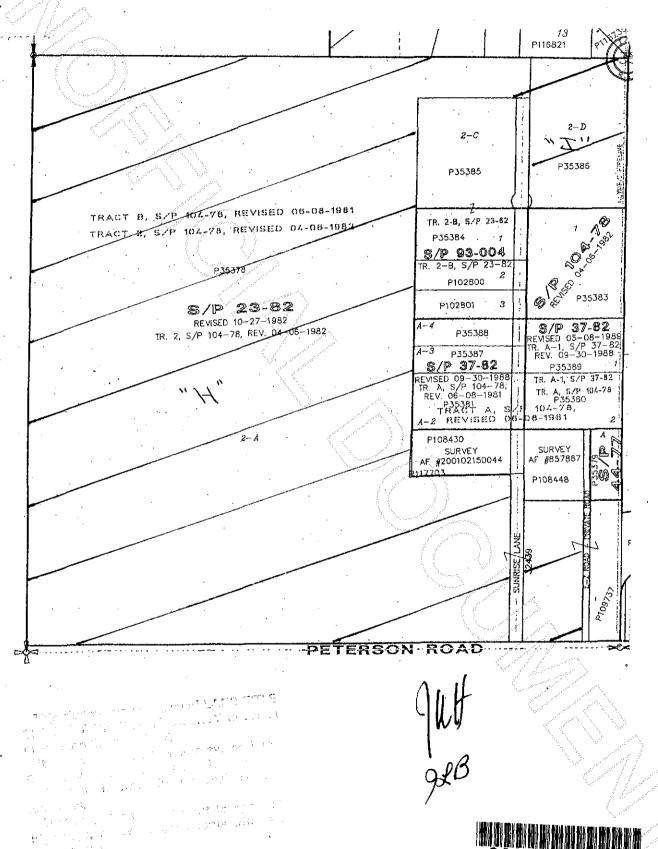
This map does not purport to show all highways, roads or easements affecting the property.

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Skagit County Auditor

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#### BAYVIEW AIRPORT - PERIMETER DESCRIPTION

Those portions of Sections 33 and 34, Township 35 North, Range 3 East, W.M., and of Sections 3, 4 and 10, Township 34 North, Range 3 East, W.M., described as follows:

Beginning at the intersection of the South line of the County Road along the North line of Section 34, Township 35 North, Range 3 East, W.M., and the West line of said Section 34;

thence East, along said South line of the County Road, a distance of 208 feet;

thence South to a point 300 feet North of the South line of the North % of the North % of the Northwest % of said Section 34; thence East, along a line which is 300 feet North of said South line, a distance of 291 feet to the East line of the West 499 feet of the North % of the North % of the North % of said Section 34;

thence South, along the East line of said West 499 feet, a distance of 300 feet to the South line of said North ½ of the North ½ of the Northwest ½ of said Section 34;

thence East, along said South line, to the East line of the Northwest % of said Section 34;

thence South, along said East line, to the center of said Section 34;

thence East, along the East/West center line of said Section 34, to the East line of the West % of the Southeast % of said Section 34; thence South, along said East line, and along the East line of the West % of the East % of Section 3, Township 34 North, Range 3 East, W.M., to the North line of Ovenell Road;

thence West, along the North line of Ovenell Road, a distance of 100 feet:

thence Northwesterly to a point on the North line of the Southwest % of the Southeast % of said Section 3 that is 150 feet West of the Northeast corner thereof;

thence West, along the North line of the Southwest % of the Southeast % to the Northwest corner thereof;

thence South, along the North/South center line of said Section 3 and the North/South center line of Section 10, Township 34 North, Range 3 East, W.M., to the Southeast corner of the Northeast % of the Northwest % of said Section 10;

thence South 0°21'30" West, along the East line of the Southeast % of the Northwest % of said Section 10, a distance of 379.7 feet to the center of Higgins Slough;

thence South 83°45'00" East, along the center of said slough, a distance of 56.1 feet;

thence South 77°49'00" East a distance of 171.0 feet;

thence South 54°30'00" East a distance of 67.0 feet;

thence South 46°17'30" East a distance of 479.0 feet to the Northerly line of the Great Northern Railway right-of-way;

thence South 73°20'30" West, along said Northerly line, to the North/South center line of said Section 10;

thence Southwesterly, along Northerly right-of-way line, to the East line of the West 687.7 feet, as measured along the North line, of the Southeast % of the Northwest % of said Section 10.

thence North, along said East line of the West 687.7 feet, to the North line of said Southeast % of the Northwest %;

thence West, along the North line thereof, a distance of 687.7 feet to the Northwest corner thereof;

thence North, along the West line of the Northeast % of the Northwest % of said Section 10, to the North line thereof, which point is also the South line of Section 3, Township 34 North, Range 3 East, W.M.;

thence West, along the South line of Sections 3 and 4 of said Township 34 North, Range 3 East, W.M., to the Southwest corner of said Section 4;

thence North, along the West line of said Section 4, to the Southwest corner of a tract conveyed to PACCAR Inc., a Delaware corporation, by deed recorded December 21, 1979, under Auditor's File No. 7912210064, said point being South 1°18'41" West a distance of 746.70 feet from the West % corner of said Section 4; thence South 88°37'12" West, a distance of 3,139.05 feet; along the South line of said PACCAR, Inc. tract, to the Southeast corner thereof;

thence North 0°37'03" East, along the East line of said PACCAR, Inc. tract, a distance of 3,159.99 feet;

thence North 88°39'12" West a distance of 120.01 feet;

thence North 0°37'13" East a distance of 320.36 feet to the North line of said Section 4;

thence North 88°37'12" West, along the North line of said Section 4, a distance of 2,601.20 feet to the Northwest corner of said Section 4;

thence North, along the West line of Section 33, Township 35 North, Range 3 East, W.M., to the North line of the South % of the North % of the North % of said Section 33,

thence East, along said North line, to the East line of said Section 33;

thence North, along said East line, to the point of beginning.

EXCEPTING THEREFROM those portions above described which lie within the rights-of-way of the County Roads known as Ovenell Road, Farmto-Market Road, Josh Wilson Road, Peterson Road and Higgins Airport Way.

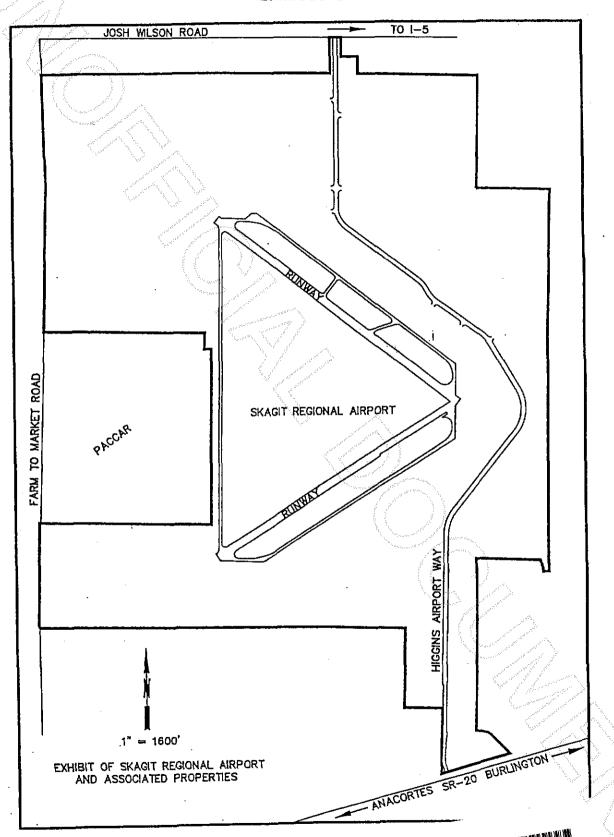
Situate in the County of Skagit, State of Washington

NOTE: A portion of the property described above has been included within a Binding Site Plan known as "SKAGIT REGIONAL AIRPORT BINDING SITE PLAN PHASE 1", as approved August 22, 1986, and recorded August 25, 1986, in Volume 7 of Short Plats, pages 111 through 120, under Auditor's File No. 8608250002, records of Skagit County, Washington; being a portion of Section 34, Township 35 North, Range 3 East, W.M.

END OF EXHIBIT C



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