

When Recorded Return to:



200511080002
Skagit County Auditor

11/8/2005 Page 1 of 7 8:39AM

**NOTICE OF REMOVAL OF DESIGNATED FOREST LAND
AND COMPENSATING TAX CALCULATION**

Chapter 84.33 RCW

Skagit COUNTY

Grantor(s) Skagit County Assessors Office

Grantee(s) Bennett Lumber Products, Inc.

Legal Description

Ptns. Section 10, Twp. 35, Rge. 7 including the attached legal description

CF-75

Assessor's Property Tax Parcel or Account Number P42365 see attached

Reference Numbers of Documents Assigned or Released _____

You are hereby notified that the above described property has been removed from designated forest land as of 11/8/2005. The land no longer meets the definition and/or provisions of designated forest land for the following reason(s):

Even exchange with the State of Washington for equal land within the state.

No back taxes due.

The compensating tax is due and payable to the County Treasurer 30 days from the date of this notice. If unpaid by this date, the compensating tax shall become a lien on the land and interest on this amount will begin to accrue. The county may begin foreclosure proceedings as provided in RCW 84.64.050 if the compensating tax and interest remain unpaid.

You may apply to have the land reclassified as either Open Space Land, Farm and Agricultural Land or Timber Land under chapter 84.34 RCW. If an application for reclassification is received within 30 days of this notice, no compensating tax is due until the application is denied, or, if approved, the property is later removed from classification under chapter 84.34 RCW in accordance with RCW 84.34.108.

Date of Notice: 11/8/2005

Total Compensating Tax Due: 0 Date Payment Due: _____

County Assessor or Deputy: Linda S. White, Current Use Specialist *Linda S.W. White*

REMOVAL FROM DESIGNATED FOREST LAND COMPENSATING TAX

The county assessor will remove land from designated forest land when any of the following occur:

1. Receipt of a notice from the land owner to remove it from designation;
2. Sale or transfer to an ownership making the land exempt from property taxation;
3. Sale or transfer of all or a portion of such land to a new owner, unless the new owner has signed a Notice of Continuance for designated forest land on the Real Estate Excise Tax Affidavit or the new owner is an heir or devisee of a deceased owner;
4. Determination by the assessor, after giving the owner written notice and an opportunity to be heard, that:
 - a. The land is no longer primarily devoted to and used for growing and harvesting timber;
 - b. The land owner has failed to comply with a final administrative or judicial order regarding a violation of the restocking, forest management, fire protection, insect and disease control, and forest debris provisions of Title 76 RCW or;
 - c. Restocking has not occurred to the extent or within the time frame specified in the application for designation as forest land.

Removal of designation applies only to the land affected, and any remaining forest land must meet the definition of forest land under RCW 84.33.035 to continue as designated forest land. Within 30 days after removal of designated forest land, the assessor shall send the owner a written notice, setting forth the reasons for the removal

COMPENSATING TAX

(RCW 84.33.140)

Compensating tax recaptures taxes that would have been paid on the land if it had been assessed and taxed at its true and fair value instead of the forest land value. The assessor uses the current year's levy rate, the last assessed forest land value, and the true and fair value as of January 1st of the year of removal from designation to calculate the compensating tax for the land being removed. The compensating tax due is the difference between the amount of taxes assessed at forest land value on the land being removed and the taxes that would have been paid at true and fair value for the period of time the land was so classified or designated as forest land, up to a maximum of nine years, plus an amount using the same calculation for the current year, up to the date of removal. The assessor will also calculate for collection, the prorated taxes for the current tax year from the time of removal to the end of the year in the year of removal at true and fair value.

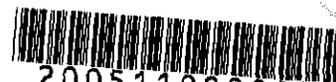
APPEAL

An appeal of the removal of designation or new assessed valuation must be filed with the County Board of Equalization **on or before July 1 in the year of removal or within 30 days (or 60 days if the county legislative authority has extended the deadline) of the Notice of Removal or Change of Value Notice, whichever is later.**



Compensating tax is not imposed if the removal of designation resulted solely from:

1. Transfer to a government entity in exchange for other forest land located within the state;
2. 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 such power;
3. A donation of fee title, development rights or the right to harvest timber, to a government agency or organization listed in RCW 84.34.210 and 64.04.130 for the purposes stated in those sections. When land is no longer used for these purposes, compensating tax will be imposed upon the current owner;
4. 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. When land is no longer used for these purposes, compensating tax will be imposed upon the current owner.
5. The sale or transfer of fee title to the Parks and Recreation Commission for park and recreation purposes;
6. 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;
7. The creation, sale, or transfer of forestry riparian easements under RCW 76.13.120;
8. The creation, sale, or transfer of a fee interest or a conservation easement for the riparian open space program under RCW 76.09.040;
9. The sale or transfer within two years after the death of an owner with at least a fifty percent interest in the land if the land has been continuously assessed and valued as classified or designated forest land under chapter 84.33 RCW or classified under chapter 84.34 RCW since 1993;
10. The sale or transfer of forest land between July 22, 2001, and July 22, 2003, if:
 - a. The previous owner of the land died after January 1, 1991;
 - b. The deceased owner had at least fifty percent interest in the land; and
 - c. The land was classified or designated as forest land under chapter 84.33 RCW or classified under chapter 84.34 RCW continuously since 1993.



**EXHIBIT B TO STATUTORY WARRANTY DEED
(Russells Ranch Tax Parcel Numbers)**

PARCEL 1

P42183
P42184
P42186
P42188

PARCEL 2

P42207
P42206
P42205
P42204
P42209
P42208
P42210
P42214
P121468

PARCEL 3

P42224
P42223
P42222
P42221
P42226
P121684
P121685
P42225
P121686
P121687
P42230

PARCEL 4

P42236
P42254

PARCEL 5

P123569
~~P42334~~

PARCEL 6

P42365



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**EXHIBIT A TO STATUTORY WARRANTY DEED
(Russells Ranch Property Legal Description)**

PARCEL 1 (350701) (OLD 54)

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

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

PARCEL 2

THE NORTH HALF; THE NORTH HALF OF THE SOUTHWEST QUARTER; AND THE NORTH HALF OF THE SOUTHEAST QUARTER OF SECTION 2, TOWNSHIP 35 NORTH, RANGE 7 EAST OF THE WILLAMETTE MERIDIAN; EXCEPT THAT CERTAIN 100 FOOT STRIP CONVEYED TO SKAGIT COUNTY BY DEED RECORDED JULY 9, 1970, UNDER AUDITOR'S FILE NO. 741026, RECORDS OF SKAGIT COUNTY, WASHINGTON;

TOGETHER WITH A TRACT OF LAND LYING WITHIN THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 2 TOWNSHIP 35 NORTH, RANGE 7 EAST OF THE WILLAMETTE MERIDIAN, SAID TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID QUARTER QUARTER; THENCE NORTH 00°03'54" EAST ALONG THE EAST LNE OF SAID QUARTER QUARTER A DISTANCE OF 952.00 FEET TO THE TRUE POIN OF BEGINNING; THENCE NORTH 89°56'06" WEST A DISTANCE OF 435.60 FEET; THENCE SOUTH 00°03'54" WEST A DISTANCE OF 218.87 FEET; THENCE NORTH 89°56'06" WEST A DISTANCE OF 446.83 FEET; THENCE NORTH 00°03'54" EAST TO THE NORTH LINE OF SAID QUARTER QUARTER;

THENCE EASTERLY ALONG SAID NORTH LINE TO THE NORTHEAST CORNER OF SAID QURTER QUARTER;

THENCE SOUTH 00°03'54" WEST ALONG THE EAST LINE OF SAID QUARTER QUARTER TO THE POINT OF BEGINNING;

TOGETHER WITH A 60 FOOT EASEMENT FOR INGRESS, EGRESS AND UTILITITES, OVER AND ACROSS A PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER SECTION 2, TOWNSHIP 35 NORTH, RANGE 7 EAST OF THE WILLAMETTE MERIDIAN, THE CENTERLINE OF SAID 60 FOOT EASEMENT BEING DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID QUARTER QUARTER; THENCE NORTH 00°03'54" EAST ALONG THE EAST LINE OF SAID QUARTER QUARTER AND THE CENTERLINE OF GALLAGHAR ROAD A DISTANCE OF 166.17 FEET;

CONTINUED.....



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EXHIBIT 'A' CONTINUED:

THENCE NORTH 70°27'49" WEST A DISTANCE OF 31.82 FEET TO THE WESTERLY RIGHT-OF-WAY LINE OF GALLAGHER ROAD AND THE TRUE POINT OF BEGINNING OF THIS EASEMENT CENTERLINE DESCRIPTION;
THENCE NORTH 70°27'49" WEST A DISTANCE OF 462.02 FEET;
THENCE NORTH 00°03'54" EAST A DISTANCE OF 402.35 FEET TO THE TERMINUS OF THIS EASEMENT CENTERLINE DESCRIPTION.
SITUATED IN SKAGIT COUNTY, WASHINGTON

PARCEL 3 (350703) (OLD 54)

THE NORTH HALF; THE SOUTH HALF OF THE SOUTHWEST QUARTER; NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; AND THE SOUTH HALF OF THE SOUTHEAST QUARTER, ALL IN SECTION 3, TOWNSHIP 35 NORTH, RANGE 7 EAST OF THE WILLAMETTE MERIDIAN;
EXCEPT THOSE PORTIONS CONVEYED TO SKAGIT COUNTY BY DEEDS RECORDED JULY 9, 1970 AND SEPTEMBER 20, 1971, UNDER AUDITOR'S FILE NOS. 741026 AND 758244 RECORDS OF SKAGIT COUNTY, WASHINGTON, RESPECTIVELY;
SITUATE IN SKAGIT COUNTY, WASHINGTON

PARCEL 4 (350704) (OLD 54)

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

PARCEL 5 (350709) (OLD 54)

THE NORTHEAST QUARTER OF SECTION 9, TOWNSHIP 35 NORTH, RANGE 7 EAST OF THE WILLAMETTE MERIDIAN.
SITUATED IN SKAGIT COUNTY, WASHINGTON

PARCEL 6 (350710) (OLD 54)

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

SITUATED IN SKAGIT COUNTY, WASHINGTON

- END OF EXHIBIT "A" -



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