

**Skagit County Auditor** 

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This Instrument Prepared By And After Recording Return To:

Lorelle L. Lindo, Esq. Chapman and Cutler LLP 111 West Monroe Street Chicago, Illinois 60603

LAND TITLE OF SKAGIT COUNTY T-90727

FIRST SUPPLEMENT TO AMENDED AND RESTATED DEED OF TRUST, FIXTURE FILING AND SECURITY AGREEMENT WITH ASSIGNMENT OF RENTS

Coversheet Recording Information:

GRANTOR:

SKAGIT GARDENS, INC.

a Delaware corporation

BENEFICIARY:

HARRIS N.A., as successor by merger with Harris Trust and

Savings Bank

TRUSTEE:

LAND TITLE COMPANY OF SKAGIT COUNTY

ABBREVIATED LEGAL DESCRIPTION: Ptn NW 1/4 NW 1/4, 32-34-4, Ptn Gov. Lots 6 & 7, 12-34-3, Ptn NE 1/4 NE 1/4, 13-34-3

Full Legal Description located in Schedule I: Legal Description

COUNTY OF SKAGIT TAX PARCEL NUMBERS:

340432-2-011-0400, 340432-2-011-0300, 340432-2-017-0005, 340432-2-014-0008, 340432-2-015-0007, 340312-0-002-0001, 340313-0-058-0003, 340312-0-004-0009

# FIRST SUPPLEMENT TO AMENDED AND RESTATED DEED OF TRUST, FIXTURE FILING AND SECURITY AGREEMENT WITH ASSIGNMENT OF RENTS

This First Supplement to Amended and Restated Deed of Trust, Fixture Filing and Security Agreement with Assignment of Rents dated as of September 30, 2005 (the "Supplement") is being entered into between SKAGIT GARDENS, INC., a Delaware corporation with its principal place of business and mailing address at 1719 Old Highway 99 South, Mount Vernon, Washington 98273 (hereinafter referred to as "Grantor") and HARRIS N.A., a national banking association, as successor by merger with Harris Trust and Savings Bank, with its mailing address at 111 West Monroe Street, Chicago, Illinois 60603 ("Harris"), as administrative agent for the Lenders hereinafter defined (Harris, acting as such administrative agent and any successor to Harris in such capacity hereinafter referred to as "Beneficiary");

#### WITNESSETH THAT:

WHEREAS, International Garden Products, Inc., a Delaware corporation (the "Parent") and the Operating Subsidiaries (as such term is defined in the Credit Agreement referred to below; and the Parent and the Operating Subsidiaries are collectively referred to herein as the "Borrowers"), are currently parties to a Third Amended and Restated Credit Agreement dated as of June 30, 2003 with Harris, as a lender and as Beneficiary, and the other lenders or financial institutions party thereto and as described therein (such Third Amended and Restated Credit Agreement being hereinafter referred to as the "Existing Credit Agreement"; and Harris and the other lenders or financial institutions from time to time party to, or otherwise entitled to the benefits of the security described in the Existing Credit Agreement being hereinafter referred to collectively as the "Lenders" and individually as a "Lender"); and

WHEREAS, as security for all obligations, liabilities and indebtedness of the Borrowers to the Lenders (including, but not limited to, indebtedness evidenced by promissory notes issued pursuant to the Existing Credit Agreement, Hedging Liability and Funds Transfer and Deposit Account Liability under, and as defined in, the Existing Credit Agreement), Grantor heretofore granted to Land Title Company of Skagit County, as Trustee for the benefit of Beneficiary, a lien on and a security interest in certain property of Grantor pursuant to that certain Deed of Trust, Fixture Filing and Security Agreement with Assignment of Rents dated as of September 14, 1999 and recorded in the Recorder's Office of Skagit County, Washington on September 14, 1999, as Auditor's File No. 199909140054, as supplemented by that certain First Supplement to Deed of Trust, Fixture Filing and Security Agreement with Assignment of Rents dated as of February 8, 2001 and recorded with such office on March 5, 2001, as Auditor's File No. 200103050176, that certain Second Supplement to Deed of Trust, Fixture Filing and Security Agreement with Assignment of Rents dated as of January 24, 2002 and recorded with such office on January 28, 2003, as Auditor's File No. 200201280224, that certain Third Supplement to Deed of Trust, Fixture Filing and Security Agreement with Assignment of Rents dated as of January 10, 2003 and recorded with such office on January 15, 2003, as Auditor's File No. 200301150103, and as amended and restated by that certain Amended and Restated Deed of Trust, Fixture Filing and Security Agreement with Assignment of Rents dated as of June 30,

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1918115.01.07 1575513 2003, and recorded with such office on July 1, 2003, as Auditor's File No. 200307010150 (collectively, the "Deed of Trust"), encumbering the property described on Schedule I attached hereto; and

WHEREAS, the Deed of Trust currently secures, among other things, (i) a revolving credit (the "Existing Revolving Credit") evidenced by Revolving Credit Notes (the "Original Notes") aggregating \$50,000,000 in principal amount and payable to the order of the relevant Lenders named thereon, whereby the Borrowers promised to pay the advances evidenced thereby no later than June 30, 2006 (the "Original Termination Date"), with interest as set forth in the Existing Credit Agreement, which Existing Revolving Credit is also available by way of letters of credit issued by Beneficiary or one or more of the Lenders with expiry dates not later than the Original Termination Date pursuant to one or more applications therefor; (ii) the liability of one or more of the Borrowers and/or their Domestic Subsidiaries (as such term is defined in the Deed of Trust) under and pursuant to one or more interest rate, foreign currency, and/or commodity swap, exchange, cap, collar, floor, forward, future, or option agreements, or any similar interest rate, currency or commodity hedging agreements with one or more of the Lenders or their affiliates (the "Hedging Liability"); (iii) the liability of one or more of the Borrowers and/or their Domestic Subsidiaries under and pursuant to or arising out of (a) the execution or processing of electronic transfer of funds by automatic clearing house transfer, wire transfer or otherwise to or from any deposit account of any such Borrower or any Domestic Subsidiary now or hereafter maintained with any of the Lenders, (b) the acceptance for deposit or the honoring for payment of any check, draft or other item with respect to any such deposit accounts by any such Lenders, and (c) any other deposit, disbursement, and cash management services afforded to any such Borrower or any such Domestic Subsidiary by any Lenders (collectively, the "Funds Transfer and Deposit Account Liability"), and (iv) the guarantee by each Borrower of the payment in full of all of the indebtedness, liability, and obligations of the other Borrowers referred to in the Existing Credit Agreement; and

WHEREAS, the Borrowers, the Beneficiary and the other Lenders concurrently herewith entered into a Fourth Amended and Restated Credit Agreement bearing even date herewith (the "Credit Agreement") whereby the parties have agreed, among other things and subject to certain terms and conditions, that the Lenders (i) will make a revolving credit (the "Revolving Credit") in the aggregate principal amount not to exceed \$30,000,000 at any one time outstanding available to the Borrowers through September 30, 2010 (the "Termination Date"), in substitution for and replacement of the Existing Revolving Credit, (ii) will make term loans (the "Term A Loans") in the aggregate principal amount of \$21,500,000 available to the Borrowers, (iii) will make term loans (the "Term B Loans") in the aggregate principal amount of \$7,500,000 available to the Borrowers, and (iv) amend various other terms and conditions set forth in the Existing Credit Agreement; and

WHEREAS, advances from time to time made under the Revolving Credit are evidenced by one or more revolving notes (the "Revolving Notes") payable to the order of the respective Lenders, whereby the Borrowers promise to pay the advances evidenced thereby on the Termination Date with interest as set forth in the Credit Agreement, and with such Revolving Credit to also be available by way of letters of credit issued by the Beneficiary or one or more of



the Lenders with expiry dates not later than the Termination Date (the "Letters of Credit") pursuant to one or more applications therefor (the "L/C Applications"); and

WHEREAS, the Term A Loans are evidenced by one or more term notes (the "Term A Notes") payable to the order of the respective Lenders, whereby the Borrowers promise to pay the advances evidenced thereby in installments and maturing no later than the Termination Date with interest as set forth in the Credit Agreement; and

WHEREAS, the Term B Loans are evidenced by one or more term notes (the "Term B Notes"; and the Term B Notes together with the Revolving Notes, the Term A Notes and any and all notes issued in substitution or replacement therefor or in extension or renewal thereof in whole or in part, as any of the foregoing may from time to time be modified or amended, being hereinafter referred to individually as a "Note" and collectively as the "Notes") payable to the order of the respective Lenders, whereby the Borrowers promise to pay the advances evidenced thereby and maturing no later than the Termination Date with interest as set forth in the Credit Agreement; and

WHEREAS, one or more of the Borrowers and/or their Domestic Subsidiaries may from time to time enter into one or more interest rate, foreign currency, and/or commodity swap, exchange, cap, collar, floor, forward, future, or option agreements, or any similar interest rate, currency or commodity hedging agreements with one or more of the Lenders or their affiliates (the "Hedging Agreements"; and the liability in respect of Hedging Agreements being hereinafter referred to as the "Hedging Liability"); and

WHEREAS, one or more of the Borrowers and/or their Domestic Subsidiaries may from time to time incur liability to any of the Lenders or their affiliates arising out of (a) the execution or processing of electronic transfer of funds by automatic clearing house transfer, wire transfer or otherwise to or from any deposit account of any such Borrower or any such subsidiary now or hereafter maintained with any of the Lenders, (b) the acceptance for deposit or the honoring for payment of any check, draft or other item with respect to any such deposit accounts by any such Lenders, and (c) any other deposit, disbursement, and cash management services afforded to any such Borrower or any such subsidiary by any Lenders (the "Arrangements"; and the liability in respect of the Arrangements being hereinafter referred to as "Funds Transfer and Deposit Account Liability"); and

WHEREAS, pursuant to the Credit Agreement, each Borrower has guarantied the obligations, liabilities and indebtedness of the other Borrowers and their Domestic Subsidiaries arising under or relating to the Credit Agreement, Hedging Agreements, and Arrangements and the other instruments and documents executed and delivered in connection therewith, including, without limitation, those evidenced by the Notes and the L/C Applications; and

WHEREAS, as a condition precedent to entering into the Credit Agreement and making certain other financial accommodations to Grantor and its affiliates, Beneficiary requires Grantor, and to accommodate that requirement Grantor desires by this Supplement, to confirm and assure that all the real estate and other properties, rights, interests and privileges of Grantor which are currently subject to the lien of the Deed of Trust be and constitute collateral security.

for the Revolving Credit, Term A Loans, Term B Loans, Letters of Credit, Hedging Liability, Funds Transfer and Deposit Account Liability and any other obligations, liabilities and indebtedness of the Borrowers and their Domestic Subsidiaries under the Credit Agreement, the Hedging Agreements and the Arrangements which are evidenced by, among other things, the Revolving Notes, Term A Notes, Term B Notes, L/C Applications, the Hedging Agreements and the Arrangements; and

WHEREAS, the Deed of Trust is to continue to secure all the indebtedness now secured thereby, this Supplement being executed and delivered to confirm and assure the foregoing;

NOW, THEREFORE, for and in consideration of the execution by the Lenders of the Credit Agreement, and other good and valuable consideration, receipt whereof is hereby acknowledged, the Deed of Trust shall be and hereby is supplemented and amended as follows, to wit:

To secure (i) the payment of the principal and premium, if any, of and interest on the Notes as and when the same become due and payable (whether by lapse of time, acceleration or otherwise) and all advances now or hereafter evidenced thereby, (ii) the payment of all sums due or owing with respect to Hedging Liability, (iii) the payment of all sums due or owing with respect to Funds Transfer and Deposit Account Liability, (iv) the payment of all obligations arising under any L/C Applications, including the obligation of the Borrowers to reimburse the Lenders for any draws under the Letters of Credit, (v) the payment of all amounts guaranteed by the Borrowers pursuant to the Credit Agreement, (vi) the payment of all fees and other amounts due and payable under the Credit Agreement and the other instruments and documents executed and delivered in connection therewith, (vii) the payment of all other indebtedness, obligations and liabilities which the Deed of Trust, as supplemented hereby, secures pursuant to any of its terms, and (viii) the observance and performance of all covenants and agreements contained herein or in the Notes or the L/C Applications or the Credit Agreement or the Hedging Agreements or the Arrangements or in any other instrument or document at any time evidencing or securing any of the foregoing or setting forth terms and conditions applicable thereto (all of such indebtedness, obligations and liabilities described in clauses (i), (ii), (iii), (iv), (v), (vi), (vii) and (viii) above being hereinafter collectively referred to as the "indebtedness hereby secured"), Grantor does by these presents grant, transfer, set over and convey unto Trustee, its successors and assigns, in TRUST WITH POWER OF SALE, and grant to Beneficiary, its successor and assigns, a continuing security interest in, all and singular the real estate lying and being in Mount Vernon, Skagit County, Washington described on Schedule I attached hereto and made a part hereof, together with all properties, rights, interests and privileges described in Granting Clauses I, II. III, IV, V, VI and VII of the Deed of Trust, each and all of such Granting Clauses being hereby incorporated by reference herein with the same force and effect as though set forth herein in their entirety. The foregoing grant of a lien is in addition to and supplemental of and not in substitution for the grant of the lien created and provided for by the Deed of Trust, and nothing herein contained shall affect or impair the lien or priority of the Deed of Trust as to the indebtedness which would be secured thereby prior to giving effect to this Supplement.

In order to induce Beneficiary to enter into the Credit Agreement, and to accept this Supplement, Grantor hereby further covenants and agreement and represents and warrants to, Beneficiary as follows:

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- 1. The Deed of Trust shall be and hereby is further amended as follows:
- (a) The first two sentences on page one of the Deed of Trust shall be amended and restated in their entirety to read as follows:

Line of Credit Trust Deed:

Maximum principal amount to be advanced under the Credit Agreement hereinafter defined is \$59,000,000.

Credit Agreement matures on September 30, 2010 (or such later date approved by the Lenders in their discretion).

(b) The third sentence of Section 35 of the Deed of Trust shall be amended and restated in its entirety to read as follows:

The total amount of indebtedness hereby secured may increase or decrease from time to time, but the total unpaid balance of indebtedness hereby secured (including disbursements which Beneficiary or any Lender may make under this Deed of Trust, the Credit Agreement, the Hedging Agreements, the Arrangements, or any other documents related thereto) at any one time outstanding shall not exceed a maximum principal amount of One Hundred Eighteen Million Dollars (\$118,000,000) plus interest thereon and any disbursements made for payment of taxes, special assessments or insurance on the Mortgaged Premises and interest on such disbursements (all such indebtedness being hereinafter referred to as the "maximum amount secured hereby").

- 2. Grantor hereby represents and warrants to Beneficiary that as of the date hereof each of the representations and warranties set forth in the Deed of Trust as supplemented hereby are true and correct and that no Event of Default (as such term is defined in the Deed of Trust), or any other event which with the lapse of time or the giving of notice, or both, would constitute such an Event of Default, has occurred and is continuing or shall result after giving effect to this Supplement. Grantor hereby repeats and reaffirms all covenants and agreements contained in the Deed of Trust, each and all of which shall be applicable to all of the indebtedness secured by the Deed of Trust as supplemented hereby. Grantor repeats and reaffirms its covenant that all the indebtedness secured by the Deed of Trust as supplemented hereby will be promptly paid as and when the same becomes due and payable.
- 3. All capitalized terms used herein without definition shall have the same meanings herein as they have in the Deed of Trust. The definitions provided herein of any capitalized terms shall apply to such capitalized terms as the same appear in the Deed of Trust as supplemented hereby, all to the end that any capitalized terms defined herein and used in the Deed of Trust as supplemented hereby shall have the same meanings in the Deed of Trust as supplemented hereby as are given to such capitalized terms have a supplementation.

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foregoing, all references in the Deed of Trust to the terms "indebtedness hereby secured", "Notes", "Credit Agreement", "Letters of Credit', "L/C Applications", "Hedging Liability", and "Funds Transfer and Deposit Account Liability" shall be deemed references to such terms respectively as defined in this Supplement; all as such terms may from time to time hereafter be further amended, modified or restated.

- 4. All of the provisions, stipulations, powers and covenants contained in the Deed of Trust shall stand and remain unchanged and in full force and effect except to the extent specifically modified hereby and shall be applicable to all of the indebtedness, obligations and liabilities secured by the Deed of Trust as supplemented hereby.
- 5. Grantor acknowledges and agrees that the Deed of Trust as supplemented hereby is and shall remain in full force and effect, and that the Mortgaged Premises are and shall remain subject to the lien and security interest granted and provided for by the Deed of Trust for the benefit and security of all the indebtedness hereby secured, including without limitation the credit facilities made by the Lenders under the Credit Agreement which are to be evidenced by the Revolving Notes, the Term A Notes and the Term B Notes. Without limiting the foregoing, Grantor hereby agrees that, notwithstanding the execution and delivery hereof, (i) all rights and remedies of Beneficiary under the Deed of Trust, (ii) all obligations of Grantor thereunder and (iii) the lien and security interest granted and provided for thereby are and as amended hereby shall remain in full force and effect for the benefit and security of all the indebtedness hereby secured, it being specifically understood and agreed that this Supplement shall constitute and be, among other things, an acknowledgement and continuation of the rights, remedies, lien and security interest in favor of Beneficiary, and of the obligations of Grantor to Beneficiary, which exist under the Deed of Trust as supplemented hereby.
- 6. This Supplement may be executed in any number of counterparts and by different parties hereto on separate counterpart signature pages, each of which when so executed shall be an original but all of which to constitute one and the same instrument.
- 7. No reference to this Supplement need be made in any note, instrument or other document making reference to the Deed of Trust, any reference to the Deed of Trust in any of such to be deemed to be a reference to the Deed of Trust as supplemented hereby. The creation of this Supplement, the perfection of the lien and security interest in the Mortgaged Premises, and the rights and remedies of Beneficiary and the Lenders with respect to the Mortgaged Premises, as provided in the Deed of Trust as supplemented hereby and by the laws of the state in which the Mortgaged Premises is located, shall be governed by and construed in accordance with the internal laws of the state in which the Mortgaged Premises are located without regard to principles of conflicts of law. Otherwise, all other obligations of Grantor (including, but not limited to, the liability of Grantor for any deficiency following a foreclosure of all or any part of the Mortgaged Premises) under the Deed of Trust as supplemented hereby shall be governed by and construed in accordance with the internal laws of the State of Illinois without regard to principles of conflicts of laws.
- 8. Wherever herein any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party; and all the covenants promises and

agreements by or on behalf of Grantor, or by or on behalf of Beneficiary, or by or on behalf of the holder or holders of the indebtedness hereby secured contained in the Deed of Trust as supplemented hereby shall bind and inure to the benefit of the respective successors and assigns of such parties, whether so expressed or not.

[SIGNATURE PAGE TO FOLLOW]



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IN WITNESS WHEREOF, Grantor has caused these presents to be signed the day and year first above written.

GRANTOR HEREBY REPRESENTS AND ACKNOWLEDGES THAT THE GRANTOR HAS RECEIVED, WITHOUT CHARGE, A TRUE COPY OF THIS SUPPLEMENT.

SKAGIT GARDENS, INC.

Name Dean Gardner

Title Chief Financial Officer

Accepted and Agreed to.

HARRIS N.A., as successor by merger with Harris Trust and Savings Bank, as Agent, as Beneficiary

Ву\_\_\_

Title

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STATE OF UNIQUE )	
COUNTY OF <u>Multnomak</u> ) SS	
COUNTY OF ITTUETTION	
I. Amy Goodwater, ar	Notary Public in and for said County in the State
aforesaid, do hereby certify that Dean 6/	raner, Chuf tinducial atherof
Skagit Gardens, Inc., who is personally know	wn to me to be the same person whose name is
subscribed to the foregoing instrument as such	Chief tinancial Officer, appeared before me this
day in person and acknowledged that he sign	ed and delivered the same instrument as his own
free and voluntary act and as the free and volu	ntary act and deed of said corporation for the uses
and purposes therein set forth.	
the state of the s	
Given under my hand and notarial seal	this 30th day of September, 2005.
	In Foodwater
	Notary Public
	A.
OFFICIAL SEAL AMY R GOODWATER	
NOTARY PUBLIC-OREGON	Amy R. Goodwater
MY COMMISSION NO. 376075 MY COMMISSION EXPIRES JAN 7, 2008	Amy R. Goodwater (Type or Print Name)
(SEAL)	
Commission expires:	
1-100	
1/7/08	



STATE OF ILLINOIS )
) SS
COUNTY OF COOK )
I, David B Robert), a Notary Public in and for said County in the State
aforesaid, do hereby certify that Jean R. Ele , VRE PRODUCE of
Harris N.A., who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Vice president, appeared before me this day in
the foregoing instrument as such Vice presides, appeared before me this day in
person and acknowledged that he signed and delivered the same instrument as his own free and
voluntary act and as the free and voluntary act and deed of said association for the uses and
purposes therein set forth.
Given under my hand and notarial seal this 30th day of September, 2005.
(1) (X) (GITCA (S KOLVES)
No. Delile
Notary Public
Official Seal David B Roberts
Notary Public State of Illiania ( ) ( ) ( ) ( ) ( ) ( ) ( ) ( ) ( ) (
My Commission Expires 08/13/07  (Type or Print Name)
(SEAL)
Commission expires:
P-13-07



DESCRIPTION:

# PARCEL "A":

MT. VELNON, WA

Lots 2 and 3 of Skagit County Short Plat No. 94-033, approved September 26, 1994, and recorded September 30, 1994, in Volume 11 of Short Plats, pages 121 and 122, under Auditor's File No. 9409300084, records of Skagit County, Washington; being a portion of the North % of the Northwest % of the Northwest % of Section 32, Township 34 North, Range 4 East, W.M.

Situate in the County of Skagit, State of Washington.

# PARCEL "B":

That portion of the North ½ of the South ½ of the Northwest ¼ of the Northwest ¼ of Section 32, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at a point on the South line of said North % of the South % of the Northwest %, 30 feet East of the Southwest corner thereof, said point being the East line of the State Highway "99" right of way, as said highway existed on January thereof.

thence East along the South line of said North % of the South % of the Northwest %, 188 feet;

thence North parallel with the West line of said subdivision, 200

thence West 188 feet to the East line of said State Highway right

thence South along the East line of said highway right of way, 200 feet to the point of beginning.

Situate in the County of Skagit, State of Washington.

# PARCEL "C":

That portion of the North % of the South % of the Northwest % of the Northwest % of W.M., described as follows:

"This policy No. F54-121961 is issued in replacement of policy No.

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# DESCRIPTION CONTINUED:

# PARCEL "C" continued:

Beginning at a point on the South line of said North ½ of the South 光 of said Northwest % of the Northwest %, 30 feet East of the Southwest corner thereof, said point being on the East line of the State Highway "99" right of way, as said highway existed on January

thence North along the East line of said State Highway right of way, 200 feet;

thence East 144 feet to the true point of beginning;

thence continue East 44 feet;

thence North parallel to the West line of said Northwest 1/2, 8.0

thence West 44 feet;

thence South 8.0 feet to the true point of beginning,

EXCEPT the North 6.13 feet thereof.

Situate in the County of Skagit, State of Washington.

#### PARCEL "D":

The South 1.87 feet of the West 144.00 feet of that portion of the North % of the South % of the Northwest % of the Northwest % of Section 32, Township 34 North, Range 4 East, W.M., described as

Beginning at a point on the East line of the State Highway 200 feet North of the South line of said North % of the South % of the Northwest % of the Northwest % of said Section 32; thence East 144 feet;

thence North parallel to the West line of said Northwest % of the Northwest %, 8 feet;

thence East 44 feet, more or less, to a line which is distant 218 feet East of and parallel to the West line of said Northwest % of

thence North along said parallel line 122 feet, more or less, to the North line of said North % of the South % of the Northwest % of the Northwest 1/4;

thence West along said North line 188 feet, more or less, to the East line of said State Highway;

thence South along said East line 130 feet to the point of beginning.

Situate in the County of Skagit, State of Washington.

"This policy No. F54-121961 is issued in replacement of policy No. F54-096911.\*

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#### PARCEL "E":

The South 330 feet of the Northwest % of the Northwest % of Section 32, Township 34 North, Range 4 East, W.M., EXCEPT Drainage District No. 17 right of way, EXCEPT Old State Highway 99 along the West line thereof, EXCEPT that portion conveyed to the State of Washington for Primary State Highway No. 1 along the East line thereof, by deed dated February 3, 1953, recorded March 12, 1953, under Auditor's File No. 485839, AND EXCEPT that portion, if any, lying within the North % of the South % of the Northwest % of the Northwest %, ALSO EXCEPT that portion thereof condemned by the State of Washington for highway purposes in Skagit County Superior Court Cause No. 33040.

Situate in the County of Skagit, State of Washington.

#### PARCEL "F":

The North % of the South % of the Northwest % of the Northwest % of Section 32, Township 34 North, Range 4 East, W.M., EXCEPT the West 218 feet thereof, AND EXCEPT that portion thereof conveyed to the State of Washington for highway purposes by deed dated January 29, 1953 and recorded February 12, 1953, under Auditor's File No. 485836, and deed recorded December 21, 1971, under Auditor's File No. 762101, records of said County, AND EXCEPT Drainage Ditch right of way, if any.

Situate in the County of Skagit, State of Washington.

#### PARCEL "G":

Government Lot 7 of Section 12, Township 34 North, Range 3 East, W.M., and a tract of land in the Northeast % of the Northeast % of Section 13, Township 34 North, Range 3 East, W.M., described as follows:

Beginning at the Northeast corner of said Section 13; thence South 83°31' West along the North line of said Section 13, a distance of 1,273.6 feet, more or less, to the Northwest corner of the Northeast ¼ of the Northeast ¼ of said Section 13; thence South along the West line of said Northeast ¼ of the Northeast ¼, a distance of 160.6 feet;

"This policy No. F54-121961 is issued in replacement of policy No. F54-096911."

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# DESCRIPTION CONTINUED:

# PARCEL "G" Continued:

thence South 89°33' East, a distance of 1,275 feet, more or less, to the East line of said Section 13; thence North along the East line of said Section, a distance of 314.8 feet, more or less, to the point of beginning, EXCEPT the East 40 feet of that portion of the subject property lying within Government Lot 7 in Section 12, Township 34 North, Range 3 East, W.M., and as conveyed to Skagit County for road purposes by deed recorded April 5, 1911 in Volume 83 of Deeds, page 536, ALSO EXCEPT the East 40 feet of that portion of the subject property lying within Section 13, Township 34 North, Range 3 East, W.M., as conveyed to John Krangness by deed recorded April 4, 1924, in Volume 132 of Deeds, page 576, ALSO EXCEPT therefrom all rights of ways for Diking District No. 17 and for County roads, AND ALSO EXCEPT the North 2 acres of the West 10 acres of the remainder.

Situate in the County of Skagit, State of Washington.

### PARCEL "H":

That portion of Government Lot 6, Section 12, Township 34 North, Range 3 East, W.M., described as follows:

Beginning at the Southwest corner of said Lot; thence North 83°40'02" East 1,193.75 feet along the South line of said Section 12, to a point that is South 83°40'02" West 1,285.18 feet from the Southeast corner of said Section 12 said point being the true point of beginning;

thence North 0°19'30" West 204.05 feet;

thence South 88°38'19" East 48.51 feet to the East line of said

thence South 0°33'18" West 197.86 feet along said East line to the Southeast corner thereof;

thence South 83°40'02" West 45.71 feet along said South line to the true point of beginning.

Being a portion of Lot 2, Short Plat No. 79-80, recorded in Book 5 of Short Plats, page 125, under Skagit County Auditor's File No. 8109110008.

Situate in the County of Skagit, State of Washington.

"This policy No. F54-121961 is issued in replacement of policy No. F54-096911."

