

When recorded return to:

WALTER C. NEVEGOLD III
1250 ARREZO DR
SEDRO WOOLLEY, WA 98284

CHICAGO TITLE CO.

STATUTORY WARRANTY DEED

Escrow No.: 16816
Title Order No.: IC40786 ✓

THE GRANTOR(S)

D.B. JOHNSON CONSTRUCTION, INC., A Washington Corporation

for and in consideration of TEN DOLLARS AND OTHER GOOD AND VALUABLE CONSIDERATION in hand paid, conveys, and warrants to

WALTER C. NEVEGOLD III, A Single Person and TARA L. CONYERS, A Single Person

the following described real estate, situated in the of Skagit, State of Washington:

LOT 11, SAUK MOUNTAIN VIEW ESTATES SOUTH-A PLANNED RESIDENTIAL DEVELOPMENT PHASE 3, ACCORDING TO THE PLAT THEREOF RECORDED MAY 26, 2005, UNDER AUDITOR'S FILE NO. 200505260107, RECORDS OF SKAGIT COUNTY, WASHINGTON.
SITUATED IN SKAGIT COUNTY, WASHINGTON.

Tax Parcel Number(s): 4860-000-011-0000

6093
SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

SUBJECT TO: See Exhibit "A" attached hereto.

NOV 30 2006

Dated: november 24, 2006

Amount Paid \$ 4633.18
Skagit Co. Treasurer
By *[Signature]* Deputy

D.B. JOHNSON CONSTRUCTION, INC., A Washington Corporation

BY: *Marie English*
MARIE ENGLISH, Manager

STATE OF Washington) ss.
COUNTY OF Snohomish

I certify that I know or have satisfactory evidence that MARIE ENGLISH is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as the Manager of D.B. JOHNSON CONSTRUCTION, INC to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

Dated: 28TH day of November, 2006.

Robert M. Livesay
ROBERT M. LIVESAY
Notary Public in and for the State of Washington
residing at MARYSVILLE
My Commission Expires: 06/09/09

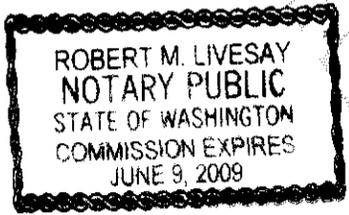


EXHIBIT A

Easement, including the terms and conditions thereof, disclosed by instrument(s);
Recorded: February 26, 1935
Auditor's No(s): 267764, records of Skagit County, Washington
In favor of: Drainage District No. 14 of Skagit County Washington
For: Right of way for drainage ditch purposes. Together with right of ingress and egress
Affects: Portion in the Southwest Quarter of the Northeast Quarter and other property

Easement, including the terms and conditions thereof, granted by instrument(s);
Recorded: June 20, 1945
Auditor's No(s): 381240, records of Skagit County, Washington
In favor of: Puget Sound Power & Light Company
For: Electric transmission and/or distribution line, together with necessary appurtenances
Affects: Portion in Southeast Quarter of the Northwest Quarter

Easement, including the terms and conditions thereof, granted by instrument(s);
Recorded: June 6, 1946 and July 17, 1946
Auditor's No(s): 392628 and 394047, records of Skagit County, Washington
In favor of: The United States of America
For: One or more lines of electric power transmission structures and appurtenant signal lines
Affects: A strip of land 125.0 feet in width, the boundaries of said strip lying 62.5 feet distant from, on each side of, and parallel with the survey line of the Arlington-Bellingham Transmission line as now located and staked

Easement, including the terms and conditions thereof, disclosed by instrument(s);
Recorded: September 14, 1956
Auditor's No(s): 541476, records of Skagit County, Washington
In favor of: Pacific Northwest Pipeline Corporation
For: Constructing, maintaining, etc. pipeline or pipelines
Affects: Portion in the Southwest Quarter of the Northeast Quarter and other property

Easement, including the terms and conditions thereof, disclosed by instrument(s);
Recorded: November 26, 1956
Auditor's No(s): 544543, records of Skagit County, Washington
In favor of: Cascade Natural Gas Corporation
For: Constructing, maintaining, etc. Pipeline or pipelines
Affects: Portion in the Southwest Quarter of the Northeast Quarter and other property

Said instrument was corrected by instrument dated August 3, 1957, and recorded September 9, 1957, under Auditor's File No. 555867, records of Skagit County, Washington.

Easement, including the terms and conditions thereof, granted by instrument(s);
Recorded: June 19, 1963
Auditor's No(s): 637410, records of Skagit County, Washington
In favor of: United States of America
For: Electric transmission and/or distribution line, together with necessary appurtenances
Affects: Portion lying within a strip of land 137.5 feet in width and lying on the Northeasterly side of, running parallel with and adjoining the existing 125 foot right of way of the Bonneville Power Administration's Arlington-Bellingham transmission line



Easement, including the terms and conditions thereof, granted by instrument(s);
Recorded: August 7, 1963
Auditor's No(s).: 639321, records of Skagit County, Washington
In favor of: The United States of America
For: One or more lines of electric power transmission structures and appurtenant signal lines
Affects: A strip of land 137.5 feet in width, the boundaries of said strip lying 62.5 feet distant Easterly from and 75.0 feet distant Westerly from, and parallel with said survey line for the Snohomish-Blaine No. 1 Transmission line as said survey line being now located and staked

Easement, including the terms and conditions thereof, granted by instrument(s);
Recorded: January 30, 1969
Auditor's No(s).: 722786, records of Skagit County, Washington
In favor of: United States of America
For: Electric transmission and/or distribution line, together with necessary appurtenances
Affects: A strip of land 262.5 feet in width, lying 75 feet Northeasterly from and 187.5 feet Southwesterly from and parallel with the survey line of the Bonneville Power Administration's Snohomish-Blaine No. 1 transmission line.

Easement, including the terms and conditions thereof, granted by instrument(s);
Recorded: November 5, 1979
Auditor's No(s).: 7911050071, records of Skagit County, Washington
In favor of: Present and future owners of land
For: Ingress, egress and utilities
Affects: A 60-foot strip of land in the portion of the Southeast Quarter of the Northwest Quarter

Easement, including the terms and conditions thereof, granted by instrument(s);
Recorded: April 18, 1990
Auditor's No(s).: 9004180059, records of Skagit County, Washington
In favor of: Puget Sound Power & Light Company
For: Electric transmission and/or distribution line, together with necessary appurtenances
Affects:

Commencing at the Northwest corner of the above described Parcel A;
Thence South 00°38'43" East a distance of 279.87 feet along the West line thereof to the center of an existing transmission line and the true point of beginning of this centerline description;
Thence South 55°26'45" East a distance of 273.58 feet;
Thence South 40°20'02" East a distance of 867.53 feet to a point on the Northerly line of the Northern Pacific Railway right-of-way and the terminus of this centerline description.

Right-of-Way No. 2: (For overhang or undergrounding of Facilities only)

Commencing at the Northeast corner of the above-described parcel B;
Thence North 89°33'49" West a distance of 431.05 feet along the North line thereof to the center of an existing transmission line and the true point of beginning of this centerline description;
Thence South 55°26'45" East a distance of 28.53 feet to a point on the South line of the above-described Parcel B and the terminus of this centerline description.

The above described easements to be either lengthened or shortened accordingly to intersect with the above described properties.

Easement, including the terms and conditions thereof, created by instrument(s);
Recorded: July 5, 2002
Auditor's No(s).: 200207050100, records of Skagit County, Washington
In favor of: Northwest Pipeline Corporation
For: Pipeline and related rights
Affects: Portion of the Northeast Quarter



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Skagit County Auditor

Easement, including the terms and conditions thereof, created by instrument(s);
Recorded: July 25, 2002
Auditor's No(s): 200207250019, records of Skagit County, Washington
In favor of: John A. Lange and Gayle Lange
For: Utilities, Drainage, Sewer lines, etc.
Affects: Said premises and other property

Easement, including the terms and conditions thereof, granted by instrument(s);
Recorded: April 7, 2003
Auditor's No(s): 200304070119, records of Skagit County, Washington
In favor of: Puget Sound Energy, Inc.
For: Electric transmission and/or distribution line, together with necessary appurtenances

Agreement, including the terms and conditions thereof; entered into;
By: Betty Bolton
And Between: TNT Construction, Inc.
Recorded: June 11, 1980
Auditor's No. 8006110010, records of Skagit County, Washington
Providing: Usage of access road

Agreement, including the terms and conditions thereof; entered into;
By: Northwest Pipeline Corporation
And Between: John A. Lange and Gayle Lange
Recorded: October 10, 2001
Auditor's No. 200110100109, records of Skagit County, Washington
Providing: Authorization for specific encroachment
Affects: Portion in the Southwest Quarter of the Northeast Quarter

Agreement, including the terms and conditions thereof; entered into;
By: John A. Lange and Joy G. Lange
And Between: North County Bank
Recorded: January 22, 2002
Auditor's No. 200201220096, records of Skagit County, Washington
Providing: Hazardous Substances Agreement
Affects: Said premises and other property

Agreement, including the terms and conditions thereof; entered into;
By: City of Sedro-Woolley, a Washington Municipal Corporation
And Between: SW-Land Company, LLC, a Washington Limited Partnership, et al
Recorded: April 2, 2002
Auditor's No.: 200204020058, records of Skagit County, Washington

Agreement, including the terms and conditions thereof; entered into;
By: City of Sedro Woolley, et al
And Between: City of Sedro Woolley, et al
Recorded: May 7, 2003
Auditor's No. 200305070171, records of Skagit County, Washington
Providing: Development conditions and provisions

Agreement, including the terms and conditions thereof; entered into;
By: Sauk Mountain Village, L.L.C., et al
And Between: City of Sedro Woolley, et al
Recorded: May 7, 2003
Auditor's No. 200305070172, records of Skagit County, Washington
Providing: Development conditions and provisions

Agreement, including the terms and conditions thereof; entered into;
By: John and Gayle Lange, et al
And Between: City of Sedro Woolley, et al
Recorded: June 9, 2003
Auditor's No. 200306090031, records of Skagit County, Washington
Providing: Development conditions and provisions

AMENDED by instrument(s):
Recorded: June 30, 2003
Auditor's No(s): 200306300001, records of Skagit County, Washington



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Agreement, including the terms and conditions thereof; entered into;
By: City of Sedro Woolley
And Between: Dukes Hill, L.L.C. a Washington limited liability company, et al
Recorded: January 29, 2004
Auditor's No. 200401290098, records of Skagit County, Washington
Providing: Development Agreement regarding obligations arising from
Development Approval
Affects: Said premises and other property

Said instrument is a re-recording of instrument (s);
Recorded: February 2, 2004
Auditor's File No(s): 200402030145, records of Skagit County, Washington

Easement delineated on the face of said plat;
For: Utilities
Affects: Exterior 10 feet adjacent to street

Easement contained in Dedication of said plat;
For: All necessary slopes for cuts and fills
Affects: Any portions of said premises which abut upon streets, avenues,
alleys and roads

Easement delineated on the face of said plat;
For: 30 foot buffer setback and drainage easement
Affects: The Southeasterly 30 feet of lots 34, 35, 36, 37, 38, 39, 40 and 41

Easement delineated on the face of said plat;
For: Utilities
Affects: The Southwesterly portion of Lot 3 and the Northeasterly portion of
Lot 4

Easement provisions contained on the face of Sauk Mountain View Estates South, Phase I, as follows:

Easements are granted to Sauk Mt. View Estates South Homeowners Association, its successors and assigns, the perpetual right, privilege and authority enabling the Grantee to do all things necessary or proper in the construction and maintenance of stormwater utilities or related facilities, including the right to construct, operate, maintain, inspect, improve, remove, restore, alter, replace, relocate, connect to and locate at any time a pipe or pipes, ditches, conveyances, ponds and other facilities over, across, along, in and under the lands as shown on this plat, together with the right of ingress to and egress from said lands across adjacent lands of the Grantor. Also, the right to cut and/or trim all brush or other growth standing or growing upon the land of the Grantor, which, in the opinion of the Sauk Mt. View Estates South Homeowners Association, constitutes a menace or danger to said line(s) or to persons or property by reason of proximity to the line(s).

Grantor, its heirs, successor or assigns hereby conveys and agrees not to construct or permit to be constructed structures of any kind on the easement area without written approval of the Sauk Mt. View Estates South Homeowners Association. Grantor shall conduct its activities and all other activities on Grantor's property so as not to interfere with, construct or endanger the usefulness of any improvements or other facilities, now or hereafter, maintained upon the easement or in any way interfere with, obstruct or endanger the City's use of the easement.

The Sauk Mt. View Estates South Homeowners Association may assign its rights under this easement to any municipality, public district or other entity.



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Easement provisions contained on the face of said plat, as follows:

Easements are granted to the City of Sedro-Woolley, Washington, a municipal corporation, its successors and assigns, the perpetual right, privilege and authority enabling the City to do all things necessary or proper in the construction and maintenance of sewer, stormwater and communication line(s), and other municipal and public utilities or related facilities, including the right to construct, operate, maintain, inspect, improve, remove, restore, alter, replace, relocate, connect to and locate at any time a pipe or pipes, line or sewer, stormwater, and communication lines or other municipal and public facilities or other similar public services over, across, along, in and under the lands as shown on this Plat, together with the right of ingress to and egress from said lands across adjacent lands of the Grantor; also, the right to cut and/or trim all brush or other growth standing or growing upon the land of the Grantor which, in the opinion of the City, constitutes a menace or danger to said line(s) or to persons or property by reason of proximity to the line(s). The Grantor agrees that title to all brush, other vegetation or debris trimmed, cut and removed from the easement pursuant to this agreement is now vested in the City.

Grantor, its heirs, successors or assigns, hereby conveys and agrees not to construct or permit to be constructed structures of any kind on the easement area without written approval of the City Public Works Director. Grantor shall conduct its activities and all other activities on Grantor's property so as not to interfere with, obstruct or endanger the usefulness of any improvements or other facilities, now or hereafter maintained upon the easement or in any way interfere with, obstruct or endanger the City's use of the easement.

Grantee may assign the rights under this easement by agreement, assignment, franchise or other device to any public or privately owned utility.

Note on the face of said plat;

COVENANTS, CONDITIONS AND RESTRICTIONS

This plat of Sauk Mountain View Estates South – Phase 3, a Planned Residential Development, is subject to the same covenants, conditions and restrictions as were recorded for the plat of Sauk Mountain View Estates South – a Planned Residential Development, under Auditor's File No. 200306090033, records of Skagit County, Washington, AND AS AMENDED and FILED under Auditor's File No. 200306300001, records of Skagit County, Washington.

Building setback line(s) delineated on the face of said plat.

An open space covenant over tract a is conveyed to the City of Sedro Woolley transferring remaining development rights to the City. Tract A shall be maintained as lawn, field or native vegetation, subject to easements and restrictions of record.

Tract A – East – is hereby dedicated and quit claimed in fee to the SMVE-South Homeowners Association. Subject to easements and covenants of record. The association will maintain as a usable open space walking area and for passive recreational use. Tract A (Common Area).

Tract A – West – is hereby dedicated and quit claimed in fee to the SMVE-South Homeowners Association. Subject to easements and covenants of record. This area to be maintained in its existing natural condition. Native vegetation to remain.



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Easement provisions contained on the face of said plat, as follows:

A 20 foot strip of land for access purposes to the golf course detention and water quality facility, being 10 feet on either side of the following described centerline:

Commencing at the Southernmost point of the centerline of Arrezo Drive as dedicated within the plat of Sauk Mountain View Estates South, a Planned Residential Development Phase I, and recorded under Auditor's File No. 200306090032, records of Skagit County, Washington;

Thence South 01°07'43" East, 472.64 feet to a point of curvature;

Thence along a curve to the left having a radius of 145.00 feet through a central angle of 33°21'13", an arc length of 84.41 feet;

Thence South 40°53'38" West, 118.70 feet;

Thence South 49°06'22" East, 17.00 feet to the point of beginning of said access easement centerline;

Thence South 40°53'38" West, 117.33 feet;

Thence South 50°35'04" East, 4.92 feet to a point of curvature;

Thence along the arc of a curve to the right having a radius of 50.00 feet through a central angle of 47°03'09" an arc length of 41.06 feet to a point of tangency;

Thence along said tangent South 03°31'55" East, 101.02 feet;

Thence South 41°00'06" East, 337.84 feet;

Thence continuing South 41°00'06" East, 64.41 feet to the termination point of said access easement centerline.

Easement provisions contained on the face of said plat, as follows:

A non-exclusive easement for a non-motorized public trail to the City of Sedro-Woolley a 20 foot strip of land for trail purposes, being 10 feet on either side of the following described centerline:

Commencing at the Northwest corner of Lot 1 in the Plat of Sauk Mountain View Estates South, a Planned Residential Development Phase 1, as recorded under Auditor's File No. 200306090032, records of Skagit County, Washington;

Thence South 88°18'58" West, 93.56 feet to the point of beginning of said easement centerline;

Thence South 01°24'34" West, 101.65 feet;

Thence South 05°05'21" East, 80.82 feet;

Thence South 00°24'26" West, 197.59 feet;

Thence South 04°20'33" West, 121.11 feet;

Thence South 01°27'43" East, 42.39 feet;

Thence South 04°39'15" East, 147.85 feet to a point of curvature;

Thence along the arc of a curve to the left having a radius of 100.00 feet through a central angle of 45°55'49", an arc length of 80.16 feet to a point of tangency;

Thence along said tangent South 50°35'04" East, 59.02 feet;

Thence North 40°53'38" East, 117.33 feet;

Thence South 40°53'58" West, 117.33 feet;

Thence South 50°35'04" East, 4.92 feet to a point of curvature of a curve to the right having a radius of 50 feet through a central angle of 47°03'23" and arch length of 41.06 feet to a point of tangency;

Thence South 03°31'55" East, 101.02 feet;

Thence South 41°00'06" East, 337.84 feet;

Thence continuing South 41°00'06" East, 64.41 feet to the termination point of said easement centerline;

TOGETHER WITH an easement for ingress and egress over adjacent property for maintenance purposes.



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Exceptions and reservations contained in Deed whereby the Grantor excepts and reserves all oils, gases, coal, ores, minerals, fossils, etc., and the right of entry for opening, developing and working mines, etc., provided that no rights shall be exercised until provision has been made for full payment of all damages sustained by reason of such entry;

Together With the right, upon paying reasonable compensation, to acquire rights of way for transporting and moving products from other lands, contained in Deed

From: The Wolverine Company
Recorded: June 28, 1908
Auditor's No.: Volume 68 of Deeds, page 357, records of Skagit County, Washington

To: Frank Benecke and Marie Benecke, husband and wife
As Follows: Excepting however, from the operation of this deed and reserving unto the said party of the first party, its successors and assigns, all mineral and mineral oils in or under any of said lands, whether said minerals or mineral oils are now known, or part of the first part, its successors or assigns, in, to or upon the surface of any of said lands.

Affects: Portion lying within Southwest Quarter of the Northeast Quarter

Exceptions and reservations contained in Deed whereby the Grantor excepts and reserves all oils, gases, coal, ores, minerals, fossils, etc., and the right of entry for opening, developing and working mines, etc., provided that no rights shall be exercised until provision has been made for full payment of all damages sustained by reason of such entry;

Together With the right, upon paying reasonable compensation, to acquire rights of way for transporting and moving products from other lands, contained in Deed

Recorded: July 28, 1908
Auditor's No.: 68626, records of Skagit County, Washington
Executed By: The Wolvering Company

Affects: Portion in the Southwest Quarter of the Northeast Quarter
As Follows: Excepting and reserving unto grantor, its successors and assigns, all mineral and mineral oils in, or under any of said lands, whether said mineral or mineral oils are now known, or shall hereafter be discovered; without however any right in, to or upon the surface of any of said lands

Exceptions and reservations as contained in Deed;

From: C.A. Wicker, a bachelor
Recorded: September 26, 1912
Auditor's No.: 93017, records of Skagit County, Washington
As Follows: Excepting and reserving all minerals, oils, gases and fossils in or upon said premises and the right to enter said premises for any purpose incidental to the prospecting, mining, or extracting the same from said premises, provided, however, that the said party of the second part, his heirs, administrators and assigns shall be compensated for all damage done to the surface and soil of said land, and the improvements thereon.

Exceptions and reservations contained in Deed whereby the Grantor excepts and reserves all oils, gases, coal, ores, minerals, fossils, etc., and the right of entry for opening, developing and working mines, etc., provided that no rights shall be exercised until provision has been made for full payment of all damages sustained by reason of such entry;

Together With the right, upon paying reasonable compensation, to acquire rights of way for transporting and moving products from other lands, contained in Deed

From: Skagit Realty Company
Recorded: October 23, 1915
Auditor's No.: 110291, records of Skagit County, Washington

Affects: Portion in the Southeast Quarter of the Northwest Quarter
As Follows: Excepting and reserving, however, all mineral and mineral oils in or under any of said land, without, however, any right in, to or upon the surface of any of said land



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Exceptions and reservations as contained in instrument;
Recorded: July 31, 1968
Auditor's No.: 716483, records of Skagit County, Washington
From: Northern Pacific Railway Company, a corporation
Affects: A portion of subject property

Terms, conditions, and restrictions of that instrument entitled City of Sedro-Woolley Ordinance No. 1418-02;

Recorded: March 29, 2002
Auditor's No(s): 200203290182, records of Skagit County, Washington

Covenants, conditions, restrictions, and easements contained in declaration(s) of restriction, but omitting any covenants or restrictions, if any, based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law;

Recorded: June 9, 2003
Auditor's No(s): 200306090033, records of Skagit County, Washington
Executed By: John and Gayle Lange

Assessments or charges and liability to further assessments or charges, including the terms, covenants, and provisions thereof, disclosed in instrument(s);

Recorded: June 9, 2003
Auditor's No(s): 200306090033, records of Skagit County, Washington
Imposed By: Sauk Mt. View Estates South Homeowners Association

Easement, including the terms and conditions thereof, granted by instrument(s);

Recorded: July 20, 2005
Auditor's No(s): 200507200156, records of Skagit County, Washington
In favor of: John Lange and Gayle Lange, their heirs and all future owners, successors or assigns
For: Drainage

Easement, including the terms and conditions thereof, granted by instrument(s);

Recorded: July 20, 2005
Auditor's No(s): 200507200157, records of Skagit County, Washington
In favor of: John Lange and Gayle Lange, their heirs and all future owners, successors or assigns
For: Drainage

Easement, including the terms and conditions thereof, granted by instrument(s);

Recorded: July 20, 2005
Auditor's No(s): 200507200158, records of Skagit County, Washington
In favor of: John Lange and Gayle Lange, their heirs and all future owners, successors or assigns
For: Grading

Easement, including the terms and conditions thereof, granted by instrument(s);

Recorded: July 20, 2005
Auditor's No(s): 200507200159, records of Skagit County, Washington
In favor of: John Lange and Gayle Lange, their heirs and all future owners, successors or assigns
For: Grading

Easement, including the terms and conditions thereof, declared by instrument(s);

Recorded: October 27, 2006
Auditor's No(s): 200610270089, records of Skagit County, Washington
For: Drainage of water and the maintenance and monitoring, construction, reconstruction, repair and upkeep of the drainage equipment
Affects: Eastern most 6 feet parallel and adjacent to the East line of said premises and other property



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