

Skagit County Auditor

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Vere word the of AFH 200804300195 to NOTICE OF CONTINUANCE COYVect legal desc. LAND CLASSIFIED AS CURRENT USE OR FOREST LAND Chapter 84.34 and 84.33 Revised Code of Washington

| Grantor(s) SKAGIT GARDENS | NC. |
|--|--|
| | |
| Grantee(s): SEAGIT RESPECTED Legal Description SEE ATTACHED E | EXHIBIT A 232 |
| | νiΨ |
| The Design Account Number 4 if | 1527 129524 \$29522 \$106106 16105 \$21493 \$21740 \$21495 |
| Reference Numbers of Documents Assigned or Released | |
| If the new owner(s) of land that is classified as current us continue the classification or designation of this land, the owners must sign. If the new owner(s) do(es) not desire designation, all additional or compensating tax calculated 84.33.140, shall be due and payable by the seller or transfine land qualifies to continue classification or designation | to continue the classification or pursuant to RCW 84.34.108 or RCW leave at the time of sale. To determine if |
| Name of New Owner(s) Skagit RESPE Immited lia | |
| MOUNT VERNON, WH 98273 | excise Tax No. |
| Phone No. | Total National Control of the Contro |
| File No. | Levy Code |
| | Date of Norice |
| Interest in Property: Fee Owner Contract Purchaser | Other |
| For tax assistance, visit http://dor.wa.gov or call (800) 647-7706 an alternate format for the visually impaired, please call (360) 486 | To inonire shoul the availability of this openment in |
| REV 64 0047-1 (7/18/02) | |

- A. CLASSIFICATION UNDER CHAPTER 84:34 RCW. I'we request that this land retain the current use classification as Open Space Land, A Farm and Agricultural Land, Timberland, and I am/we are aware of the following land use classifications;
 - 1. OPEN SPACE LAND MEANS EITHER:
 - a. any land area so designated by an official comprehensive land use plan adopted by any city or county and zoned accordingly; or
 - b. any land area, the preservation of which in its present use would: (i) conserve and enhance natural of scenic resources; (ii) protect streams or water supply; (iii) promote conservation of soils, wetland, 'beaches, or tidal marshes; (iv) enhance the value to the public of abutting or neighboring parks, forests, wildlife preserves, nature reservations or sanctuaries or other open space; (v) enhance recreation opportunities; (vi) preserve historic sites; (vii) preserve visual quality along highway, road, and street corridors or scenic vistas; or (viii) retain in its patural state tracts of land not less than one acre situated in an urban area and open to public use on such conditions as may be reasonably required by the legislative body granting the open space classification; or
 - c. any land that meets the definition of farm and agricultural conservation land. "Farm and agricultural conservation land is either; (i) land that was previously classified as open space farm and agricultural land that no longer meets the criteria of farm and agricultural land, and that is reclassified as open space and under RCW 84.34.020(1); or (ii) land that is traditional farmland that is not classified under chapter 84.33 or 84.34 RCW, that has not been irrevocably devoted to a use inconsistent with agricultural uses, and that has a high potential for returning to commercial agriculture.
 - 2 FARM AND AGRICULTURAL LAND MEANS EITHER.
 - any parcel of land or contiguous parcels of land in the same ownership of twenty or more acres: (i) devoted primarily to the production of livestock or agricultural commodities, for commercial purposes; or (ii) enrolled in the federal conservation reserve program or its successor administered by the United States department of agriculture; or (iii) other similar commercial activities as may be established by rule; or
 - b. any parcel of land or contiguous parcels of land in the same ownership of at least five acres but less than twenty acres devoted primarily to agricultural uses which has produced a gross income equal to two hundred dollars or more per acre per year for three out of the five calendar years preceding the date of application for classification under chapter 84.34 RCW; or
 - c. any parcel of land that is less than five acres devoted primarily to agricultural uses which has produced a gross income equal to fifteen hundred dollars or more per year for three out of the five calendar years preceding the date of application for classification under chapter 84.34 RCW; or
 - d. any land on which the principal place of residence of the farm operator or owner of land or housing for employees is sited if the farm and agricultural land is classified pursuant to RCW 84.34.020 (c) if the residence or housing is on or contiguous to the classified parcel, and the use of the residence or housing is integral to the use of the classified land for agricultural purposes.

Agricultural land also includes (i) land on which appurtenances necessary for the production, preparation, or sale of commercial agricultural products are situated when the appurtenances are used in conjunction with the land(s) producing agricultural products, (ii) land incidentally used for an activity or enterprise that is compatible with commercial agricultural purposes as long as the incidental use does not exceed twenty percent of the classified land, and (iii) any noncontiguous parcels of land from one to five acres in size that constitutes an integral part of the commercial agricultural operations of a classified parcel of farm and agricultural land.

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3. TIMBER LAND MEANS any percel or contiguous percels of land in the same ownership of five or more acres devoted primarily to the growing and harvesting of forest crops for commercial purposes. Timber land means the land only.

I've declare that I amiwe are aware of the liability of withdrawal or removal of this land from classification to the following extent:

- 1. If the owner has filed the proper notice of request to withdraw the classified land and the land has been classified for a minimum of ten years he/she shall pay an amount equal to the difference between the tax computed on the basis of "current use" and the tax computed on the basis of true and fair value plus interest at the same statutory rate charged on delinquent property taxes. The additional tax and interest shall be paid for the preceding seven years.
- 2. If land is removed from classification because of a change to a non-conforming use, land is removed prior to the minimum ten year period, or land is removed because the owner(s) failed to comply with the two year notice of withdrawal he/she shall be liable to pay the additional tax and interest described in 1 above plus a penalty of twenty percent of the additional tax and interest. The additional tax, interest, and penalty shall be paid for the preceding seven years.
- The additional tax, interest, and/or penalty shall not be imposed if the withdrawel or removal from classification resulted solely from:
 - a. transfer to a government entity in exchange for other land located within the state of Washington;
 - b. 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 this power, said entity having manifested its intent in writing or by other official action;
 - a natural dispater such as a flood, windstorm, earthquake, or other calamity rather than by virtue
 of the act of the landowner changing the use of the classified land;
 - d. 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 classified use of the land;
 - transfer of land to a church when the land would qualify for exemption pursuant to RCW 8436.020;
 - f. acquisition of property interests by a state or federal agency, county, city, town, metropolitan park district; metropolitan municipal corporation, nonprofit historic preservation corporation as defined in RCW 64.04.130, or nonprofit nature:conservancy corporation or association as defined in RCW 84.34.250;
 - g. removal of classified farm and agricultural land on which the principal residence of the farm operator or owner or bousing for employees;
 - h. removal of land from classification after enactment of a statutory exemption that qualifies the land for exemption and receipt of notice from the owner to remove the land from classification;
 - the creation, sale, or transfer of forestry riparian casements under RCW 76.13.120;
 - the creation, sale, or transfer of a fee interest or a conservation easement for the riparian open space program under RCW 76.09.040;
 - k the sale or transfer of land within two years after the death of the owner of at least a fifty percent interest in the land if the land has been essessed and valued as designated forest land under chapter 84.33 RCW, or classified under this chapter 84.34 continuously since 1993;
 - the sale or transfer of land after the death of the owner of at least a fifty percent interest in the land if the land has been assessed and valued as designated forest land under chapter 84.33 RCW, or classified under this chapter 84.34 RCW continuously since 1993 and the sale or transfer takes place within two years after July 22, 2001, and the death of the owner occurred after January 1, 1991; or
 - m the date of death shown on a death certificate is the date used.

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CLASSIFICATION UNDER CHAPTER 84.33 RCW. I/we request that this land retains its designation as forest land and I am/we are aware of the following definition of forest land. FOREST LAND is synonymous with designated forest land and means all contiguous land in the same ownership of at least twenty acres that is primarily devoted to and used for growing and harvesting timber and means the land only.

I/we declare that I am/we are aware of the liability of removal of this land from designated forest land and upon removal a compensating tax shall be imposed that shall be equal to the difference between the amount of tax last levied on the land as forest land and an amount equal to the new assessed valuation of the land multiplied by the dollar rate of the last levy extended against the land, multiplied by a number, not greater than nine, equal to the number of years the land was designated as forest land.

The compensating tax shall not be imposed if the removal of designation resulted solely from:

- a. transfer to a government entity in exchange for other forest land located within the state of Washington;
- b. 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 this power;
- c. a donation of fee title, development rights, or the right to harvest timber, to a government agency or organization qualified under RCW 84.34.210 and 64.04.130 for the purposes enumerated in those sections or the sale or transfer of fee fille 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. At such time as the land is not used for the purposes enumerated, the compensating tax specified in subsection (11) of this section shall be imposed upon the current owner;
- d. the sale or transfer of fee title to the parks and recreation commission for park and recreation purposes;
- e. 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;
- f. the creation, sale, or transfer of forestry riparian casements under RCW 76.13.120;
- g. the creation, sale, or transfer of a fee interest or a conservation easement for the riparian open space program under RCW 76.09.040;
- h the sale or transfer of land within two years after the death of the owner of at least a fifty percent interest in the land if the land has been assessed and valued as designated forest land under chapter 84.33 RCW, or classified under chapter 84.34 continuously since 1993;
- the sale or transfer of land after the death of the owner of at Jesst a fifty percent interest in the land if the land has been assessed and valued as designated forest land under chapter 84.33 RCW, or classified under chapter 84.34 RCW continuously since 1993 and the sale or transfer takes place within two years after July 22, 2001, and the death of the owner occurred after January 1, 1991; or
- j. the date of death shown on the death certificate is the date used.

| The agreemen | nt to tax according to use of the property is not a | contract and can be annulled or canceled at any |
|----------------|---|---|
| time by the Lo | epitlature (RCW 84.34.070). | 6/30/08 |
| By: | (see below) | |
| Property Ow | nd 3100 Old Highway 99 | 7 <i>5</i> |
| · Address | MOUNT VERNON, WA | 98213 |
| Property Ow | nor | Date |
| Address | | |
| Property Ow | nor | Date |
| Address | | |
| REV 64 0047-4 | (7/18/02) | |

PROPERTY OWNER: SKAGIT RESPELLL a Washington limited liability Company

Skagit gardens Inc. a Delaware corporation, H5 sole Member and Has

lances H. Hulbert III Chief Executive Offices



Skagit County Auditor

EXHIBIT A

Legal Description:

PARCEL A:

The North 165 feet of the Southwest Quarter of the Northwest Quarter of Section 32, Township 34 North, Range 4 East of the Willamette Meridian;

EXCEPT roads;

AND EXCEPT the South 45 feet of the West 120 feet thereof lying East of the former U.S. Highway 99;

AND ALSO EXCEPT all that portion thereof lying East of a line 295 feet West of Drainage Ditch No. 17.

Situated in Skagit County, Washington,

PARCELS B and C:

That portion of the North 165 feet of the Southwest Quarter of the Northwest Quarter of Section 32, Township 34 North, Range 4 East of the Willamette Meridian, lying East of the drainage ditch of Drainage District No. 17;

Also the East 60 feet of that portion of the North 165 feet of the Southwest Quarter of the Northwest Quarter of said Section 32, lying West of aforesaid drainage ditch;

AND EXCEPT that portion of said premises conveyed to the State of Washington for Primary State Highway No. 1, by deed recorded March 12, 1972, under Auditor's File No. 764259, records of Skagit County, Washington.

TOGETHER WITH a non-exclusive easement for ingress and egress over and across the North 16.5 feet of said Southwest Quarter of the Northwest Quarter lying West of a point 60 feet West of aforesaid drainage ditch and East of Old Highway 99.

Situated in Skagit County, Washington.

PARCEL D:

That portion of the Southwest Quarter of the Northwest Quarter of Section 32, Township 34 North, Range 4 East of the Willamette Meridian, described as follows:

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Beginning at the intersection of the North line of said subdivision with a point 60 feet West of the West line of the drainage ditch of Drainage District No. 17;

Thence South 165 feet;

Thence West 235 feet;

Thence North 165 feet:

Thence East 235 feet to the point of beginning.

Situated in Skagit County, Washington.

PARCEL E:

That portion of the North Half of the. South Half of the Northwest Quarter of the Northwest Quarter of Section 32. Township 34 North, Range 4 East of the Willamette Meridian, described as follows:

Beginning at a point on the South line of said North Half of the South Half of the Northwest Quarter of the Northwest Quarter, 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 7, 1954;

Thence East along the South line of said North Half of the South Half of the Northwest Quarter of the Northwest Quarter, 188 feet;

Thence North parallel with the West line of said subdivision 200 feet;

Thence West 188 feet to the East line of said State Highway right of way;

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

TOGETHER WITH that portion of the North Half of the South Half of the Northwest Quarter of the Northwest Quarter of Section 32, Township 34 North, Range 4 East of the Willamette Meridian, described as follows:

Beginning a point on the South line of said North Half of the South Half of said Northwest Quarter of the Northwest Quarter, 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 7, 1954;

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;

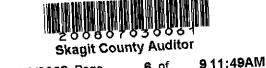
Thence North parallel to the West line of said Northwest Quarter, 8.0 feet;

Thence West 44 feet;

Thence South 8.0 feet to the true point of beginning;

EXCEPT the North 6.13 feet thereof;

AND ALSO TOGETHER WITH the following described parcel:



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The South 1.87 feet of the West 144.00 feet of that portion of the North Half of the South Half of the Northwest Quarter of Section 32, Township 34 North, Range 4 East of the Willamette Meridian, described as follows:

Beginning at a point on the East line of the State Highway, 200 feet North of the South line of said North Half of the South Half of the Northwest Quarter of the Northwest Quarter of said Section 32;

Thence East 144 feet;

Thence North parallel to the West line of said Northwest Quarter of the Northwest Quarter, 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 Quarter of the Northwest Quarter;

Thence North along said parallel line 122 feet, more or less, to the North line of said North Half of the Northwest Quarter of the Northwest Quarter;

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.

Situated in Skagit County, Washington.

PARCEL F:

The North Half of the South Half of the Northwest Quarter of the Northwest Quarter of Section 32, Township 34 North, Range 4 East of the Willamette Meridian;

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, records of Skagit County, Washington and deed recorded December 21, 1971, under Auditor's File No. 762101, records of Skagit County, Washington;

Situated in Skagit County, Washington.

PARCEL G:

The South 330 feet of the Northwest Quarter of the Northwest Quarter of Section 32, Township 34 North, Range 4 East of the Willamette Meridian;

AND EXCEPT Old State Highway 99 along the West line thereof;

AND ALSO 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,



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recorded March 12, 1953, under Auditor's File No. 485839, records of Skagit County, Washington;

AND ALSO EXCEPT that portion, if any, lying within the North Half of the South Half of the Northwest Quarter of the Northwest Quarter;

AND ALSO EXCEPT that portion thereof condemned by the State of Washington for highway purposes in Skagit County Superior Court Cause No. 33040.

Situated in Skagit County, Washington.

PARCEL H and I:

Lots 2 and 3 of SKAGIT COUNTY SHORT PLAT NO. 94-033, approved September 26, 1944 and recorded September 30, 1997, 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 Half of the Northwest Quarter of the Northwest Quarter of Section 32, Township 34 North, Range 4 East of the Willamette Meridian.

Situated in Skagit County, Washington

PARCEL J and L:

Government Lot 7 of Section 12, Township 34 North, Range 3 East of the Willamette Meridian, and a tract of land in the Northeast Quarter of the Northeast Quarter of Section 13, Township 34 North, Range 3 East of the Willamette Meridian, described as follows:

Beginning at the Northeast corner of said Section 13;

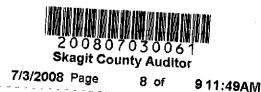
Thence South 83°31' West along the North line of said Section 13, a distance of 1,273.6 feet, more or less, to the Northwest corner of the Northeast Quarter of the Northeast Quarter of said Section 13;

Thence South along the West line of said Northeast Quarter of the Northeast Quarter, a distance of 160.6 feet;

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 of the Willamette Meridian and as conveyed to Skagit County for road purposes by deed recorded April 5, 1911, in Volume 83 of Deeds, page 536;



AND EXCEPT the East 40 feet of that portion of the subject property lying within Section 13, Township 34 North, Range 3 East of the Willamette Meridian, as conveyed to John Krangness by deed recorded April 4, 1924, in Volume 132 of Deeds, page 576;

AND ALSO EXCEPT the North 2 acres of the West 10 acres of the remainder.

Situated in Skagit County, Washington.

PARCEL K:

That portion of Government Lot 6, Section 12, Township 34 North, Range 3 East of the Willamette Meridian, 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 Lot;

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 Volume 5 of Short Plats, page 125, under Skagit County Auditor's File No. 8109110008, records of Skagit County, Washington.

Situated in Skagit County, Washington



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