RECORDED AT THE REQUEST OF AND AFTER RECORDING RETURN TO:

Jones & Smith 415 Pine Street P.O. Box 1245 Mount Vernon, WA 98273-1245 Attn: Gary T. Jones



10/31/2008 Page

1 of

5 9:42AM

OUIT CLAIM DEED

CUAPDIAN NORTHWEST TITLE CO.

95617-1

Grantor:

1) Skagit State Bank

2) Errol Hanson Funding, Inc.

3) Hanson, Errol 4) Hanson, Laura

Grantee:

S & B Properties LLC

Legal Description:

Abbreviated:

SKAGIT COUNT A PORTION OF GOVERNMENT LOT 1

AND N 1/2 OF NE 1/4, 31-33-4 W.M.

Full: See Exhibit A attached hereto.

Property Tax

Parcel Number:

330431-1-002-0006

Amount Paid \$ 16,505.60 agit Co. Treasure skagit Co. Treasurer

OCT 31 2008

REAL ESTATE EXCISE TAX

Skagit State Bank, a Washington state-chartered banking corporation, Errol Hanson Funding, Inc., a Washington corporation, and Errol Hanson and Laura Hanson and their marital community (collectively, the GRANTOR), for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, convey and quit claim to S & B Properties LLC, a Washington limited liability company, the real property situated in the County of Skagit, State of Washington, legally described on Exhibit A attached hereto and made a part hereof, including all

of Grantor's existing right, title and interest and any after acquired right, title and interest in and to the said real property.

Dated: /0/23/09

SKAGIT STATE BANK,

a Washington state-chartered banking corporation

By: Sandacholo Name: GARY Medicati Its: UICE PRESIDENT

ERROL HANSON FUNDING, INC.,

a Washington corporation

By: Name: Explanation | Page |

PRESIDENT!

ERROL HANSON, Individually

LAURA HANSON, Individually

2

STATE OF WASHINGTON)
) ss
COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that (SUVU MORGELY is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he she was authorized to execute the instrument and acknowledged it as the Wesident of SKAGIT STATE BANK, a Washington statechartered banking corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: 16-22-08	
E HICKOL (Hatu Elle De
- / SE AGN EXPIRA NO.	(Signature)
Z TORY	Katie Etticlok
1 18 40 mg/	(Please print name legibly)
VIEW / S/	NOTARY PUBLIC in and for the State of
- \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	Washington, residing at WHVence
	My commission expires \ \ \ \ \-\\
ONTE OF WASHING	
STATE OF WASHINGTON) ^{\\\}
COUNTY OF SKAGIT) ss.)

I certify that I know or have satisfactory evidence that SEROL person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he she was authorized to execute the instrument and of ERROL HANSON FUNDING, INC., a acknowledged it as the Hesicent Washington corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: 10-2308 (Please print name legibly) NOTARY PUBLIC in and for the State of My commission expires 1-7-11

3

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STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that ERROL HANSON, a married individual, is the person who appeared before me, and said person acknowledged that he signed this instrument, and on oath stated that he was authorized to execute the instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

DATED: 102368

STATE OF WASHINGTON

COUNTY OF SKAGIT

I certify that I know or have satisfactory evidence that LAURA HANSON, a married individual, is the person who appeared before me, and said person acknowledged that she signed this instrument, and on oath stated that she was authorized to execute the instrument and acknowledged it to be her free and voluntary act for the uses and purposes mentioned in the instrument.

DATED: 10-23-08

E HICKOA E HICKOA E NOTARY PUBLIC 101-2011 ONTE OF WISSING (Signature)

(Please print name legibly)

NOTARY PUBLIC in and for the State of

Washington, residing at Mexicon

My commission expires 1-7-11

4

m34294-1104883 2.doc



10/31/2008 Page

4 of

9:42AM

EXHIBIT A

Legal Description

Government Lot 1, Section 31, Township 33 North, Range 4 East, W.M., lying East of the Pacific Highway and North of the North line of County road along the South line of said Government Lot 1, EXCEPT that portion of Government Lot 1 conveyed to Dike District No. 16, recorded October 14, 1929, under Auditor's File No. 227612.

TOGETHER WITH the North 1/2 of the Northeast 1/4 of said Section 31, Township 33 North, Range 4 East, W.M., EXCEPTING THEREFROM the following described tract:

Beginning at a point 851,5 feet West of Section line between said Sections 31 and 32, and on North line of Geo. Nelson Road; thence North 165 feet; thence East 32 rods; thence South 10 rods; thence West 32 rods to the point of beginning.

ALSO EXCEPTING from all of the above that portion of Government Lot 1, Section 31, Township 33 North, Range 4 East, W.M., and that portion of the North ½ of the Northeast ½ of Section 31, Township 33 North, Range 4 East, W.M., described as follows:

Beginning at the Northeast corner of said Section 31, Township 33 North, Range 4 East, W.M., thence North 88°15'45" West along the North line of said subdivision, a distance of 1,069.8) feet; thence South 8°52'21" West a distance of 658.6! feet; thence South 47°52'36" West a distance of 115.10 feet to the true point of beginning; thence continue South 47°52'36" West to the North right-of-way line of County road known as the Milltown Road; thence in a Westerly direction along said right-of-way line to the intersection with the Easterly right-of-way of Pacific Highway; thence Northerly along said East right-of-way line to a point which bears North 88°15'45" West, from the true point of beginning; thence South 88°15'45" East parallel with the North line of the Northeast ¼ of said Section 3! to the true point of beginning.

ALSO EXCEPT that portion conveyed to Dike District No. 16 by deed recorded October 11, 1929, under Auditor's File No. 227599.

ALSO EXCEPT that portion of the North ½ of the Northeast ½ lying within Skagit County Short Card No. 99-0034, approved December 10, 2001 and recorded December 10, 2001, under Auditor's File No. 200112100228, records of Skagit County, Washington.

ALSO EXCEPT that portion of said North ½ of the Northeast ¼ lying within the County road right-of-way along the South line thereof known variously as the Milltown Road and as the Starbird Road.

ALSO EXCEPT the right-of-way of Drainage District No. 17 along the East line of the Pacific Highway.

ALSO EXCEPT that portion the Northeast 1/4 of the Northeast 1/4, described as follows:

Beginning at the Southwest corner of that certain parcel conveyed to Walter C. Boyd, Jr. on March 7, 1997, under Auditor's File No.9703120082, records of Skagit County, Washington; thence North along the West boundary of said Boyd parcel, for a distance of 165.00 feet to the Northwest corner of said parcel; thence West on the Westerly extension of the North line of said Boyd parcel, for a distance of 50.00 feet; thence South parallel with said West line for a distance of 165.00 feet to the West extension of the South line of said Boyd parcel; thence East along said South line for a distance of 50.00 feet to the point of beginning.

Situate in the County of Skagit, State of Washington

200810310029 Skagit County Auditor

10/31/2008 Page

5 of 5 9:42AM