



201101070098
Skagit County Auditor

1/7/2011 Page 1 of 57 11:39AM



201012160106
Skagit County Auditor

12/16/2010 Page 1 of 57 3:54PM

WHEN RECORDED RETURN TO:

Skagit County Farmland Legacy Program
1800 Continental Place
Mount Vernon, WA 98273

LAND TITLE OF SKAGIT COUNTY
132831-00

DOCUMENT TITLE(S):

Conservation Easement Deed

***re-recorded to correct signature block on page 52

REFERENCE NUMBER(S) OF DOCUMENTS ASSIGNED OR RELEASED:

GRANTORS:

ANDREW YOUNG, who also shows of record as ANDREW W. YOUNG and TIETJE YOUNG, also known as TILLIE YOUNG, husband and wife

GRANTEE:

Skagit County, a political subdivision of the State of Washington

ABBREVIATED LEGAL DESCRIPTION:

BLA Lots 2,10,11,13,14,16,21,22, 23, & Tract A, AF#200701040087-0096, Aka Ptn Tr 2 Peaveys Acreage

TAX PARCEL NUMBER(S):

3966-002-001-0100, P118734, 3966-002-002-0000, P67955, 3966-002-003-0009, P67956, 3966-002-010-0000, P67978, 3966-002-011-0009, P67979, 3966-002-012-0008, P67980, 3966-002-013-0007, P67981, 3966-002-014-0006, P67983, 3966-002-016-0004, P67985, 3966-002-022-0006, P67989, 3966-002-023-0005, P67990

When recorded return to:
Skagit County Farmland Legacy Program
1800 Continental Place
Mount Vernon, WA 98273

SKAGIT COUNTY
Contract # C20100605
Page 1 of 53

Grantor: Andrew W. and Tietje Young
Grantee: SKAGIT COUNTY

Legal Description Abbreviated form:

Additional legal at Exhibit A: Being a portion of the NW ¼ of Section 22/T35/R05E W.M. 27000 block, Burmaster Road, Sedro Woolley, Washington 98284

Assessor's Tax Parcel Number: P # P67956, 67955, 67978, 67979, 67985, 67983, 67981, 67989 (PL-01-0022), 67989 (PL-001-1123), 67990

CONSERVATION EASEMENT DEED

THIS CONSERVATION EASEMENT DEED is made this 13 day of December, 2010, by Andrew and Tietje Young, whose address is 27506 Burmaster Road Sedro Woolley, Washington 98284 ("Grantor"), in favor of Skagit County, a political subdivision of the State of Washington, having an address at Skagit County Farmland Legacy Program, County Administration Building, 1800 Continental Place, Mount Vernon, WA ("Grantee") and the United States of America ("United States") acting by and through the United States Department of Agriculture (USDA) Natural Resources Conservation Service ("NRCS") acting on behalf of the Commodity Credit Corporation as its interest appears herein.

I. RECITALS

- A. Grantor is the sole owner in fee simple of that certain real property (the "Protected Property") in Skagit County, Washington, more particularly described in Exhibit A (Legal Description) and shown on Exhibit B (Baseline Documentation), which exhibits are attached to and incorporated into this Conservation Easement Deed by this reference. The Protected Property is approximately 98.34 acres in size and is predominately open farmland.
- B. The Protected Property is of significant agricultural value to Grantor, the people of Skagit County and the people of the State of Washington (collectively, "Conservation Values"). The Conservation Values include protection of agricultural productivity and protection of prime and important agricultural soils.
- C. The Protected Property is zoned Agricultural Natural Resource Land under the Skagit County Zoning Ordinance. Skagit County Zoning Ordinance 14.16.400 states that the goal of the Agricultural Natural Resource Land zone is to "provide land for continued farming activities, conserve agricultural land, and reaffirm Agricultural use, activities and operations as a primary use of the district."



201101070098
Skagit County Auditor

SKAGIT COUNTY WASHINGTON
STATE EXCISE TAX

1

47
JAN 07 2011

At Paid \$
CO. Treasurer
By *man* Deputy

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

DEC 16 2010

Amount Paid \$ 3806
Skagit Co. Treasurer
By *man* Deputy

10,507.00

- D. The Protected Property is primarily open farmland that has been classified as "prime farmland" of local importance by the Natural Resources Conservation Service, U.S. Department of Agriculture. According to the Skagit County Soil Survey, there are 3 soil types located in this parcel. They consist of Cokedale silt loam, Minkler silt loam and Samish silt loam.

Cokedale silt loam The Cokedale component makes up 100 percent of the map unit. Slopes are 0 to 3 percent. This component is on flood plains, river valleys. The parent material consists of alluvium derived from phyllite. Depth to a root restrictive layer, strongly contrasting textural stratification, is 20 to 40 inches. The natural drainage class is somewhat poorly drained. Water movement in the most restrictive layer is moderately high. Available water to a depth of 60 inches is moderate. Shrink-swell potential is low. This soil is occasionally flooded. It is not ponded. A seasonal zone of water saturation is at 15 inches during January, February, March, April, December. Organic matter content in the surface horizon is about 2 percent. Nonirrigated land capability classification is 5w. This soil does not meet hydric criteria.

Minkler silt loam

The Minkler component makes up 100 percent of the map unit. Slopes are 0 to 3 percent. This component is on river valleys, terraces. The parent material consists of alluvium and glaciolacustrine deposits. Depth to a root restrictive layer is greater than 60 inches. The natural drainage class is moderately well drained. Water movement in the most restrictive layer is moderately high. Available water to a depth of 60 inches is high. Shrink-swell potential is low. This soil is not flooded. It is not ponded. A seasonal zone of water saturation is at 18 inches during January, February, March, April, November, and December. Organic matter content in the surface horizon is about 8 percent. Nonirrigated land capability classification is 5w. This soil does not meet hydric criteria.

Samish silt loam

The Samish component makes up 100 percent of the map unit. Slopes are 0 to 3 percent. This component is on terraces, river valleys. The parent material consists of alluvium derived from phyllite and talc. Depth to a root restrictive layer is greater than 60 inches. The natural drainage class is somewhat poorly drained. Water movement in the most restrictive layer is moderately high. Available water to a depth of 60 inches is high. Shrink-swell potential is low. This soil is occasionally flooded. It is not ponded. A seasonal zone of water saturation is at 15 inches during January, February, March, April, May, November, December. Organic matter content in the surface horizon is about 1 percent. Nonirrigated land capability classification is 4w. This soil meets hydric criteria.

- E. The specific Conservation Values and characteristics of the Protected Property are further documented in an inventory of relevant features of the Protected Property (Letter of Intent) dated January 11, 2010; attached hereto as Exhibit B and incorporated into this Conservation Easement by this reference ("Baseline Documentation"). The Baseline Documentation consists of reports, maps, photographs, and other documentation that provide, collectively, an accurate representation of the Protected Property at the time of this grant and which is intended to serve as an objective information baseline for monitoring compliance with the terms of this Conservation Easement Deed.
- F. Grantor, as owner of the Protected Property, has the right to protect and preserve the Conservation Values of the Protected Property, and desires to transfer such rights to the Grantees in perpetuity.



- G. The purpose of the Farm and Ranch Lands Protection Program's (16 U.S.C. 3838h and 3838i) is to purchase conservation easements to protect prime, unique, and other productive soils from conversion to nonagricultural uses. Grantor and Grantee acknowledge that, under the authority of the Farm and Ranch Lands Protection Program, the Natural Resources Conservation Service acting on behalf of the Commodity Credit Corporation has contributed \$295,000 to purchase this Conservation Easement and thus entitles the United States to the rights identified herein.
- H. The foregoing recitals are incorporated into this Easement by this reference.

II. CONVEYANCE AND CONSIDERATION

- A. For the reasons stated above, in consideration of the mutual covenants, terms, conditions, and restrictions contained in this Conservation Easement Deed, and in consideration of payment of \$590,000, the payment schedule for which is attached hereto as Exhibit D and hereby incorporated herein, by Grantee to Grantor, the receipt of which is acknowledged, Grantor hereby grants, conveys and warrants to Grantees a Conservation Easement in perpetuity over the Protected Property, consisting of certain rights in the Protected Property, as defined in this Conservation Easement Deed, subject only to the restrictions contained in this Conservation Easement Deed.
- B. This conveyance is a conveyance of an interest in real property under the provisions of RCW 64.04.130, subject only to the mutual covenants, terms, conditions and restrictions set forth in this Conservation Easement Deed and to title matters of record as of the date of this Conservation Easement Deed.
- C. Grantor expressly intends that this Conservation Easement run with the land and that this Conservation Easement shall be binding upon Grantor's personal representatives, heirs, successors, and assigns in perpetuity.

III. PURPOSE

It is the purpose of this Conservation Easement to assure that the Protected Property will be retained forever for agricultural productivity and use, to ensure no net loss of agricultural lands and to protect prime and important agricultural soils, and to prevent any use of, or activity on, the Protected Property that will significantly impair or interfere with its agricultural values, character, use or utility. To the extent that the preservation and protection of the additional Conservation Values of the Protected Property referenced in the above Recitals is consistent with the primary purpose of protecting the agricultural soils, agricultural viability and agricultural productivity of the Protected Property in perpetuity, it is also the purpose of this Conservation Easement to assure protection of Critical Areas, wetlands and Fish and Wildlife Protection Areas on the Protected Property, and to prevent any use of, or activity on, the Protected Property that will significantly impair or interfere with these natural values. Grantor intends that this Conservation Easement will confine the use of, or activity on, the Protected Property to such uses and activities that are consistent with the purpose described above (the "Purpose").

IV. RIGHTS CONVEYED TO GRANTEES

To accomplish the Purpose of this Conservation Easement, the following rights are conveyed to Grantee and the United States by this Conservation Easement Deed.



- A. Protection:** To preserve and protect in perpetuity, and to enhance by mutual agreement, the Conservation Values of the Protected Property.
- B. Access for Monitoring and Enforcement:**
1. To enter the Protected Property annually, upon prior written notice to Grantor, for the purpose of making a general inspection to monitor compliance with this Conservation Easement.
 2. To enter the Protected Property at such other times as are necessary if Grantee has a reason to believe that a violation of the Conservation Easement is occurring or has occurred, for the purpose of mitigating or terminating the violation and otherwise enforcing the provisions of this Conservation Easement Deed. Such entry shall be upon prior reasonable notice to Grantor, and Grantee shall not in any case unreasonably interfere with Grantor's use and quiet enjoyment of the Protected Property.
- C. Injunction and Restoration:** To enjoin any use of, or activity on, the Protected Property that is inconsistent with the Purpose of this Conservation Easement, including trespasses by members of the public, and to require the restoration of such areas or features of the Protected Property as may be damaged by uses or activities inconsistent with the provisions of this Conservation Easement Deed, all in accordance with Section X.
- D. Enforcement:** To enforce the terms of this Conservation Easement Deed, consistent with Section X.
- E. Assignment:** To assign, convey or otherwise transfer Grantee's interest in the Protected Property in accordance with Section XV.

V. PERMITTED USES AND ACTIVITIES

- A. General:** Grantor reserves for themselves and their personal representatives, heirs, successors and assigns, all rights accruing from ownership of the Protected Property, including the right to engage in, or permit or invite others to engage in, any use of, or activity on, the Protected Property that is not inconsistent with the Purpose of the Conservation Easement and that is not specifically prohibited or otherwise limited by this Conservation Easement. Without limiting the generality of this subsection, Grantor specifically reserves for themselves and their personal representatives, heirs, successors, and assigns, the following uses and activities, which shall be limited in the manner provided below.
- B. Retained Uses:**
1. **Agricultural:** Grantor retains the right to use the Protected Property for agricultural production, or to permit others to use the Protected Property for agricultural production, in accordance with applicable law. As used herein, "agricultural production" shall mean the production, processing, storage or retail marketing of crops, livestock, and livestock products. For purposes hereof, crops, livestock and livestock products include, but are not limited to, crops commonly found in the community surrounding the Protected Property; field crops; fruits; vegetables; horticultural specialties; livestock and livestock



products; timber, wood and other wood products derived from trees; and aquatic plants and animals and their byproducts.

2. **Recreational:** Grantor retains the right to use the Protected Property for otherwise lawful recreational uses, including, but not limited to, hunting and fishing to the extent that it does not interfere with the general purpose of this easement to protect the conservation values of the property. Undeveloped recreational uses, and the leasing of such uses for economic gain, may be permitted insofar as they are consistent with the Purpose and terms of this Conservation Easement. This section shall be consistent with Section VI.

C. **Construction of Buildings and Improvements:** Except as otherwise specifically provided for in this Conservation Easement Deed, Grantor may undertake construction, reconstruction or other improvement of the Protected Property only as provided below. Grantor shall advise Grantee prior to undertaking any construction, reconstruction or other improvement on the Protected Property that requires a development permit from Skagit County as provided for in Section VIII, so as to enable Grantee to review the proposed activity for compliance with the terms and conditions of this Conservation Easement Deed.

1. **Fences:** Existing fences may be repaired and replaced, and new fences may be built on the Protected Property, for purposes of reasonable and customary management and protection of crops, livestock and wildlife.
2. **Ancillary Improvements:** Other improvements, including, but not limited to, small-scale facilities, including solar and wind generators, for the generation and transmission of electrical power to support the agricultural uses on the Protected Property, may be built on the Protected Property only with the permission of Grantee as provided for in Section VIII.
3. **Utility Services and Septic Systems:** Wires, lines, pipes, cables or other facilities providing electrical, gas, water, sewer, communications, or other utility services to the improvements permitted under this Conservation Easement Deed may be installed, maintained, repaired, removed, relocated and replaced, and Grantor may grant easements over and under the Protected Property for such purposes. Septic or other underground sanitary systems serving the improvements permitted under this Conservation Easement Deed may be installed, maintained, repaired or improved.
4. **Existing Agricultural Structures and Improvements (site specific):** Agricultural structures and improvements existing as of the date of this Conservation Easement Deed may be repaired, reasonably enlarged and replaced at their current locations, which are shown on Exhibit B. All agricultural structures and improvements are subject to the impervious surface limitation in Section VI.D.
5. **New Agricultural Structure:** Agricultural structure, which will be an integral part of the farm operation, may be constructed and are subject to Section VI D and as provided for in Section VIII of this easement.

D. **Roads and Paving.** Grantor may maintain, renovate, expand or replace roads or construct new roads that may be reasonably necessary and incidental to carrying out permitted uses and activities on the Protected Property; provided that any roads paved or otherwise covered with



concrete, asphalt, or any other impervious paving material shall be subject to the surface coverage limitations set forth in Subsection VI.D.

- E. Composting, Use and Storage of Agricultural Wastes or other Waste Materials:** Grantor may compost, use and store agricultural waste and by products on the Protected Property, consistent with the Purpose of this Conservation Easement, provided that any such wastes are stored temporarily in appropriate containment for removal at reasonable intervals and in compliance with applicable federal, state, and local laws.
- F. Drainage Structures:** Grantor may construct and maintain drainage structures, including ditches, tubes, pipes, pumps, gates or other facilities and appurtenances for enhancement of drainage systems in support of uses and activities permitted under this Conservation Easement; provided that Grantor does not materially impair the natural course of the surface water drainage or runoff flowing over the Protected Property and that existing natural water courses are preserved in their natural state.
- G. Creation of Mortgage Liens:** Grantor may create consensual liens, whether by mortgage, deed of trust, or otherwise, for the purpose of indebtedness of Grantor, so long as such liens remain subordinate to the Conservation Easement.
- H. Emergencies:** Grantor may undertake other activities necessary to protect public health or safety on the Protected Property, or that are actively required by and subject to compulsion of any governmental agency with authority to require such activity; provided that any such activity shall be conducted so that interference with the Conservation Values of the Protected Property is avoided, or, if avoidance is not possible, minimized to the extent possible.

VI. PROHIBITED USES AND ACTIVITIES

- A. General:** Any use of, or activity on, the Protected Property inconsistent with the Purpose of this Conservation Easement is prohibited, and Grantor acknowledges and agrees that it will not conduct, engage in or permit any such use or activity. Without limiting the generality of this subsection, the following uses of, or activities on, the Protected Property, though not an exhaustive list, are inconsistent with the Purpose of this Conservation Easement and shall be prohibited; except as permitted in Section V.
- B. Subdivision and Development Rights:** The legal or *de facto* division, subdivision, platting, partitioning or planned unit development of the Protected Property is prohibited. This restriction does not prohibit boundary line adjustments with adjoining agricultural land, provided that such boundary line adjustments do not result in any loss of acreage to the Protected Property, except as noted in VI.B.1 and that no new parcel may be created by such boundary line adjustments. Grantor shall not exercise its development rights in the Protected Property, transfer such development rights to any other portion of the Protected Property as it is now or hereafter may be bounded or described or to any other property adjacent to the Protected Property or otherwise, nor use such development rights or the area of the Protected Property for the purpose of calculating permissible lot yield of the Protected Property or any other property. Any such boundary line adjustment shall include this subsection (VI B.) in the new Deed.
1. A boundary line adjustment with parcel 67980 (with the legal description of PEAHEY'S AC O/S#167 #750401 1972 TRF#885970 LT 12 BLK 2 - 10.00AC M/L) north of Protected Property parcel 67981 to expand parcel 67981 at the same time a boundary line



adjustment between Protected Property parcel 67955 and parcel 118734 (with legal description of THAT PORTION OF LOT 1 BLOCK 2 OF PEAVEY'S ACREAGE EXCEPT FOLLOWING DESCRIBED PARCEL: BEGINNING AT THE SE CORNER OF THE NORTH 20 FEET OF SAID LOT 1; THENCE SOUTH 01-07-59 WEST ALONG THE EAST LINE OF SAID LOT 1, 231.66 FEET; THENCE NORTH 89-23-19 WEST, 155.16 FEET; THENCE NORTH 01-07-59 EAST, 17.97 FEET; THENCE NORTH 89-23-19 WEST, 35.64 FEET; THENCE NORTH 01-07-59 EAST, 102.49 FEET; THENCE CONTINUING NORTH 01-07-59 EAST, 111.21 FEET TO THE SOUTH LINE OF THE NORTH 20 FEET OF SAID LOT 1; THENCE SOUTH 89-23-19 EAST ALONG SAID SOUTH LINE, 190.80 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION O/S#167 AF#750401 1972 TRF#885970 THAT PORTION OF LOT 1 BLOCK 2 OF PEAVEY'S ACREAGE EXCEPT FOLLOWING DESCRIBED PARCEL: BEGINNING AT THE SE CORNER OF THE NORTH 20 FEET OF SAID LOT 1; THENCE SOUTH 01-07-59 WEST ALONG THE EAST LINE OF SAID LOT 1, 231.66 FEET; THENCE NORTH 89-23-19 WEST, 155.16 FEET; THENCE NORTH 01-07-59 EAST, 17.97 FEET; THENCE NORTH 89-23-19 WEST, 35.64 FEET; THENCE NORTH 01-07-59 EAST, 102.49 FEET; THENCE CONTINUING NORTH 01-07-59 EAST, 111.21 FEET TO THE SOUTH LINE OF THE NORTH 20 FEET OF SAID LOT 1; THENCE SOUTH 89-23-19 EAST ALONG SAID SOUTH LINE, 190.80 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION;_ ACREAGE ACCOUNT, ACRES 9.00, O/S#167 AF#750401 1972 TRF#885970) to the east to reduce the size for like amounts of acreage may be permitted for the purpose of increasing an existing manure lagoon and providing a more suitable farming boundary to increase the amount of farmable land.

- C. **Construction:** The placement or construction of any buildings, structures, or other improvements of any kind is prohibited, except as permitted in Subsection V.C.
- D. **Impervious Surface:** The total area covered by structures of any kind and impervious surfaces, such as rooftops, asphalt, or concrete shall be limited to no more than two percent (2%) of the area of the Protected Property, inclusive of any and all impervious surfaces prior to the established Conservation Easement and the addition of any and all future creations of impervious surfaces on any portion of the original Protected Property. The total area covered by gravel shall be subject to this 2% limitation unless Grantor obtains prior approval from Grantee as provided in Section VIII to increase the percentage of total surfaces covered by gravel and other impervious surfaces above the 2% limitation, provided that the total amount of gravel and other impervious surfaces shall never exceed two percent (2%) of the total area of the Protected Property.
- E. **Recreation:** The following forms of recreation are prohibited on the Protected Property: golf courses; commercial use of motorized or mechanized recreational vehicles such as motorcycles, snowmobiles, and dune buggies; commercial overnight camping; athletic fields; use of the property for any commercial public recreation; and other developed recreational uses of the property which require special buildings, structures, or facilities.
- F. **Erosion or Water Pollution:** Any use or activity that causes or is likely to cause significant soil degradation or erosion or significant pollution of any surface or subsurface waters is prohibited, including the use of manure lagoons or disposal of wastewater in manners inconsistent with the terms of this Conservation Easement Deed.



- G. Waste Disposal:** Except as expressly permitted in Section V, the disposal or storage of rubbish, garbage, debris, vehicles, abandoned equipment, parts thereof, or other unsightly, offensive, or hazardous waste or material on the Protected Property is prohibited.
- H. Commercial Signs:** The placement of commercial signs, billboards, or other advertising material on the Protected Property is prohibited; except in connection with the on-site sale of agricultural products, sale or lease of the Protected Property, or to state the conditions of access to the Protected Property.
- I. Mining:** The exploration for, or development and extraction of, minerals and hydrocarbons on or below the surface of the Protected Property is prohibited. The extraction of rock, dirt, sand, and gravel shall be permitted only if removal of such material is necessary to carry out other permitted activities on the Protected Property, and is limited to no more than one acre total of the Protected Property, and will not interfere with the Conservation Values of the Protected Property. Grantor shall use all practical means to mitigate any adverse effect on the Conservation Values of the Protected Property in carrying out any permitted extraction activities, and upon completion of said permitted extractive activities, Grantor shall promptly restore any portion of the Protected Property affected thereby as nearly as possible to its condition existing prior to commencement thereof.
- J. Alteration of Wetlands and Watercourses:** The draining, filling, dredging, ditching or diking of wetland areas or any other action that would reduce the wetland area is prohibited, except as necessary to maintain existing drains consistent with the Purpose of this Conservation Easement and permitted by applicable law.
- K. Water Rights:** Grantor shall not transfer, encumber, sell, lease or otherwise separate any water rights historically used on or otherwise appurtenant to the Protected Property or change the historic use of such water rights without the permission of Grantee as provided for in Section VIII. Grantor shall not abandon or allow the abandonment of, by action or inaction, any of the water rights without the permission of Grantee.

VII. NOTICE

- A. Notice:** The following permitted uses and activities require Grantor to notify Grantee in writing prior to undertaking the use or activity:
1. Construction of any buildings, structures or improvements requiring a permit from Skagit County (as required under Subsection V.C); and
 2. Grading activities requiring a permit from Skagit County (as required under Subsection VI.D); and
 3. Certain activities requiring a permit from Skagit County (as required under Subsection VI.D); and
 4. The transfer of any interest in all or a portion of the Protected Property no later than forty-five (45) days prior to the date of such transfer (as required under Subsection XIII.C).

The purpose of requiring Grantor to notify Grantee prior to undertaking these permitted uses and activities is to afford Grantee an adequate opportunity to ensure that the use or activity in question



is designed and carried out in a manner consistent with the Purpose and terms of this Conservation Easement Deed. Whenever such notice is required, Grantor shall notify Grantee in writing not less than thirty (30) days prior to the date Grantor intends to undertake the use or activity in question. Grantor may notify Grantee at the time of permit application, for concurrent review, or may provide notice and initiate review prior to permit application, at the Grantor's discretion. The notice shall describe the nature, scope, design, location, timetable, and any other material aspect of the proposed use or activity in sufficient detail to permit Grantee to make an informed judgment as to its consistency with the Purpose of this Conservation Easement.

- B. Approval:** Where approval by one of the parties to this Conservation Easement Deed is required (e.g., Subsection V.D, Impervious Surfaces), such approval shall be granted or denied in writing within thirty (30) days of receipt of a written notice of the proposed use or activity, and such approval shall not be unreasonably withheld. Grantee's approval may include reasonable conditions which, if satisfied, would be the minimum necessary to assure that the proposed use or activity would not be inconsistent with the Purpose of this Conservation Easement. Failure by a party to grant or deny approval within the time provided shall create a presumption of approval.
- C. Optional Consultation:** If Grantor is unsure whether a proposed use or activity is prohibited by this Conservation Easement Deed, Grantor may consult Grantee by providing Grantee a written notice describing the nature, scope, design, location, timetable, and any other material aspect of the proposed use or activity in sufficient detail to permit Grantee to make an informed judgment as to the consistency with the Purpose of this Conservation Easement and to provide comments thereon to Grantor for the purposes of this Conservation Easement only. This Subsection does not itself impose a requirement of prior approval of the activity described in any such notice; however, if Grantee does not provide written objections within thirty (30) days after Grantee's receipt of Grantor's notice, Grantee shall be deemed to have approved the proposed use or activity.
- D. Addresses:** Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other shall be in writing and either served personally or sent by first class certified mail, postage prepaid, addressed as follows:

To Grantor: Andrew and Tietje Young
27506 Burmaster Road
Sedro Woolley, Washington 98284

To Grantee: Skagit County Farmland Legacy Program
County Administration Building
1800 Continental Place
Mount Vernon, WA 98273

To United States State Conservationist:
USDA – Natural Resources Conservation Service
316 W. Boon Ave., Suite 450
Spokane, WA 99201-2248

or to such other address as either party designates by written notice to the other.



VIII. DISPUTE RESOLUTION: GRANTEE'S REMEDIES

- A. **Preventive Discussions:** Grantor and Grantee will promptly give the other notice of problems or concerns arising in connection with the other's actions under this Conservation Easement Deed or the use of or activities or conditions on the Protected Property, and will meet as needed, but no later than 15 days after receipt of a written request for a meeting, to minimize the same.
- B. **Optional Alternative Dispute Resolution:** If a dispute is not resolved through preventive discussions under subsection A, Grantor and Grantee may by mutual agreement submit the matter to mediation or arbitration upon such rules of mediation or arbitration as Grantor and Grantee may agree.

IX. ENFORCEMENT; GRANTEE'S REMEDIES

- A. **Notice of Violation, Corrective Action:** If Grantee determines that Grantor is in violation of the terms of this Conservation Easement Deed or that a violation is threatened, Grantee shall give written notice to Grantor of such violation and demand corrective action sufficient to cure the violation and, where the violation involves injury to the Protected Property resulting from any use or activity inconsistent with the Purpose of this Conservation Easement, to restore the portion of the Protected Property so injured to its prior condition in accordance with a plan approved by Grantee.
- B. **Grantor's Failure to Respond:** Grantee may bring an action as provided in Subsection X.C if Grantor:
1. Fails to cure the violation within thirty (30) days after receipt of a notice of violation from Grantee; or
 2. Under circumstances where the violation cannot reasonably be cured within a thirty (30) day period, fails to begin curing the violation within the thirty (30) day period and fails to continue diligently to cure such violation until finally cured.
- C. **Grantee's Action:**
1. **Injunctive Relief:** Grantee may bring an action at law or in equity in a court having jurisdiction to enforce the terms of this Conservation Easement Deed:
 - a. To enjoin the violation, ex parte as necessary, by temporary or permanent injunction; and
 - b. To require the restoration of the Protected Property to the condition that existed prior to any such injury.
 2. **Damages:** Grantee shall be entitled to recover damages for violation of the terms of this Conservation Easement Deed or injury to any Conservation Values protected by this Conservation Easement, including, without limitation, damages for the loss of Conservation Values. Without limiting Grantor's liability in any way, Grantee, in its sole discretion, may apply any damages recovered to the cost of undertaking corrective or restoration action on the Protected Property.



- D. Emergency Enforcement:** If Grantee, in its sole discretion, determines that circumstances require immediate action to prevent or mitigate significant damage to the Conservation Values of the Protected Property, Grantee may pursue its remedies under this section without prior notice to Grantor or without waiting for the period provided for cure to expire.
- E. Scope of Relief:** Grantee's rights under this section apply equally in the event of either actual or threatened violations of the terms of this Conservation Easement Deed. Grantor agrees that Grantee's remedies at law for any violation of the terms of this Conservation Easement Deed are inadequate and that Grantee shall be entitled to the injunctive relief described in this section, both prohibitive and mandatory, in addition to such other relief to which Grantee may be entitled, including specific performance of the terms of this Conservation Easement, without the necessity of providing either actual damages or the inadequacy of otherwise available legal remedies. Grantee's remedies described in this section shall be cumulative and shall be in addition to all remedies now or hereafter existing at law or in equity.
- F. Costs of Enforcement:** In the event Grantee must enforce the terms of this Conservation Easement Deed, the costs of restoration necessitated by acts or omissions of Grantor, its agents, employees, contractors, family members, invitees or licensees in violation of the terms of this Conservation Easement Deed and Grantee's reasonable enforcement expenses, including attorneys' and consultants' fees, shall be borne by Grantor or those of its personal representatives, heirs, successors, or assigns, against whom a judgment is entered. In the event that Grantee secures redress for a Conservation Easement violation without initiating or completing a judicial proceeding, the costs of such restoration and Grantee's reasonable expenses shall be borne by Grantor and those of its personal representatives, heirs, successors, or assigns who are otherwise determined to be responsible for the unauthorized use or activity.
- G. Grantee's Discretion:** Grantee acknowledges its commitment to protect the Purpose of the Conservation Easement. Enforcement of the terms of the Conservation Easement Deed shall be at the discretion of Grantee, and any forbearance by Grantee to exercise its rights under this Conservation Easement Deed in the event of any breach of any terms of this Conservation Easement Deed by Grantor, their agents, employees, contractors, family members, invitees or licensees shall not be deemed or construed to be a waiver by Grantee of such term or any of Grantee's rights under this Conservation Easement Deed. No delay or omission by Grantee in the exercise of any right or remedy upon any breach by Grantor shall impair such right or remedy or be construed as a waiver of such term or any of Grantee's rights under this Conservation Easement Deed. No grant by Grantee in its governmental or regulatory capacity of any building permit, grading permit, land use approval or other development approval shall be deemed or construed to be a waiver of any term or any of Grantee's rights under this Conservation Easement Deed.
- H. Waiver of Certain Defenses:** Grantor acknowledges that they have carefully reviewed this Conservation Easement Deed and has consulted with and been advised by counsel of its terms and requirements. In full knowledge of the provisions of this Conservation Easement Deed, Grantor hereby waives any claim or defense it may have against Grantee or its successors or assigns under or pertaining to this Conservation Easement Deed based upon waiver, laches, estoppel, or prescription; except to the extent the defense is based upon an approval or deemed approval by Grantee pursuant to Section VIII of this Conservation Easement Deed. Except for the foregoing, Grantor specifically retains any and all rights he has under the law as owner of the



Protected Property, including but not limited to the right to make claims against Grantee for any breach by Grantee of the terms of this Conservation Easement Deed.

- I. **Acts Beyond Grantor's Control:** Nothing contained in this Conservation Easement Deed shall be construed to entitle Grantee to bring any action against Grantor to abate, correct, or restore any condition on the Protected Property or to recover damages for any injury to or change in the Protected Property resulting from causes beyond Grantor's control, including, without limitation, natural changes, fire, flood, storm, earth movement or climate change, or from acts of trespassers, that Grantor could not reasonably have anticipated or prevented or from any prudent action taken by Grantor under emergency conditions to prevent, abate, or mitigate significant injury to the Protected Property resulting from such causes. In the event the terms of this Conservation Easement Deed are violated by acts of trespassers that Grantors could not reasonably have anticipated or prevented, Grantor agrees, at Grantee's option, to join in any suit, to assign its right of action to Grantee, or to appoint Grantee its attorney in fact, for the purpose of pursuing enforcement action against the responsible parties.
- J. **Compliance Certificates:** Upon request by Grantor, Grantee shall within thirty (30) days execute and deliver to Grantor, or to any party designated by Grantor, any document, including a certificate, that certifies, to the best of Grantee's knowledge, Grantor's compliance or lack of compliance with any obligation of Grantor contained in this Conservation Easement Deed and otherwise evidences the status of this Conservation Easement Deed. Such certification shall be limited to the condition of the Protected Property as of Grantee's most recent inspection. If Grantor requests more current documentation, Grantee shall conduct an inspection, at Grantor's expense, within thirty (30) days of receipt of Grantor's written request.

X. ACCESS BY PUBLIC NOT REQUIRED

This Conservation Easement Deed does not provide, and shall not be construed as providing, the general public access to any portion of the Protected Property.

XI. COSTS, LIABILITIES AND INSURANCE, TAXES, ENVIRONMENTAL COMPLIANCE AND INDEMNIFICATION

- A. **Costs, Legal Requirements, Liabilities and Insurance:** Grantor retains all responsibilities and shall bear all costs and liabilities of any kind related to the ownership, operation, upkeep, and maintenance of the Protected Property, including the maintenance of adequate liability insurance coverage. Grantor remains solely responsible for obtaining any applicable governmental permits and approval for any construction or other activity or use permitted by this Conservation Easement Deed, and all such construction or other activity or use shall be undertaken in accordance with all applicable federal, state, and local laws, regulations, and requirements. Grantor shall prevent the perfection of any liens against the Protected Property arising out of any work performed for, material furnished to, or obligations incurred by Grantor; provided that the Protected Property shall be deemed to be free of such liens if Grantor, as the case may be, is diligently challenging the application of such liens to the Protected Property.
- B. **Taxes:** Grantor shall pay before delinquency or file timely appeal of all taxes, assessments, fees, charges of whatever description levied on or assessed against the Protected Property by competent authority (collectively "taxes"), including any taxes imposed upon, or incurred as a result of, this Conservation Easement, and shall furnish Grantee with satisfactory evidence of payment upon request. If Grantor fails to pay any taxes when due, Grantee is authorized, but in



no event obligated, to make or advance such payment of taxes upon three (3) days prior written notice to Grantor, in accordance with any bill, statement, or estimate procured from the appropriate authority, without inquiry into the validity of the taxes or the accuracy of the bill, statement, or estimate, and the obligation created by such payment shall bear interest until paid by Grantor at the maximum rate allowed by law.

C. Representations and Warranties: Grantor represents and warrants that, after reasonable investigation and to the best of Grantor's knowledge:

1. Grantor and the Protected Property are in compliance with all federal, state, and local laws, regulations, and requirements applicable to the Protected Property and its use;
2. There has been no release, dumping, burying, abandonment or migration from off-site on the Protected Property of any substances, materials, or wastes that are hazardous, toxic, dangerous, or harmful or are designated as, or contain components that are, or are designated as, hazardous, toxic, dangerous, or harmful and/or that are subject to regulation as hazardous, toxic, dangerous, or harmful in violation of any federal, state or local law, regulation, statute, or ordinance;
3. Neither Grantor nor Grantor's predecessors in interest have disposed of any hazardous substances off-site, nor have they disposed of substances at sites designated or proposed to be designated as federal Superfund (42 U.S.C. § 9601 et seq.) or state Model Toxics Control Act (RCW 70.105D.010 et seq.) ("MTCA") sites; and
4. There is no pending or threatened litigation affecting the Protected Property or any portion of the Protected Property that will materially impair the Conservation Values of any portion of the Protected Property. No civil or criminal proceedings have been instigated or are pending against Grantor or its predecessors by government agencies or third parties arising out of alleged violations of environmental laws, and Grantor has not received any notices of violation, penalties, claims, demand letters, or other notifications relating to a breach of environmental laws.

D. Remediation: If, at any time, there occurs, or has occurred, a release in, on, or about the Protected Property of any substance now or hereafter defined, listed, or otherwise classified pursuant to any federal, state, or local law, regulation, or requirement as hazardous, toxic or dangerous to the air, water or soil, or in any way harmful or threatening to human health or environment, Grantor agrees to take all steps necessary to assure its containment and remediation, including any cleanup that may be required, unless the release was caused by Grantee, in which case Grantee should be responsible for remediation.

E. Control: Nothing in this Conservation Easement Deed shall be construed as giving rise, in the absence of a judicial decree, to any right or ability in Grantee to exercise physical or managerial control over the day-to-day operations of the Protected Property, or any of Grantor's activities on the Protected Property, or otherwise to become an operation with respect to the Protected Property within the meaning of the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended ("CERCLA"), and MTCA.

F. Indemnification: Grantor hereby agrees to release and hold harmless, indemnify, and defend Grantee and the United States and their members, directors, officers, employees, agents, and contractors and the successors, and assigns of each of them from all costs, losses, damages,



expenses, causes of action, claims, demands, or judgments, including, without limitation, reasonable attorney's fees, arising from or in any way connected with:

1. Injury to or the death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the Protected Property, regardless of cause unless due solely to the negligence of any of the Indemnified Parties; and
2. The obligations, covenants, representations and warranties in Subsections A, B, C, and D of this section.

XII. EXTINGUISHMENT, CONDEMNATION AND SUBSEQUENT TRANSFER

- A. Extinguishment:** If circumstances arise in the future that render the Purpose of this Conservation Easement impossible to accomplish, this Conservation Easement can only be terminated or extinguished, whether in whole or in part, by judicial proceedings in a court of competent jurisdiction and only upon a finding and declaration to that effect. The amount of the proceeds to which Grantee and the United States shall be entitled, after the satisfaction of prior claims, from any sale, exchange, or involuntary conversion of all or any portion of the Protected Property subsequent to such termination or extinguishment, shall be determined, unless otherwise provided by Washington law at the time, in accordance with Subsection XIII.B, Valuation, of this Conservation Easement Deed.
- B. Valuation:** In the event of an extinguishment pursuant to Subsection A, or the taking of all or part of the Protected Property by the exercise of the power of eminent domain, then Grantee and the United States, through the Department of Agriculture, are entitled to their proportional share each of gross sale proceeds or condemnation award representing an amount equal to the ratio of the appraised value of this Conservation Easement to the unrestricted fair market value of the Protected Property as these values are determined on the date of this Conservation Easement Deed. The proportional shares of the Grantee and the United States, through the Department of Agriculture, are 50% and 50% respectively, representing the proportion each party contributed to the purchase price of the Conservation Easement.
- C. Condemnation:** If all or any of the Protected Property is taken by exercise of the power of eminent domain or acquired by purchase in lieu of condemnation, whether by public, corporate, or other authority, so as to extinguish this Conservation Easement, in whole or in part, Grantor and Grantee shall act jointly to recover the full value of the interest in the Protected Property subject to the taking or in lieu purchase and all direct or incidental damages resulting from the taking or in lieu purchase. All expenses reasonably incurred by Grantor and Grantee in connection with the taking or in lieu purchase shall be paid out of the amount recovered. Except as provided by applicable law, Grantor and Grantee agree that Grantee's share of the balance of the amount recovered shall be determined by the method described in Subsection B, with the remainder due to the Grantor. Due to its interest in this Conservation Easement, the United States must consent prior to the commencement of any condemnation action)
- D. Application of Proceeds:** Grantee shall return any proceeds received under the circumstances described in this Section XIII to Skagit County's Conservation Futures Fund (or successor fund) for use in purchasing conservation Easements or development rights on other eligible sites under the program (or successor program).



E. Subsequent Transfers: Grantor agrees to:

1. Incorporate the terms of this Conservation Easement Deed by reference in any deed or other legal instrument by which it divests itself of any interest in all or a portion of the Protected Property, including, without limitation, a leasehold interest; and
2. Describe this Conservation Easement Deed in and append it to any executory contract for the transfer of any interest in the Protected Property; and
3. Obtain a certificate from the purchaser, leaseholder or other party gaining an interest in all or part of the Protected Property and any financier, acknowledging their awareness of this Conservation Easement and their intent to comply with it. Such certificate shall be appended to and recorded with any deed or other legal instrument by which Grantor divests itself of any interest in all or a portion of the Protected Property; and
4. Give written notice to Grantee of the transfer of any interest in all or a portion of the Protected Property no later than forty-five (45) days prior to the date of such transfer. Such notice to Grantee shall include the name, address, and telephone number of the prospective transferee or the prospective transferee's representative.

The failure of Grantor to perform any act required by this subsection shall not impair the validity of this Conservation Easement Deed or limit its enforceability in any way.

F. Rights of the United States of America.

Under this Conservation Easement Deed, the United States is granted the right of enforcement in order to protect the public investment. The Secretary of the United States Department of Agriculture ("the Secretary"), on behalf of the United States, will exercise these rights under the following circumstances: In the event that the Grantee fails to enforce any of the terms of this Conservation Easement Deed, as determined in the sole discretion of the Secretary, the Secretary and his or her successors or assigns may exercise the United States' rights to enforce the terms of this Conservation Easement Deed through any and all authorities available under Federal or State law.

XIII. AMENDMENT

This Conservation Easement Deed may be amended by the execution and delivery of an amended Conservation Easement Deed, but only with the written consent of Grantor, Grantee and the United States. The Grantee's consent shall not be given without prior consultation with the authorized representative of the United States Secretary of Agriculture. If circumstances arise under which an amendment to or modification of this Conservation Easement Deed would be appropriate, Grantor and Grantee are free to jointly amend this Conservation Easement Deed; provided that no amendment shall be allowed that will diminish the effectiveness of this Conservation Easement in carrying out the Purpose of the Conservation Easement in any way and that only those amendments which strengthen the effectiveness of the Conservation Easement in carrying out the Purpose of the Conservation Easement Deed shall be permitted. Any such amendment shall not affect the perpetual duration of the Conservation Easement and shall be recorded in the official records of Skagit County, Washington, and any other jurisdiction in which such recording is required.



XIV. ASSIGNMENT

This Conservation Easement is transferable, but Grantee may assign its rights and obligations under this Conservation Easement Deed only to the Grantee's judicially appointed successor and must obtain prior approval of the assignment from the United States. As a condition of such transfer, Grantee shall require that the transferee exercise its rights under the assignment consistent with the Purpose of this Conservation Easement Deed. Grantee shall notify Grantor in writing, at Grantor's last known address, in advance of such assignment. The failure of Grantee to give such notice shall not affect the validity of such assignment nor shall it impair the validity of this Conservation Easement Deed or limit its enforceability in any way.

XV. RECORDING

Grantee shall record this instrument in a timely fashion in the official records of Skagit County, Washington, and in any other appropriate jurisdictions, and may re-record it at any time as may be required to preserve its rights in this Conservation Easement.

XVI. SUBORDINATION

At the time of conveyance of this Easement, the Protected Property is subject to that certain mortgage or deed of trust.

The beneficiary of the Mortgage or Deed of Trust has agreed by separate instrument at Exhibit C hereto, which will be recorded concurrently with this Easement, to subordinate its rights in the Protected Property to this Easement to the extent necessary to permit grantee to enforce the Purpose of the Easement in perpetuity and to prevent any modification or extinguishment of this Easement by the exercise of any rights of the beneficiary under the Mortgage or Deed of Trust.

XVII. GENERAL PROVISIONS

- A. **Controlling Law:** The interpretation and performance of this Conservation Easement Deed shall be governed by the laws of the State of Washington, except with respect to the requirements of the United States Farm and Ranch Lands Protection Program which shall be governed by the laws of the United States.
- B. **Liberal Construction:** Any general rule of construction to the contrary notwithstanding, this Conservation Easement Deed shall be liberally construed in favor of the grant to effect the Purpose of this Conservation Easement and the policy and purpose of RCW 64.04.130 and Chapter 84.34 RCW. If any provision in this instrument is found to be ambiguous, an interpretation consistent with the Purpose of this Conservation Easement Deed that would render the provision valid shall be favored over any interpretation that would render it invalid.
- C. **Severability:** If any provision of this Conservation Easement Deed, or its application to any person or circumstance, is found to be invalid, the remainder of the provisions of this Conservation Easement Deed, or the application of such provision to persons or circumstances other than those as to which it is found to be invalid, as the case may be, shall not be affected.
- D. **Entire Agreement:** This Conservation Easement Deed sets forth the entire agreement of the parties with respect to the Protected Property and supersedes all prior discussions, negotiations, understandings, or agreements relating to the Protected Property, all of which are merged into this



Conservation Easement Deed. No alteration or variation of this instrument shall be valid or binding unless contained in an amendment that complies with Section XIV.

- E. **No Forfeiture:** Nothing contained in this Conservation Easement Deed will result in a forfeiture or reversion of Grantor's title in any respect.
- F. **"Grantor" - "Grantee":** The terms "Grantor" and "Grantee," wherever used in this Conservation Easement Deed, and any pronouns used in their place, shall be held to mean and include, respectively the above-named Grantor, and their personal representatives, heirs, successors, and assigns, and the above-named Grantee, its, successors and assigns.
- G. **Successors and Assigns.** The covenants, terms, conditions, and restrictions of this Conservation Easement Deed shall be binding upon, and inure to the benefit of, the parties to this Conservation Easement Deed and their respective personal representatives, heirs, successors, and assigns, and shall continue as a servitude running in perpetuity with the Protected Property.
- H. **Termination of Rights and Obligations:** A party's rights and obligations under this Conservation Easement Deed terminate upon transfer of the party's interest in the Conservation Easement or Protected Property, except that liability for acts or omissions occurring prior to transfer shall survive transfer.
- I. **Joint and Several:** The obligations imposed by this Conservation Easement Deed upon Grantor shall be joint and several.
- J. **Counterparts:** The parties may execute this instrument in two or more counterparts, which shall be signed by both parties. Each counterpart shall be deemed an original instrument as against any party who has signed it. In the event of any disparity between the counterparts produced, the recorded counterpart shall be controlling.
- K. **Effective Date:** The effective date of this Conservation Easement Deed is the date of the last signature thereto.
- L. **Environmental Warranty:** Grantor warrants that they are in compliance with, and shall remain in compliance with, all applicable Environmental Laws. Grantor warrants that there are no notices by any governmental authority of any violation or alleged violation of, non-compliance or alleged non-compliance with or any liability under any Environmental Law relating to the operations or conditions of the Protected Property. Grantor further warrants that they have no actual knowledge of a release or threatened release of Hazardous Materials, as such substances and wastes are defined by applicable federal and state law.

Moreover, Grantor hereby promise to hold harmless and indemnify the Grantee and the United States against all litigation, claims, demands, penalties and damages, including reasonable attorneys' fees, arising from or connected with the release or threatened release of any Hazardous Materials on, at, beneath or from the Protected Property, or arising from or connected with a violation of any Environmental Laws by Grantor or any other prior owner of the Protected Property. Grantor's indemnification obligation shall not be affected by any authorizations provided by Grantee, or the United States to



Grantor with respect to the Protected Property or any restoration activities carried out by Grantee at the Protected Property; provided, however, that Grantee shall be responsible for any Hazardous Materials contributed after this date to the Protected Property by Grantee..

“Environmental Law” or “Environmental Laws” means any and all Federal, state, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, guidelines, policies or requirements of any governmental authority regulating or imposing standards of liability or standards of conduct (including common law) concerning air, water, solid waste, hazardous materials, worker and community right-to-know, hazard communication, noise, radioactive material, resource protection, subdivision, inland wetlands and watercourses, health protection and similar environmental health, safety, building and land use as may now or at any time hereafter be in effect.

“Hazardous Materials” means any petroleum, petroleum products, fuel oil, waste oils, explosives, reactive materials, ignitable materials, corrosive materials, hazardous chemicals, hazardous wastes, hazardous substances, extremely hazardous substances, toxic substances, toxic chemicals, radioactive materials, infectious materials and any other element, compound, mixture, solution or substance which may pose a present or potential hazard to human health or the environment.

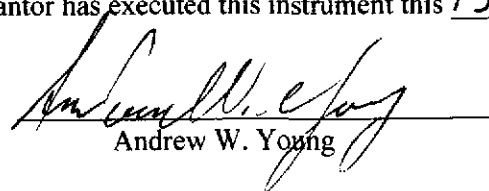


XVIII. SCHEDULE OF EXHIBITS

- A. Legal Description of Protected Property Subject to Conservation Easement.
- B. Site Plan and Baseline Documentation.
- C. Subordination
- D. Payment Schedule

TO HAVE AND TO HOLD unto Skagit County, and the United States of America, their successors, and assigns forever.

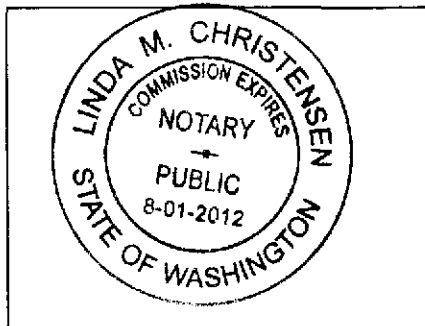
IN WITNESS WHEREOF, the undersigned Grantor has executed this instrument this 13 day of ~~November~~, 2010.
December


Andrew W. Young

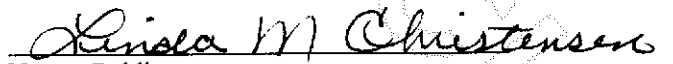
STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that Andrew W. Young is the person who appeared before me, and said persons acknowledged that they signed this instrument, on oath stated that they signed this instrument as their free act and deed for the uses and purposes set forth in the instrument.

Dated: 12-13-10

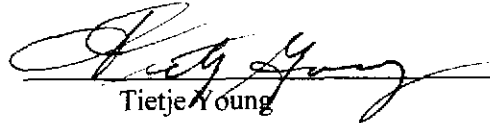


(Use this space for notarial stamp/seal)


Notary Public
Print Name Linda M Christensen
My commission expires 8-1-12

TO HAVE AND TO HOLD unto Skagit County, and the United States of America, their successors, and assigns forever.

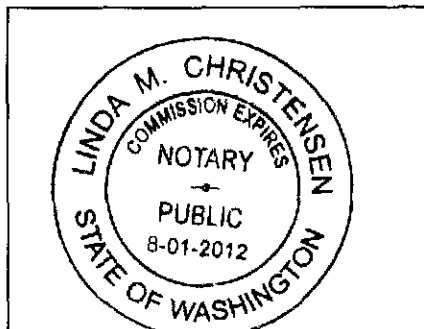
IN WITNESS WHEREOF, the undersigned Grantor has executed this instrument this 13th day of ~~November~~, 2010.
December


Tietje Young

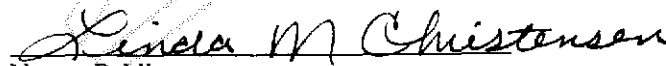
STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that Tietje Young is the person who appeared before me, and said persons acknowledged that they signed this instrument, on oath stated that they signed this instrument as their free act and deed for the uses and purposes set forth in the instrument.

Dated: 12-13-10



(Use this space for notarial stamp/seal)


Notary Public
Print Name Linda M. Christensen
My commission expires 8-1-12



The BOARD OF COUNTY COMMISSIONERS does hereby accept the above Grant Deed of Conservation Easement.

Dated: December 13, 2010

SKAGIT COUNTY, WASHINGTON

Recommended:

Sharon D. Dillon
Sharon D. Dillon, Chair

By:

[Signature]
Department Head

Ron Wesen
Ron Wesen, Commissioner

By:

Lisa Gano
Budget & Finance

ABSENT

Kenneth A. Dahlstedt, Commissioner

Approved as to Indemnification

By:

Brian Kamas
Risk Manager 12/10/2010

Approved as to Form:

Attest:

By:

Karen Walte
Civil Deputy

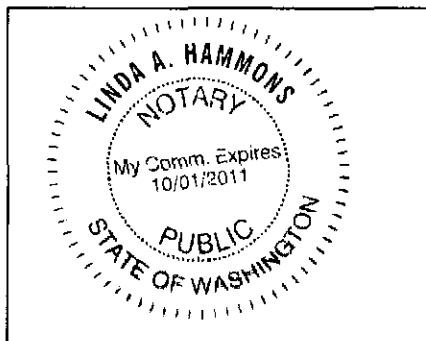
By:

Linda Hammer
Clerk of the Board

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that Sharon D. Dillon, Ron Wesen, and Kenneth A. Dahlstedt are the persons who appeared before me, and said persons acknowledged that they signed this instrument, on oath stated that they were authorized to execute the instrument and acknowledged it as the County Commissioners of Skagit County, Washington to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: December 13, 2010



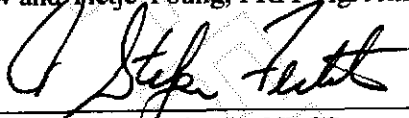
Linda Hammons
Notary Public
Print Name Linda Hammons
My commission expires 10/01/2011



**ACCEPTANCE OF PROPERTY INTEREST BY THE NATURAL RESOURCES
CONSERVATION SERVICE ON BEHALF OF THE UNITED STATES OF AMERICA**

The Natural Resources Conservation Service, an agency of the United States Government, hereby accepts and approves the foregoing Conservation Easement Deed, and the rights conveyed therein, on behalf of the United States of America.

Andrew and Tietje Young, FRPP Agreement Number 73-0546-9-005



Authorized Signatory for the NRCS

State of Washington

County of Spokane

On this 10th day of December, 2010, before me, the undersigned, a Notary Public in and for the State, personally appeared A. Stefan Fechter known or proved to me to be the person whose signature appears above, and who being duly sworn by me, did say that she/he is the State Conservationist of the Natural Resources Conservation Service, United States Department of Agriculture, is authorized to sign on behalf of the United States of America, and acknowledged and accepted the rights conveyed by the within Conservation Easement Deed.

In witness whereof, I have hereunto set my hand and official seal the day and year first above written.



Notary Public for the State of Washington

Residing at Spokane

My Commissions Expires 9-1-2011



201101070098
Skagit County Auditor

EXHIBIT A

Legal Description

DESCRIPTION:

DESCRIPTION:

PARCEL "A":

Lot 2, as described and delineated in Boundary Line Adjustment Deeds approved December 28, 2006, recorded January 4, 2007, under Auditor's File Nos. 200701040087 through 200701040096, inclusive, being fully described as follows:

Lots 2, 3, 10, 11, 13, 14, 16, 21, 22 and 23, in Tract 2, "PEAVEY'S ACREAGE, TRACTS NO. 1 & 2, SECTIONS 17, 20, 21, 22 & 28, TOWNSHIP 35 NORTH, RANGE 5 EAST, SKAGIT CO., WASH.," as per plat recorded in Volume 3 of Plats, page 37, records of Skagit County, Washington.

EXCEPT that portion of Lot 3 described as follows:

Beginning at the intersection of the West line of said Lot 3 with the South line of Burmaster Road; thence South 89°23'19" East along the South line of Burmaster Road, a distance of 200.00 feet; thence South 01°57'41" West parallel to the West line of said Lot 3, a distance of 217.86 feet; thence North 89°23'19" West, a distance of 200.00 feet to the West line of said Lot 3; thence North 01°57'41" East, along said West line, a distance of 217.86 feet to the point of beginning,

EXCEPT the South 20 feet of Lot 13.

ALSO, EXCEPT those portions of Lots 22 and 23 described as follows:

Beginning at the Southeast corner of said Lot 23; thence North 01°24'34" East along the East line of said Lot 23, a distance of 475.05 feet; thence North 89°25'56" West, a distance of 807.32 feet; thence South 01°34'04" West, a distance of 475.00 feet to the South line of said Lot 22; thence South 89°25'56" East along the South line of said Lot 22 and said Lot 23, a distance of 800.34 feet to the point of beginning.

EXCEPT County roads.

PARCEL "B":

Tract A, as described and delineated in Boundary Line Adjustment Deeds approved December 28, 2006, recorded January 4, 2007, under Auditor's File Nos. 200701040087 through 200701040096, inclusive, being a portion of Lots 22 and 23, Tract 2, "PEAVEY'S ACREAGE, TRACTS NO. 1 & 2, SECTIONS 17, 20, 21, 22 & 28, TOWNSHIP 35 NORTH, RANGE 5 EAST, SKAGIT CO., WASH.," as per plat recorded in Volume 3 of Plats, page 37, records of Skagit County, Washington, and more fully described as follows:

Beginning at a point on the East line of said Lot 23 which lies North 01°24'34" East, a distance of 160.02 feet from the Southeast corner of said Lot 23; thence North 89°25'56" West, a distance of 443.51 feet to the point of curvature of a curve to the left having a radius of 25.00 feet; thence Southwesterly along said curve through a central angle of 44°24'55" and an arc distance of 19.38 feet to the point of reverse



curvature with a curve to the right having a radius of 45.00 feet; thence Southwesterly, Westerly and Northwesterly along said curve through a central angle of $114^{\circ}56'39''$ and an arc distance of 90.28 feet; thence North $89^{\circ}25'56''$ West, a distance of 149.35 feet; thence North $00^{\circ}34'04''$ East, a distance of 30.00 feet; thence South $89^{\circ}25'56''$ East, a distance of 149.35 feet to the initial point of a curve to the right having a radius of 45.00 feet from which the radius point bears South $69^{\circ}57'40''$ East; thence Northeasterly, Easterly and Southeasterly along said curve through a central angle of $114^{\circ}56'39''$ and an arc distance of 90.28 feet to the point of reverse curvature with a curve to the left having a radius of 25.00 feet; thence Southeasterly along said curve through a central angle of $44^{\circ}24'55''$ and an arc distance of 19.38 feet; thence South $89^{\circ}25'56''$ East, a distance of 444.24 feet to the East line of said Lot 23; thence South $01^{\circ}24'34''$ West along said East line, a distance of 50.01 feet to the point of beginning of this description.

Situate in the County of Skagit, State of Washington.

Lot 10, as described and delineated in Boundary Line Adjustment Deeds approved December 28, 2006, recorded January 4, 2007, under Auditor's File Nos. 200701040087 through 200701040096, inclusive, being a portion of Lots 22 and 23, Tract 2, "PEAVEY'S ACREAGE, TRACTS NO. 1 & 2, SECTIONS 17, 20, 21, 22 & 28, TOWNSHIP 35 NORTH, RANGE 5 EAST, SKAGIT CO., WASH.," as per plat recorded in Volume 3 of Plats, page 37, records of Skagit County, Washington, and more fully described as follows:

Beginning at a point on the East line of said Lot 23 which lies North $01^{\circ}24'34''$ East, a distance of 475.05 feet from the Southeast corner thereof;
thence North $89^{\circ}25'56''$ West, a distance of 166.32 feet;
thence South $00^{\circ}34'04''$ West, a distance of 265.00 feet to the North line of the hereinafter described Tract A;
thence South $89^{\circ}25'56''$ East along said North line, a distance of 162.43 feet to the East line of said Lot 23;
thence North $01^{\circ}24'34''$ East along said East line, a distance of 265.03 feet to the point of beginning of this description.

TOGETHER WITH a non-exclusive easement for ingress, egress and utilities over, under and through Tract A described herein below.

Situate in the County of Skagit, State of Washington.

Lot 11, as described and delineated in Boundary Line Adjustment Deeds approved December 28, 2006, recorded January 4, 2007, under Auditor's File Nos. 200701040087 through 200701040096, inclusive, being a portion of Lots 22 and 23, Tract 2, "PEAVEY'S ACREAGE, TRACTS NO. 1 & 2, SECTIONS 17, 20, 21, 22 & 28, TOWNSHIP 35 NORTH, RANGE 5 EAST, SKAGIT CO., WASH.," as per plat recorded in Volume 3 of Plats, page 37, records of Skagit County, Washington, and more fully described as follows:

Beginning at a point on the East line of said Lot 23 which lies North $01^{\circ}24'34''$ East, a distance of 475.05 feet from the Southeast corner thereof;
thence North $89^{\circ}25'56''$ West, a distance of 166.32 feet to the point of beginning of this description;
thence North $89^{\circ}25'56''$ West, a distance of 164.38 feet;



thence South 00°34'04" West, a distance of 265.00 feet to the North line of the hereinafter described Tract A;

thence South 89°25'56" East along said North line, a distance of 164.38 feet;

thence North 00°34'04" East, a distance of 265.00 feet to the point of beginning of this description.

TOGETHER WITH a non-exclusive easement for ingress, egress and utilities over, under and through Tract A described herein below.

Situate in the County of Skagit, State of Washington.

Lot 13, as described and delineated in Boundary Line Adjustment Deeds approved December 28, 2006, recorded January 4, 2007, under Auditor's File Nos. 200701040087 through 200701040096, inclusive, being a portion of Lots 22 and 23, Tract 2, "PEAVEY'S ACREAGE, TRACTS NO. 1 & 2, SECTIONS 17, 20, 21, 22 & 28, TOWNSHIP 35 NORTH, RANGE 5 EAST, SKAGIT CO., WASH.," as per plat recorded in Volume 3 of Plats, page 37, records of Skagit County, Washington, and more fully described as follows:

Beginning at a point on the East line of said Lot 23 which lies North 01°24'34" East, a distance of 475.05 feet from the Southeast corner thereof; thence North 89°25'56" West, a distance of 330.70 feet to the point of beginning of this description; thence North 89°25'56" West, a distance of 166.42 feet; thence South 00°34'04" West, a distance of 245.00 feet to the North line of the hereinafter described Tract A and the initial point of a curve to the right having a radius of 45 feet, from which the radius point bears South 00°34'04" West; thence Southeasterly along the North line of said Tract A and said curve through a central angle of 44°24'55" and an arc distance of 34.88 feet to the point of reverse curvature with a curve to the left having a radius of 25.00 feet; thence Southeasterly along the North line of said Tract A and said curve through a central angle of 44°24'55" and an arc distance of 19.38 feet; thence South 89°25'56" East along the North line of said Tract A, a distance of 117.43 feet; thence North 00°34'04" East, a distance of 265.00 feet to the point of beginning of this description.

TOGETHER WITH a non-exclusive easement for ingress, egress and utilities over, under and through Tract A described herein below.

Situate in the County of Skagit, State of Washington.

Lot 14, as described and delineated in Boundary Line Adjustment Deeds approved December 28, 2006, recorded January 4, 2007, under Auditor's File Nos. 200701040087 through 200701040096, inclusive, being a portion of Lots 22 and 23, Tract 2, "PEAVEY'S ACREAGE, TRACTS NO. 1 & 2, SECTIONS 17, 20, 21, 22 & 28, TOWNSHIP 35 NORTH, RANGE 5 EAST, SKAGIT CO., WASH.," as per plat recorded in Volume 3 of Plats, page 37, records of Skagit County, Washington, and more fully described as follows:

Beginning at a point on the East line of said Lot 23 which lies North 01°24'34" East, a distance of 475.05 feet from the Southeast corner thereof; thence North 89°25'56" West, a distance of 497.12 feet to the point of beginning of this description; thence North 89°25'56" West, a distance of 161.78 feet; thence South 00°34'04" West, a distance of 275.00 feet to the North line of the hereinafter described Tract A; thence South 89°25'56" East along said North line, a distance of 119.35 feet to the initial point of a curve to the right having a radius of 45.00 feet from which the radius point bears South 69°57'40"



East; thence Northeasterly along said curve through a central angle of 70°31'44" and an arc distance of 55.39 feet; thence North 00°34'04" East, a distance of 245.00 feet to the point of beginning of this description.

TOGETHER WITH a non-exclusive easement for ingress, egress and utilities over, under and through Tract A described herein below.

Situate in the County of Skagit, State of Washington.

Lot 16, as described and delineated in Boundary Line Adjustment Deeds approved December 28, 2006, recorded January 4, 2007, under Auditor's File Nos. 200701040087 through 200701040096, inclusive, being a portion of Lots 22 and 23, Tract 2, "PEAVEY'S ACREAGE, TRACTS NO. 1 & 2, SECTIONS 17, 20, 21, 22 & 28, TOWNSHIP 35 NORTH, RANGE 5 EAST, SKAGIT CO., WASH.," as per plat recorded in Volume 3 of Plats, page 37, records of Skagit County, Washington, and more fully described as follows:

Beginning at a point on the East line of said Lot 23 which lies North 01°24'34" East, a distance of 475.05 feet from the Southeast corner thereof; thence North 89°25'56" West, a distance of 658.90 feet to the point of beginning of this description; thence North 89°25'56" West, a distance of 148.42 feet; thence South 00°34'04" West, a distance of 298.19 feet; thence South 89°25'56" East, a distance of 118.42 feet to the West line of the hereinafter described Tract A; thence North 00°34'04" East along said West line, a distance of 23.19 feet to the Northwest corner of said Tract A; thence South 89°25'56" East along the North line of said Tract A, a distance of 30.00 feet; thence North 00°34'04" East, a distance of 275.00 feet to the point of beginning of this description.

TOGETHER WITH a non-exclusive easement for ingress, egress and utilities over, under and through Tract A described herein below.

Situate in the County of Skagit, State of Washington.

Lot 21, as described and delineated in Boundary Line Adjustment Deeds approved December 28, 2006, recorded January 4, 2007, under Auditor's File Nos. 200701040087 through 200701040096, inclusive, being a portion of Lots 22 and 23, Tract 2, "PEAVEY'S ACREAGE, TRACTS NO. 1 & 2, SECTIONS 17, 20, 21, 22 & 28, TOWNSHIP 35 NORTH, RANGE 5 EAST, SKAGIT CO., WASH.," as per plat recorded in Volume 3 of Plats, page 37, records of Skagit County, Washington, and more fully described as follows:

Beginning at a point on the East line of said Lot 23 which lies North 01°24'34" East a distance of 160.02 feet from the Southeast corner of said Lot 23 which point is the Southeast corner of the hereinafter described Tract A;
thence North 89°25'56" West, a distance of 443.51 feet to the point of curvature of a curve to the left having a radius of 25.00 feet; thence Southwesterly along said curve through a central angle of 44°24'55" and an arc distance of 19.38 feet to the point of reverse curvature with a curve to the right having a radius of 45.00 feet; thence Southwesterly, Westerly and Northwesterly along said curve through a central angle of 114°56'39" and an arc distance of 90.28 feet; thence North 89°25'56" West, a distance of 16.27 feet to the point of beginning of this description which point is on the South line of said Tract A; thence North 89°25'56" West, a distance of 133.07 feet to the Southeast corner of said Tract A; thence North 00°34'04" East, a distance of 6.81 feet; thence North 89°25'56" West, a distance of 118.42 feet; thence



South 00°34'04" West, a distance of 176.81 feet to the South line of said Lot 22; thence South 89°25'56" East, along the South line of said Lot 22 and said Lot 23, a distance of 251.49 feet; thence North 00°34'04" East, a distance of 170.00 feet to the point of beginning of this description.

TOGETHER WITH a non-exclusive easement for ingress, egress and utilities over, under and through Tract A described herein below.

Situate in the County of Skagit, State of Washington.

Lot 22, as described and delineated in Boundary Line Adjustment Deeds approved December 28, 2006, recorded January 4, 2007, under Auditor's File Nos. 200701040087 through 200701040096, inclusive, being a portion of Lots 22 and 23, Tract 2, "PEAVEY'S ACREAGE, TRACTS NO. 1 & 2, SECTIONS 17, 20, 21, 22 & 28, TOWNSHIP 35 NORTH, RANGE 5 EAST, SKAGIT CO., WASH.," as per plat recorded in Volume 3 of Plats, page 37, records of Skagit County, Washington, and more fully described as follows:

Beginning at a point on the East line of said Lot 23 which lies North 01°24'34" East, a distance of 160.02 feet from the Southeast corner of said Lot 23 which point is the Southeast corner of the hereinafter described Tract A; thence North 89°25'56" West on the South line of said Tract A, a distance of 273.43 feet to the point of beginning of this description; thence continuing North 89°25'56" West along the South line of said Tract A, a distance of 170.08 feet to the point of curvature of a curve to the left having a radius of 25.00 feet; thence Southwesterly along said curve through a central angle of 44°24'55" and an arc distance of 19.38 feet to the point of reverse curvature with a curve to the right having a radius of 45.00 feet; thence Southwesterly, Westerly and Northwesterly along said curve through a central angle of 114°56'39" and an arc distance of 90.28 feet; thence North 89°25'56" West, a distance of 16.27 feet; thence South 00°34'04" West, a distance of 170.00 feet to the South line of said Lot 23; thence South 89°25'56" East along the South line of said Lot 23, a distance of 277.77 feet; thence North 00°34'04" East, a distance of 160.00 feet to the point of beginning of this description.

TOGETHER WITH a non-exclusive easement for ingress, egress and utilities over, under and through Tract A described herein below.

Situate in the County of Skagit, State of Washington.

Lot 23, as described and delineated in Boundary Line Adjustment Deeds approved December 28, 2006, recorded January 4, 2007, under Auditor's File Nos. 200701040087 through 200701040096, inclusive, being a portion of Lots 22 and 23, Tract 2, "PEAVEY'S ACREAGE, TRACTS NO. 1 & 2, SECTIONS 17, 20, 21, 22 & 28, TOWNSHIP 35 NORTH, RANGE 5 EAST, SKAGIT CO., WASH.," as per plat recorded in Volume 3 of Plats, page 37, records of Skagit County, Washington, and more fully described as follows:

Beginning at the Southeast corner of said Lot 23; North 01°24'34" East, a distance of 160.02 feet from the Southeast corner of the hereinafter described Tract A; thence North 89°25'56" West on the South line of said Tract A, a distance of 273.43; thence South 00°34'04" West, a distance of 160.00 feet to the South line of said Lot 23; thence South 89°25'56" East along the South line of said Lot 23, a distance of 271.07 feet to the point of beginning of this description.

TOGETHER WITH a non-exclusive easement for ingress, egress and utilities over, under and through Tract A described herein below.

Situate in the County of Skagit, State of Washington.

TRACT A:

That portion of Lots 22 and 23, Tract 2, "PEAVEY'S ACREAGE, TRACTS NO. 1 & 2, SECTIONS 17, 20, 21, 22 & 28, TOWNSHIP 35 NORTH, RANGE 5 EAST, SKAGIT CO., WASH.," as per plat recorded in Volume 3 of Plats, page 37, records of Skagit County, Washington, described as follows:

Beginning at a point on the East line of said Lot 23 which lies North 01°24'34" East, a distance of 160.02 feet from the Southeast corner of said Lot 23;
thence North 89°25'56" West, a distance of 443.51 feet to the point of curvature of a curve to the left having a radius of 25.00 feet;
thence Southwesterly along said curve through a central angle of 44°24'55" and an arc distance of 19.38 feet to the point of reverse curvature with a curve to the right having a radius of 45.00 feet;
thence Southwesterly, Westerly and Northwesterly along said curve through a central angle of 114°56'39" and an arc distance of 90.28 feet;
thence North 89°25'56" West, a distance of 149.35 feet;
thence North 00°34'04" East, a distance of 30.00 feet;
thence South 89°25'56" East, a distance of 149.35 feet to the initial point of a curve to the right having a radius of 45.00 feet from which the radius point bears South 69°57'40" East;
thence Northeasterly, Easterly and Southeasterly along said curve through a central angle of 114°56'39" and an arc distance of 90.28 feet to the point of reverse curvature with a curve to the left having a radius of 25.00 feet;
thence Southeasterly along said curve through a central angle of 44°24'55" and an arc distance of 19.38 feet;
thence South 89°25'56" East, a distance of 444.24 feet to the East line of said Lot 23;
thence South 01°24'34" West along said East line, a distance of 50.01 feet to the point of beginning of this description.

Situate in the County of Skagit, State of Washington.



PARCEL "C":

Lot 3, as described and delineated in Boundary Line Adjustment Deeds approved December 28, 2006, recorded January 4, 2007, under Auditor's File Nos. 200701040087 through 200701040096, inclusive, being a portion of Lot 3, Tract No. 2, "PEAVEY'S ACREAGE, TRACTS NO. 1 & 2, SECTIONS 17, 20, 21, 22 & 28, TOWNSHIP 35 NORTH, RANGE 5 EAST, SKAGIT CO., WASH.," as per plat recorded in Volume 3 of Plats, page 37, records of Skagit County, Washington, and more fully described as follows:

Beginning at the intersection of the West line of said Lot 3 with the South line of Burmaster Road;

thence South 89°23'19" East along the South line of Burmaster Road, a distance of 200.00 feet;
thence South 01°57'41" West parallel with the West line of said Lot 3, a distance of 217.86 feet;
thence North 89°23'19" West, a distance of 200.00 feet to the West line of said Lot 3;
thence North 01°57'41" East, along said West line, a distance of 217.86 feet to the point of beginning of this description.

Situate in the County of Skagit, State of Washington.



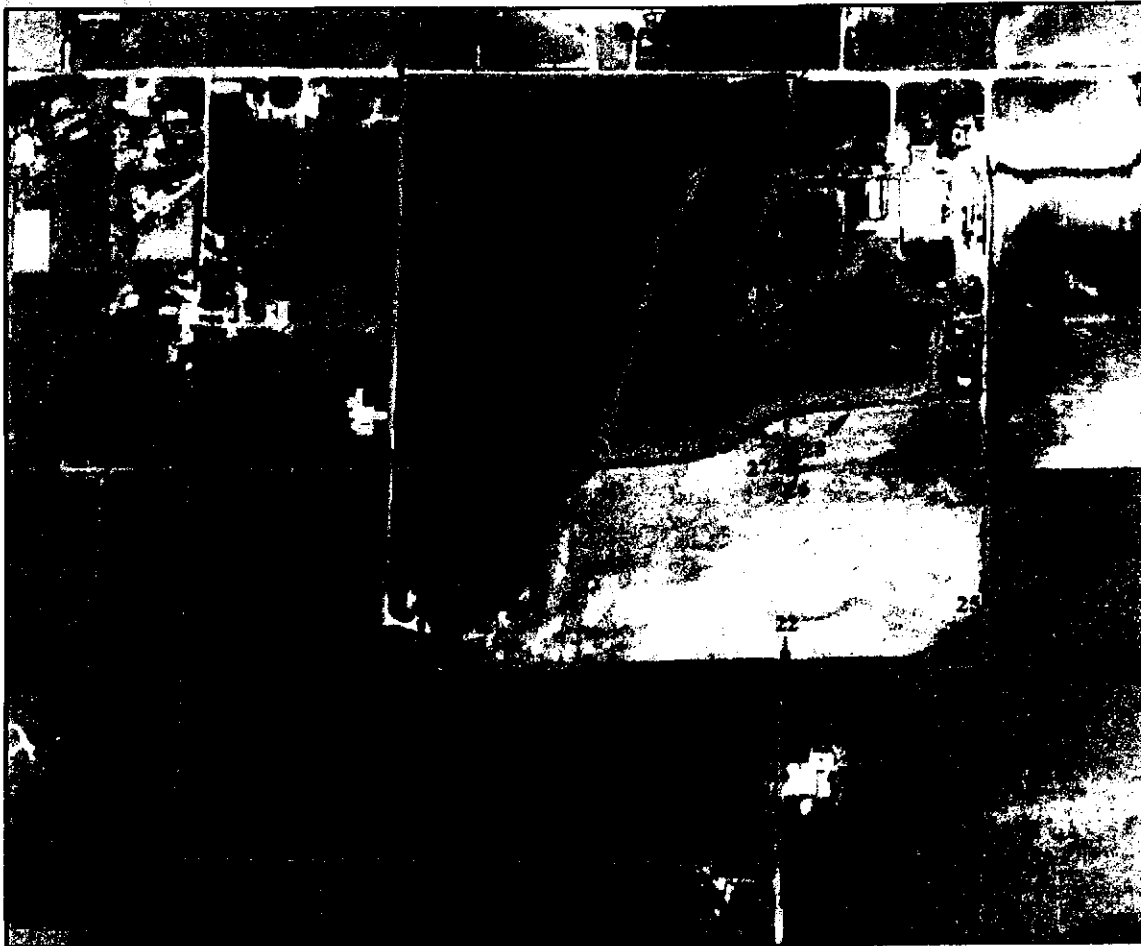
EXHIBIT B

Site Plan & Baseline Documentation



201101070098

Skagit County Auditor



Source: Skagit County imap. Annotated by appraiser; boundaries are approximate, for visual reference only.

Photograph location map



201101070098

Skagit County Auditor

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NORTHWEST REAL ESTATE VALUATION, LLC
Robert W. Suttles, MAI and Associates

*All photographs taken by the appraiser, Robert W. Suttles, MAI on November 4, 2009

SUBJECT PHOTOGRAPH

Photograph #1

View looking south from near the northeast corner of P67955.



Photograph #2

View looking west from near the northeast corner of P67955.

Burnmaster Road is visible, the subject land is on the left side of the road.



NORTHWEST REAL ESTATE VALUATION, L
Robert W. Suttles, MAI and Associates



201101070098
Skagit County Auditor

*All photographs taken by the appraiser, Robert W. Suttles, MAI on November 4, 2009

SUBJECT PHOTOGRAPH

Photograph #3

View looking southwest from near the northeast corner of P67955.



Photograph #4

View looking south from near the northwest corner of P125580. The lane is a county ROW that acts as driveway access for three residents.



NORTHWEST REAL ESTATE VALUATION, LLC
Robert W. Suttles, MAI and Associates



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Skagit County Auditor

*All photographs taken by the appraiser, Robert W. Suttles, MAI on November 4, 2009

SUBJECT PHOTOGRAPH

Photograph #5

View looking east from near the northwest corner of P125580. Burmaster Road is visible, the subject is on the right side of the road.



Photograph #6

View looking southeast from near the northwest corner of P125580.



NORTHWEST REAL ESTATE VALUATION
Robert W. Suttles, MAI and Associates



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*All photographs taken by the appraiser, Robert W. Suttles, MAI on November 4, 2009

SUBJECT PHOTOGRAPH

Photograph #7

View looking east from near the northeast corner of P67985, the subject land is on the left side of the photograph.



Photograph #8

View looking west from near the northeast corner of P67985, the subject land is on the left side of the photograph.



NORTHWEST REAL ESTATE VALUATION
Robert W. Suttles, MAI and Associates



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Skagit County Auditor

*All photographs taken by the appraiser, Robert W. Suttles, MAI on November 4, 2009

SUBJECT PHOTOGRAPH

Photograph #9

View looking southwest from near the northeast corner of P67985.



Photograph #10

View looking southeast from near the northeast corner of P67985 toward the 10 acre in holding that is not part of the subject land.



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Robert W. Suttles, MAI and Associates



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SUBJECT PHOTOGRAPH



Photograph #11

View looking east from near the southeast corner of P67985, the 10 acre in holding that is not part of the subject land is on the left and the subject is on the right.



Photograph #12

View looking northeast from near the southeast corner of P67985 toward the 10 acre in holding that is not part of the subject land.



*All photographs taken by the appraiser, Robert W. Suttles, MAI on November 4, 2009

SUBJECT PHOTOGRAPH

Photograph #13

View looking south from near the northwest corner of P67985.

The subject is on the left side of the photograph.



Photograph #14

View looking southeast from near the northwest corner of P67985.



NORTHWEST REAL ESTATE VALUATION, LI
Robert W. Suttles, MAI and Associates



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Skagit County Auditor

*All photographs taken by the appraiser, Robert W. Suttles, MAI on November 4, 2009

SUBJECT PHOTOGRAPH

Photograph #15

View looking north from near the southwest corner of P67989, the subject land is on the right side of the photograph.



Photograph #16

View looking east from near the southwest corner of P67989, the subject land is on the left side of the photograph.



NORTHWEST REAL ESTATE VALUATION, LLC
Robert W. Suttles, MAI and Associates



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Skagit County Auditor

*All photographs taken by the appraiser, Robert W. Suttles, MAI on November 4, 2009

SUBJECT PHOTOGRAPH

Photograph #17

View looking northeast from near the southwest corner of P67989. the land supporting the cluster of trees is not part of the subject land.



Photograph #18

View looking west from near the southeast corner of P125367. the subject land is on the right side of the photograph.



NORTHWEST REAL ESTATE VALUATION, I'
Robert W. Suttles, MAI and Associates



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*All photographs taken by the appraiser, Robert W. Suttles, MAI on November 4, 2009

SUBJECT PHOTOGRAPH



Photograph #19

View looking north from near the southeast corner of P125367, the subject land is on the left side of the photograph.



Photograph #20

View looking south from near the southeast corner of P125367.

The lane is Bergsted Road, a county ROW, and would have to be upgraded if the one acre lots are developed.

NORTHWEST REAL ESTATE VALUATION, /
Robert W. Suttles, MAI and Associates



*All photographs taken by the appraiser, Robert W. Suttles, MAI on November 4, 2009

SUBJECT PHOTOGRAPH

Photograph #21

View of the southeast corner of the land and the approximate location of the proposed one acre residential building lots if they were to be developed.



Photograph #22

View looking south from near the southwest corner of P67981



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Robert W. Suttles, MAI and Associates



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*All photographs taken by the appraiser, Robert W. Suttles, MAI on November 4, 2009

SUBJECT PHOTOGRAPH

Photograph #23

View looking east
from near the
southwest corner
of P67981



Photograph #24

View looking
northwest from
near the southeast
corner of P67981



NORTHWEST REAL ESTATE VALUATION, I
Robert W. Suttles, MAI and Associates



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Skagit County Auditor

*All photographs taken by the appraiser, Robert W. Suttles, MAI on November 4, 2009

SUBJECT PHOTOGRAPH

Photograph #25

View looking
north from near the
southeast corner of
P67981



Photograph #26

View looking
north from near the
northwest corner
of P67981, the
subject land is on
the left side of the
photograph.



The mound in the
background is the
manure lagoon for
the dairy on the
adjacent land that
is under the same
ownership as the
subject. The
lagoon encroaches
onto the subject
land

NORTHWEST REAL ESTATE VALUATION
Robert W. Suttles, MAI and Associates

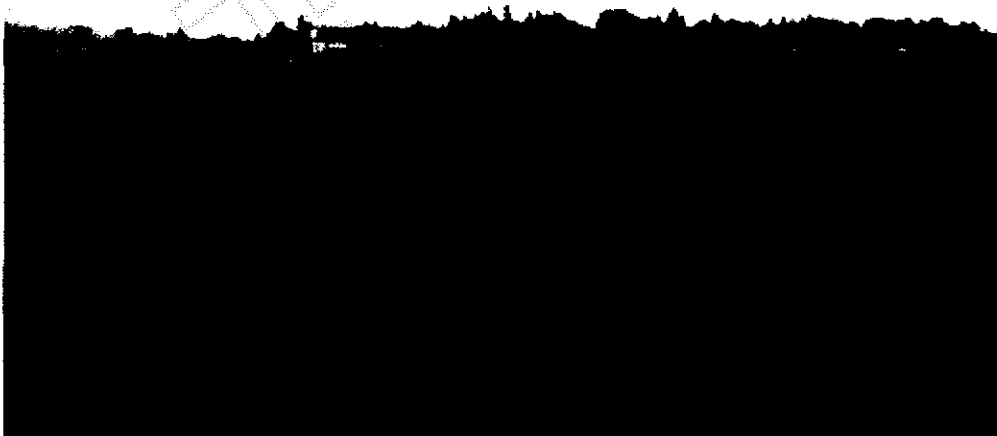


*All photographs taken by the appraiser, Robert W. Suttles, MAI on November 4, 2009

SUBJECT PHOTOGRAPH

Photograph #27

View looking east from near the northwest corner of P67981, the subject land is on the right side of the ditch line.



Photograph #28

View looking northeast from the southeast corner of P67979

The farm improvements and land in this view belong to the owner of the subject, but are not included in the subject land or the larger parcel.



*All photographs taken by the appraiser, Robert W. Suttles, MAI on November 4, 2009

SUBJECT PHOTOGRAPH

Photograph #29

View looking
northwest near the
northwest corner
of P67981



NORTHWEST REAL ESTATE VALUATION
Robert W. Suttles, MAI and Associates





Annotated by appraiser; boundaries are approximate, for visual reference only.

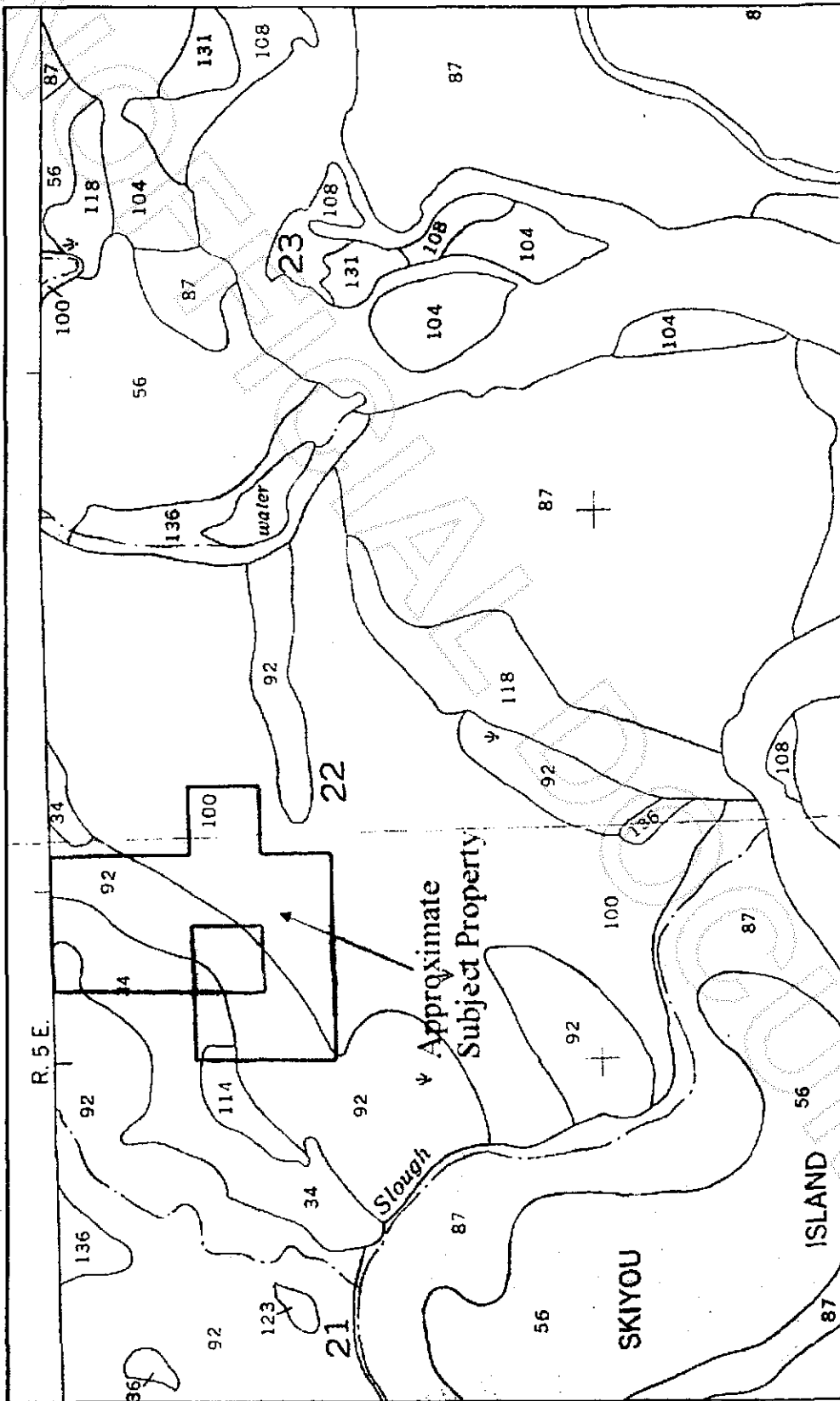
Aerial Photograph of Subject Property¹

¹ Source: Skagit County web site, Assessor's section, imap. <<http://skagitcounty.net>>

NORTHWEST REAL ESTATE VALUATION,
Robert W. Suttles, MAI and Associates



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Skagit County Auditor



Source: USDA Soil Conservation Service; Skagit County soil survey manual (annotated by appraiser)

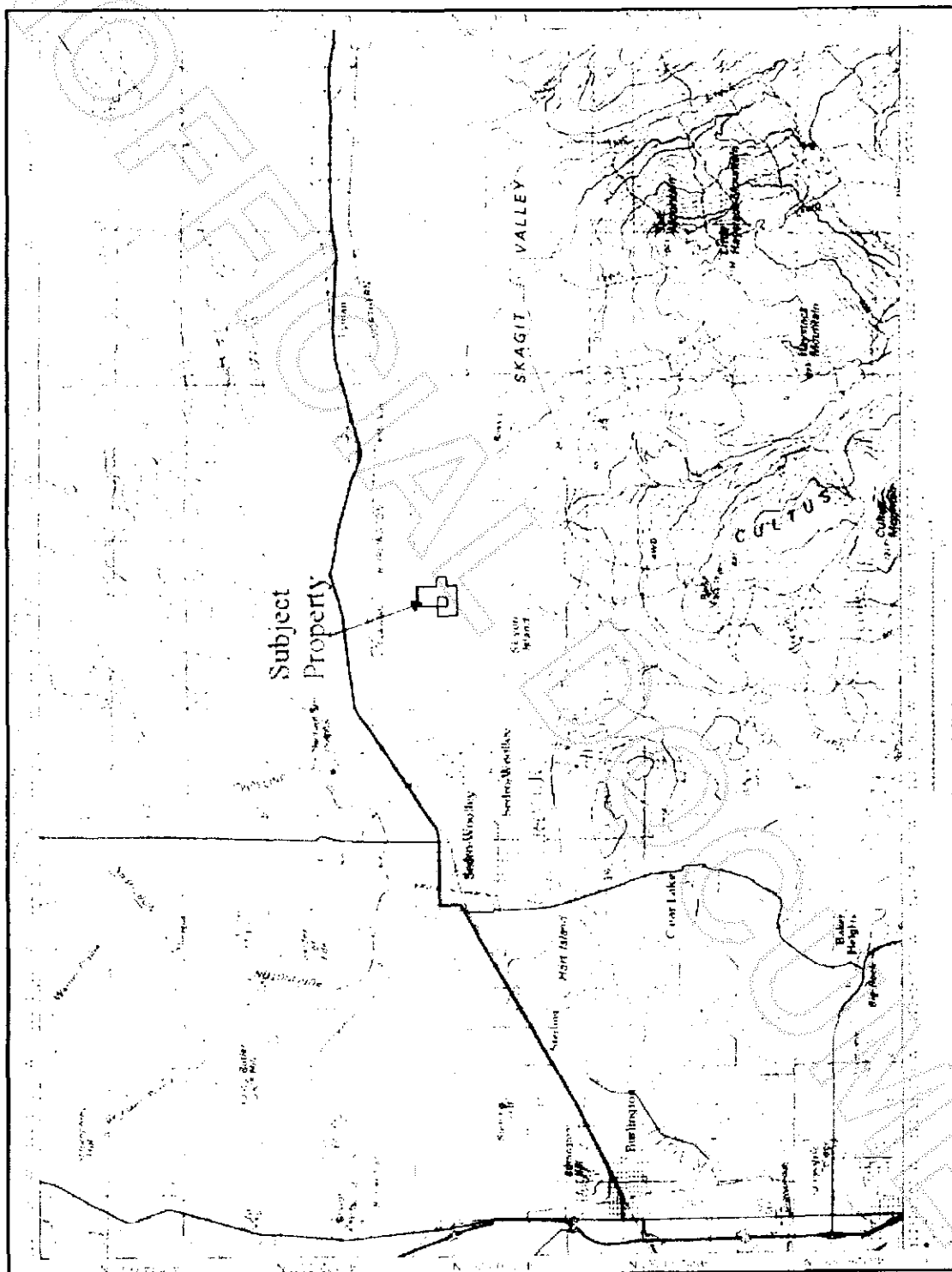
Subject Soil Map

NORTHWEST REAL ESTATE VALUATION, LLC
Robert W. Suttles, MAI and Associates



201101070098

Skagit County Auditor



Source: National Geographic, Washington. Seamless USGS Topographic Maps on CD-ROM (annotated by appraiser)

USGS Topographical Map

NORTHWEST REAL ESTATE VALUATION, LLC
Robert W. Suttles, MAI and Associates



201101070098

Skagit County Auditor

EXHIBIT C

SUBORDINATION AGREEMENT

NOTICE :THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF THE SAME OTHER OR LATER SECURITY INSTRUMENT.

The undersigned subordinator and owner agrees as follows:

1. The Wolfkill and Feed and Fertilizer Corporation, a Washington corporation referred to herein as "subordinator" is the owner and holder of mortgage dated January 27, 2010, which is recorded under Auditor's File No. 201002020033 records of Skagit County.
2. Skagit County Farmland Legacy Program referred to as herein as "lender", is the owner and holder of as easement executed by Skagit County, a political subdivision of the State of Washington (which is recorded under Skagit auditor's file 201012160006 records Skagit County is to be recorded concurrently).
3. Andrew and Tietje Young referred to herein as "owner", is the owner of all the real property described in the mortgage identified above in Paragraph 2.
4. In consideration of the benefits to "subordination" from "owner", receipt and sufficiency of which is hereby acknowledged, and to induce "lender" to advance funds under it's mortgage and all agreements in connection therewith the "subordinator" does hereby unconditionally subordinate the lien of his mortgage identified in Paragraph 1 above to the lien of "lender's" mortgage, identified in Paragraph 2 above, and all advances or charges made or accruing there under, including any extension of renewal thereof.
5. "Subordinator" acknowledges that prior to the execution hereof, he has had the opportunity to examine the terms of "lender's" mortgage, note and agreements relating thereto, consents to and approves same, and recognizes that the "lender" has no obligation to "subordinator" to advance any funds under its mortgage or see to the application of "lender's" mortgage funds, and any application or use of such funds for purposes other than those provided for in such mortgage, note, or agreements shall not defeat the subordination herein made in whole or in part.
6. It is understood by the parties hereto that "lender" would not make the loan secured by the mortgage in Paragraph 2 without this agreement.
7. This agreement shall be the whole and only agreement between the parties hereto with regard to the subordination of the lien or charge of the mortgage first above mentioned to the lien or charge of the mortgage in favor of "lender" above referred to and shall supersede and cancel any prior agreements as to such, or any, subordination including, but not limited to, those provisions, if any, contained in the mortgage first above mentioned, which provide for the subordination of the lien or change thereof to a mortgage or mortgages to be thereafter executed.



8. The heirs, administrators, assigns and successors in interest of the "subordination" shall be bound by this agreement. Where the word "mortgage" appears herein and shall be considered as "deed of trust", and gender and number of pronouns considered to conform to undersigned.

NOTICE: THIS SUBORDINATION CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAT IMPROVEMENT OF THE LAND. IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THE SUBORDINATION AGREEMENT, THAT THE PARTIES CONSULT THEIR ATTORNEYS WITH RESPECT THERETO.

Executed this 8TH day of NOVEMBER, 2010.

SUBORDINATOR

SUBORDINATOR

WOLF KILL FEED & FERTILIZER

[Signature]
(Name)

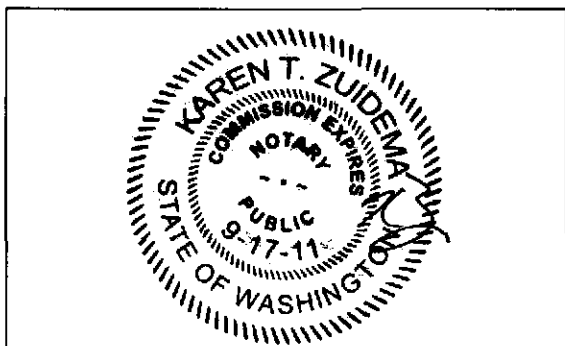
(Name)

STATE OF WASHINGTON)

COUNTY OF Skagit) ss.

I certify that I know or have satisfactory evidence that Matthew E. Bachleda 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 Manager of Wolfkill Feed & Fert to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Date: November 8 2010



[Signature]
Notary Public
Print Name Karen Zuidema
My commission expires: 9/17/11



201101070098
Skagit County Auditor

EXHIBIT C

SUBORDINATION AGREEMENT

NOTICE :THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF THE SAME OTHER OR LATER SECURITY INSTRUMENT.

The undersigned subordinator and owner agrees as follows:

1. The Wolfkill and Feed and Fertilizer Corporation, a Washington corporation referred to herein as "subordinator" is the owner and holder of mortgage dated December, 2009, which is recorded under Auditor's File No. 201002020034 records of Skagit County.
2. Skagit County Farmland Legacy Program referred to as herein as "lender", is the owner and holder of as easement executed by Skagit County, a political subdivision of the State of Washington (which is recorded under Skagit auditor's file 201012 16 0106 records Skagit County is to be recorded concurrently).
3. Andrew and Tietje Young referred to herein as "owner", is the owner of all the real property described in the mortgage identified above in Paragraph 2.
4. In consideration of the benefits to "subordination" from "owner", receipt and sufficiency of which is hereby acknowledged, and to induce "lender" to advance funds under its mortgage and all agreements in connection therewith the "subordinator" does hereby unconditionally subordinate the lien of his mortgage identified in Paragraph 1 above to the lien of "lender's" mortgage, identified in Paragraph 2 above, and all advances or charges made or accruing there under, including any extension of renewal thereof.
5. "Subordinator" acknowledges that prior to the execution hereof, he has had the opportunity to examine the terms of "lender's" mortgage, note and agreements relating thereto, consents to and approves same, and recognizes that the "lender" has no obligation to "subordinator" to advance any funds under its mortgage or see to the application of "lender's" mortgage funds, and any application or use of such funds for purposes other than those provided for in such mortgage, note, or agreements shall not defeat the subordination herein made in whole or in part.
6. It is understood by the parties hereto that "lender" would not make the loan secured by the mortgage in Paragraph2 without this agreement.
7. This agreement shall be the whole and only agreement between the parties hereto with regard to the subordination of the lien or charge of the mortgage first above mentioned to the lien or charge of the mortgage in favor of "lender" above referred to and shall supersede and cancel any prior agreements as to such, or any, subordination including, but not limited to, those provisions, if any, contained in the mortgage first above mentioned, which provide for the subordination of the lien or change thereof to a mortgage or mortgages to be thereafter executed.



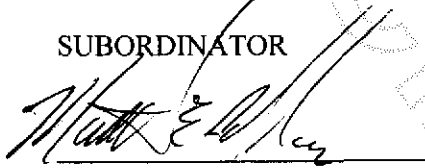
201101070098
Skagit County Auditor

8. The heirs, administrators, assigns and successors in interest of the "subordination" shall be bound by this agreement. Where the word "mortgage" appears herein and shall be considered as "deed of trust", and gender and number of pronouns considered to conform to undersigned.

NOTICE: THIS SUBORDINATION CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAT IMPROVEMENT OF THE LAND. IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THE SUBORDINATION AGREEMENT, THAT THE PARTIES CONSULT THEIR ATTORNEYS WITH RESPECT THERETO.

Executed this 8TH day of December, 2010.

SUBORDINATOR



(Name)

WOLFKILL FEED & FERTILIZER CORP.

SUBORDINATOR

(Name)

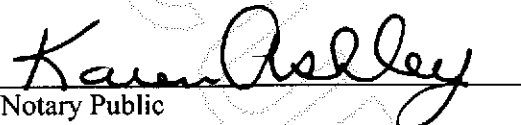
STATE OF WASHINGTON)

) ss.

COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that MATTHEW E. BACHLEDA 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 MANAGER of WOLFKILL FEED AND FERTILIZER CORPORATION to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Date: December 8, 2010



Notary Public

Print Name KAREN ASHLEY

My commission expires: 9/11/2014



201101070098

Skagit County Auditor

EXHIBIT D

Schedule of Payments

There will be two installments of equal amounts for a total of \$590,000.

The first installment of \$295,000 will be issued at the time of closing on this 16th day of December 2010. Half of this amount will be from the authority of the Farm and Ranch Lands Protection Program, the Natural Resources Conservation Service acting on behalf of the Commodity Credit Corporation in the amount of \$147,500.

The second installment will be issued by May 31, 2011 for the amount of \$295,000. Half of this amount will be from the authority of the Farm and Ranch Lands Protection Program, the Natural Resources Conservation Service acting on behalf of the Commodity Credit Corporation in the amount of \$147,500.



PROMISSORY NOTE

US \$590,000
Washington

Skagit County,
November 15th, 2010

FOR VALUE RECEIVED the undersigned ("Maker") promises to pay Andrew & Tillie Young at 27507 Burmaster Road, Sedro-Woolley, WA 98284, or at such other place as the note holder may designate, the principal sum of Five Hundred Ninety Thousand Dollars (\$590,000), without interest, in two (2) installments of \$295,000 each at the time of closing this 16th day of December, 2010 and May 31, 2011. Maker may not repay the principal amount in whole or in part without consent of the note holder.

If any payment under this note is not made when due, the entire principal amount outstanding shall become at once due and payable at the option of the note holder. If suit is brought to collect this note, the note holder shall be entitled to, reasonable attorney's fees.

Presentment, notice of dishonor, and protest are hereby waived by Maker.

Passed this 15 day of November, 2010.

BOARD OF COUNTY COMMISSIONERS
SKAGIT COUNTY, WASHINGTON
ABSENT

Sharon D. Dillon, Chair

Ron Wesen

Ron Wesen, Commissioner

Kenneth A. Dahlstedt

Kenneth A. Dahlstedt, Commissioner

Approved as to form:

Deputy Prosecuting Attorney

Attest:

Cheri Cook-Blodgett

Clerk of the Board
Acting


201101070098
Skagit County Auditor

Payment schedule: 12-16-10
Date

Andrew & Tillie Young

\$590,000 appraised value of development rights

\$295,000 USDA/NRCS share (50%)

\$295,000 Skagit County share (50%)

Two Installments: **\$295,000.00/year**

Year	County Pays	USDA reimburses County	County Final Share
2010 – November	\$295,000	\$147,500	\$147,500
2011 – May	\$295,000	\$147,500	\$147,500



201101070098
Skagit County Auditor

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