



201204120059

Skagit County Auditor

4/12/2012 Page 1 of 16 3:18PM

WHEN RECORDED RETURN TO:  
Marty Young, Commercial Escrow Closer/LPO  
Old Republic Title & Escrow, Ltd.  
50 116<sup>th</sup> Avenue SE, Suite 120  
Bellevue, WA 98004

LAND TITLE OF SKAGIT COUNTY

Order No. 141570-O

DOCUMENT TITLE(S):  
Subordination, Non-Disturbance and Attornment Agreement

REFERENCE NUMBER(S) OF DOCUMENTS ASSIGNED OR RELEASED:  
Unrecorded Lease  
Deed of Trust: 201204020128

GRANTOR:  
Morgan Stanley Mortgage Capital Holdings, LLC  
Coimex, Inc.

GRANTEE:  
ROWEN BURLINGTON OPCO, LLC, a Delaware limited liability company

ABBREVIATED LEGAL DESCRIPTION:  
Ptn SE1/4NE1/4, 7-34-4 E W.M. Aka Trs.A&B, Survey #200501130086.

TAX PARCEL NUMBER(S):  
340407-1-026-0015, P24104; 340407-1-055-0011, P23978

I C. Whitlock, Land Title, am hereby requesting an emergency non-standard recording for an additional fee provided in RCW 36.18.010. I understand that the recording processing requirements may cover up or otherwise obscure some part of the text of the original document. Recording fee is \$62.00 for the first page, \$1.00 per page thereafter per document. In addition to the standard fee, an emergency recording fee of \$50.00 is assessed. This statement is to become part of the recorded document.

Signed  Dated 4-12-12

**EXHIBIT E**

**FORM OF SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT  
AGREEMENT**

\_\_\_\_\_  
SUBORDINATION, NON-DISTURBANCE, ATTORNMENT AGREEMENT  
\_\_\_\_\_

**MORGAN STANLEY MORTGAGE CAPITAL HOLDINGS LLC**

(Lender)

- and -

~~Phillips Distributing, Inc~~ **COMEX INC**

(Tenant)

- and -

Rowen Burlington OPCO, LLC

(Landlord)

Dated: April 2, 2012

Location: \_\_\_\_\_

County: Skagit

PREPARED BY AND UPON  
RECORDATION RETURN TO:

Anderson, McCoy & Orta, P.C.  
100 N. Broadway, 26<sup>th</sup> Floor  
Oklahoma City, OK 73102  
Attn: J. Michael McCoy, Esq.



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## SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT (the "Agreement") is made as of April 2, 2012 by and among **MORGAN STANLEY MORTGAGE CAPITAL HOLDINGS LLC**, a New York limited liability company, having an address at 1585 Broadway, 10<sup>th</sup> Floor, New York, NY 10036 ("**Lender**"), ~~Phillips Distributing, Inc.~~ a Comet Inc, having an address at Washington Limited Liability Company, having an address at 901 Harris Street, Bellingham, WA 98225 ("**Landlord**").

### RECITALS:

A. Lender is the present owner and holder of a certain [Mortgage / Deed of Trust / Deed to Secure Debt] and Security Agreement (the "**Security Instrument**") dated as of April 2 2012, given by Landlord to Lender which encumbers the fee simple absolute estate of Landlord in certain premises described in Exhibit A attached hereto (the "**Property**") and which, among other security instruments, secures the payment of certain indebtedness owed by Landlord to Lender evidenced by a certain promissory note dated \_\_\_\_\_ 20\_\_, given by Landlord to Lender (the "**Note**"; the Security Instrument, the Note and each of the other documents executed and/or delivered by Landlord to Lender in connection with the loan, the "**Loan Documents**");

B. Tenant is the holder of a leasehold estate in a portion of the Property under and pursuant to the provisions of a certain lease dated 3 1, 2006 between Landlord, as landlord and Tenant, as tenant (as may have been amended the "**Lease**") [If the Borrower is not listed as Landlord, please list the description in this recital as well as any amendments to the Lease]; and

C. Tenant has agreed to subordinate the Lease to the Security Instrument and to the lien thereof and Lender has agreed to grant non-disturbance to Tenant under the Lease on the terms and conditions hereinafter set forth.

### AGREEMENT:

For good and valuable consideration, Tenant, Lender and Landlord agree as follows:

1. Subordination. The Lease and all of the terms, covenants and provisions thereof and all rights, remedies and options of Tenant thereunder are and shall at all times continue to be subject and subordinate in all respects to the terms, covenants and provisions of the Security Instrument, as of the date hereof, and to the lien thereof, including without limitation, all renewals, increases, modifications, spreaders, consolidations, replacements and extensions thereof and to all sums secured thereby and advances made thereunder with the same force and effect as if the Security Instrument had been executed, delivered and recorded prior to the execution and delivery of the Lease.



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2. Non-Disturbance. If any action or proceeding is commenced by Lender for the foreclosure of the Security Instrument or the sale of the Property, Tenant shall not be named as a party therein unless such joinder shall be required by law, provided, however, such joinder shall not result in the termination of the Lease or disturb the Tenant's possession or use of the premises demised thereunder, and the sale of the Property in any such action or proceeding and the exercise by Lender of any of its other rights under the Note, the Security Instrument or the other Loan Documents shall be made subject to all rights of Tenant under the Lease, provided that at the time of the commencement of any such action or proceeding or at the time of any such sale or exercise of any such other remedy by Lender (a) the term of the Lease shall have commenced pursuant to the provisions thereof, (b) Tenant shall be in possession of the premises demised under the Lease, (c) the Lease shall be in full force and effect and (d) Tenant shall not be in default under any terms, covenants or conditions of the Lease or of this Agreement on Tenant's part to be observed or performed.

3. Attornment. If Lender or any other subsequent purchaser of the Property shall become the owner of the Property by reason of the foreclosure of the Security Instrument or the acceptance of a deed or assignment in lieu of foreclosure or by reason of any other enforcement of the Security Instrument (Lender or such other purchaser being hereinafter referred as "**Purchaser**"), and the conditions set forth in Section 2 above have been met at the time Purchaser becomes owner of the Property, the Lease shall not be terminated or affected thereby but shall continue in full force and effect as a direct lease between Purchaser and Tenant upon all of the terms, covenants and conditions set forth in the Lease and in that event, Tenant agrees to attorn to Purchaser and Purchaser by virtue of such acquisition of the Property shall be deemed to have agreed to accept such attornment, provided, however, that Purchaser shall not be:

(a) liable for the failure of any prior landlord (any such prior landlord, including Landlord and any successor landlord, being hereinafter referred to as a "**Prior Landlord**") to perform any of its obligations under the Lease which have accrued prior to the date on which Purchaser shall become the owner of the Property, provided that the foregoing shall not limit Purchaser's obligations under the Lease to correct any conditions of a continuing nature that (i) existed as of the date Purchaser shall become the owner of the Property and (ii) violate Purchaser's obligations as Landlord under the Lease; provided further, however, that Purchaser shall have received written notice of such omissions, conditions or violations and has had a reasonable opportunity to cure the same, all pursuant to the terms and conditions of the Lease;

(b) subject to any offsets, defenses, abatement or counterclaims which shall have accrued in favor of Tenant against any Prior Landlord prior to the date upon which Purchaser shall become the owner of the Property;

(c) bound by any payment of rents, additional rents or other sums which Tenant may have paid more than one (1) month in advance to any Prior Landlord unless (i) such sums are actually received by Purchaser or (ii) such prepayment shall have been expressly approved of by Purchaser;



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(d) bound by any agreement terminating or amending or modifying the rent, term, commencement date or other material term of the Lease, or any voluntary surrender of the premises demised under the Lease, made without Lender's prior written consent; or

(e) bound by any assignment of the Lease or sublease of the Property, or any portion thereof, made prior to the time Purchaser succeeded to Landlord's interest other than if pursuant to the provisions of the Lease.

Alternatively, upon the written request of Lender or its successors or assigns, Tenant shall enter into a new lease of the Premises with Lender or such successor or assign, at Lender's or such successor or assign's cost and expense, for the then remaining term of the Lease, upon the same terms and conditions as contained in the Lease, except as otherwise specifically provided in this Agreement.

4. Notice to Tenant. After notice is given to Tenant by Lender that the Landlord is in default under the Note, the Security Instrument and the other Loan Documents and that the rentals under the Lease should be paid to Lender pursuant to the terms of the assignment of leases and rents executed and delivered by Landlord to Lender in connection therewith, Tenant shall (but subject at all times to compliance with applicable law) thereafter pay to Lender or as directed by the Lender, all rentals and all other monies due or to become due to Landlord under the Lease and Landlord hereby expressly authorizes Tenant to make such payments to Lender and hereby releases and discharges Tenant from any liability to Landlord on account of any such payments.

5. Lender's Consent. Tenant shall not, without obtaining the prior written consent of Lender, (a) enter into any agreement amending, modifying or terminating the Lease, (b) prepay any of the rents, additional rents or other sums due under the Lease for more than one (1) month in advance of the due dates thereof, (c) voluntarily surrender the premises demised under the Lease or terminate the Lease without cause or shorten the term thereof other than pursuant to the provisions of the Lease, or (d) assign the Lease or sublet the premises demised under the Lease or any part thereof other than pursuant to the provisions of the Lease; and any such amendment, modification, termination, prepayment, voluntarily surrender, assignment or subletting, without Lender's prior consent, shall not be binding upon Lender.

6. Notice to Lender and Right to Cure. Tenant shall notify Lender of any default by Landlord under the Lease and agrees that, notwithstanding any provisions of the Lease to the contrary, no notice of cancellation thereof or of an abatement shall be effective unless Lender shall have received notice of default giving rise to such cancellation or abatement and (i) in the case of any such default that can be cured by the payment of money, until forty-five (45) days shall have elapsed following the giving of such notice or (ii) in the case of any other such default, until a reasonable period for remedying such default shall have elapsed following the giving of such notice and following the time when Lender shall have become entitled under the Security Instrument to remedy the same, including such time as may be necessary to acquire possession of the Property if possession is necessary to effect such cure, provided Lender, with reasonable diligence, shall (a) pursue such remedies as are available to it under the Security Instrument so as to be able to remedy the default, and (b) thereafter shall have commenced and continued to remedy such default or cause the same to be remedied. Notwithstanding the



foregoing, Lender shall have no obligation to cure any such default. Tenant agrees to accept performance by Lender of any terms of the Lease required to be performed by Landlord with the same force and effect as though performed by Landlord.

7. Notices. All notices or other written communications hereunder shall be deemed to have been properly given (i) upon delivery, if delivered in person or by facsimile transmission with receipt electronically confirmed, (ii) one (1) Business Day (hereinafter defined) after having been deposited for overnight delivery with any reputable overnight courier service, or (iii) three (3) Business Days after having been deposited in any post office or mail depository regularly maintained by the U.S. Postal Service and sent registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

If to Tenant:           **[TENANT]**  
                              **[ADDRESS]**  
                              Attention: \_\_\_\_\_  
                              Facsimile No. \_\_\_\_\_

If to Lender:           MORGAN STANLEY MORTGAGE CAPITAL HOLDINGS LLC  
                              1585 Broadway, 10<sup>th</sup> Floor  
                              New York, NY 10036  
                              Attention: Stephen Holmes

or addressed as such party may from time to time designate by written notice to the other parties. For purposes of this Section 7, the term "**Business Day**" shall mean a day on which commercial banks are not authorized or required by law to close in the state or commonwealth where the Property is located. Either party by notice to the other may designate additional or different addresses for subsequent notices or communications.

8. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of Lender, Tenant and Purchaser and their respective successors and assigns.

9. Governing Law. This Agreement shall be deemed to be a contract entered into pursuant to the laws of the State or Commonwealth where the Property is located and shall in all respects be governed, construed, applied and enforced in accordance with the laws of the State or Commonwealth where the Property is located.

10. Miscellaneous. This Agreement may not be modified in any manner or terminated except by an instrument in writing executed by the parties hereto. If any term, covenant or condition of this Agreement is held to be invalid, illegal or unenforceable in any respect, this Agreement shall be construed without such provision. This Agreement may be executed in any number of duplicate originals and each duplicate original shall be deemed to be an original. This Agreement may be executed in several counterparts, each of which counterparts shall be deemed an original instrument and all of which together shall constitute a single Agreement. The failure of any party hereto to execute this Agreement, or any counterpart hereof, shall not relieve the other signatories from their obligations hereunder. Whenever the context may require, any pronouns used herein shall include the corresponding masculine,



feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa.

11. Joint and Several Liability. If Tenant consists of more than one person, the obligations and liabilities of each such person hereunder shall be joint and several.

12. Definitions. The term "Lender" as used herein shall include the successors and assigns of Lender and any person, party or entity which shall become the owner of the Property by reason of a foreclosure of the Security Instrument or the acceptance of a deed or assignment in lieu of foreclosure or otherwise. The term "Landlord" as used herein shall mean and include the present landlord under the Lease and such landlord's predecessors and successors in interest under the Lease, but shall not mean or include Lender unless and until Lender has succeeded to the interest of Landlord under the Lease. The term "Property" as used herein shall mean the Property, the improvements now or hereafter located thereon and the estates therein encumbered by the Security Instrument.

13. Further Acts. Tenant will, at the cost of Tenant, and without expense to Lender, do, execute, acknowledge and deliver all and every such further acts and assurances as Lender shall, from time to time, require, for the better assuring and confirming unto Lender the property and rights hereby intended now or hereafter so to be, or for carrying out the intention or facilitating the performance of the terms of this Agreement or for filing, registering or recording this Agreement, or for complying with all applicable laws.

14. Limitations on Purchaser's Liability. In no event shall the Purchaser, nor any heir, legal representative, successor, or assignee of the Purchaser have any personal liability for the obligations of Landlord under the Lease and should the Purchaser succeed to the interests of the Landlord under the Lease, Tenant shall look only to the estate and property of any such Purchaser in the Property for the satisfaction of Tenant's remedies for the collection of a judgment (or other judicial process) requiring the payment of money in the event of any default by any Purchaser as landlord under the Lease, and no other property or assets of any Purchaser shall be subject to levy, execution or other enforcement procedure for the satisfaction of Tenant's remedies under or with respect to the Lease; provided, however, that the Tenant may exercise any other right or remedy provided thereby or by law in the event of any failure by Landlord to perform any such obligation. Lender shall not, either by virtue of the Security Instrument, this Agreement or any of the other Loan Documents, be or become a mortgagee in possession or be or become subject to any liability or obligation under the Lease or otherwise until Lender shall have acquired the Landlord's interest in the Property, by foreclosure or otherwise, and then such liability or obligation of Lender under the Lease (as modified by the terms of this Agreement) shall extend only to those liabilities or obligations accruing subsequent to the date that Lender has acquired Landlord's interest in the Property. Notwithstanding anything contained in this Agreement or the Lease to the contrary, upon Lender's transfer or assignment of Lender's interests in the Loan, the Lease (or any new lease executed pursuant to this Agreement), or the Property, Lender shall be deemed released and relieved of any obligations under this Agreement, the Lease (or any new lease executed pursuant to this Agreement), and with respect to the Property.



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15. Estoppel Certificate. Tenant, shall, from time to time, within fifteen (15) days after request by Lender, execute, acknowledge and deliver to Lender a statement by Tenant certifying (a) that the Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications), (b) the amounts of fixed rent, additional rent, percentage rent or other sums, if any, which are payable in respect of the Lease and the commencement date and expiration date of the Lease, (c) the dates to which the fixed rent, additional rent, percentage rent if any, and other sums which are payable in respect to the Lease have been paid, (d) whether or not Tenant is entitled to credits or offsets against such rent, and, if so, the reasons therefor and the amount thereof, (e) that Tenant is not in default in the performance of any of its obligations under the Lease and no event has occurred which, with the giving of notice or the passage of time, or both, would constitute such a default, (f) whether or not, to the best knowledge of the person certifying on behalf of Tenant, Landlord is in default in the performance of any of its obligations under the Lease, and, if so, specifying the same, (g) whether or not, to the best knowledge of such person, any event has occurred which with the giving of such notice or passage of time, or both would constitute such a default, and, if so, specifying each such event, and (h) whether or not, to the best knowledge of such person, Tenant has any claims, defenses or counterclaims against Landlord under the Lease, and, if so, specifying the same, it being intended that any such statement delivered pursuant hereto shall be deemed a representation and warranty to be relied upon by Lender and by others with whom Lender may be dealing, regardless of independent investigation. Tenant also shall include in any such statement such other information concerning the Lease as Lender may reasonably request.

**[INCLUDE IF LEASE CONTAINS PURCHASE OPTION]**

16. TENANT'S PURCHASE OPTION. Notwithstanding anything to the contrary in the Lease or this Agreement: (a) Tenant shall deliver to Lender at least thirty (30) days' prior written notice of Tenant's intent to exercise Tenant's purchase option under Section [ ] of the Lease ("Purchase Option"); (b) if Tenant exercises the Purchase Option, title to the Property shall not be conveyed to Tenant until such time as all obligations secured by the Security Instrument have been fully satisfied or, if the Loan Documents so provide, the Loan has been fully defeased; and (c) nothing contained in this Agreement shall be construed to waive or modify the restrictions on prepayment specified in the Loan Documents and Tenant acknowledges that Tenant is aware of such restrictions.]

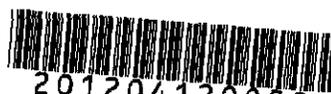
**[INCLUDE IF LEASE CONTAINS PREFERENTIAL RIGHT TO PURCHASE]**

17. SCOPE OF RIGHT OF PREFERENTIAL RIGHT TO PURCHASE. Tenant acknowledges and agrees that, notwithstanding anything to the contrary in the Lease, any of the Loan Documents, or this Agreement, none of the following events ("Remedial Actions") shall be deemed to constitute an offer to purchase the Property or any portion thereof for purposes of Section [ ] of the Lease and Tenant shall have no preferential right to purchase or other rights under Section [ ] of the Lease as a result of any such events: (a) the judicial or nonjudicial foreclosure of the Security Instrument; (b) the delivery of a deed in lieu of judicial or nonjudicial foreclosure of the Security Instrument; (c) any offer, notice, pleading, agreement, transaction or other event or condition of any kind arising out of or relating to any of the events



referred to in foregoing clauses (a) or (b); or (d) the first subsequent transfer following any of the events referred to in foregoing clause (a) or (b). In addition, Tenant acknowledges and agrees that, notwithstanding anything to the contrary in the Lease, nothing contained therein shall be deemed to restrict Lender's pursuit of any of the Remedial Actions.]

**[NO FURTHER TEXT ON THIS PAGE]**



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IN WITNESS WHEREOF, Lender, Tenant and Landlord have duly executed this Agreement as of the date first above written.

LENDER:

MORGAN STANLEY MORTGAGE CAPITAL HOLDINGS LLC, a New York limited liability company

By: [Signature]  
Name:  
Title: Director

STATE OF New York  
COUNTY OF New York

ss.

On March 29, 2012 before me, the undersigned, personally appeared Cynthia Eeles, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

[Signature]  
Notary Public in and for said  
County and State

MATTHEW A. BAVOSO  
Notary Public, State of New York  
No. 02BA6188165  
Qualified in Westchester County  
Commission Expires June 2, 2012

Name: Matthew A. Bavoso

(SEAL)



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IN WITNESS WHEREOF, Lender, Tenant and Landlord have duly executed this Agreement as of the date first above written.

LENDER:

MORGAN STANLEY MORTGAGE CAPITAL HOLDINGS LLC, a New York limited liability company

By: \_\_\_\_\_

Name:

Title:

TENANT: <sup>M.I.C.</sup> ~~Phillips Distributing~~, Inc.

[TENANT],

a

COMEX

By: \_\_\_\_\_

Name:

Title:

LANDLORD: <sup>Rowen a. Citrus</sup> Rowen Burlington OPCO, LLC

[LANDLORD],

a

By: \_\_\_\_\_

Name:

Title:

Rowen Sans  
member member.



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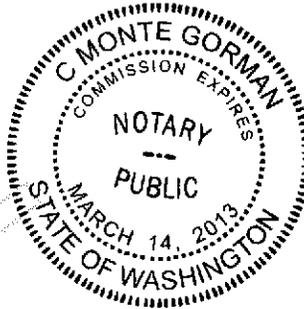
[UPDATE BASED ON LOCAL RECORDING REQUIREMENTS]

STATE OF WASHINGTON )  
COUNTY OF SKAGIT ) ss.

On 6 MARCH 12 before me, the undersigned, personally appeared HYUNG CHONG personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

C. Monte Gorman  
Notary Public in and for said  
County and State



Name: C. Monte Gorman

(SEAL)

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ ) ss.

On \_\_\_\_\_, before me, the undersigned, personally appeared \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public in and for said  
County and State

Name: \_\_\_\_\_

(SEAL)



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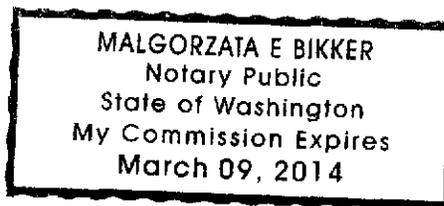
STATE OF Washington  
COUNTY OF Whatcom

ss.

On 3/27/2012, before me, the undersigned, personally appeared Regan Jones, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Malgorzata Bicker  
Notary Public in and for said  
County and State



Name: Malgorzata Bicker

(SEAL)



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**EXHIBIT A**

**Legal Description of Property**

UNOFFICIAL DOCUMENT



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EXHIBIT "A"

PARCEL "A":

That portion of the Southeast ¼ of the Northeast ¼ of Section 7, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at a point on the West line of State Highway No. 99, that is 30 feet West and 305.07 feet South of the Northeast corner of said subdivision;  
thence North 88°50'30" West parallel to the North line of said subdivision, 398.8 feet, more or less, to the West line of that certain tract deeded to Emil Hanson by Deed recorded under Auditor's File No. 362759;  
thence Southerly parallel to the East line of said subdivision, 101.55 feet;  
thence South 88°50'30" East to the West line of said Highway;  
thence North along said West line to the point of beginning,

EXCEPT that portion thereof lying East of a line drawn 40 feet West of and parallel with the East line of said subdivision.

EXCEPT that portion conveyed to the City of Burlington, a municipal corporation by Deed recorded September 3, 2003, under Skagit County Auditor's File No. 200309030115 for road right-of-way.

Situate in the City of Burlington, County of Skagit, State of Washington.

PARCEL "B":

That portion of the Southeast ¼ of the Northeast ¼ of Section 7, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at a point on the West line of State Highway No. 99, that is 30 feet West and 406.62 feet South of the Northeast corner of said subdivision;  
thence North 88°50'30" West parallel to the North line of said subdivision, 399.09 feet, more or less, to the West line of that certain tract deeded to Emil Hanson by Deed recorded under Auditor's File No. 362759;  
thence Southerly parallel to the East line of said subdivision, 50 feet;  
thence South 88°50'30" East to the West line of said Highway;  
thence North along said West line to the point of beginning,

EXCEPT that portion thereof lying East of a line drawn 40 feet West of and parallel with the East line of said subdivision.

EXCEPT that portion conveyed to the City of Burlington, a municipal corporation by Deed recorded September 3, 2003, under Skagit County Auditor's File No. 200309030115 for road right-of-way.

Situate in the City of Burlington, County of Skagit, State of Washington.



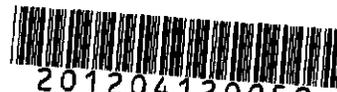
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DESCRIPTION CONTINUED:

PARCEL "C":

A non-exclusive easement for ingress, egress and utilities in favor of the above described Parcels "A" and "B" over and across an adjoining portion of the Southeast ¼ of the Northeast ¼ of Section 7, Township 34 North, Range 4 East, W.M., as established and more particularly described on Easement Agreement dated September 30, 1998 and recorded November 2, 1998, under Auditor's File No. 9811020023.

Situate in the City of Burlington, County of Skagit, State of Washington.



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