


AFTER RECORDING RETURN TO:
Department of Natural Resources
Conservation, Recreation and Transactions Division
Asset Planning and Transactions Section
Attn: Bob Winslow
PO Box 47014
Olympia, WA 98504-7014


201811290059
11/29/2018 12:26 PM Pages: 1 of 15 Fees: \$113.00
Skagit County Auditor

Land Title and Escrow
01-167844-5

20185201
SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

NOV 29 2018

Amount Paid \$ **25,815.00**
By Skagit Co. Treasurer
Deputy

BARGAIN AND SALE DEED

Skagit County

Grantor: WEYERHAEUSER COMPANY, a Washington Corporation, successor by merger to Weyerhaeuser Columbia Timberlands LLC, a Delaware limited liability company, successor by merger to Longview Timberlands, LLC, a Delaware limited liability company, who acquired title as Longview Timberlands, LLC, a Delaware limited liability company

Grantee: STATE OF WASHINGTON, acting by and through the Department of Natural Resources

Legal Description: Ptn. 17-36-5 E WM; Ptn NE SE, 18-36-5 E WM & Gov. Lots 4 & 5, 21-36-5 E W.M. (full legal description on page 7)

Tax Parcel Number: P50949, P51088, P51011

WEYERHAEUSER COMPANY, a Washington Corporation, successor by merger to Weyerhaeuser Columbia Timberlands LLC, a Delaware limited liability company, successor by merger to Longview Timberlands, LLC, a Delaware limited liability company, who acquired title as Longview Timberlands, LLC, a Delaware limited liability company whose address is 220 Occidental Avenue South, Seattle, Washington 98104, hereinafter called "Grantor", for and in consideration of Ten and 00/100 Dollars (\$10.00), and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby grant, bargain, sell and convey unto and STATE OF WASHINGTON, acting by and through the Department of Natural Resources, whose address is P.O. Box 47014, Olympia, Washington 98504-7014, hereinafter called "Grantee," or "State," and unto its, successors, assigns, forever, that certain real property situated in the County of Skagit, State of Washington, described on **Exhibit "A"** attached hereto and incorporated herein by this reference (the "Property").

Grantor hereby reserves a permanent non-exclusive easement over the property legally described in and according to the terms set forth in **Exhibit "B"** to this deed.

TOGETHER WITH, but without any warranty whatsoever, Grantor's right, title and interest in and to oil, gas and mineral rights appurtenant to the Property and all rights to explore for and extract such minerals not previously reserved or conveyed by Grantor's predecessors in title.

SUBJECT TO the following exceptions to title:

- (1) liens for taxes, assessments and other governmental charges which are not yet due and payable as of the Closing;
- (2) all land use (including environmental and wetlands), building and zoning laws, regulations, codes and ordinances affecting the Property;
- (3) any rights of the United States of America, the State of Washington, or others in the use and continuous flow of any brooks, streams or other natural water courses or water bodies within, crossing or abutting the Property, including, without limitation, riparian rights and navigational servitudes;
- (4) title to that portion of the Property, if any, lying below the mean high water mark of abutting tidal waters, navigable rivers and/or great ponds;
- (5) all easements, rights-of-way, water rights, licenses and other encumbrances apparent or of record;
- (6) all existing public and private roads and streets and all railroad and utility lines, pipelines, service lines and facilities;

- (7) all encroachments, overlaps, boundary line disputes, shortages in area, cemeteries and burial grounds and other matters not of record which would be disclosed by an accurate survey or inspection of the Property;
- (8) prior reservations or conveyances of mineral rights or mineral leases of every kind and character;
- (9) any loss or claim due to lack of access to any portion of the Property;
- (10) Special Exceptions:
- (a.) Any loss arising by reason of no right of access to and from the Land.
 - (b.) Easements, restrictions and other matters set forth above and below.
 - (c.) Any unpatented mining claims and all matters and rights relating thereto.
 - (d.) Right of use, control, or regulation by the United States of America in the exercise of power over commerce and navigation.
 - (e.) Any prohibition of or limitation of use, occupancy or improvement of the land resulting from the rights of the public or riparian owners to use any portion which is now, or has formerly been, covered by water.
 - (f.) Any adverse claim based on an assertion that said land lacks legal access to a public street or highway.
 - (g.) Easement Agreement:
Between: Georgia-Pacific Corporation and Publishers Forest Products Company
Recorded: October 18, 1976 under Auditor No. 844499
 - (h.) Non-Cost Shared Easement Agreement:
Between: Georgia-Pacific Corporation and State of Washington acting by and through the Department of Natural Resources
Recorded: May 28, 1981 under Auditor No. 8105280019
 - (i.) Easement Agreement:

Between: Georgia-Pacific Corporation and State of Washington acting by and through the Department of Natural Resources

Recorded: May 29, 1981 under Auditor No. 8105290015

Supplement Easement No. 1919 Agreement

Between: Georgia-Pacific Corporation and State of Washington acting by and through the Department of Natural Resources

Recorded: November 5, 1981 under Auditor No. 8111050010

(j.) Easement Exchange:

Between: Longview Fibre Company and Washington Department of Natural Resources

Recorded: March 1, 2006 under Auditor No. 200603010016 which modifies the recording of January 30, 2004 under Auditor No. 200401300177

(k.) Exceptions and reservations contained in Deed:

Between: Great Northern Railway Company and Larson Lumber Company

Recorded: April 25, 1940 under Auditor No. 324539

(l.) Covenants, Conditions and Restrictions contained in Statutory Warranty Deed:

Between: Larson Land & Timber Co., and Washington Loggers Corp.

Recorded: January 9, 1995 under Auditor No. 9501090084

(m.) Notice of Moratorium:

Between: Skagit County Department of Planning and Community Development and Washington Loggers Corp.

Recorded: November 7, 1995 under Auditor No. 9511070064

(n.) Easement Amendment Agreement:

Between: Longview Fibre Company and State of Washington Department of Natural Resources

Recorded: March 16, 2007 under Auditor No. 200703160006

(o.) Matters disclosed by Record of Survey:

Between: Longview Timberlands, LLC and Cascade Surveying & Engineering, Inc.

Recorded: November 17, 2008 under Auditor No.

200811170069

- (p.) Second Easement Amendment Agreement:
Between: Weyerhaeuser Columbia Timberlands LLC and
State of Washington Department of Natural Resources
Recorded: August 21, 2014 under Auditor No. 201408210068

TO HAVE AND TO HOLD the same unto the said Grantee and unto its successors and assigns forever, with all appurtenances thereunto belonging.

Grantor covenants with Grantee that it will forever warrant and defend said title to said lands against all lawful claims and encumbrances done or suffered by it, but against none other.

[Signature page follows]

WEYERHAEUSER COMPANY, a Washington Corporation

By: James R. Johnston
Name: James R. Johnston
Title: Vice President

STATE OF WASHINGTON)
)ss
COUNTY OF KING)

On this 15th day of November, 2018, I certify that I know or have satisfactory evidence that James R. Johnston is the person who appeared before me, and said person acknowledged that he signed this instrument and on oath stated that he was authorized to execute the instrument and acknowledged it as the Vice President of Weyerhaeuser Company, a Washington Corporation, and to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.



Susan M. Tadei

 Notary Public in and for the
 State of Washington
 Residing in Indianola

 My Commission Expires: May 20, 2022
 Printed Name: Susan M. Tadei

EXHIBIT "A" to the Deed

Property Legal Description
Skagit County, Washington

Parcel "A"

The Northeast 1/4 of the Northeast 1/4; the Southwest 1/4 of the Northeast 1/4; the Southeast 1/4 of the Northeast 1/4; the Southeast 1/4 of the Southwest 1/4; the Northeast 1/4 of the Southwest 1/4; and the South 300 feet of the Northwest 1/4 of the Southwest 1/4 in Section 17, Township 36 North, Range 5 East, W.M.

Situate in the County of Skagit, State of Washington.

Parcel "B"

The South 300 feet of the Northeast 1/4 of the Southeast 1/4 of Section 18, Township 36 North, Range 5 East, W.M.

Situate in the County of Skagit, State of Washington.

Parcel "C"

Government Lots 4 and 5 of Section 21, Township 36 North, Range 5 East, W.M.

Situate in the County of Skagit, State of Washington.

EXHIBIT "B" to the Deed**Easement Reservation for Hathaway Property
Terms and Conditions of Reserved Road Easement by Weyerhaeuser Company**

Grantor as defined in that deed to which this reservation is attached (the "Deed"), hereby reserves to itself, its successors and assigns, a permanent, non-exclusive easement (the "Easement") over parcels of land in Skagit County, identified in Exhibit "A" to the deed and legally described as follows (hereafter the "Burdened Parcel"):

The Northeast 1/4 of the Northeast 1/4; the Southwest 1/4 of the Northeast 1/4; the Southeast 1/4 of the Northeast 1/4; the Southeast 1/4 of the Southwest 1/4; the Northeast 1/4 of the Southwest 1/4; and the South 300 feet of the Northwest 1/4 of the Southwest 1/4 in Section 17, Township 36 North, Range 5 East, W.M.
Situate in the County of Skagit, State of Washington.

Said Easement to be sixty (60) feet in width running thirty (30) feet each side of the centerline of existing roads located approximately as shown on Exhibit "B-1" (hereafter the "Easement Area").

Purpose. The Easement is reserved to provide access for ingress and egress to and from lands owned by Grantor for the sole and limited purpose of hauling timber or other forest products and/or profits, including but not limited to sand, gravel, stone, or farm products, and leasing communication sites and performing management activities associated with timber production, agriculture, extraction of profits or leasing of communication sites. Authorized use shall include the right to travel, maintain, repair, construct or reconstruct the Easement Area subject to the restrictions set forth hereafter. The purpose of the Easement shall not be changed or modified without the consent of Grantee (hereafter "State") which shall be at its sole discretion. Any unauthorized use of the Easement Area shall be considered a material breach of this Easement.

Appurtenant. Subject to the terms and conditions herein, the Easement reservation is made to provide access to and from all real property owned by Grantor and all other real property of Grantor, now owned or acquired as of the execution date of the Deed or hereafter acquired by the Grantor (hereafter the "Benefitted Parcel(s)").

State Rights. State, as defined in the Deed, shall have the right at all times for any purpose, to cross and re-cross the Easement Area at any place on grade or otherwise. State may grant to third parties any or all of the rights reserved therein; provided, that use by such party shall be subject to the terms and conditions of the Easement and shall not unreasonably interfere with the rights reserved to Grantor herein. State shall own all timber now on or hereafter growing within the Easement Area and the right to remove said timber.

Relocation. State shall have the right to relocate the Easement Area at the State's sole cost so long as the new location does not unreasonably interfere with the rights of Grantor herein.

Permittees. The Grantor may permit its respective agents, contractors, licensees, lessees, purchasers of timber or other valuable materials, and their agents, hereinafter individually referred to as "Permittee" and collectively referred to as "Permittees," to exercise the rights reserved hereby.

Indemnity. Grantor agrees to indemnify, defend with counsel acceptable to State, and hold harmless State, its agencies, employees, officers and agents from (a) all liabilities, losses, claims, demands, damages, assessments, costs and expenses (including reasonable attorneys' and consultants' fees) of every kind (hereafter "Liabilities") resulting from, arising out of or relating to the breach by Grantor of any of its warranties, representations or covenants contained in this Agreement and (b) all Liabilities arising under, directly related to the actions of Grantor, its agents, employees, contractors, subcontractors, permittees, or licensees at the Property including but not limited to the use, disposal, transportation, generation or sale of hazardous material as defined in subsection Waste. Notwithstanding anything contained herein to the contrary, Grantor's indemnity shall not extend to any Liabilities resulting from or attributable to the actions of State, and/or its agents, employees, contractors, subcontractors, permittees, or licensees.

Insurance. Before using any of said rights granted herein, the Grantor shall obtain and keep in force during the term of this Easement and require its contractors, sub-contractors, or other Permittees to obtain while operating on the Easement Area, the following liability insurance policies, insuring Grantor against liability arising out of its operations, including use of vehicles. Failure to keep and maintain the required insurance may result in the termination of the Easement at State's option. The limits of insurance shall not be less than as follows:

- a. Commercial General Liability (CGL) insurance with a limit of \$1,000,000 per each occurrence, and \$2,000,000 general aggregate limit, and \$2,000,000 products-completed operations aggregate limit.
- b. Employer's Liability ("Stop Gap") insurance, and if necessary, commercial umbrella liability insurance with limits of \$1,000,000 each accident for bodily injury by accident or \$1,000,000 each employee for bodily injury by disease.
- c. Commercial Auto Liability Insurance and if necessary, commercial general umbrella liability insurance with a limit of not less than \$1,000,000 per accident, with such insurance covering liability arising out of "Any Auto". Business auto coverage shall be written on ISO form CA 00 01, or substitute liability form providing equivalent coverage. If necessary the policy shall be endorsed to provide contractual liability coverage and cover a "covered pollution cost or expense" as provided in the 1990 or later versions of CA 00 01. Grantor waives all rights against State for the recovery of damages to the extent they are covered by auto liability or commercial umbrella liability insurance.

- d. Grantor shall comply with all State of Washington workers' compensation statutes and regulations. Worker's compensation coverage shall be provided for all employees of Grantor, and required of Grantor's Permittees, contractors, and subcontractors to cover their employees. Except as prohibited by law, Grantor waives all rights of subrogation against State for recovery of damages to the extent they are covered by workers compensation, employer's liability, commercial general liability or commercial umbrella liability insurance.

All insurance must be purchased on an occurrence basis and should be issued by companies admitted to do business within the State of Washington and have a rating of A- or better in the most recently published edition of Best's Reports. Any exception shall be reviewed and approved in advance by the Risk Manager for the State. If an insurer is not admitted, all insurance policies and procedures for issuing the insurance policies must comply with Chapter 48.15 RCW and Chapter 284-15 WAC.

The State of Washington, Department of Natural Resources, its elected and appointed officials, agents and employees shall be named as an additional insured on all general liability insurance policies.

Before using any said rights granted herein, Grantor shall furnish State with a certificate(s) of insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements specified above. Certificate(s) must reference State's easement number 50-097750.

State shall be provided written notice before cancellation or non-renewal of any insurance referred to herein, as prescribed in statute (Chapter 48.18 RCW or Chapter 48.15 RCW).

Contractors, sub-contractors and other Permittees must comply with all insurance requirements stated herein. Failure of contractors, sub-contractors and other Permittees to comply with insurance requirements does not limit Grantor's liability or responsibility.

All insurance provided in compliance with this Easement shall be primary as to any other insurance or self-insurance programs afforded to or maintained by State. Grantor waives all rights against State for recovery of damages to the extent these damages are covered by general liability insurance maintained pursuant to this Easement. By requiring insurance herein, State does not represent that coverage and limits will be adequate to protect Grantor, and such coverage and limits shall not limit Grantor's liability under the indemnities and reimbursements granted to State in this Easement.

Waste. Grantor shall not cause or permit any filling activity to occur in or on the Easement Area, except as approved by State. Grantor shall not deposit refuse, garbage, or other waste matter or use, store, generate, process, transport, handle, release, or dispose of any hazardous substance, or other pollutants in or on the Easement Area except in accordance with all applicable laws. The

term hazardous substance means any substance or material as those terms are now or are hereafter defined or regulated under any federal, state, or local law including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA 42 USC 9601 *et seq.*) as administered by the US Environmental Protection Agency, or the Washington Model Toxic Control Act (MTCA RCW 70.105D) as administered by the State Dept. of Ecology. Grantor shall immediately assume responsibility for a hazardous substance release (spill) caused by Grantor or its Permittees on or adjoining the Easement Area.

As responsible party, Grantor shall:

- Immediately notify all necessary emergency response agencies, as required under federal, state and local laws, regulations, or policies.
- Following emergency response agency notifications, notify State (Dept. of Natural Resources) of all spill releases and Grantor actions completed for spill reporting and actions planned or completed toward spill cleanup. State notification requirements are “same business day” notification for normal state work days and “next available business day” notification for weekends and holidays.
- At Grantors sole expense, conduct all actions necessary to mitigate the spill release. Mitigation response actions may include, but are not necessarily limited to, initial release containment, follow-up site cleanup and monitoring actions, and continued contact and coordination with regulators and State, as defined under the aforementioned laws, regulations, policies and this agreement.
- Other than performing initial emergency response cleanup/containment actions; obtain approvals in advance of all site cleanup actions (e.g. site characterization investigations, feasibility studies, site cleanup and confirmation sampling, and groundwater monitoring) conducted on State lands, in coordination with regulatory agencies and State.
- Obtain and understand all necessary hazardous substance spill release notification and response mitigation requirements, in advance of conducting Grantor operations on State land.

Survey Markers. Grantor shall not destroy any land survey corner monuments and/or reference points (including but not limited to corner markers, witness objects, or line markers) without prior written approval from State, which shall not be unreasonably withheld. Monuments or reference points that must necessarily be disturbed or destroyed during road construction or maintenance activities must be adequately referenced and replaced, at the Grantor’s cost, under the direction of a State of Washington Professional Land Surveyor, in accordance with all applicable laws of the State of Washington in force at the time of construction, including but not limited to RCW 58.24, and all Department of Natural Resources regulations pertaining to preservation of such monuments and reference points.

Notice of Operation. When the Grantor or one of its Permittees plans to use any portion of the road for the purpose of hauling timber or other profits, such party shall notify State thereof at least five (5) days prior to the commencement of such use, advising of the portion of road(s) to be used,

the approximate dates when such use will begin and end, and of the approximate volumes of timber, forest products, or other profits to be hauled and promptly upon the completion of such use notify State.

Construction/Reconstruction. Sixty (60) days prior to any construction or reconstruction by Grantor on the Easement Area, Grantor shall submit to State a written plan of construction outlining the construction or activity for State's approval, which shall not be unreasonably withheld. In the event of an emergency requiring immediate action to protect person or property, Grantor may take reasonable corrective action without prior notice to State. Grantor shall notify State within thirty (30) days of any corrective action taken and all construction or reconstruction shall comply with applicable state or local laws.

Maintenance. Maintenance is defined as work normally necessary to preserve and keep the road in its present condition or as hereafter improved. At a minimum, the road will be maintained to meet forest practice standards set forth in Chapter 222-24 WAC as now written or hereafter amended.

When a road is being used solely by Grantor, Grantor shall be solely responsible for maintaining that portion of the road so used to the standards existing at the time solo use is commenced until joint use begins. During periods when Grantor, State and/or other parties with an easement or license from State use the road, or any portion thereof, the cost of maintenance and resurfacing shall be allocated among such users on the basis of their respective use including that of their Permittees.

During periods of joint maintenance, the users shall meet at times to be set at the discretion of State and establish necessary maintenance provisions. Such provisions shall include, but not be limited to the following:

- (a) The appointment of a maintainer, which may be one of the parties or any third party, to perform or contract the maintenance; and
- (b) The extent of resurfacing necessary to keep the road safe and to reduce environmental impacts; and
- (c) A method of payment by which each party using the road or a portion thereof, shall pay its pro rata share of the cost of maintenance and resurfacing.

Repairs. Each party shall repair, or cause to be repaired at its sole cost, that damage to the road and improvements occasioned by it which is in excess of that which it would cause through normal and prudent usage. Should damage be caused by an unauthorized user, the cost of repair shall be treated as ordinary maintenance and handled as set forth above.

Easement Closure Risk. Grantor assumes all risk and costs associated with easement access due to road closures and blockages caused by any road closure event, including but not limited to environmental regulation, or natural disasters including, fire, flood, snow, slides, tree wind throw,

or road wash out. State is not obligated to repair or unblock an existing road leading to the easement area or any part of the easement area described herein if State determines the road is no longer safe or viable for State's purposes.

Improvements. Grantor shall construct no improvements without the prior written consent of State, which shall be at State's sole discretion. Unless the parties agree in writing to share the cost of improvements, improvements shall be at the sole expense of the improver. Any improvements to the Easement Area shall become property of State unless the applicable consent specifically provides otherwise. Improvements installed by Grantor shall, at State's option, be removed by Grantor at the termination or expiration of the Easement at Grantor's expense.

Notice. Any notices or submittals required or permitted under this Easement may be delivered personally, sent by facsimile machine or mailed first class, return receipt requested, to the following addresses or to such other place as the parties hereafter direct. Notice will be deemed given upon delivery, confirmation of facsimile, or three days after being mailed, whichever is applicable.

To State:

DEPARTMENT OF NATURAL RESOURCES
Northwest Region
919 N. Township St.
Sedro Woolley, WA 98284-9384

To Grantor:

WEYERHAEUSER COMPANY
500 Metcalf Street
Building F5E
Sedro Woolley, WA 98284

Advance by State. If State advances or pays any cost or expense for or on behalf of Grantor, Grantor shall reimburse State the amount paid and shall pay interest on such amount at the rate of one percent (1%) per month until paid.

Lien. Any amount due from but not paid by Grantor as required under this Easement within ninety (90) days of demand shall be a lien upon the Benefited Parcel. Grantee hereby authorizes State to file a notice of lien with the county auditor and to foreclose such lien as a mortgage.

Termination. State shall have the right to terminate this Easement if Grantor fails to cure a material breach of this Easement within ninety (90) days of notice of default (the "Cure Period"). If a breach is not reasonably capable of being cured within the Cure Period for reasons other than

lack of or failure to expend funds, Grantor shall commence to cure the default within the Cure Period and diligently pursue such action necessary to complete the cure. In addition to the right of termination, State shall have any other remedy available in law or equity. Any Grantor obligations not fully performed upon termination shall continue until fully performed. Designation of certain breaches as material throughout this Easement shall not preclude other breaches from being declared material. Timber remaining on the Easement Area after termination shall be deemed forfeited.

Construction. The terms of this Easement shall be given their ordinary meaning unless defined herein and shall not be presumed construed against the drafter.

Exhibits. All exhibits referenced in this Easement are incorporated as part of the Easement.

Headings. The headings in this Easement are for convenience only and are not intended to, and shall not be construed to, limit, enlarge, or affect the scope or intent of this Easement nor the meaning of any of its provisions.

Modification. Any modification of the Easement must be in writing and signed by the parties. State and Grantor shall not be bound by any oral representations or statements.

Non-waiver. The waiver by State of any breach or the failure of State to require strict compliance with any term herein shall not be deemed a waiver of any subsequent breach.

Severability. If any provision of this Easement shall be held invalid, it shall not affect the validity of any other provision herein.

Successors. The terms of this reservation run with the land and shall bind the successors and assigns of both Grantor and State. State shall be deemed to have accepted the terms of this reservation and be bound by the same by accepting delivery of the deed.

EXHIBIT "B-1" to the Deed

