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Skagit County Auditor

RETURN DOCUMENT TO:

Robert A. Carmichael
Carmichael Clark, PS
P.O. Box 5226
Bellingham, WA 98227

DOCUMENT TITLE:

Memorandum of Agreement Pursuant to RCW 58.04.007

REFERENCE NUMBER OF RELATED DOCUMENT:

N/A

GRANTOR:

Sierra Pacific Land & Timber Company, a California corporation
L. Thomas Moody, a single person

GRANTEES:

Sierra Pacific Land & Timber Company, a California corporation
L. Thomas Moody, a single person

ABBREVIATED LEGAL DESCRIPTION:

Ptn SW1/4 of NW1/4 of Sec 11, T35N, R6E; and
Ptn NE1/4 of SW1/4 of Sec 11, T35N, R6E; and
Ptn NW1/4 of SW1/4 of Sec 11, T35N, R6E

Full legal descriptions on pages: 9-15

SKAGIT COUNTY PROPERTY ID NUMBERS:

P41031
P41030
P41014
P41013
P67261

MEMORANDUM OF AGREEMENT PURSUANT TO RCW 58.04.007

This MEMORANDUM OF AGREEMENT PURSUANT TO RCW 58.04.007 ("Agreement") is made and entered into on this 17th day of September, 2019, by and between Sierra Pacific Land & Timber Company, a California corporation ("SPL&T"), and L. Thomas Moody, a single person ("Moody"). SPL&T and Moody shall be individually referred to as "Party" or collectively as "Parties."

RECITALS:

WHEREAS, Moody is the owner in fee simple of the real property legally described at **Exhibit A-1** hereto, commonly known as 7590 Scott Paper Road, Sedro Woolley, Washington, Skagit County Property ID No. P41031 (hereinafter "Moody Property"); and

WHEREAS, SPL&T intends to file a quiet title action in Skagit County Superior Court ("Quiet Title Action") to obtain clear title to the parcel of land it owns legally described at **Exhibit B** hereto, which has no address or tax parcel number, and which is a 100-foot-wide right of way through which a road called "Scott Paper Road" has run for many decades (hereinafter "SPL&T ROW Parcel"); and

WHEREAS, SPL&T is also the owner in fee simple of the parcel of real property, which is commonly known as 7575 Scott Paper Road, Sedro Woolley, Washington, and which roughly corresponds to Skagit County Property ID No. P41030 (hereinafter "Easterly SPL&T Parcel"); and

WHEREAS, SPL&T is also the owner in fee simple of the parcel of real property, which has no address but roughly corresponds to Skagit County Property ID No. P41014 (hereinafter "Westerly SPL&T Parcel"); and

WHEREAS, the SPL&T ROW Parcel, the Easterly SPL&T Parcel, and the Westerly SPL&T Parcel, legally described at **Exhibit C-1** hereto shall be referred to collectively as the "SPL&T Timber Property;" and

WHEREAS, SPL&T is also the owner in fee simple of the small, triangular parcel of real property legally described at **Exhibit D** hereto, which has no address but is Skagit County Property ID No. P41013, and over which Scott Paper Road runs (hereinafter "SPL&T Triangle Parcel"); and

WHEREAS, SPL&T is also the owner in fee simple of the parcel of real property legally described at **Exhibit E** hereto, which is commonly known as 7551 Crown Pacific Main Line Road, and which is Skagit County Property ID No. P67261, and over which Scott Paper Road also runs (hereinafter "SPL&T Pipestem Parcel"); and

WHEREAS, the Moody Property, the SPL&T ROW Parcel, the Easterly SPL&T Parcel, the Westerly SPL&T Parcel, the SPL&T Triangle Parcel, and the SPL&T Pipestem Parcel shall be referred to collectively as the "Properties" or individually as a "Property;" and

WHEREAS, the Properties, Moody's fences and encroachments (described below), and Scott Paper Road are all depicted on **Exhibit F-1** attached hereto; and

WHEREAS, fences encroach into the SPL&T ROW Parcel as shown on Exhibit F-1, and pursuant to a license dated February 2, 1970, executed by Moody and SPL&T's predecessor in interest ("1970 License"), which is attached as Exhibit C to Exhibit G hereto (described below), Moody has maintained those fences continuously since at least 1970; and

WHEREAS, Moody's use expanded beyond the fences contemplated in the 1970 License, and there are now four discrete areas of encroachment, specifically: (1) the fences erected to the south and east of the house but inside the SPL&T ROW Parcel, which are permitted by the 1970 License; (2) the shed, shop, and garage, and associated landscaping, located the SPL&T ROW Parcel and the Easterly SPL&T Parcel; (3) the fence and pasture located directly west of the house, which encroaches into the SPL&T ROW Parcel; and (4) the fence and pasture located southwest of the house, which encroaches into the Westerly SPL&T Parcel; in total, these encroachments occupy approximately 0.96 acre(s) of the SPL&T Property, and are all shown and labeled on Exhibit F-1 (the land occupied by all encroachments are referred to herein as the "Moody-Occupied Land"); and

WHEREAS, on April 14, 2017, Moody and SPL&T entered into an agreement, attached as **Exhibit G** hereto ("2017 Agreement"), whereby for a particular timber harvest, SPL&T would build a bypass road to avoid using Scott Paper Road through the Moody Property and the Moody-Occupied Land in exchange for monetary compensation and an agreement to cooperatively pursue a boundary line adjustment; and

WHEREAS, to obtain a boundary line adjustment as required by the 2017 Agreement, SPL&T must bring the Quiet Title Action to obtain clear title to the SPL&T ROW Parcel; and

WHEREAS, Moody has a potential claim for adverse possession and/or prescriptive easement to the Moody-Occupied Land; and

WHEREAS, to resolve all disputes or potential disputes, the Parties have agreed which Party has superior title to which pieces of land, which pieces of land shall be quitclaimed in fee, and which areas shall be burdened by easements, and agree herein to record the necessary deeds and easements to effectuate this agreement; and

WHEREAS, as part of the agreed resolution, Moody and SPL&T shall swap some portions of their respective Properties as depicted in **Exhibit F-2**, such that the portion of the SPL&T Timber

Property legally described at **Exhibit H** shall be quitclaimed to Moody, and the portion of the Moody Property legally described at **Exhibit I** shall be quitclaimed to SPL&T; and

WHEREAS, the legal description of the Moody Property after the Quiet Title Action and the land conveyances described herein is attached at **Exhibit A-2**; and

SPL&TSPL&T

WHEREAS, the legal description of the SPL&T Timber Property after the land conveyances described herein is attached at **Exhibit C-2**; and

WHEREAS, a depiction of all Properties after the Quiet Title Action and the land conveyances described herein is attached at **Exhibit F-3**; and

WHEREAS, the purpose of this Agreement is to enable expeditious resolution of the quiet title action, resolve disputes of ownership, and establish the common boundary between the Properties, in accordance with RCW 58.04.007; and

WHEREAS, the foregoing recitals are a material part of this Agreement;

NOW THEREFORE, in consideration of the mutual promises and obligations undertaken herein, the Parties stipulate and agree as follows:

AGREEMENT

1. Location of Boundary and Quiet Title Action. Pursuant to RCW 58.04.007, the Parties agree to establish the boundary lines between the Properties as set forth and depicted at Exhibit G-2 hereto by stipulation and agreed order in the Quiet Title Action, which SPL&T intends to bring within ninety (90) days of the execution of this Agreement.
2. Quit Claim Conveyance – Moody. Within ten (10) days of the entry of the final agreed order in the Quiet Title Action, Moody shall convey and quitclaim to SPL&T any right title or interest, including after-acquired title, to the real Property described in Exhibits B-2, C-2, and D-2. Said quit claim conveyance shall be accomplished by the recording of a quit claim deed substantially in the form of **Exhibit J** hereto ("Moody Quitclaim Deed").
3. Quit Claim Conveyance – SPL&T. Within ten (10) days of the entry of the agreed order in the Quiet Title Action, SPL&T shall convey and quitclaim to Moody any right, title, and interest, including after-acquired title, to the real property to legally described at Exhibit I, subject to reservation of a perpetual easement in the location of as-built Scott Paper Road for ingress, egress, and utilities. Said quit claim conveyance and easement reservation shall be accomplished by the recording of a quit claim deed with easement reservation substantially in the form of **Exhibit K** hereto.

4. Scott Paper Road Access Easement. Immediately after Moody delivers the Moody Quitclaim Deed to SPL&T, SPL&T shall grant to Moody a permanent easement for ingress, egress and utilities for the use of Scott Paper Road over the SPL&T Pipestem Parcel, the SPL&T Triangle Parcel, and the SPL&T ROW Parcel substantially in the form of **Exhibit L** hereto.
5. License. Immediately after Moody delivers the Moody Quitclaim Deed to SPL&T, SPL&T shall grant to Moody a license for the maintenance of existing fences and landscaping on Parcel 1 substantially in the form of **Exhibit M** hereto.
6. Execution of Documents. After the conclusion of the Quiet Title Action, the Parties shall timely and without delay execute any and all additional documents which may be necessary, appropriate or convenient to carry out the intent and purpose of this Agreement, including any documents that may be required by Skagit County or the State of Washington.
7. 1970 License and 2017 Agreement. Upon the recordation of the quit claim deeds described in paragraphs 2 and 3 herein, the access easement described in paragraph 4 herein, and the fence license described in paragraph 5 herein, the 1970 License and the 2017 Agreement shall be superseded in their entirety.
8. Unsuccessful Quiet Title Action. In the event that SPL&T is unsuccessful in obtaining clear title to the SPL&T ROW Parcel through the Quiet Title Action, which determination shall be made by SPL&T, this Agreement shall be null and void upon notice of the same to Moody.
9. Moody Acknowledgment. The Parties acknowledge that this Agreement will have significant legal consequences. By initialing below, Moody hereby acknowledges that he has had the sufficient opportunity to have this Agreement reviewed by his own legal counsel at his expense.

Moody Initials: L. T. M.

10. Open Space Classification. The SPL&T Property is currently classified as "Forest Land" for the purposes of Chapter 84.34 RCW. The Parties intend the portion of the SPL&T Parcel transferred to Moody to remain in an "open space" designation under Chapter 84.34 RCW if possible. The Parties shall cooperate and sign all documents necessary to accomplish this arrangement or otherwise minimize the tax burden resulting from this transaction.
11. Attorney Fees, Recording and Other Costs Incurred. SPL&T shall be solely responsible for its attorneys' fees, survey costs, recording fees, and any and all other costs and fees they incur in connection with the preparation, review, finalization, and recording of this Agreement. Moody shall be solely responsible for his own attorney's fees and fees he may incur through the preparation, review and execution of this Agreement. SPL&T shall bear the cost of recording this document and all related documents.

12. Release. Each Party hereby agrees to forever settle, release and discharge the other Party, their successors, heirs, assigns, from any and all claims and counterclaims, charges and liabilities, demands, damages, actions, causes of action, claims for contribution or indemnity, claims for compensation, or suits of any kind or nature whatsoever, including attorney's fees, known or unknown, related to title or the right to use any of the Properties described herein.
13. Remedies. In the event of a breach or default in performance of this Agreement, in addition to all other remedies available at law and in equity, this Agreement shall be enforceable by the remedy of specific performance.
14. Notices. All notices or demands to be given by each Party to the other pursuant to this Agreement shall be deposited in the United States mail, postage prepaid, by certified or registered mail, return receipt requested, or by personal receipted delivery to the Party and addressed as follows:

Sierra Pacific Industries, Inc.
C/O John Gold, Burlington District Manager
14353 McFarland Road
Mount Vernon, WA 98273

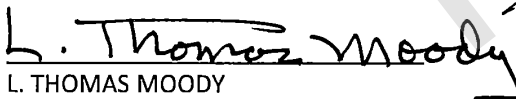
L. Thomas Moody
7590 Scott Paper Road
Sedro Woolley, WA 98284

Notices and demands sent by mail shall be deemed to have been given and delivered when properly mailed and the postmark affixed by the United States Post Office shall be conclusive evidence of the date of mailing.

15. Nonwaiver of Enforcement. Failure of either Party at any time to require performance of any provision of this Agreement shall not limit such Party's right to enforce such provision, nor shall any waiver of any breach of any provision of this Agreement constitute a waiver of any succeeding breach of such provision or a waiver of such provision itself.
16. Invalidity of Term. If any term or provision of this Agreement or the application thereof to any person, entity or circumstance shall to any extent be adjudicated invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, and each term or provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.
17. Time for Completion - Time of the Essence. It is the intent of the Parties that the execution of documents be completed as soon as possible. Time is of the essence in the performance of this Agreement.
18. Run with the Land – Binding on Successors. The provisions in this Agreement shall run with the land and shall inure to the benefit of and be binding upon the successors, assigns, heirs and personal representatives of the Parties hereto

19. Survival. The terms and obligations set forth in this Agreement shall survive and remain in full force and effect following execution of documents.
20. Governing Law and Venue. The laws of the State of Washington shall govern any disputes arising under this Agreement. Any disputes shall be adjudicated in the Superior Court for Skagit County, Washington, unless otherwise agreed.
21. Attorney's Fees. In the event either Party shall institute suit to enforce any rights hereunder, the prevailing party shall be entitled to court costs and reasonable attorney's fees against the losing Party.
22. Complete Agreement. This Agreement constitutes the entire agreement between the Parties. There are no other oral understandings or agreements. This Agreement may be modified or amended in writing only, on the mutual agreement of the Parties.
23. Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which together will constitute a single agreement.

IN WITNESS WHEREOF, the Parties hereunto enter this Agreement the day and year first above written.


L. THOMAS MOODY


SIERRA PACIFIC INDUSTRIES, INC.
By: M. D. Emmerson, Chairman and CFO

STATE OF _____)
) §
 County of _____)

See Attached Certificate

I certify that I know or have satisfactory evidence that M.D. EMMERSON is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the CHAIRMAN AND CHIEF FINANCIAL OFFICER of SIERRA PACIFIC LAND & TIMBER COMPANY, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this _____ day of _____, 2019.

Print Name: _____
 NOTARY PUBLIC in and for the State of Washington
 residing at: _____
 My Commission expires: _____

State of Washington)
) §
 County of SKAGIT)

I certify that I know or have satisfactory evidence that L. THOMAS MOODY is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged to me that he signed the same as his free and voluntary act for the uses and purposes mentioned in the instrument.

DATED this 6 day of SEPTEMBER, 2019.



Katie Stratford
 Print Name: KATIE STRATFORD
 NOTARY PUBLIC in and for the State of Washington
 residing at: STANWOOD, WA
 My Commission expires: 7-19-2021

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

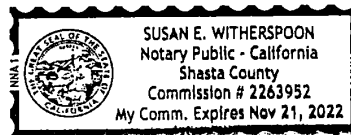
County of Shasta

On September 17, 2019 before me, Susan E. Witherspoon, Notary Public
(insert name and title of the officer)

personally appeared M. D. Emerson
who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Susan E. Witherspoon (Seal)

EXHIBIT A-1

Legal Description of the Moody Property

THAT PORTION OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 11, TOWNSHIP 35 NORTH, RANGE 6 E. W.M., LYING SOUTH OF THE RIGHT OF WAY CONVEYED TO LYMAN TIMBER COMPANY, A CORPORATION, BY DEED RECORDED ON NOVEMBER 3, 1915 IN VOLUME 99 OF DEEDS, PAGE 357, RECORDS OF SKAGIT COUNTY, WASHINGTON: EXCEPT THAT PORTION THEREOF LYING WITHIN THE FOLLOWING DESCRIBED TRACT: BEGINNING AT THE QUARTER CORNER COMMON TO SECTIONS 10 AND 11, TOWNSHIP 35 NORTH, RANGE 6 E, W.M.; THENCE PROCEED NORTH 0-28 EAST 1319.1 FEET TO THE NORTH 1/16 CORNER COMMON TO SAID SECTIONS 10 AND 11; THENCE PROCEED NORTH 89-28 EAST 711.7 FEET ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 11 TO A POINT 600 FEET WEST OF THE NORTHEAST CORNER OF SAID SOUTHWEST QUARTER OF THE NORTHWEST QUARTER; THENCE PROCEED SOUTH 525 FEET; THENCE PROCEED WEST 100 FEET; THENCE PROCEED DIAGONALLY SOUTHWEST FOR COORDINATED DISTANCES OF 100 FEET WEST AND 75 FEET SOUTH; THENCE PROCEED SOUTH 50 FEET; THENCE PROCEED WEST 400 FEET; THENCE PROCEED SOUTH 250 FEET; THENCE PROCEED EAST 200 FEET; THENCE PROCEED SOUTH 100 FEET; THENCE PROCEED EAST 100 FEET; THENCE PROCEED SOUTH 100 FEET; THENCE PROCEED DIAGONALLY SOUTHWEST FOR COORDINATED DISTANCES OF 210 FEET WEST AND 219.1 FEET SOUTH TO THE SOUTH LINE OF SAID SOUTHWEST QUARTER; THENCE PROCEED WEST ALONG SAID SOUTH LINE TO THE POINT OF BEGINNING.

EXHIBIT A-2

Legal Description of the Moody Property after Land Swap

COMMENCING AT THE WEST QUARTER CORNER OF SECTION 11, TOWNSHIP 35 NORTH, RANGE 6 EAST, W.M. THENCE S89°13'00"E, (AS PER RECORD OF SURVEY RECORDED UNDER AUDITOR'S FILE # 201904050084) ALONG THE EAST-WEST CENTERLINE OF SECTION 11, 212.39' TO A 5/8" REBAR/CAP, LS# 26303 WHICH IS THE TRUE POINT OF BEGINNING; THENCE N19°25'38"E, 45.31' TO A 5/8" REBAR/CAP, LS 26303; THENCE N42°47'01"E, 291.02' TO A 1" IRON BAR; THENCE N01°37'35"E, 59.93' TO A 1" IRON BAR; THENCE N01°37'35"E, 151.93' TO A 5/8" REBAR/CAP LS 26303, WHICH IS A POINT SET ON A CURVED PORTION OF THE SOUTH LINE OF THE RIGHT OF WAY CONVEYED TO LYMAN TIMBER COMPANY, A CORPORATION, BY DEED RECORDED ON NOVEMBER 3, 1915 IN VOLUME 99 OF DEEDS, PAGE 357, RECORDS OF SKAGIT COUNTY, WASHINGTON, THENCE NORTHEASTERLY ALONG SAID CURVE (CONCAVE TO THE SOUTHEAST) A RADIUS OF 231.92' AND A LENGTH OF 96.19' TO A 5/8" REBAR/CAP, LS 26303 (SAID REBAR BEING N64°27'32"E, 95.50' FROM THE PREVIOUS REBAR/CAP); THENCE N44°43'54"E, 112.35' TO A 5/8" REBAR/CAP, LS 26303; THENCE N87°47'19"E, 179.82' TO A 5/8" REBAR/CAP, LS 26303; THENCE S42°14'14"E, 153.42' TO A 5/8" REBAR/CAP, LS 26303; THENCE S38°19'43"W, 124.41' TO A 5/8" REBAR/CAP LS 26303, WHICH IS A POINT SET ON THE SOUTH LINE OF THE RIGHT OF WAY CONVEYED TO LYMAN TIMBER COMPANY; THENCE S46°15'22"E, 576.48' ALONG SAID SOUTH LINE TO A 5/8" REBAR/CAP LS 26303 SET AT THE INTERSECTION OF SAID SOUTH LINE AND THE EAST-WEST CENTERLINE OF SECTION 11; THENCE N89°13'00"W, ALONG THE EAST-WEST CENTERLINE OF SECTION 11, 1006.21' TO THE POINT OF BEGINNING.

EXHIBIT B

Legal Description of SPL&T ROW through the SW ¼ NW ¼ Sec 11, T 35 N, R 6 E

A STRIP OF LAND ONE HUNDRED FEET (100FT) WIDE BEING 50 FEET (50FT) ON EACH SIDE OF THE CENTERLINE OF THE LOGGING RAILROAD AS IT IS NOW SURVEYED AND WILL BE DEFINITELY SITUATED IN THE SOUTHEAST QUARTER (SE1/4) OF THE NORTHEAST QUARTER OF SECTION 10 (10) AND THE SOUTHWEST QUARTER (SW1/4) OF THE NORTHWEST QUARTER (NW1/4) OF SECTION ELEVEN (11) ALL IN TOWNSHIP THIRTY FIVE (35) NORTH OF RANGE SIX (6) EAST, W.M.

THE CENTERLINE OF WHICH IS MORE PARTICULARLY DESCRIBED AS:

COMMENCING AT THE WEST QUARTER CORNER OF SECTION 11, TOWNSHIP 35 NORTH, RANGE 6 EAST., W.M.; THENCE S89°13'00"E, (AS PER RECORD OF SURVEY RECORDED UNDER AUDITOR'S FILE # 201904050084) ALONG THE EAST WEST CENTERLINE OF SECTION 11, 1322.96' TO THE SE CORNER OF THE SW1/4 NW1/4 OF SECTION 11; THENCE N89°13'00"W, 30.99' ALONG SAID EAST-WEST CENTERLINE OF SECTION 11 TO THE INTERSECTION OF SAID EAST-WEST LINE WITH THE CENTERLINE OF THE LYMAN TIMBER CO. 100' RIGHT OF WAY, SAID POINT BEING THE TRUE POINT OF BEGINNING; THENCE N46°15'22"W, 726.52' ALONG SAID CENTERLINE TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 281.92'; THENCE WESTERLY ALONG SAID CURVE AN ARC LENGTH OF 418.93'; THENCE TANGENT TO SAID CURVE S48°36'04"W, 286.94' TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 699.03'; THENCE ALONG SAID CURVE AN ARC LENGTH OF 218.55' TO THE BEGINNING OF A REVERSE CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 234.93'; THENCE SOUTHWESTERLY ALONG SAID CURVE AN ARC LENGTH OF 100.18'; THENCE TANGENT TO SAID CURVE S54°46'39"W, 34.63' TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 1661.03'; THENCE ALONG SAID CURVE AN ARC LENGTH OF 66.39' TO A POINT ON THE EAST-WEST CENTERLINE OF SECTION 10, TOWNSHIP 35 NORTH, RANGE 6 EAST OF W.M. SAID POINT BEING N87°30'30"W, 119.23' FROM THE EAST ¼ CORNER OF SAID SECTION 10.

EXHIBIT C-1

Legal Description of SPL&T Timber Property Before Land Swap

THE LYMAN TIMBER COMPANY'S 100' RIGHT OF WAY THROUGH THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 11 AS CONVEYED IN INSTRUMENT RECORDED IN VOLUME 99 OF DEEDS, PAGE 357, RECORDS OF SKAGIT COUNTY, WASHINGTON .

THAT PORTION OF THE SW1/4 OF THE NW1/4 OF SECTION 11, TOWNSHIP 35 NORTH, RANGE 6 EAST OF THE WILLAMETTE MERIDIAN LYING SOUTH OF THE SOUTH LINE OF THE LYMAN TIMBER COMPANY'S 100 FOOT RIGHT OF WAY, AS CONVEYED IN INSTRUMENT RECORDED IN VOLUME 99 OF DEEDS, PAGE 357, RECORDS OF SKAGIT COUNTY, WASHINGTON, EXCEPT ANY PORTION THEREOF LYING EAST OF THE FOLLOWING DESCRIBED TRACT:

BEGINNING AT THE QUARTER CORNER COMMON TO SECTIONS 10 AND 11, TOWNSHIP 35 NORTH, RANGE 6 E, W.M.; THENCE PROCEED NORTH 0-28 EAST 1319.1 FEET TO THE NORTH 1/16 CORNER COMMON TO SAID SECTIONS 10 AND 11; THENCE PROCEED NORTH 89-28 EAST 711.7 FEET ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 11 TO A POINT 600 FEET WEST OF THE NORTHEAST CORNER OF SAID SOUTHWEST QUARTER OF THE NORTHWEST QUARTER; THENCE PROCEED SOUTH 525 FEET; THENCE PROCEED WEST 100 FEET; THENCE PROCEED DIAGONALLY SOUTHWEST FOR COORDINATED DISTANCES OF 100 FEET WEST AND 75 FEET SOUTH; THENCE PROCEED SOUTH 50 FEET; THENCE PROCEED WEST 400 FEET; THENCE PROCEED SOUTH 250 FEET; THENCE PROCEED EAST 200 FEET; THENCE PROCEED SOUTH 100 FEET; THENCE PROCEED EAST 100 FEET; THENCE PROCEED SOUTH 100 FEET; THENCE PROCEED DIAGONALLY SOUTHWEST FOR COORDINATED DISTANCES OF 210 FEET WEST AND 219.1 FEET SOUTH TO THE SOUTH LINE OF SAID SOUTHWEST QUARTER; THENCE PROCEED WEST ALONG SAID SOUTH LINE TO THE POINT OF BEGINNING.

THAT PORTION OF THE SW1/4 OF THE NW1/4 OF SECTION 11, TOWNSHIP 35 NORTH, RANGE 6 EAST OF THE WILLAMETTE MERIDIAN LYING NORTH OF THE NORTHERLY LINE OF THE LYMAN TIMBER COMPANY'S 100 FOOT RIGHT OF WAY AS CONVEYED IN INSTRUMENT RECORDED IN VOLUME 99 OF DEEDS, PAGE 357, RECORDS OF SKAGIT COUNTY, WASHINGTON, EXCEPT FROM SAID PORTION THE FOLLOWING DESCRIBED PARCEL:

BEGINNING AT A POINT WHERE THE NORTH LINE OF SAID 100 FOOT LYMAN TIMBER COMPANY RIGHT OF WAY INTERSECTS THE EAST LINE OF SAID SOUTHWEST ¼; THENCE PROCEED IN A NORTHWESTERLY DIRECTION ALONG THE SAID NORTH LINE OF SAID RIGHT OF WAY A DISTANCE OF 250 FEET; THENCE PROCEED NORTH 200 FEET; THENCE PROCEED EAST TO THE EAST LINE OF THE ABOVE DESCRIBED PROPERTY; THENCE PROCEED SOUTH ALONG SAID EAST LINE TO THE POINT OF BEGINNING.

SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON.

EXHIBIT C-2

Legal Description of SPL&T Timber Property After Land Swap

ALL OF THE SW1/4 OF THE NW1/4 OF SECTION 11, TOWNSHIP 35 NORTH, RANGE 6 EAST, W.M.
EXCEPT THE FOLLOWING DESCRIBED TRACT:

COMMENCING AT THE WEST QUARTER CORNER OF SECTION 11, TOWNSHIP 35 NORTH, RANGE 6 EAST, W.M. THENCE S89°13'00"E, (AS PER RECORD OF SURVEY RECORDED UNDER AUDITOR'S FILE # 201904050084) ALONG THE EAST-WEST CENTERLINE OF SECTION 11, 212.39' TO A 5/8" REBAR/CAP, LS# 26303 WHICH IS THE TRUE POINT OF BEGINNING; THENCE N19°25'38"E, 45.31' TO A 5/8" REBAR/CAP, LS 26303; THENCE N42°47'01"E, 291.02' TO A 1" IRON BAR; THENCE N01°37'35"E, 59.93' TO A 1" IRON BAR; THENCE N01°37'35"E, 151.93' TO A 5/8" REBAR/CAP LS 26303, WHICH IS A POINT SET ON A CURVED PORTION OF THE SOUTH LINE OF THE RIGHT OF WAY CONVEYED TO LYMAN TIMBER COMPANY, A CORPORATION, BY DEED RECORDED ON NOVEMBER 3, 1915 IN VOLUME 99 OF DEEDS, PAGE 357, RECORDS OF SKAGIT COUNTY, WASHINGTON, THENCE NORTHEASTERLY ALONG SAID CURVE (CONCAVE TO THE SOUTHEAST) A RADIUS OF 231.92' AND A LENGTH OF 96.19' TO A 5/8" REBAR/CAP, LS 26303 (SAID REBAR BEING N64°27'32"E, 95.50' FROM THE PREVIOUS REBAR/CAP); THENCE N44°43'54"E, 112.35' TO A 5/8" REBAR/CAP, LS 26303; THENCE N87°47'19"E, 179.82' TO A 5/8" REBAR/CAP, LS 26303; THENCE S42°14'14"E, 153.42' TO A 5/8" REBAR/CAP, LS 26303; THENCE S38°19'43"W, 124.41' TO A 5/8" REBAR/CAP LS 26303, WHICH IS A POINT SET ON THE SOUTH LINE OF THE RIGHT OF WAY CONVEYED TO LYMAN TIMBER COMPANY; THENCE S46°15'22"E, 576.48' ALONG SAID SOUTH LINE TO A 5/8" REBAR/CAP LS 26303 SET AT THE INTERSECTION OF SAID SOUTH LINE AND THE EAST-WEST CENTERLINE OF SECTION 11; THENCE N89°13'00"W, ALONG THE EAST-WEST CENTERLINE OF SECTION 11, 1006.21' TO THE POINT OF BEGINNING.

ALSO EXCEPT THAT PART OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 11, TOWNSHIP 35 NORTH, RANGE 6 EAST OF W.M., DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHERE THE NORTH LINE OF THE LYMAN TIMBER COMPANY RIGHT OF WAY THROUGH SAID PROPERTY INTERSECTS THE EAST LINE OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 11; THENCE IN A NORTHWESTERLY DIRECTION ALONG THE SAID NORTH LINE OF THE SAID RIGHT OF WAY A DISTANCE OF 250 FEET; THENCE NORTH 200 FEET; THENCE EAST TO THE EAST LINE OF THE ABOVE DESCRIBED SUBDIVISION; THENCE SOUTH TO THE POINT OF BEGINNING.

EXHIBIT D

Legal Description of SPL&T Triangle Parcel

COMMENCING AT THE WEST QUARTER CORNER OF SECTION 11, TOWNSHIP 35 NORTH, RANGE 6 EAST., W.M.; THENCE S89°13'00"E, (AS PER RECORD OF SURVEY RECORDED UNDER AUDITOR'S FILE # 201904050084) ALONG THE EAST WEST CENTERLINE OF SECTION 11, 1322.96' TO THE SE CORNER OF THE SW1/4 NW1/4 OF SECTION 11 AND THE TRUE POINT OF BEGINNING; THENCE N89°13'00"W, 104.36' ALONG SAID EAST-WEST CENTERLINE OF SECTION 11 TO THE INTERSECTION OF SAID EAST-WEST LINE WITH THE SOUTH LINE OF THE LYMAN TIMBER CO. 100' RIGHT OF WAY; THENCE S46°15'22"E, 141.36' ALONG SAID SOUTH LINE TO A POINT ON THE EAST LINE OF THE NW1/4 OF THE SW1/4 OF SECTION 11; THENCE N01°19'25"E, 96.34' TO THE POINT OF BEGINNING.

EXHIBIT E

Legal Description of SPL&T Pipestem Parcel

THE EAST 2.70 ACRES OF LOT 3, "LIVERMORE'S HAMILTON ACREAGE" AS PER PLAT RECORDED IN VOLUME 3 OF PLATS, PAGE 87, RECORDS OF SKAGIT COUNTY, WASHINGTON, LYING EAST AND NORTH OF LYMAN TIMBER COMPANY'S LOGGING ROAD AND INCLUDING THAT PORTION OF RAILROAD RIGHT OF WAY LYING EAST OF THE EAST LINE OF LOTS 3 AND 4 AND WEST OF THE WEST LINE OF LOTS 2, 5 AND 8, LIVERMORE'S HAMILTON ACREAGE; EXCEPT ROAD RIGHTS OF WAY.

GRAPHIC SCALE

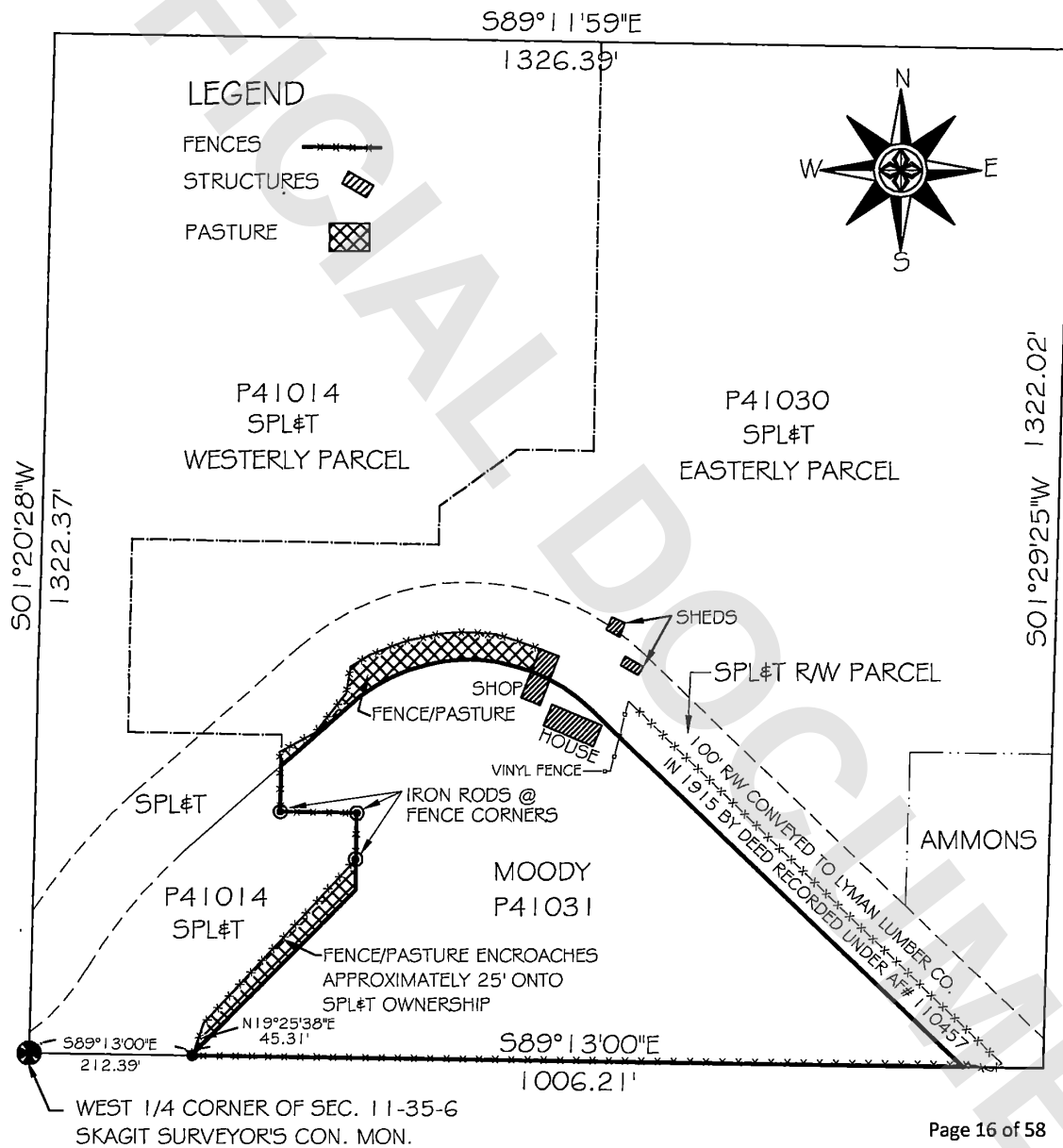
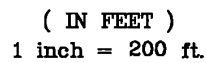


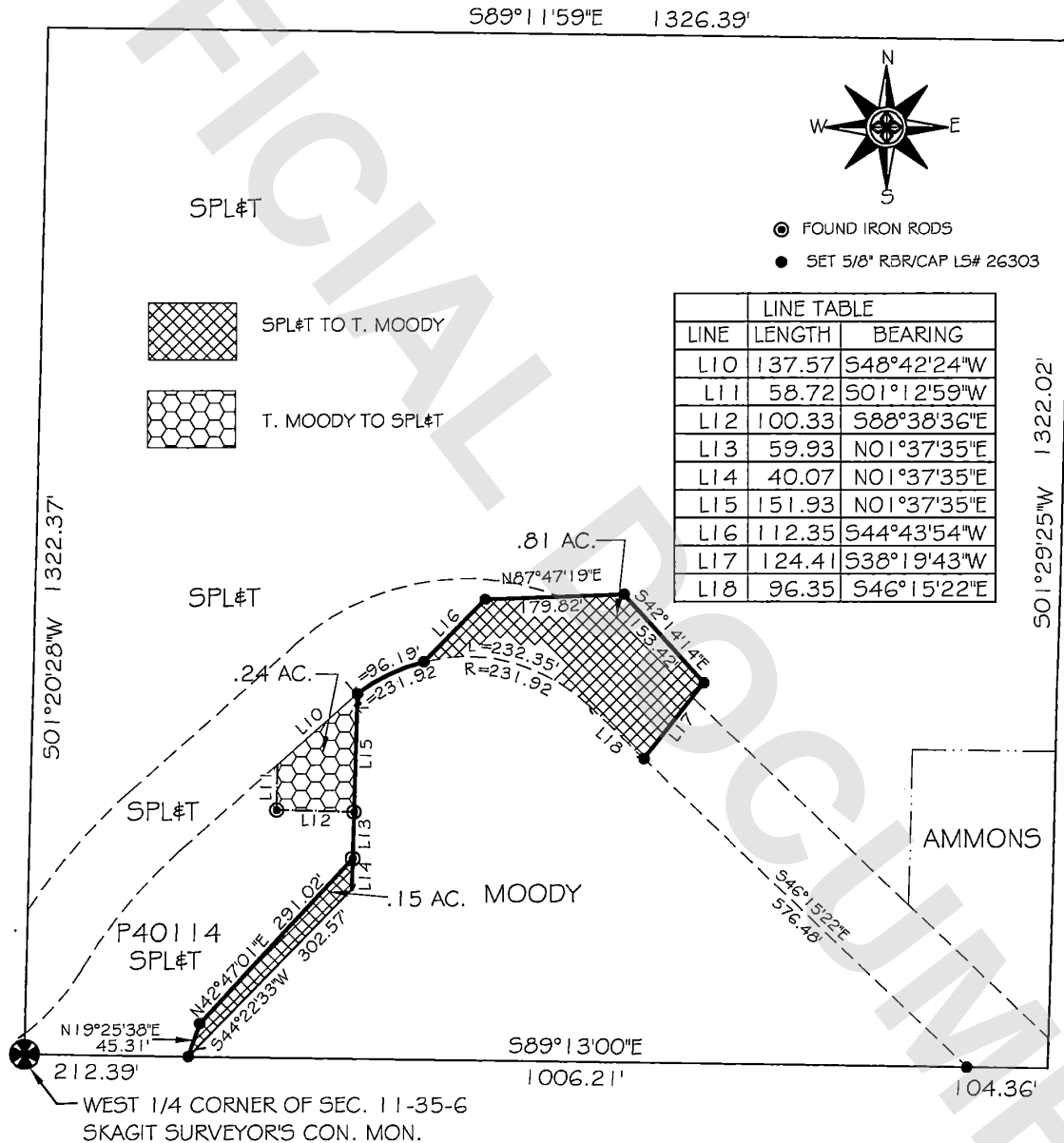
EXHIBIT F2
DEPICTION OF LAND SWAP AREAS
IN SW 1/4 NW 1/4 SEC. 11, T35N., R6E., W.M.

GRAPHIC SCALE



(IN FEET)

1 inch = 200 ft.



GRAPHIC SCALE

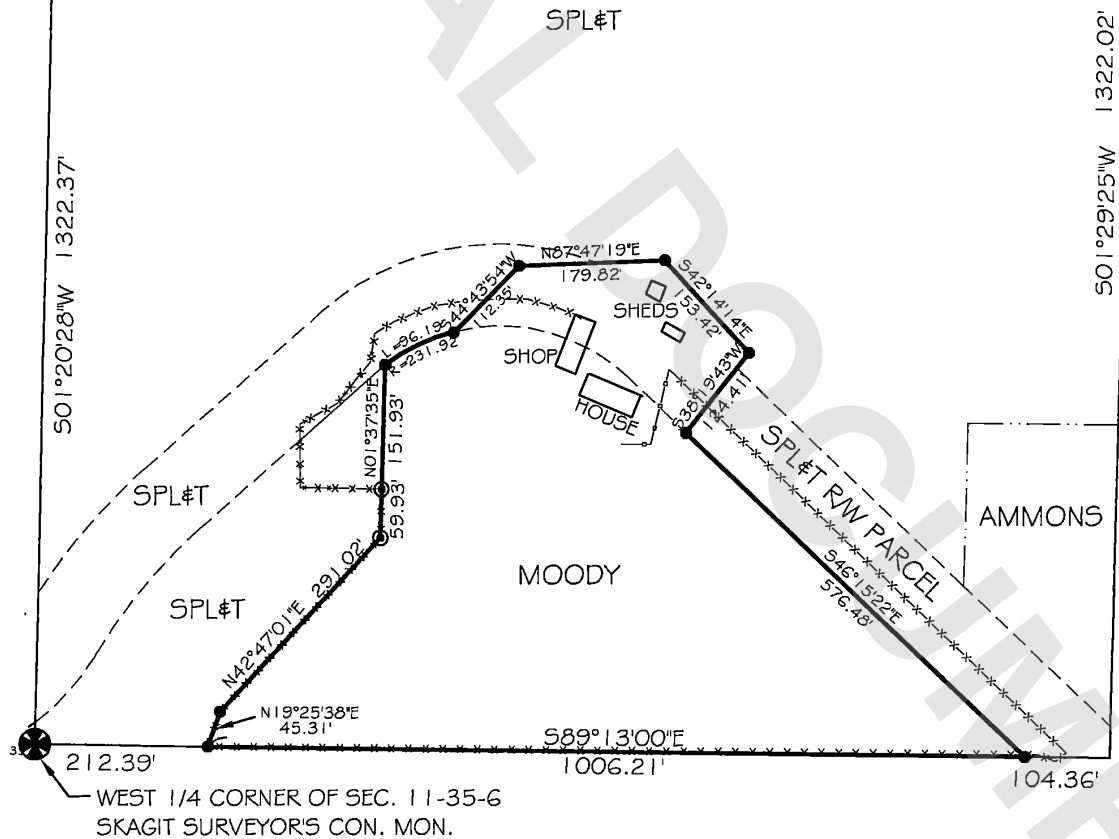
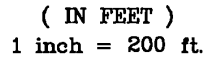


EXHIBIT G - Page 1 of 11

COPY**AGREEMENT**

This Agreement ("Agreement") is entered into on 4/14/17, 2017 ("Effective Date"), by and between SIERRA PACIFIC INDUSTRIES ("SPI") and L. THOMAS MOODY and SHARRON L. MOODY, husband and wife (collectively, "Moody").

RECITALS

WHEREAS, SPI owns certain real property in fee, as more particularly described in **Exhibit A** attached hereto and incorporated herein (the "SPI Property");

WHEREAS, Moody owns certain real property in fee, as more particularly described in **Exhibit B** attached hereto and incorporated herein (the "Moody Property");

WHEREAS, Moody and Scott Paper SPI ("Scott"), SPI's predecessor-in-interest to the SPI Property, entered into that certain License dated February 2, 1970 (the "Scott License") pursuant to which Moody was granted a license to use those certain roadways known as the "Scott 100 Road" and "Scott 102 Road" for ingress and egress (the "Road Use License") and to erect a fence that encroached onto Scott real property (the "Fence Encroachment License"), all as more particularly set forth in the Scott License, a copy of which is attached hereto as **Exhibit C**;

WHEREAS, Moody and SPI desire to agree to the terms and conditions pursuant to which the License will be terminated as to the Road Use License, shall be continued as to the Fence Encroachment License and SPI will transport timber upon the SPI Property.

NOW, THEREFORE, for and in consideration of the mutual promises, covenants and conditions, it is mutually agreed as follows:

1. At Moody's request, for the purposes of hauling timber from the "Brow Tine" harvest unit, SPI will construct and use a bypass road rather than its existing road along the former Lyman Timber railroad right-of-way as depicted on the map attached hereto as **Exhibit D**. In consideration of SPI's agreement to construct and use the bypass road rather than its existing road along the former Lyman Timber railroad right-of-way, Moody will reimburse SPI, within ten (10) days of the Effective Date, for SPI's costs incurred thereby in the amount of \$6,570

2. SPI and Moody will cooperate in good faith and use commercially reasonable efforts to complete a boundary line adjustment "BLA") to cause certain shop and outbuildings owned by Moody to be encompassed within the borders of the Moody Property as so adjusted will enter into a Boundary Line Adjustment with locations to be determined by mutual agreement, but with the intent that the footprint of Moodys' shop and outbuildings as depicted on **Exhibit D** will thereafter be within the boundary of the Moody Property. The BLA shall include reservation by SPI of an easement across such portion of the property to be transferred to Moody on the existing road for purposes of ingress, egress and utilities. The BLA will be completed at the sole cost of SPI.

EXHIBIT G - Page 2 of 11

3. Upon completion of the BLA, SPI will grant to Moody a permanent easement substantially identical to the Road Use License. The Fence Encroachment License shall remain as set forth in the Scott License.

4. This Agreement shall be binding upon and inure to the benefit of the heirs, successors and assigns of the parties hereto, but this Agreement is not assignable without the prior written consent of the other party. Any assignment in violation of this provision shall be deemed null and void.

5. This Agreement, together with any and all attachments and Exhibits, constitutes the entire agreement between the parties hereto with respect to the subject matter hereof. Any changes to this Agreement made by the parties shall be invalid unless executed in a writing signed by all parties.

6. This Agreement shall be governed by and construed in all respects in accordance with the laws of the State of Washington, without giving effect to its choice of law rules.

7. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument.

8. No failure of either party to exercise any power given hereunder or to insist upon strict compliance with any obligations specified herein, and no custom or practice at variance with the terms hereof, shall constitute a waiver of any party's right to demand strict compliance with the terms hereof; provided, however, that any party may, at its sole option, waive any requirement, covenant or condition herein established for the benefit of such party without affecting any of the other provisions of this Agreement.

9. Moody and SPI acknowledge this Agreement has been negotiated at arm's length; each party has had an opportunity to review and revise this Agreement and has been extended an opportunity to have legal counsel review and revise this Agreement. No rule of construction that ambiguities are to be resolved against the drafting party shall be employed in the interpretation of this Agreement.

10. If any provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner adverse to any party. Upon any such determination, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible. Notwithstanding any other provision of this Agreement, the invalidation of any provision herein relating to the parties' remedies shall not be interpreted to prevent an injured party from seeking actual damages.

EXHIBIT G - Page 3 of 11

11. Nothing in this Agreement, express or implied, is intended to confer on any person other than the parties hereto and their respective successors and permitted assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Effective Date.

L. Thomas Moody
L. THOMAS MOODY

Sharron L. Moody
SHARRON L. MOODY

SIERRA PACIFIC INDUSTRIES

By: John D. Gold
Title: Burlington District Manager

EXHIBIT G - Page 4 of 11

EXHIBIT A

Description of the SPI Property

Portions of Sections 10 and 11, T35N, R6E, W.M., Skagit County, Washington

EXHIBIT G - Page 5 of 11

EXHIBIT B

Description of the Moody Property

That portion of the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ lying south of the Lyman Timber Company railroad r/w, in Section 11, T35N, R6E, W.M., Skagit County, Washington; Skagit County Parcel No. 350611-2-004-0002, P41031

EXHIBIT G - Page 6 of 11

EXHIBIT C

Scott License

Attached.

EXHIBIT G - Page 7 of 11

LICENSE

SCOTT PAPER COMPANY, a Pennsylvania corporation having a place of business at Everett, Washington, ("SCOTT") for and in consideration of \$25.00 and other good and valuable consideration, hereby gives permission until further notice, to L. Thomas Moody, and Sharron L. Moody, his wife, ("PERMITTEES") to use the following property of SCOTT in Skagit County, Washington, as shown in red on Exhibit A attached hereto.

A. The right to use the SCOTT #100 Road in the West Half of the Northeast Quarter of the Southwest Quarter ($W\frac{1}{2} NE\frac{1}{4} SW\frac{1}{4}$) of Section 11, and the SCOTT #102 Road in the Southeast Quarter of the Southwest Quarter of the Northwest Quarter ($SE\frac{1}{4} SW\frac{1}{4} NW\frac{1}{4}$) and the Northwest Quarter of the Northeast Quarter of the Southwest Quarter ($NW\frac{1}{4} NE\frac{1}{4} SW\frac{1}{4}$) of Section 11, all in Township 35 North, Range 6 East for purposes of ingress and egress to and from property of the PERMITTEES.

B. The right to use the southerly forty feet (40') of the old Puget Sound and Baker River Railroad Right-of-Way (100 feet wide) in the East 360 feet of the South Half of the Southwest Quarter of the Northwest Quarter ($S\frac{1}{2} SW\frac{1}{4} NW\frac{1}{4}$) of Section 11 and in the Northwest Quarter of the Northeast Quarter of the Southwest Quarter ($NW\frac{1}{4} NE\frac{1}{4} SW\frac{1}{4}$) of Section 11, both in Township 35 North, Range 6 East, and to erect a fence around the property, the use of which is permitted hereby.

This license is subject to the following conditions:

1. This license, and the rights permitted hereunder, may be terminated by SCOTT at any time by notice to PERMITTEES. PERMITTEES agree to promptly vacate the property and surrender use thereof upon receipt of any such notice by SCOTT.
2. Any improvements placed on the property by PERMITTEES remaining on the property thirty (30) days after SCOTT has given notice of termination of this license shall thereupon become the property of SCOTT.

EXHIBIT G - Page 8 of 11

3. As the true and principal consideration for the grant of this license, PERMITTEES agree to indemnify and hold SCOTT harmless from all claims, actions or suits for damage or destruction of any property (including that of PERMITTEES) and the injury or death of any person (including PERMITTEES and their guests) resulting in any way from PERMITTEES exercising the rights herein granted.

This license is signed on February 2, 1970, 1970.

L. Thomas Moody
L. Thomas Moody

Sharron L. Moody
Sharron L. Moody

SCOTT PAPER COMPANY

By G. H. Keller
MANAGER OF WOODLANDS
NORTHWEST OPERATIONS

EXHIBIT G - Page 9 of 11

Exhibit A

L.T. Moody Road Use Agreement
 Section II
 T35N R 6E.

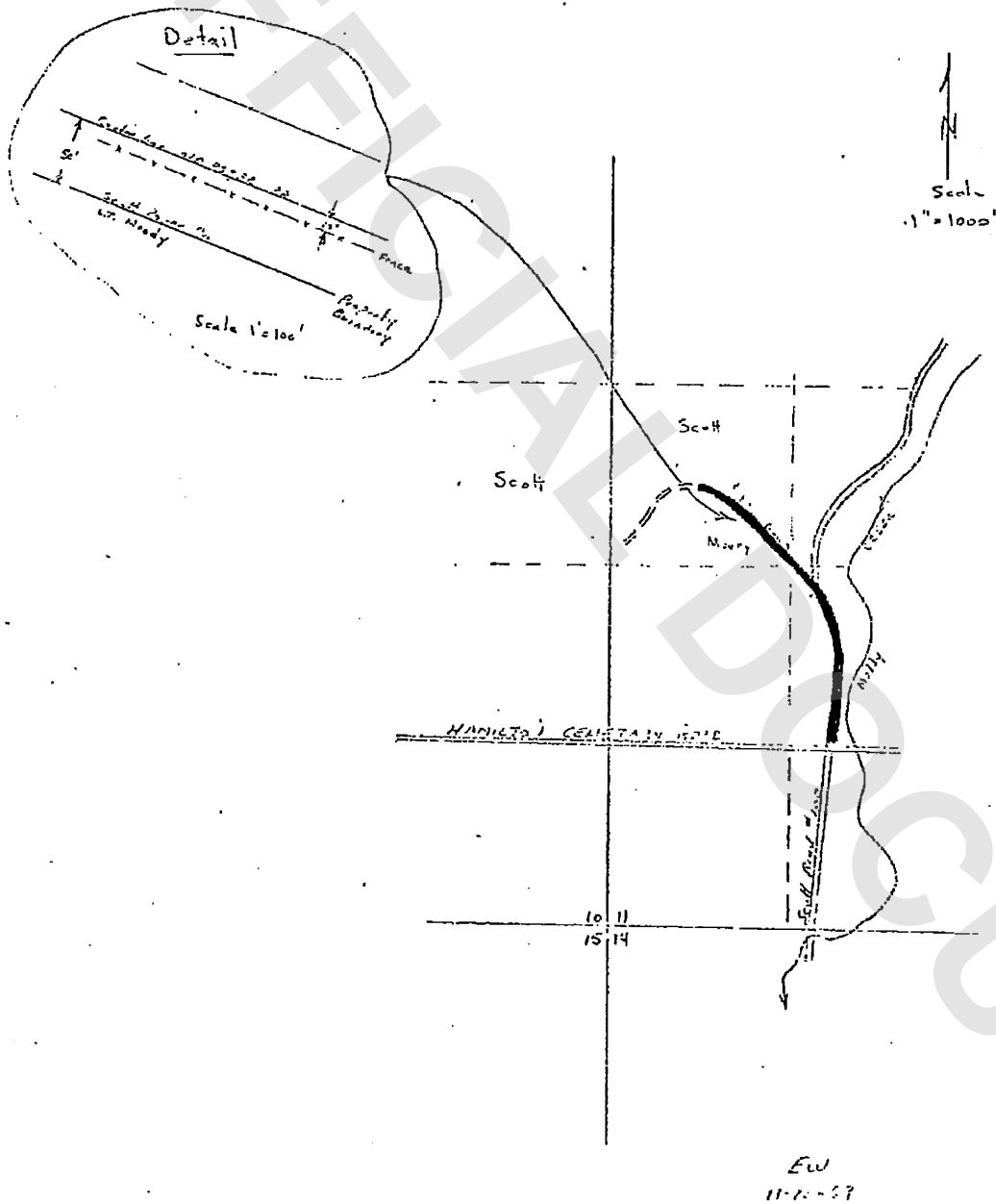
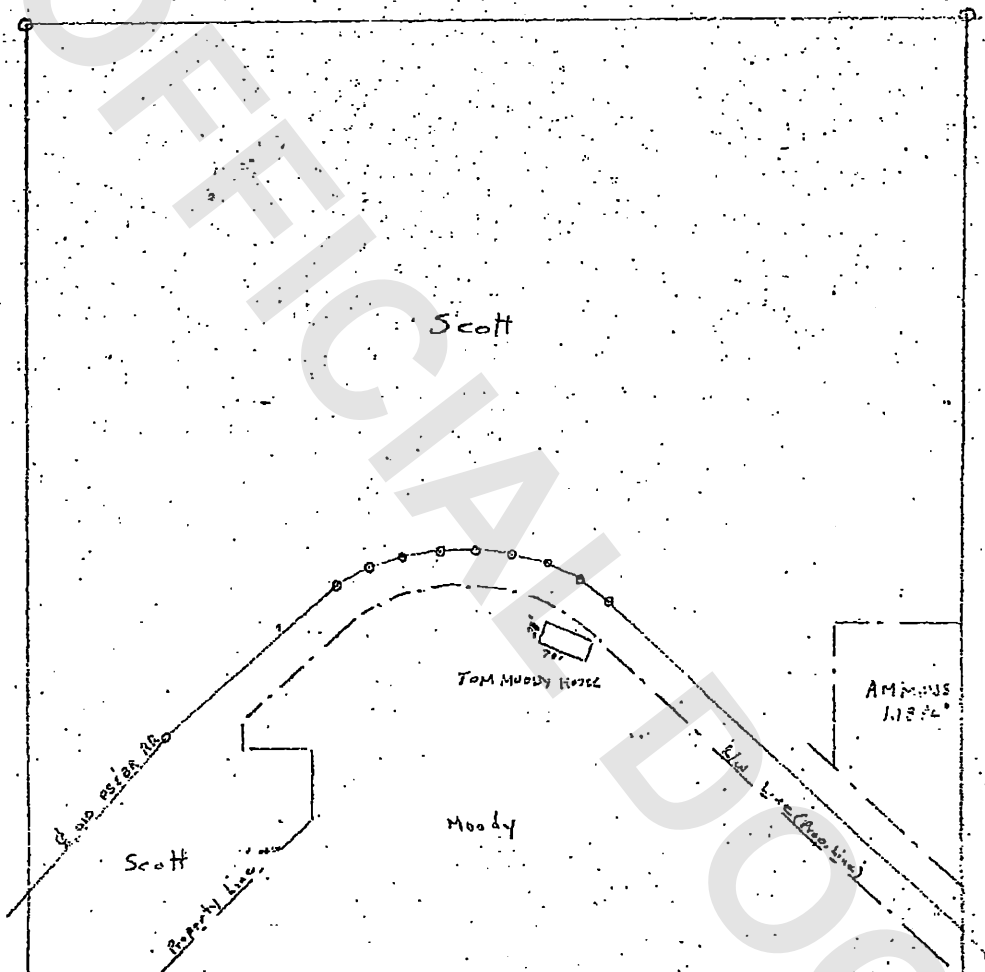


EXHIBIT G - Page 10 of 11



Property Line Locations

SW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec 11 T35N R6E

Scale 1" = 200'

200' 11-24-61

EXHIBIT G - Page 11 of 11

EXHIBIT D

Sketch Map

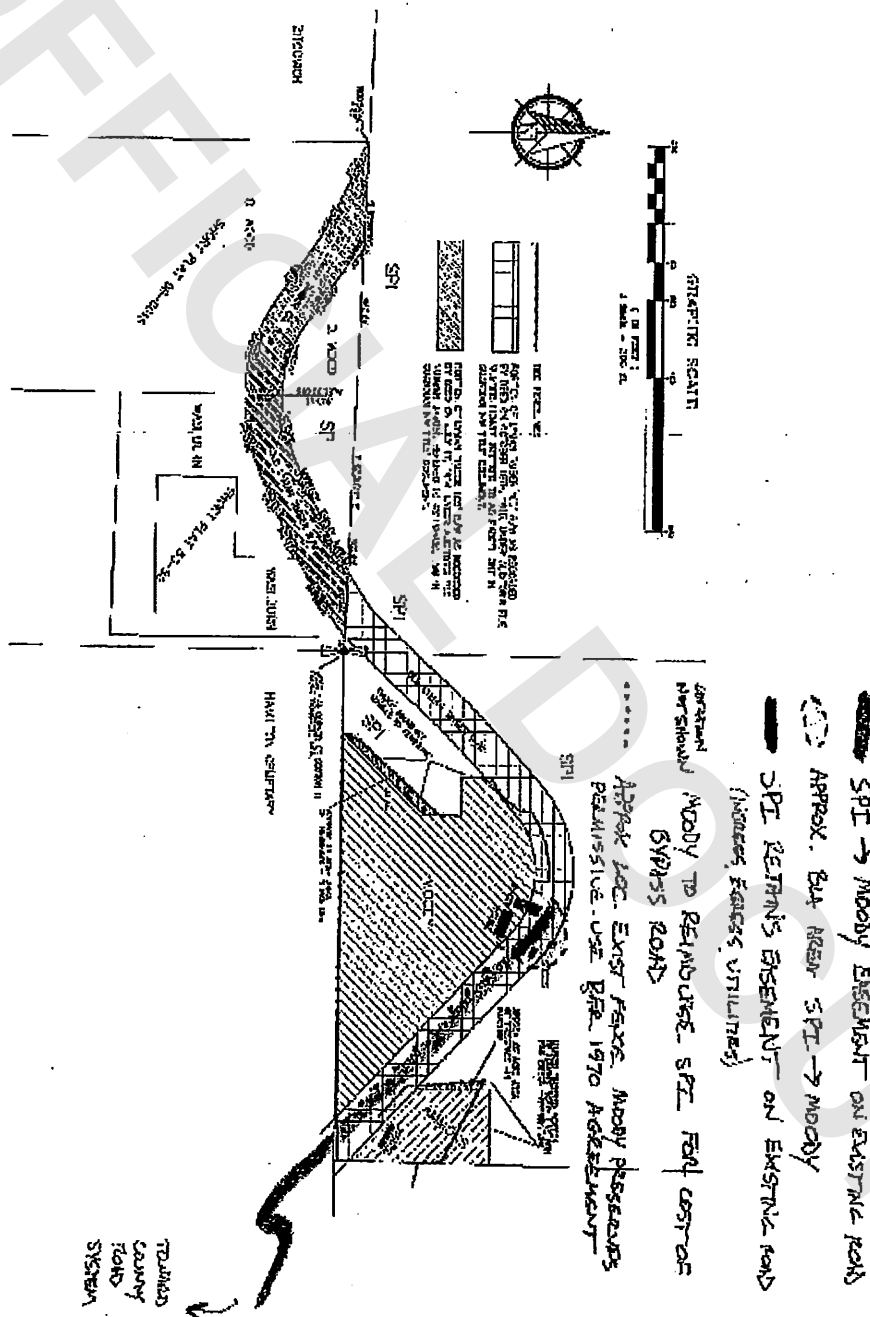


EXHIBIT H

Legal Description of portion of SPL&T Property to be Quitclaimed to Moody

COMMENCING AT THE WEST QUARTER CORNER OF SECTION 11, TOWNSHIP 35 NORTH, RANGE 6 EAST, W.M. THENCE S89°13'00"E, (AS PER RECORD OF SURVEY RECORDED UNDER AUDITOR'S FILE # 201904050084) ALONG THE EAST-WEST CENTERLINE OF SECTION 11, 212.39' TO A ½" REBAR/CAP, LS# 26303; THENCE N19°25'38"E, 45.31' TO A ½" REBAR/CAP, LS 26303; THENCE N42°47'01"E, 291.02' TO A 1" IRON BAR; THENCE N01°37'35"E, 59.93' TO A 1" IRON BAR; THENCE N01°37'35"E, 151.93' TO A ½" REBAR/CAP LS 26303, BEING THE TRUE POINT OF BEGINNING AND A POINT SET ON A CURVED PORTION OF THE SOUTH LINE OF THE RIGHT OF WAY CONVEYED TO LYMAN TIMBER COMPANY, A CORPORATION, BY DEED RECORDED ON NOVEMBER 3, 1915 IN VOLUME 99 OF DEEDS, PAGE 357, RECORDS OF SKAGIT COUNTY, WASHINGTON; THENCE NORTHEASTERLY ALONG SAID CURVE (CONCAVE TO THE SOUTHEAST) A RADIUS OF 231.92' AND A LENGTH OF 96.19' TO A ½" REBAR/CAP, LS 26303 (SAID REBAR BEING N64°27'32"E, 95.50' FROM THE PREVIOUS REBAR/CAP); THENCE N44°43'54"E, 112.35' TO A ½" REBAR/CAP, LS 26303; THENCE N87°47'19"E, 179.82' TO A ½" REBAR/CAP, LS 26303; THENCE S42°14'14"E, 153.42' TO A ½" REBAR/CAP, LS 26303; THENCE S38°19'43"W, 124.41' TO A ½" REBAR/CAP LS 26303, WHICH IS A POINT SET ON THE SOUTH LINE OF THE RIGHT OF WAY CONVEYED TO LYMAN TIMBER COMPANY; THENCE N46°15'22"W, 96.35' ALONG SAID SOUTH LINE TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 231.92'; THENCE WESTERLY ALONG SAID CURVE AN ARC LENGTH OF 232.35' TO THE POINT OF BEGINNING.

COMMENCING AT THE WEST QUARTER CORNER OF SECTION 11, TOWNSHIP 35 NORTH, RANGE 6 EAST, W.M. THENCE S89°13'00"E, ALONG THE EAST-WEST CENTERLINE OF SECTION 11, 212.39' TO A ½" REBAR/CAP LS# 26303 AND THE TRUE POINT OF BEGINNING; THENCE N19°25'38"E, 45.31' TO A ½" REBAR/CAP, LS 26303; THENCE N42°47'01"E, 291.02' TO A 1" IRON BAR; THENCE S01°37'35"W, 40.07'; THENCE S44°22'33"W, 302.57' TO THE POINT OF BEGINNING.

EXHIBIT I

Legal Description of portion of Moody Property to be Quitclaimed to SPI

COMMENCING AT THE WEST QUARTER CORNER OF SECTION 11, TOWNSHIP 35 NORTH, RANGE 6 EAST, W.M. THENCE S89°13'00"E, (AS PER RECORD OF SURVEY RECORDED UNDER AUDITOR'S FILE # 201904050084) ALONG THE EAST-WEST CENTERLINE OF SECTION 11, 212.39' TO A 5/8" REBAR/CAP, LS# 26303; THENCE N19°25'38"E, 45.31' TO A 5/8" REBAR/CAP, LS 26303; THENCE N42°47'01"E, 291.02' TO A 1" IRON BAR; THENCE N01°37'35"E, 59.93' TO A 1" IRON BAR AND THE TRUE POINT OF BEGINNING; THENCE N88°38'36"W, 100.33' TO AN IRON BAR; THENCE N01°12'59"E, 58.72' TO THE SOUTH LINE OF THE RIGHT OF WAY CONVEYED TO LYMAN TIMBER COMPANY, A CORPORATION, BY DEED RECORDED ON NOVEMBER 3, 1915 IN VOLUME 99 OF DEEDS, PAGE 357, RECORDS OF SKAGIT COUNTY, WASHINGTON; THENCE N48°42'24"E ALONG SAID RIGHT OF WAY, 137.57' TO A 5/8" REBAR/CAP, LS 26303; THENCE S01°37'35"W, 151.93' TO THE POINT OF BEGINNING.

EXHIBIT J – Page 1 of 2

QUIT CLAIM DEED

For good and valuable consideration, Grantor, L. THOMAS MOODY, a single person, hereby conveys and quitclaims to Grantee, SIERRA PACIFIC LAND & TIMBER COMPANY, a California corporation, any and all right, title and interest in the real estate legally described at **Exhibit A** hereto, together with all after acquired title of the Grantor therein;

SUBJECT TO the easement for ingress and egress recorded at Skagit County Auditor File Number _____, which shall remain in full force and effect.

This conveyance is made pursuant to the Memorandum of Agreement entered into between Grantor and Grantee on the ____ day of _____, 2019, and recorded at Skagit County Auditor File Number _____.

DATED this ____ day of _____, 2019.

L. Thomas Moody

State of Washington)
) §
County of _____)

I certify that I know or have satisfactory evidence that L. THOMAS MOODY is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged to me that he signed the same as his free and voluntary act for the uses and purposes mentioned in the instrument.

DATED this ____ day of _____, 2019.

Print Name: _____
NOTARY PUBLIC in and for the State of
Washington residing at: _____
My Commission expires: _____

EXHIBIT J – Page 2 of 2**EXHIBIT A – Legal Description**

COMMENCING AT THE WEST QUARTER CORNER OF SECTION 11, TOWNSHIP 35 NORTH, RANGE 6 EAST, W.M. THENCE S89°13'00"E, (AS PER RECORD OF SURVEY RECORDED UNDER AUDITOR'S FILE # 201904050084) ALONG THE EAST-WEST CENTERLINE OF SECTION 11, 212.39' TO A 5/8" REBAR/CAP, LS# 26303; THENCE N19°25'38"E, 45.31' TO A 5/8" REBAR/CAP, LS 26303; THENCE N42°47'01"E, 291.02' TO A 1" IRON BAR; THENCE N01°37'35"E, 59.93' TO A 1" IRON BAR AND THE TRUE POINT OF BEGINNING; THENCE N88°38'36"W, 100.33' TO AN IRON BAR; THENCE N01°12'59"E, 58.72' TO THE SOUTH LINE OF THE RIGHT OF WAY CONVEYED TO LYMAN TIMBER COMPANY, A CORPORATION, BY DEED RECORDED ON NOVEMBER 3, 1915 IN VOLUME 99 OF DEEDS, PAGE 357, RECORDS OF SKAGIT COUNTY, WASHINGTON; THENCE N48°42'24"E ALONG SAID RIGHT OF WAY, 137.57' TO A 5/8" REBAR/CAP, LS 26303; THENCE S01°37'35"W, 151.93' TO THE POINT OF BEGINNING.

EXHIBIT K – Page 1 of 2

QUIT CLAIM DEED

For good and valuable consideration, Grantor, SIERRA PACIFIC LAND & TIMBER COMPANY, a California corporation, hereby conveys and quitclaims to Grantee, L. THOMAS MOODY, a single person, any and all right, title and interest in the real estate legally described at **Exhibit A** hereto, together with all after acquired title of the Grantor therein.

This conveyance is made pursuant to the Memorandum of Agreement entered into between Grantor and Grantee on the ____ day of _____, 2019, and recorded at Skagit County Auditor File Number _____.

DATED this ____ day of _____, 2019.

Sierra Pacific Industries, Inc.

By: M. D. Emmerson

Its: Chairman and Chief Financial Officer

STATE OF CALIFORNIA)
) §
County of _____)

I certify that I know or have satisfactory evidence that M.D. EMMERSON is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the CHAIRMAN AND CHIEF FINANCIAL OFFICER of SIERRA PACIFIC LAND & TIMBER COMPANY, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this ____ day of _____, 2019.

Print Name: _____
NOTARY PUBLIC in and for the State of California
residing at: _____
My Commission expires: _____

EXHIBIT K – Page 2 of 2**EXHIBIT A – Legal Description**

COMMENCING AT THE WEST QUARTER CORNER OF SECTION 11, TOWNSHIP 35 NORTH, RANGE 6 EAST, W.M. THENCE S89°13'00"E, (AS PER RECORD OF SURVEY RECORDED UNDER AUDITOR'S FILE # 201904050084) ALONG THE EAST-WEST CENTERLINE OF SECTION 11, 212.39' TO A 5/8" REBAR/CAP, LS# 26303; THENCE N19°25'38"E, 45.31' TO A 5/8" REBAR/CAP, LS 26303; THENCE N42°47'01"E, 291.02' TO A 1" IRON BAR; THENCE N01°37'35"E, 59.93' TO A 1" IRON BAR; THENCE N01°37'35"E, 151.93' TO A 5/8" REBAR/CAP LS 26303, BEING THE TRUE POINT OF BEGINNING AND A POINT SET ON A CURVED PORTION OF THE SOUTH LINE OF THE RIGHT OF WAY CONVEYED TO LYMAN TIMBER COMPANY, A CORPORATION, BY DEED RECORDED ON NOVEMBER 3, 1915 IN VOLUME 99 OF DEEDS, PAGE 357, RECORDS OF SKAGIT COUNTY, WASHINGTON; THENCE NORTHEASTERLY ALONG SAID CURVE (CONCAVE TO THE SOUTHEAST) A RADIUS OF 231.92' AND A LENGTH OF 96.19' TO A 5/8" REBAR/CAP, LS 26303 (SAID REBAR BEING N64°27'32"E, 95.50' FROM THE PREVIOUS REBAR/CAP); THENCE N44°43'54"E, 112.35' TO A 5/8" REBAR/CAP, LS 26303; THENCE N87°47'19"E, 179.82' TO A 5/8" REBAR/CAP, LS 26303; THENCE S42°14'14"E, 153.42' TO A 5/8" REBAR/CAP, LS 26303; THENCE S38°19'43"W, 124.41' TO A 5/8" REBAR/CAP LS 26303, WHICH IS A POINT SET ON THE SOUTH LINE OF THE RIGHT OF WAY CONVEYED TO LYMAN TIMBER COMPANY; THENCE N46°15'22"W, 96.35' ALONG SAID SOUTH LINE TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 231.92'; THENCE WESTERLY ALONG SAID CURVE AN ARC LENGTH OF 232.35' TO THE POINT OF BEGINNING.

COMMENCING AT THE WEST QUARTER CORNER OF SECTION 11, TOWNSHIP 35 NORTH, RANGE 6 EAST, W.M. THENCE S89°13'00"E, ALONG THE EAST-WEST CENTERLINE OF SECTION 11, 212.39' TO A 5/8" REBAR/CAP LS# 26303 AND THE TRUE POINT OF BEGINNING; THENCE N19°25'38"E, 45.31' TO A 5/8" REBAR/CAP, LS 26303; THENCE N42°47'01"E, 291.02' TO A 1" IRON BAR; THENCE S01°37'35"W, 40.07'; THENCE S44°22'33"W, 302.57' TO THE POINT OF BEGINNING.

SUBJECT TO: Grantor hereby reserves to itself, and its successors and assigns, a perpetual, non-exclusive easement for ingress and egress over, under and across the real property deeded herein, being thirty feet (30') on each side of the centerline of the improved as-built Scott Paper Road.

EXHIBIT L - Page 1 of 13

EASEMENT AGREEMENT

This Easement Agreement ("Agreement") is made and entered into on this _____ day of _____, 2019, by and between Sierra Pacific Land & Timber Company, a California corporation ("SPL&T" or "Grantor"), and L. Thomas Moody, a single person ("Moody" or "Grantee"). SPL&T and Moody shall be individually referred to as "Party" or collectively as "Parties."

RECITALS:

WHEREAS, Moody is the owner in fee simple of the real property legally described at **Exhibit A** hereto, commonly known as 7590 Scott Paper Road, Sedro Woolley, Washington, Skagit County Property ID No. P41031 (hereafter "Moody Property" or "Benefited Property"); and

WHEREAS, SPL&T is the owner in fee simple of the following real property:

- A parcel legally described at **Exhibit B** hereto, which roughly corresponds with Skagit County Property ID Nos. P41030 and P41014, and was referred to as the "SPL&T Timber Parcel" in the Memorandum of Agreement (defined below); and
- A parcel legally described at **Exhibit C**, which has no address, but which roughly corresponds with Skagit County Property ID No. P41013, and was referred to as the "SPL&T Triangle Parcel" in the Memorandum of Agreement; and
- A parcel legally described at **Exhibit D** hereto, commonly known as 7551 Crown Pacific Main Line Road, Sedro Woolley, Washington, which roughly corresponds with Skagit County Property ID No. P67261, and was referred to as the "SPL&T Pipestem Parcel" in the Memorandum of Agreement;
- A parcel legally described at **Exhibit E**, which has no address and is assigned no property ID number, but through which a right of way runs, which was referred to as the "SPL&T ROW Parcel" in the Memorandum of Agreement, and which is a portion of the SPL&T Timber Parcel; and

Which shall be collectively referred to herein as the "SPL&T Property"; and

WHEREAS, the private road known as "Scott Paper Road" runs across the SPL&T Property; and

WHEREAS, Moody has been using Scott Paper Road to access the Moody Property since at least 1970, pursuant to an unrecorded license agreement he signed with SPL&T's predecessor, which is extinguished by both this Agreement and the License Agreement recorded concurrently with this Agreement; and

EXHIBIT L - Page 2 of 13

WHEREAS, the Parties entered a Memorandum of Agreement, dated the _____ day of _____, 2019, and recorded at Skagit County Auditor File Number _____, to establish the common boundary between Grantor's property and Grantee's property pursuant to RCW 58.04.007 ("Memorandum of Agreement"); and

WHEREAS, pursuant to the terms and in consideration of the Memorandums of Agreement, the Parties enter into this Agreement to secure perpetual access to the Moody Property across the SPL&T Property.

NOW THEREFORE, in consideration of the terms and provisions of this Agreement, mutual promises herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, it is hereby agreed that the following grants, rights, privileges, and obligations shall be established over Grantor's Property for the benefit of the Moody Property:

I. GRANT OF EASEMENT

- 1.1 Perpetual, Nonexclusive Easement Grant.** Grantor, for valuable consideration receipt of which is hereby acknowledged, grant to Grantees a perpetual, non-exclusive easement for ingress and egress, being in two segments as depicted at **Exhibit F**, attached and fully incorporated herein:

Segment A being thirty feet (30') on either side of the centerline of Scott Paper Road, from its intersection with the northeast/southwest-oriented boundary line of the Moody Property as established in the Memorandum of Agreement at the north end to its intersection with Crown Pacific Main Line Road at the south end ("Segment A"), and

Segment B being twenty feet (20') on either side of the centerline of Scott Paper Road, as it runs from its intersection with Crown Pacific Main Line Road at the north end to its intersection with Hamilton Cemetery Road at the south end ("Segment B"),

Hereinafter referred to as the "Easement."

- 1.2 Purpose.** The Easement granted herein formally provides the owners of the Benefited Property and all of their successors in interest the perpetual right to use the Easement for egress and ingress and utilities, pursuant to the terms and limitations herein.

EXHIBIT L - Page 3 of 13

1.3 Limits of Use. Grantor and Grantee may use the Easement for ingress and egress for their employees, invitees, guests, and anyone seeking to access its individual or collective properties for any reason, and for utility purposes. Parties shall ensure the Easement remains passable and unblocked.

1.4 Repair and Maintenance.

1.4.1 Road Repair and Maintenance. For the purposes of this Agreement, road repair and maintenance means the work normally necessary to preserve and keep the Easement in its present or improved condition.

1.4.2 Division of Costs.

Moody shall be solely responsible for road repair and maintenance of Segment A, except as described in Section 1.4.3. As long as Moody remains solely responsible for road repair and maintenance of Segment A, Moody shall perform road repair and maintenance work at his sole discretion. If the Moody Property is subdivided, the owners of the subdivided Property shall enjoy the benefit of the Easement hereby created and shall determine between themselves how to divide responsibility for road repair and maintenance.

Until further notice, SPL&T shall be solely responsible for road repair and maintenance of Segment B, except as described in Section 1.4.3. As long as SPL&T remains solely responsible for road repair and maintenance for Segment B, SPL&T shall perform road repair and maintenance work at its sole discretion. Should SPL&T determine, in its sole discretion, that it is appropriate for the owner(s) of the Moody Property to contribute to road repair and maintenance of Segment B, it shall send notice of such determination per Section 2.8. The owner(s) of the Moody Property shall only be required to contribute a share of costs equal to their proportional use of Scott Paper Road as determined by the Parties at the time SPL&T deems such contribution appropriate.

1.4.3 Damage to the Easement. The Parties agree to use the Easement in a manner as to not damage the same. In the event that either Party or either Party's employees, agents, guests or invitees causes damage to the Easement in a manner beyond ordinary wear and tear, the cost of repairing such damage shall be borne solely by the Party causing or responsible for the damage. Should inordinate damage to a road occur which is not caused by an authorized user of said road, the Parties shall meet and attempt to reach an agreement for repairing the road, including the cost of such repair, the Party to undertake the repair, and the share of repair costs to be borne by each Party, which shall be on the basis of each Party's tributary acres beyond the point of damage at the time the damage occurs. Unless the Parties do agree in writing as to each of the foregoing in advance of such repairs being made, then no repairs shall be made, or if such repairs are

EXHIBIT L - Page 4 of 13

undertaken by one of the Parties, then all costs of such repairs shall be borne solely by that Party.

- 1.5 Previous Agreements Superseded and Extinguished.** This Agreement supersedes, replaces and extinguishes the unrecorded 1970 license executed by Moody and SPL&T's predecessor in interest and any easement Moody or a predecessor may have had to use any portion of Scott Paper Road, and any other verbal or written easement between a predecessor of Moody and a predecessor of SPL&T for the portions of Scott Paper Road herein described. This Agreement does not supersede the Memorandum of Agreement or any other document contemporaneously executed and recorded.

II. GENERAL PROVISIONS

- 2.1 Run with the Land.** This Agreement and the Easement granted herein shall be deemed to touch and concern the land, and shall, therefore, run with the land in perpetuity. The rights and obligations of the Parties shall inure to the benefit of and be binding upon their heirs, successors and assigns.
- 2.2 Additional Insured.** Grantee shall add Grantor as an additional insured and loss payee on Grantee's homeowner's insurance policy within fifteen (15) days of the recordation of this Agreement and shall maintain homeowner's insurance with Grantee as an additional insured for so long as this Agreement remains effective. Failure to maintain Grantee as an additional insured shall result in this Agreement being automatically terminated.
- 2.3 Indemnification and Hold Harmless.**

2.3.1 Grantee's Obligations. The Grantee expressly agrees to appear, defend, indemnify and hold harmless Grantor, its parents, subsidiaries and affiliates, and those persons who were, are now, or shall be contractors, subcontractors, employees or agents thereof (collectively, the "Grantor Indemnitees"), from and against any and all claims, losses, liabilities, judgments and expenses (including reasonable attorneys' fees) arising wholly or partially out of any negligent act, action, omission or default on the part of Grantee, its contractors, subcontractors, employees and agents which pertain to the use of the Easement; except that, Grantee's indemnification and hold harmless obligation shall be proportionally reduced by any negligent act, omission, or default on the part of any Grantor Indemnitee seeking indemnification, or that Grantor Indemnitee's contractors, subcontractors, employees or agents.

2.3.2 Grantor's Obligations. Grantor expressly agrees to appear, defend, indemnify and hold harmless the Grantee and those persons who were, are now, or shall be

EXHIBIT L - Page 5 of 13

contractors, subcontractors, employees or agents thereof, from and against any and all claims, losses, liabilities, judgments and expenses (including reasonable attorneys' fees) and arising wholly or partially out of any negligent act, action, omission or default on the part of the Grantor, its contractors, subcontractors, employees and agents which pertain to the use of the Easement; except that Grantor's indemnification and hold harmless obligation shall be proportionally reduced by any negligent act, omission, or default on the part of the Grantee, or Grantee's contractors, subcontractors, employees or agents.

- 2.4 Nonwaiver of Breach.** Failure of any Party at any time to require performance of any provision of this Agreement shall not limit such Party's right to enforce such provision, nor shall any waiver of any breach of any provision of this Agreement constitute a waiver of any succeeding breach of such provision or a waiver of such provision itself.
- 2.5 Expenses and Attorneys' Fees.** The prevailing Party in any action brought to enforce any terms and conditions of this Agreement shall be entitled to the recovery of their reasonable attorney's fees, costs and expenses.
- 2.6 Governing Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. Venue for any lawsuit filed shall lie exclusively in Skagit County Superior Court.
- 2.7 Complete Agreement – Modification Must be in Writing.** This Agreement constitutes the entire agreement as to the matters contained herein. No oral or written statements shall be considered a part of this Agreement unless expressly incorporated herein in writing. This Agreement may be modified in writing only, upon unanimous mutual agreement of the Parties or the successors in interest.
- 2.8 Severability.** In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.
- 2.9 Notices.** All notices or demands to be given by any Party to any other Party pursuant to this Agreement shall be deposited in the United States mail, postage prepaid, by certified or registered mail, return receipt requested, and addressed to the Party at issue. Notices and demands sent by mail shall be deemed to have been given and delivered when properly mailed and the postmark affixed by the United States Post Office shall be conclusive evidence of the date of mailing.
- 2.10 Counterparts.** This Agreement may be executed in any number of counterparts, each of

EXHIBIT L - Page 6 of 13

which will be deemed to be an original and all of which together will constitute a single agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement on the date first above written.

GRANTOR:
Sierra Pacific Industries, Inc.

GRANTEE:

By: M.D. Emmerson
Its: Chairman and CFO

L. Thomas Moody

EXHIBIT L - Page 7 of 13

State of California)
) §
County of _____)

I certify that I know or have satisfactory evidence that M.D. EMMERSON is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the CHAIRMAN AND CHIEF FINANCIAL OFFICER of SIERRA PACIFIC LAND & TIMBER COMPANY, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED this _____ day of _____, 2019.

Print Name: _____
NOTARY PUBLIC in and for the State of California
residing at: _____
My Commission expires: _____

State of Washington)
) §
County of _____)

I certify that I know or have satisfactory evidence that L. THOMAS MOODY is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged to me that he signed the same as his free and voluntary act for the uses and purposes mentioned in the instrument.

DATED this _____ day of _____, 2019.

Print Name: _____
NOTARY PUBLIC in and for the State of
Washington residing at: _____
My Commission expires: _____

EXHIBIT L - Page 8 of 13

Exhibit A

Legal Description of Moody Property

COMMENCING AT THE WEST QUARTER CORNER OF SECTION 11, TOWNSHIP 35 NORTH, RANGE 6 EAST, W.M. THENCE S89°13'00"E, (AS PER RECORD OF SURVEY RECORDED UNDER AUDITOR'S FILE # 201904050084) ALONG THE EAST-WEST CENTERLINE OF SECTION 11, 212.39' TO A 5/8" REBAR/CAP, LS# 26303 WHICH IS THE TRUE POINT OF BEGINNING; THENCE N19°25'38"E, 45.31' TO A 5/8" REBAR/CAP, LS 26303; THENCE N42°47'01"E, 291.02' TO A 1" IRON BAR; THENCE N01°37'35"E, 59.93' TO A 1" IRON BAR; THENCE N01°37'35"E, 151.93' TO A 5/8" REBAR/CAP LS 26303, WHICH IS A POINT SET ON A CURVED PORTION OF THE SOUTH LINE OF THE RIGHT OF WAY CONVEYED TO LYMAN TIMBER COMPANY, A CORPORATION, BY DEED RECORDED ON NOVEMBER 3, 1915 IN VOLUME 99 OF DEEDS, PAGE 357, RECORDS OF SKAGIT COUNTY, WASHINGTON, THENCE NORTHEASTERLY ALONG SAID CURVE (CONCAVE TO THE SOUTHEAST) A RADIUS OF 231.92' AND A LENGTH OF 96.19' TO A 5/8" REBAR/CAP, LS 26303 (SAID REBAR BEING N64°27'32"E, 95.50' FROM THE PREVIOUS REBAR/CAP); THENCE N44°43'54"E, 112.35' TO A 5/8" REBAR/CAP, LS 26303; THENCE N87°47'19"E, 179.82' TO A 5/8" REBAR/CAP, LS 26303; THENCE S42°14'14"E, 153.42' TO A 5/8" REBAR/CAP, LS 26303; THENCE S38°19'43"W, 124.41' TO A 5/8" REBAR/CAP LS 26303, WHICH IS A POINT SET ON THE SOUTH LINE OF THE RIGHT OF WAY CONVEYED TO LYMAN TIMBER COMPANY; THENCE S46°15'22"E, 576.48' ALONG SAID SOUTH LINE TO A 5/8" REBAR/CAP LS 26303 SET AT THE INTERSECTION OF SAID SOUTH LINE AND THE EAST-WEST CENTERLINE OF SECTION 11; THENCE N89°13'00"W, ALONG THE EAST-WEST CENTERLINE OF SECTION 11, 1006.21' TO THE POINT OF BEGINNING.

EXHIBIT L - Page 9 of 13

Exhibit B

Legal Description of SPL&T Timber Parcel

ALL OF THE SW1/4 OF THE NW1/4 OF SECTION 11, TOWNSHIP 35 NORTH, RANGE 6 EAST, W.M. EXCEPT THE FOLLOWING DESCRIBED TRACT:

COMMENCING AT THE WEST QUARTER CORNER OF SECTION 11, TOWNSHIP 35 NORTH, RANGE 6 EAST, W.M. THENCE S89°13'00"E, (AS PER RECORD OF SURVEY RECORDED UNDER AUDITOR'S FILE # 201904050084) ALONG THE EAST-WEST CENTERLINE OF SECTION 11, 212.39' TO A 5/8" REBAR/CAP, LS# 26303 WHICH IS THE TRUE POINT OF BEGINNING; THENCE N19°25'38"E, 45.31' TO A 5/8" REBAR/CAP, LS 26303; THENCE N42°47'01"E, 291.02' TO A 1" IRON BAR; THENCE N01°37'35"E, 59.93' TO A 1" IRON BAR; THENCE N01°37'35"E, 151.93' TO A 5/8" REBAR/CAP LS 26303, WHICH IS A POINT SET ON A CURVED PORTION OF THE SOUTH LINE OF THE RIGHT OF WAY CONVEYED TO LYMAN TIMBER COMPANY, A CORPORATION, BY DEED RECORDED ON NOVEMBER 3, 1915 IN VOLUME 99 OF DEEDS, PAGE 357, RECORDS OF SKAGIT COUNTY, WASHINGTON, THENCE NORTHEASTERLY ALONG SAID CURVE (CONCAVE TO THE SOUTHEAST) A RADIUS OF 231.92' AND A LENGTH OF 96.19' TO A 5/8" REBAR/CAP, LS 26303 (SAID REBAR BEING N64°27'32"E, 95.50' FROM THE PREVIOUS REBAR/CAP); THENCE N44°43'54"E, 112.35' TO A 5/8" REBAR/CAP, LS 26303; THENCE N87°47'19"E, 179.82' TO A 5/8" REBAR/CAP, LS 26303; THENCE S42°14'14"E, 153.42' TO A 5/8" REBAR/CAP, LS 26303; THENCE S38°19'43"W, 124.41' TO A 5/8" REBAR/CAP LS 26303, WHICH IS A POINT SET ON THE SOUTH LINE OF THE RIGHT OF WAY CONVEYED TO LYMAN TIMBER COMPANY; THENCE S46°15'22"E, 576.48' ALONG SAID SOUTH LINE TO A 5/8" REBAR/CAP LS 26303 SET AT THE INTERSECTION OF SAID SOUTH LINE AND THE EAST-WEST CENTERLINE OF SECTION 11; THENCE N89°13'00"W, ALONG THE EAST-WEST CENTERLINE OF SECTION 11, 1006.21' TO THE POINT OF BEGINNING.

ALSO EXCEPT THAT PART OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 11, TOWNSHIP 35 NORTH, RANGE 6 EAST OF W.M., DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHERE THE NORTH LINE OF THE LYMAN TIMBER COMPANY RIGHT OF WAY THROUGH SAID PROPERTY INTERSECTS THE EAST LINE OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 11; THENCE IN A NORTHWESTERLY DIRECTION ALONG THE SAID NORTH LINE OF THE SAID RIGHT OF WAY A DISTANCE OF 250 FEET; THENCE NORTH 200 FEET; THENCE EAST TO THE EAST LINE OF THE ABOVE DESCRIBED SUBDIVISION; THENCE SOUTH TO THE POINT OF BEGINNING.

EXHIBIT L - Page 10 of 13

Exhibit C

Legal Description of SPL&T Triangle Parcel

COMMENCING AT THE WEST QUARTER CORNER OF SECTION 11, TOWNSHIP 35 NORTH, RANGE 6 EAST., W.M.; THENCE S89°13'00"E, (AS PER RECORD OF SURVEY RECORDED UNDER AUDITOR'S FILE # 201904050084) ALONG THE EAST WEST CENTERLINE OF SECTION 11, 1322.96' TO THE SE CORNER OF THE SW1/4 NW1/4 OF SECTION 11 AND THE TRUE POINT OF BEGINNING; THENCE N89°13'00"W, 104.36' ALONG SAID EAST-WEST CENTERLINE OF SECTION 11 TO THE INTERSECTION OF SAID EAST-WEST LINE WITH THE SOUTH LINE OF THE LYMAN TIMBER CO. 100' RIGHT OF WAY; THENCE S46°15'22"E, 141.36' ALONG SAID SOUTH LINE TO A POINT ON THE EAST LINE OF THE NW1/4 OF THE SW1/4 OF SECTION 11; THENCE N01°19'25"E, 96.34' TO THE POINT OF BEGINNING.

EXHIBIT L - Page 11 of 13**Exhibit D**

Legal Description of SPL&T Pipestem Parcel

THE EAST 2.70 ACRES OF LOT 3, "LIVERMORE'S HAMILTON ACREAGE" AS PER PLAT RECORDED IN VOLUME 3 OF PLATS, PAGE 87, RECORDS OF SKAGIT COUNTY, WASHINGTON, LYING EAST AND NORTH OF LYMAN TIMBER COMPANY'S LOGGING ROAD AND INCLUDING THAT PORTION OF RAILROAD RIGHT OF WAY LYING EAST OF THE EAST LINE OF LOTS 3 AND 4 AND WEST OF THE WEST LINE OF LOTS 2, 5 AND 8, LIVERMORE'S HAMILTON ACREAGE; EXCEPT ROAD RIGHTS OF WAY.

EXHIBIT L - Page 12 of 13**Exhibit E**

Legal Description of SPL&T ROW Parcel through the SW 1/4 N W1/4 Sec. 11, T 35 N., R 6 E.

A STRIP OF LAND ONE HUNDRED FEET (100FT) WIDE BEING 50 FEET (50FT) ON EACH SIDE OF THE CENTERLINE OF THE LOGGING RAILROAD AS IT IS NOW SURVEYED AND WILL BE DEFINITELY SITUATED IN THE SOUTHEAST QUARTER (SE1/4) OF THE NORTHEAST QUARTER OF SECTION 10 (10) AND THE SOUTHWEST QUARTER (SW1/4) OF THE NORTHWEST QUARTER (NW1/4) OF SECTION ELEVEN (11) ALL IN TOWNSHIP THIRTY FIVE (35) NORTH OF RANGE SIX (6) EAST, W.M.

THE CENTERLINE OF WHICH IS MORE PARTICULARLY DESCRIBED AS:

COMMENCING AT THE WEST QUARTER CORNER OF SECTION 11, TOWNSHIP 35 NORTH, RANGE 6 EAST., W.M.; THENCE S89°13'00"E, (AS PER RECORD OF SURVEY RECORDED UNDER AUDITOR'S FILE # 201904050084) ALONG THE EAST WEST CENTERLINE OF SECTION 11, 1322.96' TO THE SE CORNER OF THE SW1/4 NW1/4 OF SECTION 11; THENCE N89°13'00"W, 30.99' ALONG SAID EAST-WEST CENTERLINE OF SECTION 11 TO THE INTERSECTION OF SAID EAST-WEST LINE WITH THE CENTERLINE OF THE LYMAN TIMBER CO. 100' RIGHT OF WAY, SAID POINT BEING THE TRUE POINT OF BEGINNING; THENCE N46°15'22"W, 726.52' ALONG SAID CENTERLINE TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 281.92'; THENCE WESTERLY ALONG SAID CURVE AN ARC LENGTH OF 418.93'; THENCE TANGENT TO SAID CURVE S48°36'04"W, 286.94' TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 699.03'; THENCE ALONG SAID CURVE AN ARC LENGTH OF 218.55' TO THE BEGINNING OF A REVERSE CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 234.93'; THENCE SOUTHWESTERLY ALONG SAID CURVE AN ARC LENGTH OF 100.18'; THENCE TANGENT TO SAID CURVE S54°46'39"W, 34.63' TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 1661.03'; THENCE ALONG SAID CURVE AN ARC LENGTH OF 66.39' TO A POINT ON THE EAST-WEST CENTERLINE OF SECTION 10, TOWNSHIP 35 NORTH, RANGE 6 EAST OF W.M. SAID POINT BEING N87°30'30"W, 119.23' FROM THE EAST ¼ CORNER OF SAID SECTION 10.

EXHIBIT L - Page 13 of 13

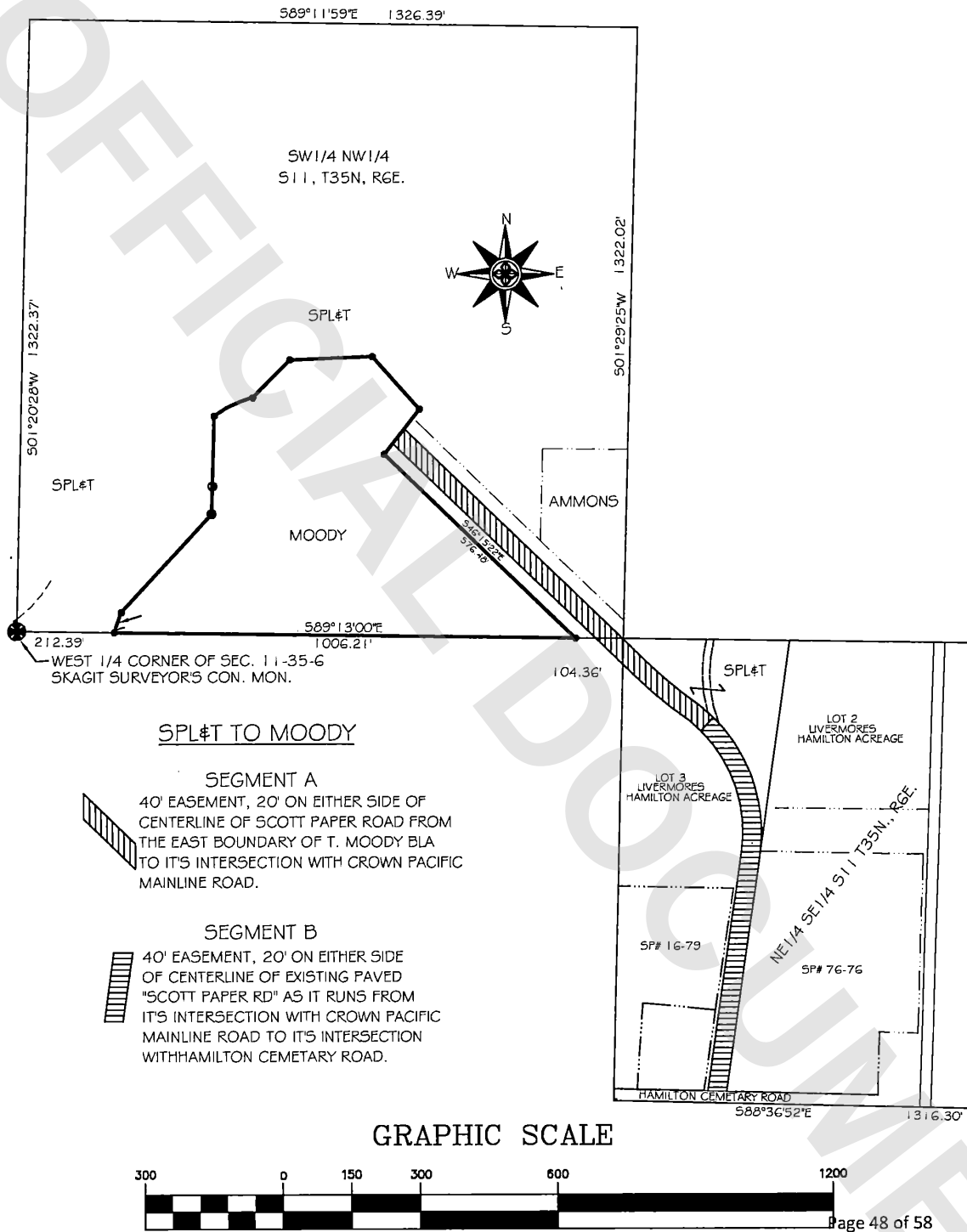
EXHIBIT F
T. MOODY EASEMENT AGREEMENT

EXHIBIT M Page 1 of 10

LICENSE AGREEMENT

This License Agreement ("License") is made and entered into on this _____ day of _____, 2019, by and between Sierra Pacific Land & Timber Company, a California corporation ("SPL&T" or "Licensor"), and L. Thomas Moody, a single person ("Moody" or "Licensee"). SPL&T and Moody shall be individually referred to as "Party" or collectively as "Parties."

RECITALS

WHEREAS, the Parties entered a Memorandum of Agreement, dated the ____ day of _____, 2019, and recorded at Skagit County Auditor File Number _____, to establish the common boundary between Licensor's property and Licensee's property pursuant to RCW 58.04.007 ("Memorandum of Agreement"); and

WHEREAS, Moody is the owner in fee simple of the real property legally described at **Exhibit A** hereto, commonly known as 7590 Scott Paper Road, Sedro Woolley, Washington, Skagit County Property ID No. P41031 (hereafter "Moody Property"); and

WHEREAS, SPL&T is the owner in fee simple of the following real property:

- A parcel legally described at **Exhibit B** hereto which roughly corresponds with Skagit County Property ID Nos. P41030 and P41014, and was referred to as the "SPL&T Timber Parcel" in the Memorandum of Agreement; and
- A parcel legally described at **Exhibit C**, which has no address, but is assigned Skagit County Property ID No. P41013, and was referred to as the "SPL&T Triangle Parcel" in the Memorandum of Agreement; and
- A parcel legally described at **Exhibit D**, which has no address and is assigned no property ID number, but through which a right of way runs, which was referred to as the "SPL&T ROW Parcel" in the Memorandum of Agreement;

Which shall be collectively referred to herein as the "SPL&T Property"; and

WHEREAS, in 1970, Licensee and Scott Paper Company, a predecessor in interest of Licensor, entered into a license agreement allowing Licensee to use a portion of the SPL&T Property, which was never recorded ("1970 License"), and which is extinguished by both this License and the Easement Agreement recorded concurrently with it; and

EXHIBIT M Page 2 of 10

WHEREAS, pursuant to the terms of the Memorandum of Agreement, the Parties now desire to replace the 1970 License with this License and an easement agreement, which is recorded simultaneously with this License and is assigned Skagit County Auditor File Number _____ (“Moody Easement Agreement”); and

WHEREAS, these recitals are material to this License;

NOW THEREFORE, the Parties agree as follows:

AGREEMENT

1. Grant of License. SPL&T hereby gives permission to Moody until further notice to use the portion of land owned by Licensor and labeled as “License Area” on the attached **Exhibit E** for the permitted uses described at Paragraph 3 below.
2. Consideration. This License is made pursuant to and in consideration of the terms and conditions of the Memorandum of Agreement and associated quit claim deeds and easements. The Parties hereby acknowledge the receipt and sufficiency of said consideration. Moody shall not owe SPL&T any additional fees or payments for the use of the License Area.
3. Permitted Uses. Moody may use the License Area for maintaining the existing fences therein, including the replacing the existing fences as necessary, may continue to landscape and mow the License Area, and may perform other related tasks in the License Area. Moody may enter the License Area at any time without notice to SPL&T. Uses that are in SPL&T’s sole judgment inconsistent with SPL&T’s ownership of the License Area are prohibited.
4. Termination. This License may be terminated by Licensor at any time in its sole discretion. Notice of such termination shall be made pursuant to Paragraph 10 below. Licensee agrees to promptly vacate the License Area and surrender use thereof upon receipt of such notice. Any improvements remaining in the License Area thirty (30) or more days after Licensor has given notice of termination of this License shall thereupon become the property of Licensor.
5. Personal License. This License is granted exclusively to Moody. It shall not inure to Moody’s successors or assigns except by written amendment pursuant to Paragraph 11 below. In the absence of such an amendment, this License shall automatically

EXHIBIT M Page 3 of 10

terminate without notice upon any transfer of the Moody Property from Moody to a third party. Notwithstanding the foregoing, in the event the Moody Property is transferred to one or more of Moody's children and/or the spouse(s) of said children, and no other parties, the rights and obligations established herein shall inure to said children and/or the spouses of said children.

6. Non-Exclusive Use. This License grants Moody non-exclusive use of the License Area. SPL&T reserves the right to use the License Area as it sees fit. SPL&T shall notify Moody pursuant to Paragraph 10 below if it anticipates that its actions in the License Area will interfere with or damage the improvements Moody has made to the License Area. SPL&T reserves the right to grant easements or other licenses in the License Area without notice to Moody.
7. Additional Insured. Licensee shall add Licensor as an additional insured and loss payee on Licensee's homeowner's insurance policy within fifteen (15) days of the recordation of this License and shall maintain homeowner's insurance with Grantee as an additional insured for so long as this Agreement remains effective. Failure to maintain Grantee as an additional insured shall result in this Agreement being automatically terminated.
8. Indemnification and Hold Harmless. Licensee expressly agrees to appear, defend, indemnify and hold harmless Licensor, its parents, subsidiaries and affiliates, and those persons who were, are now, or shall be contractors, subcontractors, employees or agents thereof (collectively, the "Licensor Indemnitees"), from and against any and all claims, losses, liabilities, judgments and expenses (including reasonable attorneys' fees) arising wholly or partially out of any negligent act, action, omission or default on the part of Licensee, its contractors, subcontractors, employees and agents which pertain to the use of the License Area; except that, Licensee's indemnification and hold harmless obligation shall be proportionally reduced by any negligent act, omission, or default on the part of any Licensor Indemnitee seeking indemnification, or that Licensor Indemnitee's contractors, subcontractors, employees or agents.
9. Previous Agreement(s) Superseded and Extinguished. This License supersedes, replaces, and extinguishes the 1970 License. This Agreement does not supersede the Memorandum of Agreement, Moody Easement Agreement, or any other document contemporaneously executed and recorded with this License, or any other easement regarding Moody's use of the SPL&T Property.

EXHIBIT M Page 4 of 10

10. Notice. All notices or demands to be given by any Party to any other Party pursuant to this License shall be deposited in the United States mail, postage prepaid, by first-class mail and addressed to the Party at issue. Notices and demands sent by mail shall be deemed to have been given and delivered when properly mailed and the postmark affixed by the United States Post Office shall be conclusive evidence of the date of mailing.

11. Complete Agreement; Amendment. This License constitutes the entire agreement as to the matters contained herein. No oral or written statements shall be considered a part of this License unless expressly incorporated herein in writing. This License may be modified in writing only, upon unanimous mutual agreement of the Parties or the successors in interest.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first above written.

GRANTOR

Sierra Pacific Land & Timber Company

GRANTEE

By: M.D. Emmerson
Its: Chairman and CFO

L. Thomas Moody

EXHIBIT M Page 5 of 10

State of California)
) §
County of _____)

I certify that I know or have satisfactory evidence that M.D. EMMERSON is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the CHAIRMAN AND CHIEF FINANCIAL OFFICER of SIERRA PACIFIC LAND & TIMBER COMPANY, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED this _____ day of _____, 2019.

Print Name: _____
NOTARY PUBLIC in and for the State of California
residing at: _____
My Commission expires: _____

State of Washington)
) §
County of _____)

I certify that I know or have satisfactory evidence that L. THOMAS MOODY is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged to me that he signed the same as his free and voluntary act for the uses and purposes mentioned in the instrument.

DATED this _____ day of _____, 2019.

Print Name: _____
NOTARY PUBLIC in and for the State of
Washington residing at: _____
My Commission expires: _____

EXHIBIT M Page 6 of 10

Exhibit A

Legal Description of Moody Property

COMMENCING AT THE WEST QUARTER CORNER OF SECTION 11, TOWNSHIP 35 NORTH, RANGE 6 EAST, W.M. THENCE S89°13'00"E, (AS PER RECORD OF SURVEY RECORDED UNDER AUDITOR'S FILE # 201904050084) ALONG THE EAST-WEST CENTERLINE OF SECTION 11, 212.39' TO A $\frac{5}{8}$ " REBAR/CAP, LS# 26303 WHICH IS THE TRUE POINT OF BEGINNING; THENCE N19°25'38"E, 45.31' TO A $\frac{5}{8}$ " REBAR/CAP, LS 26303; THENCE N42°47'01"E, 291.02' TO A 1" IRON BAR; THENCE N01°37'35"E, 59.93' TO A 1" IRON BAR; THENCE N01°37'35"E, 151.93' TO A $\frac{5}{8}$ " REBAR/CAP LS 26303, WHICH IS A POINT SET ON A CURVED PORTION OF THE SOUTH LINE OF THE RIGHT OF WAY CONVEYED TO LYMAN TIMBER COMPANY, A CORPORATION, BY DEED RECORDED ON NOVEMBER 3, 1915 IN VOLUME 99 OF DEEDS, PAGE 357, RECORDS OF SKAGIT COUNTY, WASHINGTON, THENCE NORTHEASTERLY ALONG SAID CURVE (CONCAVE TO THE SOUTHEAST) A RADIUS OF 231.92' AND A LENGTH OF 96.19' TO A $\frac{5}{8}$ " REBAR/CAP, LS 26303 (SAID REBAR BEING N64°27'32"E, 95.50' FROM THE PREVIOUS REBAR/CAP); THENCE N44°43'54"E, 112.35' TO A $\frac{5}{8}$ " REBAR/CAP, LS 26303; THENCE N87°47'19"E, 179.82' TO A $\frac{5}{8}$ " REBAR/CAP, LS 26303; THENCE S42°14'14"E, 153.42' TO A $\frac{5}{8}$ " REBAR/CAP, LS 26303; THENCE S38°19'43"W, 124.41' TO A $\frac{5}{8}$ " REBAR/CAP LS 26303, WHICH IS A POINT SET ON THE SOUTH LINE OF THE RIGHT OF WAY CONVEYED TO LYMAN TIMBER COMPANY; THENCE S46°15'22"E, 576.48' ALONG SAID SOUTH LINE TO A $\frac{5}{8}$ " REBAR/CAP LS 26303 SET AT THE INTERSECTION OF SAID SOUTH LINE AND THE EAST-WEST CENTERLINE OF SECTION 11; THENCE N89°13'00"W, ALONG THE EAST-WEST CENTERLINE OF SECTION 11, 1006.21' TO THE POINT OF BEGINNING.

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Exhibit B

Legal Description of SPL&T Timber Parcel

ALL OF THE SW1/4 OF THE NW1/4 OF SECTION 11, TOWNSHIP 35 NORTH, RANGE 6 EAST, W.M. EXCEPT THE FOLLOWING DESCRIBED TRACT:

COMMENCING AT THE WEST QUARTER CORNER OF SECTION 11, TOWNSHIP 35 NORTH, RANGE 6 EAST, W.M. THENCE S89°13'00"E, (AS PER RECORD OF SURVEY RECORDED UNDER AUDITOR'S FILE # 201904050084) ALONG THE EAST-WEST CENTERLINE OF SECTION 11, 212.39' TO A 5/8" REBAR/CAP, LS# 26303 WHICH IS THE TRUE POINT OF BEGINNING; THENCE N19°25'38"E, 45.31' TO A 5/8" REBAR/CAP, LS 26303; THENCE N42°47'01"E, 291.02' TO A 1" IRON BAR; THENCE N01°37'35"E, 59.93' TO A 1" IRON BAR; THENCE N01°37'35"E, 151.93' TO A 5/8" REBAR/CAP LS 26303, WHICH IS A POINT SET ON A CURVED PORTION OF THE SOUTH LINE OF THE RIGHT OF WAY CONVEYED TO LYMAN TIMBER COMPANY, A CORPORATION, BY DEED RECORDED ON NOVEMBER 3, 1915 IN VOLUME 99 OF DEEDS, PAGE 357, RECORDS OF SKAGIT COUNTY, WASHINGTON, THENCE NORTHEASTERLY ALONG SAID CURVE (CONCAVE TO THE SOUTHEAST) A RADIUS OF 231.92' AND A LENGTH OF 96.19' TO A 5/8" REBAR/CAP, LS 26303 (SAID REBAR BEING N64°27'32"E, 95.50' FROM THE PREVIOUS REBAR/CAP); THENCE N44°43'54"E, 112.35' TO A 5/8" REBAR/CAP, LS 26303; THENCE N87°47'19"E, 179.82' TO A 5/8" REBAR/CAP, LS 26303; THENCE S42°14'14"E, 153.42' TO A 5/8" REBAR/CAP, LS 26303; THENCE S38°19'43"W, 124.41' TO A 5/8" REBAR/CAP LS 26303, WHICH IS A POINT SET ON THE SOUTH LINE OF THE RIGHT OF WAY CONVEYED TO LYMAN TIMBER COMPANY; THENCE S46°15'22"E, 576.48' ALONG SAID SOUTH LINE TO A 5/8" REBAR/CAP LS 26303 SET AT THE INTERSECTION OF SAID SOUTH LINE AND THE EAST-WEST CENTERLINE OF SECTION 11; THENCE N89°13'00"W, ALONG THE EAST-WEST CENTERLINE OF SECTION 11, 1006.21' TO THE POINT OF BEGINNING.

ALSO EXCEPT THAT PART OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 11, TOWNSHIP 35 NORTH, RANGE 6 EAST OF W.M., DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHERE THE NORTH LINE OF THE LYMAN TIMBER COMPANY RIGHT OF WAY THROUGH SAID PROPERTY INTERSECTS THE EAST LINE OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 11; THENCE IN A NORTHWESTERLY DIRECTION ALONG THE SAID NORTH LINE OF THE SAID RIGHT OF WAY A DISTANCE OF 250 FEET; THENCE NORTH 200 FEET; THENCE EAST TO THE EAST LINE OF THE ABOVE DESCRIBED SUBDIVISION; THENCE SOUTH TO THE POINT OF BEGINNING.

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Exhibit C

Legal Description of SPL&T Triangle Parcel

COMMENCING AT THE WEST QUARTER CORNER OF SECTION 11, TOWNSHIP 35 NORTH, RANGE 6 EAST., W.M.; THENCE S89°13'00"E, (AS PER RECORD OF SURVEY RECORDED UNDER AUDITOR'S FILE # 201904050084) ALONG THE EAST WEST CENTERLINE OF SECTION 11, 1322.96' TO THE SE CORNER OF THE SW1/4 NW1/4 OF SECTION 11 AND THE TRUE POINT OF BEGINNING; THENCE N89°13'00"W, 104.36' ALONG SAID EAST-WEST CENTERLINE OF SECTION 11 TO THE INTERSECTION OF SAID EAST-WEST LINE WITH THE SOUTH LINE OF THE LYMAN TIMBER CO. 100' RIGHT OF WAY; THENCE S46°15'22"E, 141.36' ALONG SAID SOUTH LINE TO A POINT ON THE EAST LINE OF THE NW1/4 OF THE SW1/4 OF SECTION 11; THENCE N01°19'25"E, 96.34' TO THE POINT OF BEGINNING.

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Exhibit D

Legal Description of SPL&T ROW Parcel through the SW1/4 NW1/4 Sec. 11, T 35 N., R 6 E.

A STRIP OF LAND ONE HUNDRED FEET (100FT) WIDE BEING 50 FEET (50FT) ON EACH SIDE OF THE CENTERLINE OF THE LOGGING RAILROAD AS IT IS NOW SURVEYED AND WILL BE DEFINITELY SITUATED IN THE SOUTHEAST QUARTER (SE1/4) OF THE NORTHEAST QUARTER OF SECTION 10 (10) AND THE SOUTHWEST QUARTER (SW1/4) OF THE NORTHWEST QUARTER (NW1/4) OF SECTION ELEVEN (11) ALL IN TOWNSHIP THIRTY FIVE (35) NORTH OF RANGE SIX (6) EAST, W.M.

THE CENTERLINE OF WHICH IS MORE PARTICULARLY DESCRIBED AS:

COMMENCING AT THE WEST QUARTER CORNER OF SECTION 11, TOWNSHIP 35 NORTH, RANGE 6 EAST., W.M.; THENCE S89°13'00"E, (AS PER RECORD OF SURVEY RECORDED UNDER AUDITOR'S FILE # 201904050084) ALONG THE EAST WEST CENTERLINE OF SECTION 11, 1322.96' TO THE SE CORNER OF THE SW1/4 NW1/4 OF SECTION 11; THENCE N89°13'00"W, 30.99' ALONG SAID EAST-WEST CENTERLINE OF SECTION 11 TO THE INTERSECTION OF SAID EAST-WEST LINE WITH THE CENTERLINE OF THE LYMAN TIMBER CO. 100' RIGHT OF WAY, SAID POINT BEING THE TRUE POINT OF BEGINNING; THENCE N46°15'22"W, 726.52' ALONG SAID CENTERLINE TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 281.92'; THENCE WESTERLY ALONG SAID CURVE AN ARC LENGTH OF 418.93'; THENCE TANGENT TO SAID CURVE S48°36'04"W, 286.94' TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 699.03'; THENCE ALONG SAID CURVE AN ARC LENGTH OF 218.55' TO THE BEGINNING OF A REVERSE CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 234.93'; THENCE SOUTHWESTERLY ALONG SAID CURVE AN ARC LENGTH OF 100.18'; THENCE TANGENT TO SAID CURVE S54°46'39"W, 34.63' TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 1661.03'; THENCE ALONG SAID CURVE AN ARC LENGTH OF 66.39' TO A POINT ON THE EAST-WEST CENTERLINE OF SECTION 10, TOWNSHIP 35 NORTH, RANGE 6 EAST OF W.M. SAID POINT BEING N87°30'30"W, 119.23' FROM THE EAST ¼ CORNER OF SAID SECTION 10.

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EXHIBIT E
 DEPICTION OF LICENSE AREAS - SPL&T TO MOODY
 IN SW 1/4 NW 1/4 SEC. 11, T35N., R6E., W.M.

GRAPHIC SCALE



(IN FEET)

1 inch = 200 ft.

589°11'59"E 1326.39'

