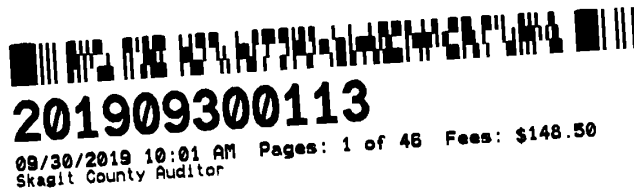


RETURN DOCUMENT TO:  
Robert A. Carmichael  
Carmichael Clark, PS  
P.O. Box 5226  
Bellingham, WA 98227



**DOCUMENT TITLE:**

Memorandum of Agreement Pursuant to RCW 58.04.007

**REFERENCE NUMBER OF RELATED DOCUMENT:**

Memorandum of Agreement SPL&T & Moody: 201909300112

**GRANTOR:**

Sierra Pacific Land & Timber Company, a California corporation Margaret Ammons, a single person

**GRANTEES:**

Sierra Pacific Land & Timber Company, a California corporation Margaret Ammons, a single person

**ABBREVIATED LEGAL DESCRIPTION:**

Ptn SE1/4 of NW1/4 of Sec 11, T35N, R6E; and  
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 10-16.

**SKAGIT COUNTY PROPERTY ID NUMBER(S):**

P41011  
P41013  
P41030  
P41032  
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 17<sup>th</sup> day of September, 2019, by and between Sierra Pacific Land & Timber Company, a California corporation ("SPL&T"), and Margaret Ammons, a single person ("Ammons"). SPL&T and Ammons shall be individually referred to as "Party" or collectively as "Parties."

**RECITALS:**

**WHEREAS**, Ammons is the owner in fee simple of the real property legally described at **Exhibit A-1** hereto, commonly known as 7717 Scott Paper Road, Sedro Woolley, Washington, which is assigned Skagit County Property ID No. P41011 (hereafter "Ammons 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 following parcels of real estate:

- A parcel legally described at **Exhibit C-1** hereto, commonly known as 7575 Scott Paper Road, Sedro Woolley, Washington, which is assigned Skagit County Property ID No. P41030 (the "SPL&T Westerly Timber Parcel"); and
- A parcel legally described at **Exhibit D-1**, which has no address but is assigned Skagit County Property ID No. P41032 (the "SPL&T Easterly Timber Parcel"); and
- A small parcel legally described at **Exhibit E**, which has no address but is assigned Skagit County Property ID No. P41013, and over which Scott Paper Road runs (the "SPL&T Triangle Parcel"); and
- A parcel legally described at **Exhibit F-1** hereto, commonly known as 7551 Crown Pacific Main Line Road, Sedro Woolley, Washington, which is assigned Skagit County Property ID No. P67261, and over which Scott Paper Road also runs (the "SPL&T Pipestem Parcel");

**WHEREAS**, the SPL&T ROW Parcel, the SPL&T Westerly Timber Parcel, the SPL&T Easterly Timber Parcel, the SPL&T Triangle Parcel, and the SPL&T Pipestem Parcel shall be referred to collectively herein as the "SPL&T Property"; and

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

**WHEREAS**, Ammons or her predecessor installed fencing, constructed a building, laid a gravel driveway, and landscaped a portion of the SPL&T Property; and

**WHEREAS**, Scott Paper Road as it crosses the SPL&T Pipestem Parcel, SPL&T Triangle Parcel, and SPL&T ROW Parcel has been the only access to the Ammons Property for over a decade; and

**WHEREAS**, if Ammons or a predecessor ever had a written easement or license to use the SPL&T Property or Scott Paper Road for ingress and egress or any other purpose, it has been lost; and

**WHEREAS**, the Properties, Ammons' fences, buildings, driveway and other encroachments, and Scott Paper Road are all depicted on the survey attached as **Exhibit G** hereto; and

**WHEREAS**, Ammons and SPL&T have agreed to perform a boundary line adjustment as depicted at **Exhibit H** hereto, whereby SPL&T will trade Ammons some portions of the SPL&T Property that she has been using in exchange for a portion of the Ammons Property which Ammons has not been using (the "BLA"); and

**WHEREAS**, the legal description of the portion of the SPL&T Property that SPL&T will give to Ammons pursuant to the BLA is attached at **Exhibit I** hereto; and

**WHEREAS**, the legal description of the portion of the Ammons Property that Ammons will give to SPL&T pursuant to the BLA is attached at **Exhibit J** hereto; and

**WHEREAS**, prior to performing the BLA, SPL&T must bring the Quiet Title Action to obtain clear title to the Scott Paper Road Parcel; and

**WHEREAS**, concurrently with this Agreement, SPL&T is executing a similar memorandum of agreement with L. Thomas Moody, Ammons' neighbor across the SPL&T ROW Parcel, which is recorded at Skagit County Auditor's File No. 201909300112 (the "Moody Transaction"); and

**WHEREAS**, it is anticipated that the Moody Transaction will be completed before the conveyances described in this Agreement, which may cause apparent discrepancies in the legal descriptions of the SPL&T Property after the BLA; and

**WHEREAS**, concurrently with this Agreement, the Parties agree that SPL&T shall grant Ammons a license and an easement, later described herein, to allow her to continue to use Scott Paper Road and the encroachments that are currently on the SPL&T Property and will remain on the SPL&T Property after the BLA;

**WHEREAS**, SPL&T and Ammons agree that the boundary between the SPL&T ROW Parcel and the Ammons Property is as depicted as shown on **Exhibits G and H** hereto; 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 SPL&T ROW Parcel and the Ammons Property as set forth and depicted at **Exhibits G and H** 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 or the execution of the Memorandum of Agreement for the Moody Transaction, whichever occurs later.
2. Quit Claim Conveyance – Ammons. Within ten (10) days of the entry of the final agreed order in the Quiet Title Action, Ammons shall convey and quitclaim to SPL&T any interest, right, or title to the SPL&T ROW Parcel described in **Exhibit B**. Said quitclaim conveyance shall be accomplished by the recording of a quitclaim deed substantially in the form of **Exhibit K** hereto.
3. Boundary Line Adjustment.
  - a. Within thirty (30) days of the entry of the agreed order in the Quiet Title Action, SPL&T and Ammons shall commence the BLA to re-draw the boundary lines between the Ammons Property and the SPL&T Property as shown on **Exhibit H**. Both Parties shall work diligently to ensure the BLA is completed in a timely manner.
  - b. Through the BLA and immediately upon its final approval and recording, SPL&T shall convey and quitclaim to Ammons the portion of the SPL&T Property described at **Exhibit I** hereto, and Ammons shall convey and quitclaim to SPL&T the portion of the Ammons Property described at **Exhibit J** hereto.
  - c. After the completion of the BLA, the legal descriptions of the Properties shall be as follows:
    - i. The new legal description of the Ammons Property shall be as stated in **Exhibit A-2**.
    - ii. The new legal description of the Westerly SPL&T Timber Parcel shall be as stated in **Exhibit C-2**.

- iii. The new legal description of the Easterly SPL&T Timber Parcel shall be as stated in **Exhibit D-2**.
  - iv. The new legal description of the SPL&T Pipestem Parcel shall be as stated in **Exhibit F-2**.
  - v. The boundaries of the SPL&T ROW Parcel and SPL&T Triangle Parcel shall not be impacted by the BLA (they may change as a result of the Moody Transaction).
- d. SPL&T shall pay the costs associated with the BLA, including the submittal fee, purchase of assessor's maps, fees for lot certification for all parcels, and surveyors' expenses. SPL&T and Ammons shall each pay their own attorneys' fees.
  - e. If in SPL&T's sole discretion obtaining the BLA becomes unduly burdensome, expensive, or legally impractical, or if Skagit County does not approve the BLA as herein described, then SPL&T may instead grant Ammons a permanent, non-exclusive easement over that portion of the SPL&T Property which Ammons would have otherwise received in fee via the BLA.
- 4. Scott Paper Road Access Easement. Concurrently with the recordation of this Agreement, SPL&T shall grant to Ammons a permanent easement for ingress, egress and utilities for the use of Scott Paper Road across the SPL&T Pipestem Parcel substantially in the form of **Exhibit L** hereto.
  - 5. License. Concurrently with the recordation of this Agreement, SPL&T shall grant to Ammons a license for the maintenance of the existing fences, building and driveway on the SPL&T ROW Parcel and SPL&T Pipestem Parcel 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 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. 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 determinations shall be made by SPL&T, this Agreement shall be null and void upon notice of the same to Ammons.
  - 8. Ammons Acknowledgment. The Parties acknowledge that this Agreement will have significant legal consequences. By initialing below, Ammons hereby acknowledges that

she has had the sufficient opportunity to have this Agreement reviewed by her own legal counsel at her expense.

Ammons Initials: \_\_\_\_\_

9. 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 Ammons 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.
10. 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. Ammons shall be solely responsible for her own attorney's fees and fees she 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. SPL&T shall be solely responsible for any taxes, fees, interest and/or penalties due to the Washington State Department of Revenue as a result of the removal or change of status of the Property described at **Exhibit I** hereto from the Open Space Taxation program.
11. 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.
12. 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.
13. 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  
14353 McFarland Road  
Mount Vernon, WA 98273

Margaret Ammons  
7177 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.

14. 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.
15. 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.
16. Time for Completion - Time of the Essence. It is the intent of the Parties that the execution of documents is to be completed as soon as possible. Time is of the essence in the performance of this Agreement.
17. 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
18. Survival. The terms and obligations set forth in this Agreement shall survive and remain in full force and effect following execution of documents.
19. 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.
20. 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.
21. 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.
22. 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.

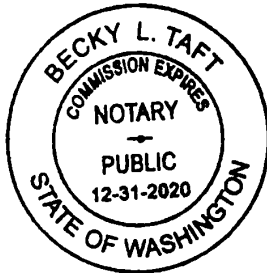
Margaret Ammons  
Margaret Ammons

M D E  
SIERRA PACIFIC LAND & TIMBER COMPANY  
By: M.D. Emmerson, Chairman and CFO

STATE OF WASHINGTON )  
 ) §  
County of Skagit )

I certify that I know or have satisfactory evidence that MARGARET AMMONS is the person who appeared before me, and she acknowledged that she signed this instrument, and acknowledged it to be her free and voluntary act for the uses and purposes mentioned in the instrument.

Dated this 12 day of June, 2019.



Becky L. Taft  
Print Name: Becky L. Taft  
NOTARY PUBLIC in and for the State of Washington  
residing at: Sedro Woolley WA  
My Commission expires: 12/31/2020



**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

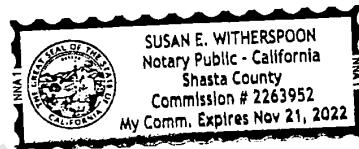
County of Shasta

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)

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: \_\_\_\_\_

**Exhibit A-1**  
**Legal Description of Ammons Property before BLA**

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:

Commencing 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.

Situate in the County of Skagit, State of Washington.

**Exhibit A-2**  
**Legal Description of Ammons Property after BLA**

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 N01°29'25"E along the East line of said SW1/4 NW1/4, 39.02' to the intersection of said East line with the North line of the Lyman Timber Co. 100' right of way, said point being the true point of beginning; thence N46°15'22"W along the North line of said right of way 250.00'; thence S89°13'00"E, 185.06' to a point on the East line of said SW1/4 NW1/4; thence S73°10'06"E 173.46'; thence S01°29'25"W, 270.29' to the North line of said 100 foot right of Lyman Timber Co.; thence along said right of way N49°46'53"W, 20.97' to the pc of a curve concave to the Northeast and having a radius of 1728.61' and an arc length of 106.40; thence continuing along said right of way N46°15'22"W, 94.59' to the point of beginning.

Situate in the County of Skagit, State of Washington.

**Exhibit B**  
**Legal Description of SPL&T ROW**

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.

Situate in the County of Skagit, State of Washington.

**Exhibit C-1****Legal Description of SPL&T Westerly Timber Parcel, P41030, before BLA**

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 East of the Willamette Meridian; thence proceed North 0°28' East 1319.1 feet to the North 1/16th corner common to said Sections 10 and 11; thence proceed North 89°28' East 711.7 feet along North line of the SW1/4 of the NW1/4 of said Section 11 to a point 600 feet West of the Northeast corner of said SW1/4 of the NW1/4; 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'; thence proceed South 250 feet; thence proceed East 200 feet; thence proceed South 100'; thence proceed diagonally Southwest for coordinated distances of 210 feet West and 219.1 feet South to the South line of said SW ¼; 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 Westerly Timber Parcel, P41030, after BLA**

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 East of the Willamette Meridian; thence proceed North 0-28' East 1319.1' to the North 1/16th corner common to said Sections 10 and 11; thence proceed North 89-28' East 711.7 feet along North line of the SW1/4 of the NW1/4 of said Section 11 to a point 600 feet West of the Northeast corner of said SW1/4 of the NW1/4; 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;

**Exhibit C-2 Continued**

thence proceed West 400'; thence proceed South 250 feet; thence proceed East 200 feet; thence proceed South 100'; thence proceed diagonally Southwest for coordinated distances of 210 feet West and 219.1 feet South to the South line of said SW1/4; 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 Southerly 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:

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 N01°29'25"E along the East line of said SW1/4 NW1/4, 39.02' to the intersection of said East line with the North line of the Lyman Timber Co. 100' right of way, said point being the true point of beginning; thence N46°15'22"W, 250.00' along the North line of said right of way; thence S89°13'00"E, 185.06' to a point on the East line of said SW1/4 NW1/4; thence S01°29'25"W, 170.39' to the point of beginning.

Situate in the County of Skagit, State of Washington.

**Exhibit D-1****SPL&T Easterly Timber Parcel, P41032, before BLA**

SE1/4 NW1/4; EXCEPT that portion conveyed to Skagit County by instrument recorded under Auditor's File NO. 616779, records of Skagit County, Washington.

**Exhibit D-2****SPL&T Easterly Timber Parcel, P41032, after BLA**

SE1/4 NW1/4; EXCEPT the following described 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; thence N01°29'25"E along the East line of said SW1/4 NW1/4, 39.02' to the intersection of said East line with the North line of the Lyman Timber Co. 100' right of way, said point being the true point of beginning; thence N01°29'25" E along said East line, 170.39'; thence S73°10'06"E 173.46'; thence S01°29'25"W, 161.45'; thence N89°13'00"W, 124.92' to the North line of the Lyman Timber Co. right of way; thence along said right of way N46°15'22"W, 57.25' to the point of beginning.

ALSO EXCEPT that portion conveyed to Skagit County by instrument recorded under Auditor's File NO. 616779, records of Skagit County, Washington.

**Exhibit E**  
**SPL&T Triangle Parcel, P41013**

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 F-1****SPL&T Pipestem Parcel, P67261, before BLA**

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 F-2****SPL&T Pipestem Parcel, P67261, after BLA**

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 and Except the following described 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 said corner being also the Northwest corner of Lot 3, "Livermore's Hamilton Acreage"; thence S89-13'00"E along the East-West centerline of Section 11, 42.38' to the intersection of said centerline with the North line of the Lyman Timber Co. 100' right of way, said point being the true point of beginning; thence continuing S89-13'00"E along said centerline, 124.92'; thence S01-29'25", 108.85' to the North line of said 100 foot right of way; thence N49-46-53W, 20.97' along said right of way to the beginning of a tangent curve concave Northeasterly and having a radius of 1728.61'; thence Northwesterly along said curve an arc length of 106.40; thence tangent to said curve N46°15'22"W, 37.34' to the point of beginning.

EXHIBIT "G"  
DEPICTION OF CURRENT  
PROPERTIES AND ENCROACHMENTS

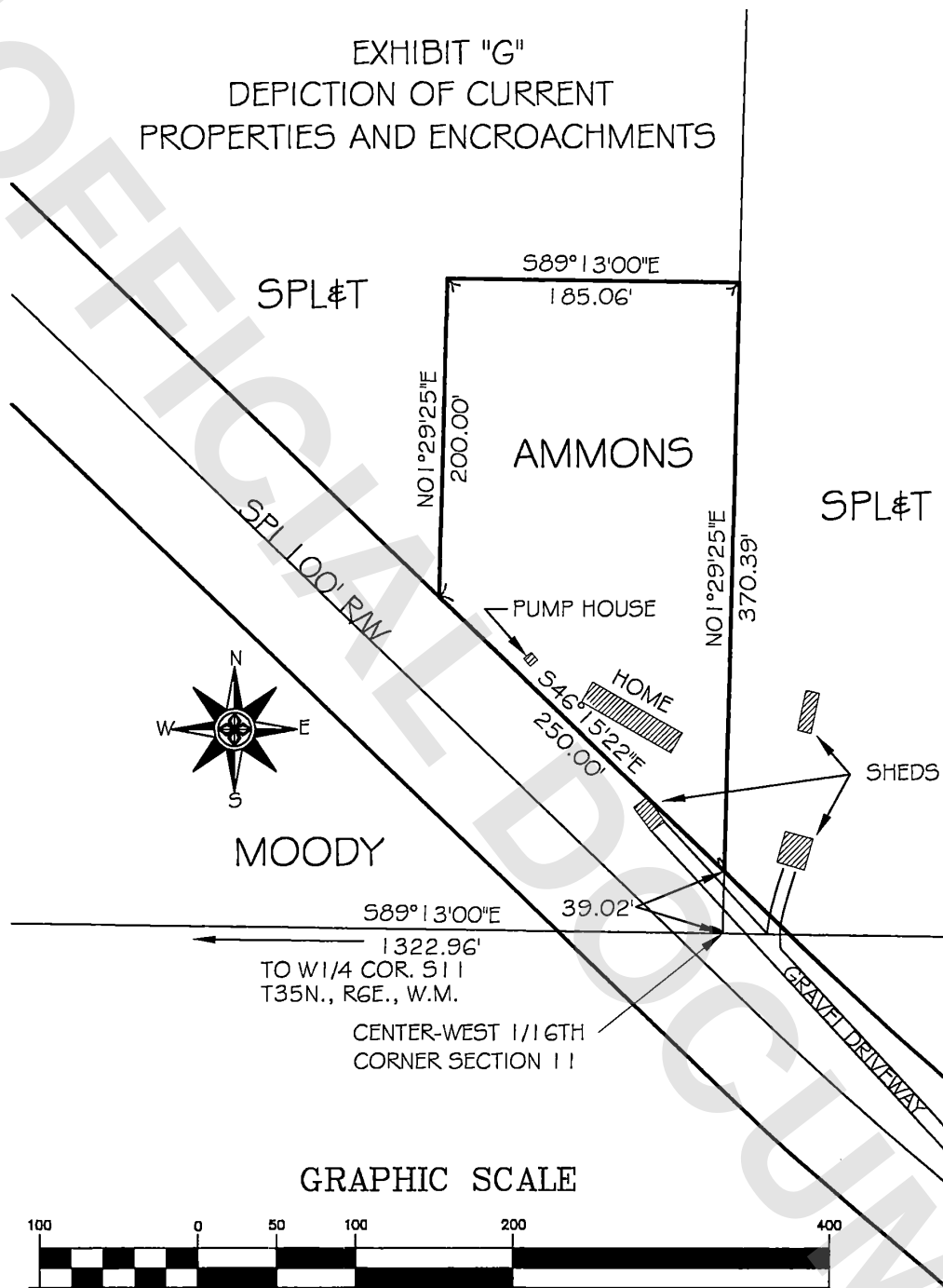
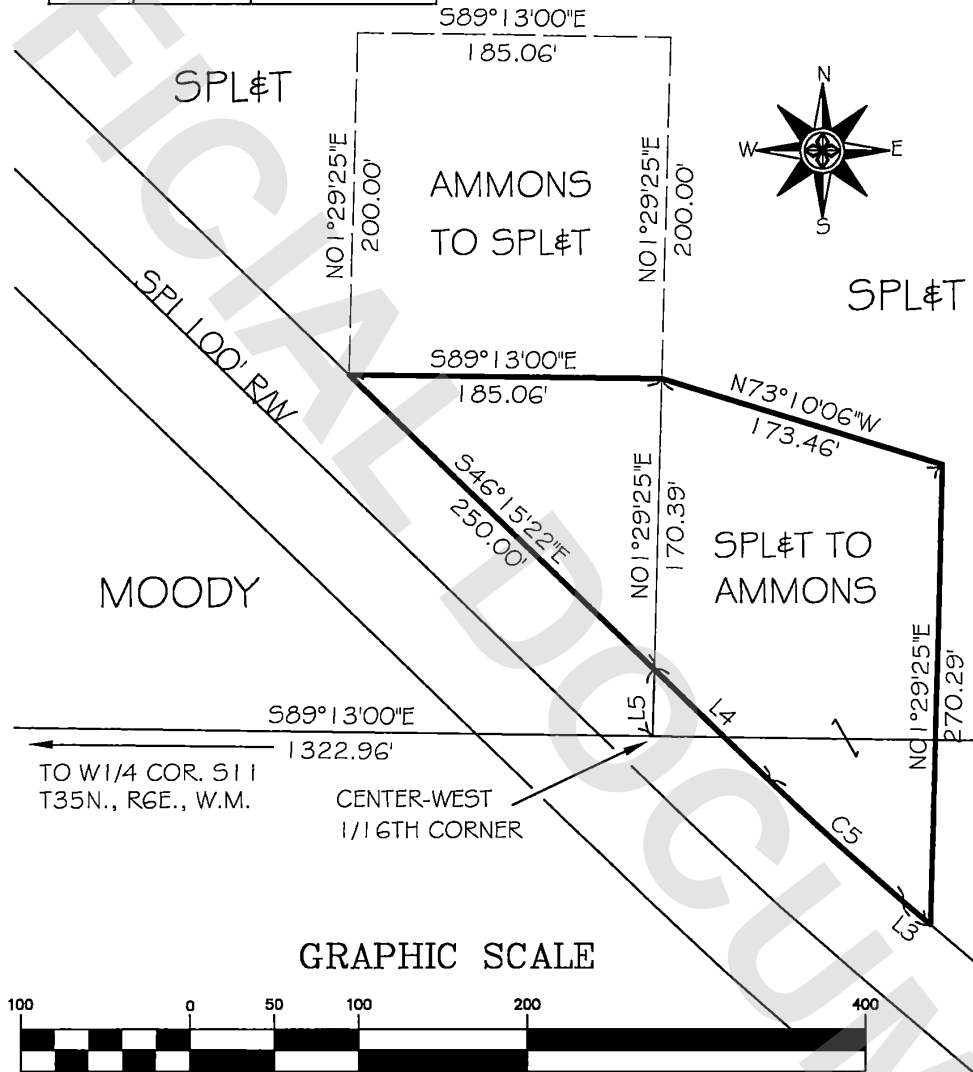


EXHIBIT "H"  
DEPICTION OF AMMONS-SPL&T  
BOUNDARY LINE ADJUSTMENT

LINE TABLE		
LINE	LENGTH	BEARING
L3	20.97	S49°46'53"E
L4	94.59	S46°15'22"E
L5	39.02	N01°29'25"E

CURVE TABLE		
CURVE	LENGTH	RADIUS
C5	106.40	1728.61



**Exhibit I****Legal description of property SPL&T will deed to Ammons**

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 N01°29'25"E along the East line of said SW1/4 NW1/4, 39.02' to the intersection of said East line with the North line of the Lyman Timber Co. 100' right of way, said point being the true point of beginning; thence continuing N01°29'25"E along said East line 170.39'; thence S73°10'06"E 173.46'; thence S01°29'25"W, 270.29' to the North line of said Lyman Timber Co. right of way; thence N49-46-53W, 20.97' along said North line to the beginning of a tangent curve concave Northeasterly and having a radius of 1728.61'; thence Northwesterly along said North line an arc length of 106.40; thence tangent to said curve N46°15'22"W, 94.59' along said North line to the point of beginning.

**Exhibit J****Legal description of property Ammons will deed to SPL&T**

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:

Commencing 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 to the true point of beginning; thence North 200 feet; thence East to the East line of the above described subdivision; thence South 200 feet along said East line; thence West to the to the point of beginning.

**EXHIBIT K****QUIT CLAIM DEED**

For good and valuable consideration, Grantor, MARGARET AMMONS, 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** and depicted at **Exhibit B** 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.

**Margaret Ammons**

\_\_\_\_\_  
State of Washington )  
  ) §  
County of \_\_\_\_\_)

I certify that I know or have satisfactory evidence that MARGARET AMMONS 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 K**  
**Continued**

**EXHIBIT A**  
**Legal Description**

A strip of land one hundred feet (100 ft) wide being 50 feet (50 ft) 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.

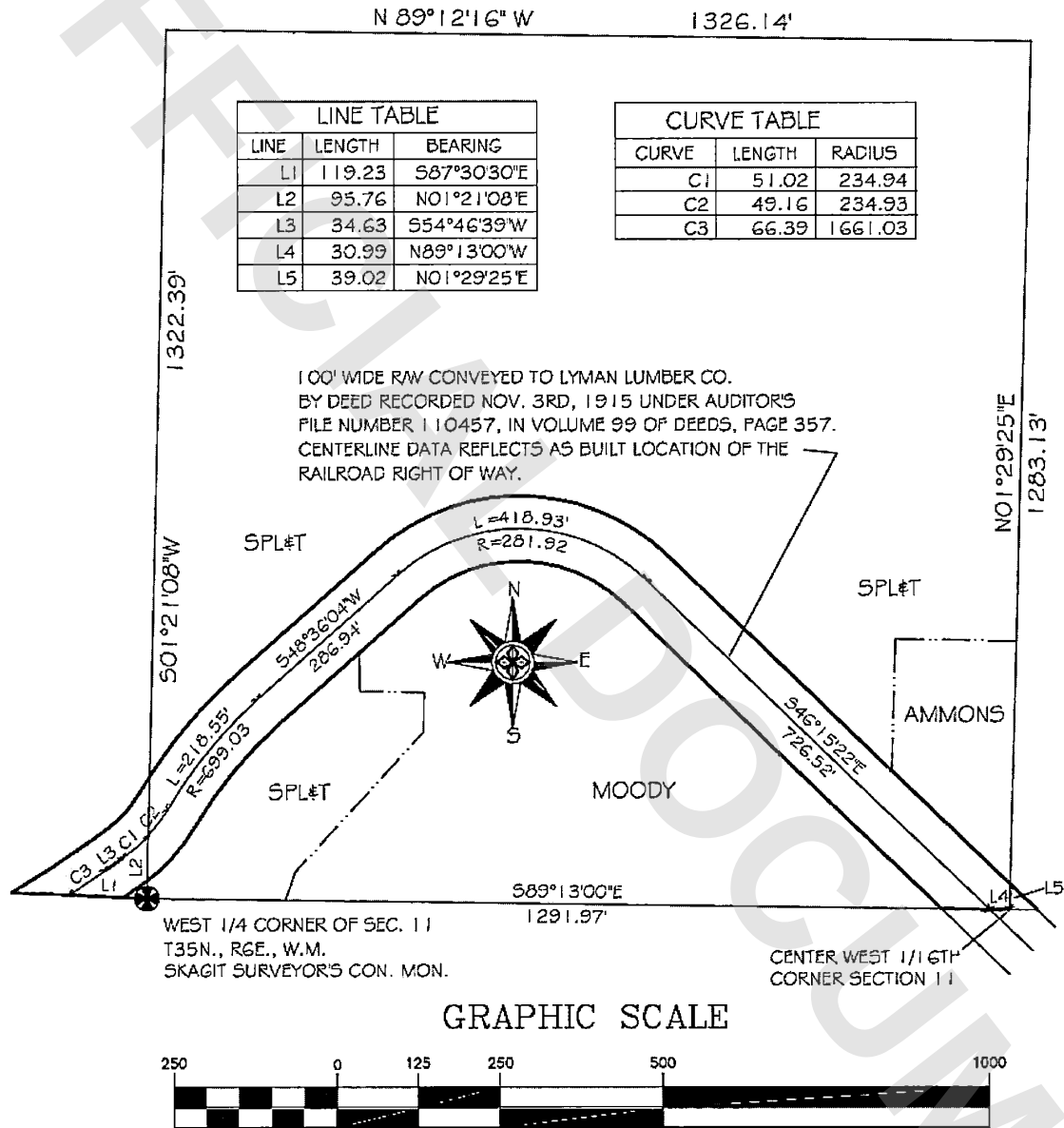
The centerline of which is more particularly described as:

Commencing at the West quarter corner of Section 11, Township 35 North, Range 6 East., W.M.; thence S 89°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 N 89°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 N 46°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 S 48°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 N 87°30'30" W, 119.23' from the East ¼ corner of said Section 10.

Situate in the County of Skagit, State of Washington.

**EXHIBIT K**  
Continued

**EXHIBIT B**  
Depiction





**EXHIBIT L****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 Margaret Ammons, a single person ("Ammons" or "Grantee"). SPL&T and Ammons shall be individually referred to herein as "Party" or collectively as "Parties."

**RECITALS:**

**WHEREAS**, Ammons is the owner in fee simple of the real property legally described at **Exhibit A** hereto, commonly known as 7717 Scott Paper Road, Sedro Woolley, Washington, which is assigned Skagit County Property ID No. P41011 (hereafter "Ammons Property" or "Benefited Property"); and

**WHEREAS**, SPL&T is the owner in fee simple of the parcels of real property legally described at **Exhibit B** hereto, which is commonly known as 7551 Crown Pacific Main Line Road, Sedro Woolley, Washington and which is assigned Skagit County Property ID No. P67261 (the "SPL&T Pipestem Parcel" or "Burdened Property"); and

**WHEREAS**, the Ammons Property and the SPL&T Pipestem Parcel shall be referred to collectively as the "Properties" or individually as a "Property;" and

**WHEREAS**, the road commonly known as Scott Paper Road ("Scott Paper Road") runs across the SPL&T Pipestem Parcel; and

**WHEREAS**, Ammons has been using Scott Paper Road as the only access to the Ammons Property for over a decade, and if she or a predecessor ever had a written easement or license to do so, it has been lost; and

**WHEREAS**, SPL&T and Ammons have entered into a Memorandum of Agreement, recorded at Skagit County Auditor File Number \_\_\_\_\_, which designates the boundaries between their Properties pursuant to RCW 58.04.007; 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 Ammons 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,

**EXHIBIT L**  
**Continued**

privileges, and obligations shall be established over the Burdened Property for the benefit of the Ammons 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, egress, and utilities, being ten feet (10') on either side of the centerline of the following two segments: (1) the as-built driveway serving the Ammons Property from Scott Paper Road, and (2) Scott Paper Road, as it runs from its intersection with the driveway serving the Ammons Property to its intersection with Hamilton Cemetery Road, both of which are depicted at **Exhibit C**, attached and fully incorporated herein, hereinafter referred to as the "Easement."
- 1.2 Purpose.** The Easement granted herein formally provides the owner of the Benefited Property and all of her successors in interest the perpetual right to use the Easement for egress, ingress, and utilities, pursuant to the terms and limitations herein.
- 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.** Until further notice, SPL&T shall be solely responsible for road repair and maintenance of the Easement, except as described in Section 1.4.3. As long as SPL&T remains solely responsible for road repair and maintenance, 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 Ammons Property to contribute to road repair and maintenance of the Easement, it shall send notice of such determination per Section 2.8. The owner(s) of the Ammons 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.

**EXHIBIT L****Continued**

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

**1.5 Previous Agreements Superseded.** This Agreement supersedes and replaces any easement Ammons or a predecessor may have had to use any portion of Scott Paper Road. This Agreement does not supersede the Memorandum of Agreement or any other document contemporaneously executed and recorded.

**1.6 Survival of Boundary Line Adjustment/Run with the Land.** Under the terms of the Memorandum of Agreement, the Parties shall perform a boundary line adjustment ("BLA") via which SPL&T shall trade a portion of the property it owns south and east of the Ammons Property to Ammons in exchange for a similarly-sized portion of the Ammons Property. Upon completion of the BLA, this Easement shall benefit the entire Ammons Property as reconfigured, but shall not also benefit the portion of the Ammons Property that Ammons will deed to SPL&T. This Agreement and the Easement granted herein touch and concern the Ammons Property and the SPL&T Pipestem Parcel and shall run with the reconfigured Ammons Property and SPL&T Pipestem Parcel in perpetuity. The rights and obligations of the Parties shall inure to the benefit of and be binding upon their heirs, successors, and assigns.

**II. GENERAL PROVISIONS****2.1 Indemnification and Hold Harmless.**

**2.1.1 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

**EXHIBIT L**  
**Continued**

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.

**2.1.2 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 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.

- 2.2 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.
- 2.3 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.
- 2.4 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.
- 2.5 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.
- 2.6 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.

**EXHIBIT L**  
**Continued**

- 2.7 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.
- 2.8 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.
- 2.9 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 have executed this Agreement on the date first above written.

**GRANTOR:**  
Sierra Pacific Land &  
Timber Company

**GRANTEE:**

\_\_\_\_\_  
Margaret Ammons

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

**EXHIBIT L****Continued**

State of \_\_\_\_\_ )  
 ) §  
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 for the State of \_\_\_\_\_  
My Commission expires \_\_\_\_\_

State of Washington )  
 ) §  
County of \_\_\_\_\_ )

I certify that I know or have satisfactory evidence that MARGARET AMMONS is the person who appeared before me, and said person acknowledged that she signed this instrument and acknowledged to me that she signed the same as her free and voluntary act for the uses and purposes mentioned in the instrument.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Print Name: \_\_\_\_\_  
NOTARY PUBLIC for the State of Washington.  
My Commission expires \_\_\_\_\_

**EXHIBIT L**  
**Continued**

**EXHIBIT A**  
**Legal description of Ammons Property before BLA**

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:

Commencing 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.

Situate in the County of Skagit, State of Washington.

**EXHIBIT L**  
**Continued**

**EXHIBIT B**  
**Legal description of Pipestem Parcel before BLA**

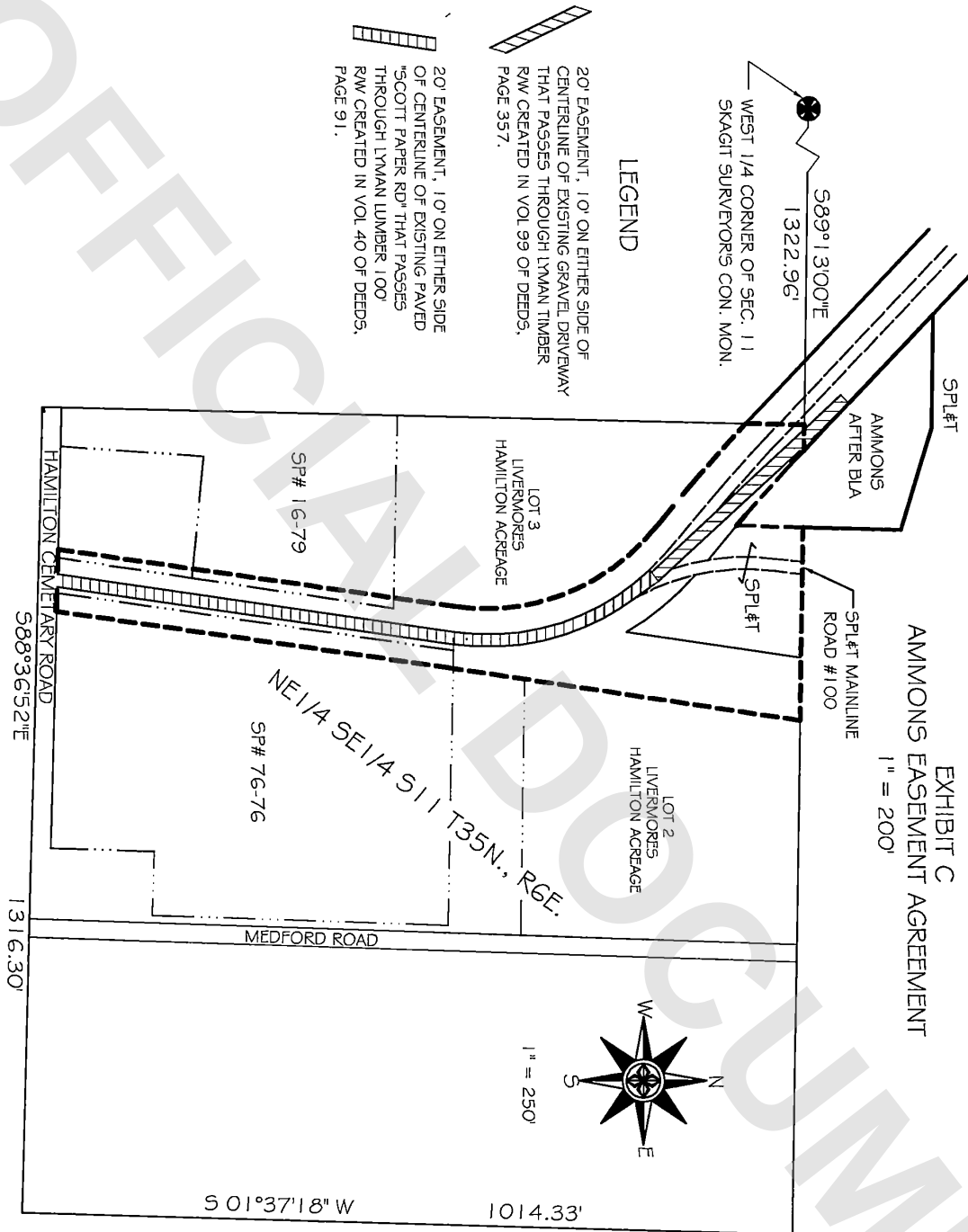
The East 2.70 Acres of Lot 3, "Livermore's Hamilton Acreage" as per Plat recorded in Volume 3 of Plats, Page 87, records of Skagit County, Washington, lying East and North of Lyman Timber Company's logging road and including that portion of railroad right of way lying East of the East line of Lots 3 and 4 and West of the west line of Lots 2, 5 and 8, Livermore's Hamilton Acreage; Except road rights of way.

Situate in the County of Skagit, State of Washington.



EXHIBIT L  
Continued

## EXHIBIT C



**EXHIBIT M****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 Margaret Ammons, a single person ("Ammons" or "Licensee"). SPL&T and Ammons 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 \_\_\_\_\_ ("Memorandum of Agreement"); and

**WHEREAS**, Ammons is the owner in fee simple of the real property legally described at **Exhibit A** hereto, commonly known as 7717 Scott Paper Road, Sedro Woolley, Washington, which is assigned Skagit County Property ID No. P41011 (hereafter "Ammons Property"); and

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

- A parcel legally described at **Exhibit B** hereto, which has no address or Skagit County Property ID Number, but which is a 100-foot-wide right of way through which a road called "Scott Paper Road" runs, and was referred to as the "SPL&T ROW Parcel" in the Memorandum of Agreement; and
- A parcel legally described at **Exhibit C** hereto, commonly known as 7575 Scott Paper Road, Sedro Woolley, Washington, which is assigned Skagit County Property ID No. P41030, and was referred to as the "SPL&T Westerly Timber Parcel" in the Memorandum of Agreement; and
- A parcel legally described at **Exhibit D**, which has no address, but is assigned Skagit County Property ID No. P41032, and was referred to as the "SPL&T Easterly Timber Parcel" in the Memorandum of Agreement; and
- A parcel legally described at **Exhibit E**, 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 F** hereto, commonly known as 7551 Crown Pacific Main Line Road, Sedro Woolley, Washington, which is assigned Skagit County

**EXHIBIT M**  
**Continued**

Property ID No. P67261, and was referred to as the "SPL&T Pipestem Parcel" in the Memorandum of Agreement;

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

**WHEREAS**, Ammons or her predecessor has installed fencing, constructed a woodshed, drilled a well, and has landscaped a portion of the Scott Paper Road, and if she or a predecessor ever had a written easement or license to do so, it has been lost; and

**WHEREAS**, pursuant to the terms of the Memorandum of Agreement, the Parties now desire enter into a license agreement dictating the terms of Ammons' use of the SPL&T Property; and

**WHEREAS**, these recitals are material to this License;

**NOW THEREFORE**, the Parties agree as follows:

**AGREEMENT**

1. Grant of License. By this Agreement, SPL&T hereby gives permission until further notice to Ammons to use the portion of land owned by SPL&T and labeled as "License Area" on the attached **Exhibit G** 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 quitclaim deeds and easements. The Parties hereby acknowledge the receipt and sufficiency of said consideration. Ammons shall not owe SPL&T any additional fees or payments for the use of License Area.
3. Permitted and Unpermitted Uses. Ammons may use the License Area for maintaining the existing fences, driveway, and building therein, and as specified in this Section:
  - a. Ammons may maintain and replace the existing fences, but may not add additional fencing.
  - b. Ammons may mow and landscape the License Area.

**EXHIBIT M**  
**Continued**

- c. Ammons may maintain or demolish the building in the License Area, but may not replace said building when it reaches the end of its useful life. Before the building becomes dilapidated and/or hazardous, Ammons shall ensure its removal from the License Area.
  - d. Upon the removal of the building, the portion of the driveway that exclusively served the building shall no longer be maintained as a driveway and shall be allowed to revert to a vegetative state.
  - e. Under no circumstances shall any other building or structure, including a building replacing the existing building, be constructed or placed on the License Area.
  - f. Ammons may enter the License Area at any time without notice to SPL&T.
  - g. Ammons may use the License Area for other normal and reasonable purposes related to her current use of the License Area, except as otherwise specified herein.
  - h. 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 Ammons. It shall not inure to Ammons' successors or assigns except by written amendment pursuant to Paragraph 11 below. In the absence of such an amendment, this License shall automatically terminate without notice upon any transfer of the Ammons Property from Ammons to a third party. Notwithstanding the foregoing, in the event the Ammons Property is transferred to one or more of Ammons' 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 Ammons 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

**EXHIBIT M****Continued**

Ammons pursuant to Paragraph 10 below if it anticipates that its actions in the License Area will interfere with or damage the improvements Ammons has made to the License Area. SPL&T reserves the right to grant easements or other licenses in the License Area without notice to Ammons.

7. Survival of Quiet Title Action and Boundary Line Adjustment. The Memorandum of Agreement requires SPL&T to bring a quiet title action to obtain clean title to the SPL&T ROW Parcel and for SPL&T and Ammons to perform a boundary line adjustment. This License shall survive both the quiet title action and the boundary line adjustment, though it shall be void as to the portions of the SPL&T Property that are subsumed into the Ammons Property.
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 Indemnatee seeking indemnification, or that Licensor Indemnatee's contractors, subcontractors, employees or agents.
9. Previous Agreement(s) Superseded. This License supersedes and replaces any other agreement that might exist by or between the Parties or their predecessors or any other Parties for use of the SPL&T Property, except that this License does not affect agreements between a Party or Parties and Skagit County or a utility. Any conflict between prior documents and this License should be resolved in favor of this License. This License does not supersede the Memorandum of Agreement or any other document contemporaneously executed and recorded with this License.
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-

**EXHIBIT M**  
**Continued**

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

\_\_\_\_\_  
Margaret Ammons

**EXHIBIT M**  
**Continued**

State of \_\_\_\_\_ )  
 ) §  
 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 \_\_\_\_\_  
 \_\_\_\_\_ residing at: \_\_\_\_\_  
 My Commission expires: \_\_\_\_\_

State of Washington )  
 ) §  
 County of \_\_\_\_\_ )

I certify that I know or have satisfactory evidence that MARAGET AMMONS is the person who appeared before me, and said person acknowledged that she signed this instrument and acknowledged to me that she 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**  
**Continued**

**EXHIBIT A**  
**Legal Description of Ammons Property**

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:

Commencing 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.

Situate in the County of Skagit, State of Washington.



**EXHIBIT M****Continued****EXHIBIT B****Legal Description of SPL&T ROW Parcel**

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.

Situate in the County of Skagit, State of Washington.

**EXHIBIT M**  
**Continued**

**EXHIBIT C**  
**Legal description of 7575 Scott Paper Road, P41030**

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 East of the Willamette Meridian; thence proceed North 0-28' East 1319.1' to the North 1/16th corner common to said Sections 10 and 11; thence proceed North 89-28' East 711.7 feet along North line of the SW1/4 of the NW1/4 of said Section 11 to a point 600 feet West of the Northeast corner of said SW1/4 of the NW1/4; 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'; thence proceed South 250 feet; thence proceed East 200 feet; thence proceed South 100'; thence proceed diagonally Southwest for coordinated distances of 210 feet West and 219.1 feet South to the South line of said SW1/4; 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 M**  
**Continued**

**EXHIBIT D**  
**Legal Description of SPL&T Easterly Timber Parcel, P41032**

SE1/4 NW1/4; EXCEPT that portion conveyed to Skagit County by instrument recorded under Auditor's File NO. 616779, records of Skagit County, Washington.

Situate in the County of Skagit, State of Washington.

**EXHIBIT M**  
**Continued**

**EXHIBIT E**  
**Legal description of SPL&T Triangle Parcel, P41013**

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.

Situate in the County of Skagit, State of Washington.

**EXHIBIT M****Continued****EXHIBIT F****Legal description of SPL&T Pipestem Parcel, P67261**

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.

Situate in the County of Skagit, State of Washington.

EXHIBIT M  
Continued

EXHIBIT "G"  
AMMONS LICENSE AGREEMENT

LINE TABLE		
LINE	LENGTH	BEARING
L3	20.97	S49°46'53"E
L4	94.59	S46°15'22"E
L5	39.02	N01°29'25"E

CURVE TABLE		
CURVE	LENGTH	RADIUS
C5	106.40	1728.61

