

Recording Requested By,
And After Recording, Return To:
WELLS FARGO BANK,
NATIONAL ASSOCIATION
MAC C7300-033
1700 Lincoln Street, 3rd floor
Denver, Colorado 80203
Attention: Loan Documentation



202008310277

08/31/2020 03:21 PM Pages: 1 of 20 Fees: \$122.50
Skagit County Auditor

ACCOMMODATION RECORDING

CT 620043494 CHICAGO TITLE

Document Title(s) (or transactions contained therein):
Assumption Agreement
Reference Number(s) of Document assigned or released:
201709130030
Grantor(s):
Janicki Industries, Inc.
Grantee(s):
1. 222 Ferry Street, LLC 2. Wells Fargo Bank, National Association
Legal Description (abbreviated: i.e., lot, block, plat or section, township, range):
Ptn. Blks. 3 & 4, Woolley, The Hub of Skagit; also Sec. 24, Twn. 35 N., Rng. 4 E; Ptn. NE SE; Skagit Co, WA
<input checked="" type="checkbox"/> Full legal is on Exhibit A of document (including this cover sheet)
Assessor's Property Tax Parcel/Account Number(s):
350424-0-143-0104; 4177-004-007-0103; 4177-004-900-0101; 4177-003-007-0105

CHICAGO TITLE INSURANCE COMPANY HAS PLACED
THIS DOCUMENT OF RECORD AS A CUSTOMER
COURTESY AND ACCEPTS NO LIABILITY FOR THE
ACCURACY OR VALIDITY OF THE DOCUMENT.

ASSUMPTION AGREEMENT

THIS ASSUMPTION AGREEMENT (this "Agreement") is entered into as of August 25, 2020, by and among JANICKI INDUSTRIES, INC. ("Borrower"), 222 FERRY STREET, LLC ("Transferee"), and WELLS FARGO BANK, NATIONAL ASSOCIATION ("Bank").

RECITALS

WHEREAS, Borrower obtained a loan from Bank evidenced by, and subject to the terms of, that certain promissory note dated as of August 10, 2017, in the original amount of Eight Hundred Sixty Six Thousand Eight Hundred Forty Dollars (\$866,840) (the "Note"), which Note is secured by a Deed of Trust and Assignment of Rents and Leases dated as of August 10, 2017, executed by Borrower, as Grantor, to Bank, as Beneficiary, and recorded on September 13, 2017, as Document No. 201709130030 of the office of the Auditor of Skagit County, Washington, as modified ("Deed of Trust");

WHEREAS, title to the real property encumbered by the Deed of Trust and legally described on Exhibit A attached hereto (the "Property") is being or has been transferred by Borrower to Transferee; and

WHEREAS, Borrower and Transferee have requested that Bank consent to said transfer and permit the assumption by Transferee of the obligations of Borrower to Bank under the Note and the Deed of Trust, and Bank has agreed to said transfer and assumption on the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual covenants and promises of the parties contained herein, the parties agree as follows:

1. ASSUMPTION.

(a) Transferee hereby assumes and will pay when due all sums now due and owing or to become due or owing under, and will hereafter faithfully perform and be bound by all terms and conditions of, the Note, the Deed of Trust and each other contract, instrument and document evidencing obligations of Borrower to Bank in connection with the Note and/or the Deed of Trust, other than the Fourth Amended and Restated Credit Agreement between Borrower and Bank dated as of March 25, 2020 (collectively, the "Loan Documents") as if it was the original party thereto. As of the date hereof, the outstanding principal balance of the Note is \$505,656.80.

(b) Transferee hereby (i) acknowledges, agrees and confirms that, by its execution of this Agreement, Transferee will be deemed to be a party to and the "Grantor" under the Deed of Trust and (ii) assumes all of the obligation of the "Grantor" under the Deed of Trust. Transferee hereby ratifies, as of the date hereof, and agrees to be bound by, all of the terms, provisions, covenants, and conditions contained in the Deed of Trust.

2. CONTINUING LIABILITY OF BORROWER AS GUARANTOR. Borrower is hereby released from and shall no longer be deemed a party to the Note or the Deed of Trust, but shall remain liable to Bank as a guarantor of the obligations of Transferee to Bank under the Loan Documents as evidenced by and subject to the terms of a guaranty and such authorization documents as Bank shall require, all in form and substance satisfactory to Bank, and executed by Borrower as of the date hereof.

3. ADDITIONAL DOCUMENTATION. In addition to this Agreement and any other contract, instrument or document required hereunder, Borrower and Transferee shall deliver or cause to be delivered to Bank any additional agreements or documentation required by Bank, in form and substance satisfactory to Bank, including without limitation, an allonge to the Note executed by Transferee, amended and restated promissory note executed by Transferee, credit agreement executed by Transferee, joinder to environmental indemnity executed by Transferee, continuing guaranty executed by Borrower, as guarantor, and the existing guarantors of the loan, an amended and restated environmental indemnity

executed by Transferee and the guarantors of the loan, evidence of insurance coverage on the Property, UCC financing statements or amendments, and policies of title insurance or endorsements to existing title policies insuring the continued validity and priority of Bank's lien on the Property subject only to such exceptions as Bank shall approve in its discretion. Borrower and Transferee shall pay or reimburse Bank immediately upon demand for all costs and expenses incurred by Bank in connection with any of the foregoing.

4. **REPRESENTATIONS OF BORROWER AND TRANSFEE.** Borrower and Transferee each represents and warrants to Bank that (a) it has obtained all consents and approvals necessary or required for the transfer of Property and the assumption of all the obligations as set forth herein, (b) there exists no default as defined in any of the Loan Documents, nor any condition, act or event which with the giving of notice or the passage of time or both would constitute any such default, and (c) there are no claims, defenses (legal or equitable), counterclaims, set-offs and/or other rights or remedies whatsoever that either now may have, claim or assert against Bank that would in any way alter, reduce or extinguish any obligations to Bank under any of the Loan Documents. Transferee further represents and warrants to Bank that it has personal knowledge of all terms and conditions of each of the Loan Documents, and agrees that Bank shall have no duty to provide any information to Transferee regarding said terms and conditions prior to execution of this Agreement. All representations and warranties herein shall be deemed made as of the date hereof and as of the date on which all Conditions Precedent set forth below have been satisfied.

5. **BANK CONSENT.** Bank hereby consents to the transfer of the Property to Transferee and acknowledges that said transfer does not constitute a default under the Loan Documents. Borrower and Transferee each acknowledges that Bank's consent to the transfer and assumption set forth herein shall not be deemed to be a consent by Bank to any further or subsequent assumption by any party of any of the obligations of Transferee to Bank under any of the Loan Documents, or to the sale or other transfer of all or any portion of or interest in the Property.

6. **CONTINUING VALIDITY OF LOAN DOCUMENTS.** All terms and conditions of the Loan Documents not expressly modified herein remain in full force and effect, as assumed by Transferee, without waiver or amendment.

7. **ACKNOWLEDGMENT OF TRANSFEE.** Transferee acknowledges and agrees that it takes the Property subject to Bank's lien evidenced by the Deed of Trust.

8. **NOTICES.** Any notices required to be sent to Transferee under the Deed of Trust shall be sent to the address set forth below Transferee's signature.

9. **CONDITIONS PRECEDENT.** As conditions precedent to the effectiveness of this Agreement, each of the following conditions shall have been fulfilled to Bank's satisfaction:

- (a) the recording of the transfer of title to the Property from Borrower to Transferee;
- (b) the execution and delivery to Bank of this Agreement and each other contract, instrument and document required hereunder, including without limitation:
 - (i) an allonge to the Note executed by Transferee;
 - (ii) an amended and restated promissory note executed by Transferee in the principal amount of \$505,656.80, which shall be the "Note" for all purposes of the Deed of Trust;
 - (iii) credit agreement executed by Transferee
 - (iv) joinder to environmental indemnity executed by Transferee;

(v) continuing guaranty executed by Borrower, as guarantor, and the existing guarantors of the loan; and

(vi) an amended and restated environmental indemnity executed by Transferee and the guarantors of the loan.

(c) receipt and approval by Bank of an assumption endorsement and such other endorsements requested by Bank to the title policy insuring the lien of the Deed of Trust, without exception other than those expressly approved by Bank in writing, and satisfactory evidence to Bank that the priority and validity of the Deed of Trust has not been and will not be impaired by this Agreement or the transactions contemplated hereby;

(d) reimbursement to Bank by Borrower of Bank's costs and expenses incurred in connection with the negotiation and execution of this Agreement and the transactions contemplated hereby, including, without limitation, title insurance costs, recording fees, attorneys' fees, and documentation costs and charges, whether such services are furnished by Bank's employees or agents or by independent contractors;

(e) the representations and warranties contained in this Agreement are true and correct; and

(f) Borrower shall have paid interest current on the Original Note for the period August 1, 2020 to the date the conditions set forth herein are satisfied.

10. HEADINGS. The headings used herein are for descriptive purposes only and shall not be deemed a part of the provisions hereof.

11. GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

12. NO THIRD PARTY BENEFICIARIES. This Agreement is made and entered into for the sole protection and benefit of the parties hereto and their respective permitted successors and assigns, and no other person or entity shall be a third party beneficiary of, or have any direct or indirect cause of action or claim in connection with, this Agreement.

13. SEVERABILITY OF PROVISIONS. If any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity without invalidating the remainder of such provision or any remaining provisions of this Agreement.

14. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

BANK:

WELLS FARGO BANK,
NATIONAL ASSOCIATION

By: [Signature]
Name: Zachary Pegg
Title: Vice President

TRANSFeree:

222 FERRY STREET, LLC

By: _____
Name: John P. Janicki
Title: President

Address: 719 Metcalf Street
Sedro-Woolley, WA 98284

BORROWER:

JANICKI INDUSTRIES, INC.

By: _____
Name: Peter W. Janicki
Title: President

GUARANTOR CONSENT AND REAFFIRMATION

The undersigned, each a guarantor of the indebtedness of JANICKI INDUSTRIES, INC. to WELLS FARGO BANK, NATIONAL ASSOCIATION under the Note described above, hereby: (i) consents to the foregoing Agreement and the assumption by Transferee of all obligations of Borrower to Bank covered thereby; (ii) reaffirms that its obligations under its Payment and Performance Guaranty of the obligations of Borrower to Bank under the Note shall constitute a guarantee of the obligations of Transferee to Bank under the Note subsequent to the effectiveness of said assumption; (iii) reaffirms its waivers of each and every one of the defenses to such obligations as set forth in said Payment and Performance Guaranty; (iv) consents to joinder of Janicki Industries, Inc. and Moore Street East, LLC as guarantors, and (v) agrees to execute and deliver to Wells Fargo Bank, National Association a Continuing Guaranty guarantying the indebtedness of 222 Ferry Street, LLC to Wells Fargo Bank, National Association in form and substance acceptable to Wells Fargo Bank, National Association.

JOHN P. JANICKI

PETER W. JANICKI

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

BANK:

WELLS FARGO BANK,
NATIONAL ASSOCIATION

By: _____
Name: Lachlan Pegg
Title: Vice President

TRANSFeree:

222 FERRY STREET, LLC

By: _____
Name: John P. Janicki
Title: President

Address: 719 Metcalf Street
Sedro-Woolley, WA 98284

BORROWER:

JANICKI INDUSTRIES, INC.

By: _____
Name: Peter W. Janicki
Title: CEO

GUARANTOR CONSENT AND REAFFIRMATION

The undersigned, each a guarantor of the indebtedness of JANICKI INDUSTRIES, INC. to WELLS FARGO BANK, NATIONAL ASSOCIATION under the Note described above, hereby: (i) consents to the foregoing Agreement and the assumption by Transferee of all obligations of Borrower to Bank covered thereby; (ii) reaffirms that its obligations under its Payment and Performance Guaranty of the obligations of Borrower to Bank under the Note shall constitute a guarantee of the obligations of Transferee to Bank under the Note subsequent to the effectiveness of said assumption; (iii) reaffirms its waivers of each and every one of the defenses to such obligations as set forth in said Payment and Performance Guaranty; (iv) consents to joinder of Janicki Industries, Inc. and Moore Street East, LLC as guarantors, and (v) agrees to execute and deliver to Wells Fargo Bank, National Association a Continuing Guaranty guarantying the indebtedness of 222 Ferry Street, LLC to Wells Fargo Bank, National Association in form and substance acceptable to Wells Fargo Bank, National Association.

JOHN P. JANICKI

PETER W. JANICKI

JI DISC, INC.

By: Peter W. JanickiName: Peter W. Janicki
Title: President

JI PROPERTIES UTAH, LLC

By: John P. JanickiName: John P. Janicki
Title: President

JANICKI INDUSTRIES, INC.

By: Peter W. JanickiName: Peter W. Janicki
Title: CEO

PUNKIN CENTER WEST, LLC

By: John P. JanickiName: John P. Janicki
Title: President

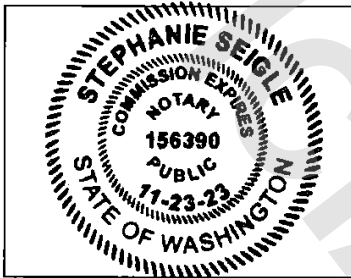
MOORE STREET EAST, LLC

By: John P. JanickiName: John P. Janicki
Title: ManagerBy: Peter W. JanickiName: Peter W. Janicki
Title: Manager

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this 21st day of August, 2020, before me personally appeared Lachlan Pegg, to me known to be the Vice President of WELLS FARGO BANK, NATIONAL ASSOCIATION, that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said entity, for the uses and purposes therein mentioned, and on oath stated that he or she was authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.



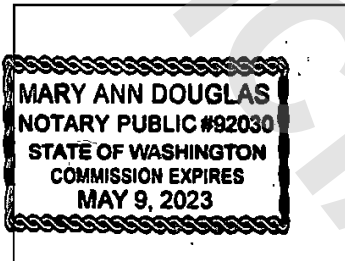
Stephanie Seigl
(Signature of officer)
Notary Public in and for the State of
Washington, residing at Seattle, WA
My commission expires: November 23, 2023

(Use this space for notarial stamp/seal)

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

On this 26 day of August, 2020, before me personally appeared John P. Janicki, to me known to be the President of 222 FERRY STREET, LLC, that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said entity, for the uses and purposes therein mentioned, and on oath stated that he or she was authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.



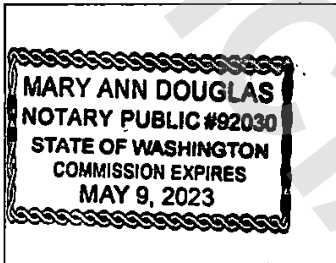
Mary Ann Douglas
(Signature of officer)
Notary Public in and for the State of
Washington, residing at SKAGIT County
My commission expires: MAY 9, 2023

(Use this space for notarial stamp/seal)

STATE OF WASHINGTON)
) ss.
 COUNTY OF SKAGIT)

On this 26th day of August, 2020, before me personally appeared Peter W. Janicki, to me known to be the CEO of JANICKI INDUSTRIES, INC., that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said entity, for the uses and purposes therein mentioned, and on oath stated that he or she was authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.



Mary Ann Douglas
 (Signature of officer)

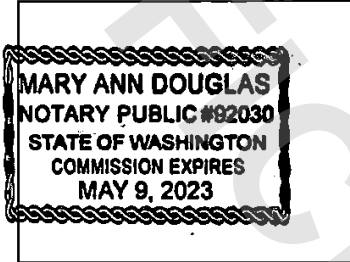
Notary Public in and for the State of Washington, residing at SKAGIT County

My commission expires: MAY 9, 2023

(Use this space for notarial stamp/seal)

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

On this day personally appeared before me JOHN P. JANICKI to me known to be the individual, or individuals described in and who executed the within and foregoing instrument, and acknowledged that he/she/they signed the same as his/her/their free and voluntary act and deed, for the uses and purposes therein mentioned. Given under my hand and official seal this 26th day of AUGUST, 2020.

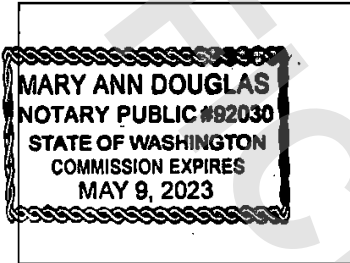


Mary Ann Douglas
(Signature of Officer)
Notary Public in and for the State of
Washington, residing at SKAGIT County
My commission expires: MAY 9, 2023

(Use this space for notarial stamp/seal)

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

On this day personally appeared before me PETER W. JANICKI to me known to be the individual, or individuals described in and who executed the within and foregoing instrument, and acknowledged that he/she/they signed the same as his/her/their free and voluntary act and deed, for the uses and purposes therein mentioned. Given under my hand and official seal this 26th day of AUGUST, 2020.



Mary Ann Douglas
(Signature of officer)

Notary Public in and for the State of
Washington, residing at SKAGIT County

My commission expires: MAY 9, 2023

(Use this space for notarial stamp/seal)

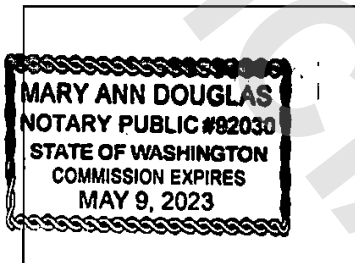
STATE OF WASHINGTON)

COUNTY OF SKAGIT)

) ss.

On this 26TH day of AUGUST, 2020, before me personally appeared PETER W. JANICKI, to me known to be the President of JI DISC, INC., that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said entity, for the uses and purposes therein mentioned, and on oath stated that he or she was authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.



Mary Ann Douglas
(Signature of officer)

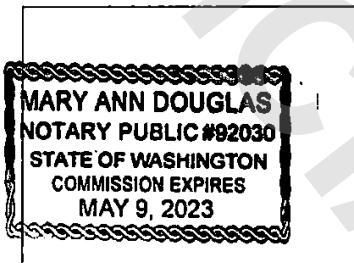
Notary Public in and for the State of
Washington, residing at SKAGIT County
My commission expires: MAY 9, 2023

(Use this space for notarial stamp/seal)

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

On this 26th day of August, 2020, before me personally appeared JOHN P. JANICKI, to me known to be the President of JI PROPERTIES UTAH, LLC, that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said entity, for the uses and purposes therein mentioned, and on oath stated that he or she was authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.



Mary Ann Douglas
(Signature of officer)

Notary Public in and for the State of
Washington, residing at SKAGIT County

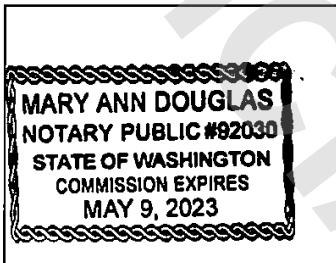
My commission expires: MAY 9, 2023

(Use this space for notarial stamp/seal)

STATE OF WASHINGTON)
) ss.
 COUNTY OF SKAGIT)

On this 26th day of August, 2020, before me personally appeared Peter W. Janicki, to me known to be the CEO of JANICKI INDUSTRIES, INC., that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said entity, for the uses and purposes therein mentioned, and on oath stated that he or she was authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.



Mary Ann Douglas
 (Signature of officer)

Notary Public in and for the State of
 Washington, residing at SKAGIT County

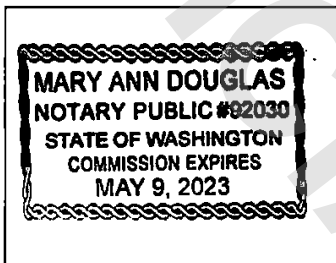
My commission expires: MAY 9, 2023

(Use this space for notarial stamp/seal)

STATE OF WASHINGTON)
) ss.
 COUNTY OF SKAGIT)

On this 26th day of August, 2020, before me personally appeared John P. Janicki, to me known to be the President of PUNKIN CENTER WEST, LLC, that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said entity, for the uses and purposes therein mentioned, and on oath stated that he or she was authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.



Mary Ann Douglas
 (Signature of officer)

Notary Public in and for the State of Washington, residing at SKAGIT County

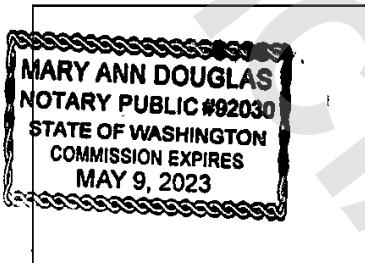
My commission expires: may 9, 2023

(Use this space for notarial stamp/seal)

STATE OF WASHINGTON)
) ss.
 COUNTY OF SKAGIT)

On this 26th day of August, 2020, before me personally appeared John P. Janicki, to me known to be the Manager of MOORE STREET EAST, LLC, that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said entity, for the uses and purposes therein mentioned, and on oath stated that he or she was authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.



Mary Ann Douglas
 (Signature of officer)

Notary Public in and for the State of Washington, residing at SKAGIT County

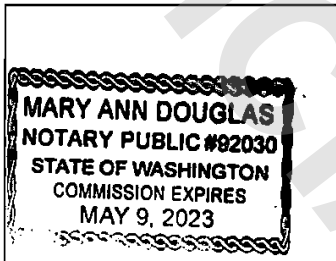
My commission expires: MAY 9, 2023

(Use this space for notarial stamp/seal)

STATE OF WASHINGTON)
COUNTY OF SKAGIT) ss.

On this 26th day of August, 2020, before me personally appeared Peter W. Janicki, to me known to be the Manager of MOORE STREET EAST, LLC, that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said entity, for the uses and purposes therein mentioned, and on oath stated that he or she was authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.



Mary Ann Douglas
(Signature of officer)

Notary Public in and for the State of
Washington, residing at SKAGIT County

My commission expires: MAY 9, 2023

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EXHIBIT A
to Assumption Agreement

LEGAL DESCRIPTION

ALL THAT PORTION OF THE FOLLOWING DESCRIBED TRACTS OF LAND (DESIGNATED AS PARCELS "A", "B", "C" AND "D") LYING EASTERLY OF A LINE WHICH IS PARALLEL TO AND 165 FEET WEST OF, AND MEASURED AT RIGHT ANGLES TO, THE WEST LINE OF MURDOCK STREET AS ESTABLISHED IN THE CITY OF SEDRO WOOLLEY:

PARCEL "A":

LOTS 1 TO 7, INCLUSIVE, BLOCK 4, OF "WOOLLEY, THE HUB OF SKAGIT COUNTY, WASHINGTON", AS PER PLAT RECORDED IN VOLUME 2 OF PLATS, PAGE 92, RECORDS OF SKAGIT COUNTY;
TOGETHER WITH THE VACATED ALLEY IN SAID BLOCK 4, WHICH UPON VACATION REVERTED TO SAID PREMISES BY OPERATION OF LAW.

SITUATE IN THE CITY OF SEDRO-WOOLLEY, COUNTY OF SKAGIT, STATE OF WASHINGTON.

PARCEL "B":

THAT PORTION OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 35 NORTH, RANGE 4 EAST OF THE WILLAMETTE MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF BLOCK 4, "WOOLLEY, THE HUB OF SKAGIT COUNTY, WASHINGTON," AS PER PLAT RECORDED IN VOLUME 2 OF PLATS, PAGE 92; THENCE NORTH ALONG THE WEST LINE OF MURDOCK STREET 30 FEET; THENCE WESTERLY PARALLEL WITH THE NORTHERLY LINE OF BLOCK 4 OF SAID PLAT OF "WOOLLEY" TO THE FORMER FAIRHAVEN AND SOUTHERN (LATER GREAT NORTHERN) RAILWAY RIGHT-OF-WAY; THENCE SOUTHEASTERLY ALONG SAID ABANDONED RIGHT-OF-WAY TO THE NORTHWEST CORNER OF SAID BLOCK 4; THENCE EASTERLY ALONG THE NORTHERLY LINE OF SAID BLOCK 4 TO THE POINT OF BEGINNING.

SITUATE IN THE CITY OF SEDRO-WOOLLEY, COUNTY OF SKAGIT, STATE OF WASHINGTON.

PARCEL "C":

THAT PORTION OF A STRIP OF LAND 100 FEET WIDE IN THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 35 NORTH, RANGE 4 EAST OF THE WILLAMETTE MERIDIAN, BEING 50 FEET WIDE ON EACH SIDE OF THE CENTERLINE OF THE FAIRHAVEN AND SOUTHERN RAILROAD COMPANY SPUR (LATER GREAT NORTHERN RAILWAY COMPANY) AS ORIGINALLY LOCATED AND ESTABLISHED AND CONVEYED TO SAID COMPANY BY DEED RECORDED SEPTEMBER 25, 1893, UNDER AUDITOR'S FILE NO. 17519 IN VOLUME 26 OF DEEDS, PAGE 574, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF SAID BLOCK 4, PLAT OF "WOOLLEY", SAID POINT BEING THE INTERSECTION OF THE WEST LINE OF MURDOCK STREET AND THE NORTHEASTERLY LINE OF SAID FORMER FAIRHAVEN AND SOUTHERN RAILROAD COMPANY RIGHT-OF-WAY;
THENCE NORTHWESTERLY ALONG THE NORTHEASTERLY LINE OF SAID FAIRHAVEN AND SOUTHERN RAILROAD COMPANY RIGHT-OF-WAY TO THE SOUTHERLY LINE OF THAT CERTAIN TRACT CONVEYED TO THE SEATTLE AND MONTANA RAILROAD COMPANY, A CORPORATION, BY THAT DEED DATED JULY 24, 1906, AND RECORDED AUGUST 16, 1906, IN VOLUME 62 OF DEEDS, PAGE 286;
THENCE WESTERLY ALONG THE SOUTHERLY LINE, AND THE SOUTHERLY LINE EXTENDED, OF SAID TRACT TO THE WESTERLY LINE OF BLOCK 3, OF SAID PLAT OF "WOOLLEY", EXTENDED NORTH;
THENCE SOUTH ALONG THE EXTENDED WESTERLY LINE OF SAID BLOCK 3 OF THE SOUTHWESTERLY LINE OF SAID FAIRHAVEN AND SOUTHERN RAILROAD COMPANY RIGHT-OF-WAY;
THENCE SOUTHEASTERLY ALONG SAID RAILROAD RIGHT-OF-WAY TO THE NORTH LINE OF FERRY STREET;
THENCE EAST ALONG THE NORTH LINE OF FERRY STREET TO THE WEST LINE OF MURDOCK STREET;
THENCE NORTH TO THE POINT OF BEGINNING.

SITUATE IN THE CITY OF SEDRO-WOOLLEY, COUNTY OF SKAGIT, STATE OF WASHINGTON.

PARCEL "D":

LOT 7, BLOCK 3, "WOOLLEY, THE HUB OF SKAGIT COUNTY, WASHINGTON", AS PER PLAT RECORDED IN VOLUME 2 OF PLATS, PAGE 92, RECORDS OF SKAGIT COUNTY, WASHINGTON;

TOGETHER WITH THAT PORTION OF VACATED STREET ADJACENT THERETO, WHICH UPON VACATION REVERTED TO SAID PREMISES BY OPERATION OF LAW.

SITUATE IN THE CITY OF SEDRO-WOOLLEY, COUNTY OF SKAGIT, STATE OF WASHINGTON.

{END OF EXHIBIT A}