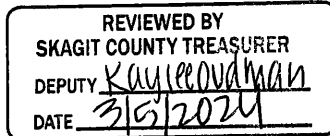


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Skagit County Auditor

Filed for Record at Request of and  
After Recording, please return to:

KSA Investments LLC  
16559 Country Club Dr.  
Burlington, WA 98233



## DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS OF Bay Heights HOMEOWNERS ASSOCIATION

Grantor: KSA Investments LLC  
Grantee: Homeowners in Bay Heights Plat  
Tax Parcel No: P20974  
Legal Description: See Attached Exhibit A Legal Description

THIS DECLARATION AND COVENANTS, CONDITIONS, RESTRICTIONS, EASEMENTS AND RESERVATIONS FOR Bay Heights Plat (The "Declaration") is made by KSA Investments, a Washington Limited Liability Company ("Declarant") as of this 15<sup>th</sup> day of December, 2023.

### RECITALS

Declarant is the owner of certain real property (the "Property") in Skagit County, Washington, legally described on Exhibit A hereto.

The Property is subdivided as shown in the Plat of Bay Heights, recorded in under Auditor's File No. 202403120040.

Declarant wishes to subject the Property to this Declaration.

THEREFORE, the Declarant hereby declares that all of the property described above shall be subject to all restrictions and easements of the Plat shall be held, sold, and conveyed subject to this Declaration of Covenants, Conditions, and Restrictions, which is for the purpose of maintaining the value and desirability of the development, and be binding on all parties having any right, title, or interest in described property or any part thereof, and shall subject said parties to all limitations herein provided, and inure to the benefit of each owner, their heirs, grantees, devisees, successors, and assigns and to the benefit of the Association.

## ARTICLE I. DEFINITIONS

Section 1.1 Words Defined. In this Declaration and any amendments hereto, the following terms shall have the following meanings and all definitions shall be applicable to the singular and plural forms of such terms:

1.1.1 "Association" shall mean the Bay Heights Plat Homeowners Association described in Article 4 of this Declaration, its successor and assigns.

1.1.2 "Board" shall mean the Board of Directors of the Association, and "Directors" shall mean members of the Board of Directors.

1.1.3 "Common Areas" shall mean the real property (including the improvements and facilities thereon) described as all areas of the Property within public road easement and Tract 999 shown on the Plat which will be conveyed by Declarant to the Association and held for the common use and enjoyment of the members of the Association. Areas specifically shall include the Private Road, Sidewalk, and the Bioretention cells and Pond (Tract 999).

1.1.4 "Construction" and "Constructed" shall mean any construction, reconstruction, erection or alteration of an Improvement, except wholly interior alterations to a then existing Structure.

1.1.5 "Declarant" shall mean Bay Heights HOA, or such successor or assign (including a Participating Builder) as Declarant may designate by a writing recorded in the records of the Auditor of Skagit County.

1.1.6 "Declaration" shall mean this Declaration of Covenants, Conditions, Restrictions, and Reservations for Bay Heights, as it may from time to time be amended.

1.1.7 "First Mortgage" and "First Mortgagee" shall mean, respectively, (a) a recorded mortgage on a Lot that has legal priority over all other Mortgages thereon, and (b) the holder of a First Mortgage.

1.1.8 "Lot" shall mean any legally platted plot of land shown upon any recorded subdivision map of the Property, with the exception of the Common Areas.

1.1.9 "Mortgage" shall mean a recorded mortgage or deed of trust that creates a lien against a Lot and shall also mean a real estate contract for the sale of a Lot.

1.1.10 "Mortgagee" shall mean the beneficial owner, or the designee of the beneficial owner, of an encumbrance on a Lot created by a mortgage or deed of trust and shall also mean the vendor, or the designee of a vendor, of a real estate contract for the sale of a Lot.

1.1.11 "Owner" shall mean the record owner, whether one or more Persons, of fee simple title to a Lot within the Property, including a contract purchaser entitled to beneficial possession.

1.1.12 "Participating Builder" shall mean a Person who acquires from Declarant one or more Lots for the purpose of improving the same for resale to future Owners and who has been designated in writing by Declarant as a "Participating Builder".

1.1.13 "Person" shall mean an individual, corporation, partnership, association, trustee, or other legal entity.

1.1.14 "Plat" shall mean the recorded plat of Bay Heights and any amendments, corrections or addenda thereto subsequently recorded.

1.1.15 "Property" shall mean the land described on Exhibit A and such additions thereto as may hereafter be subjected to the terms of the Declaration, and all improvements and structures now or hereafter placed on the land.

1.1.16 "Structure" shall mean any building, fence, wall, driveway, storage shed, carport, or the like.

Section 1.2 Form of Words. The singular form of words shall include the plural and plural shall include the singular. Masculine, feminine, and neuter pronouns shall be the interchangeably.

Section 1.3 Exhibits. The following are exhibits to this Declaration:

Exhibit A-Legal Description of the Property  
Exhibit B – Stormwater Maintenance Manual

## ARTICLE II. COMMON AREAS AND EASEMENTS

Section 2.1 Conveyance to Association. Declarant hereby grants and conveys the private road, sidewalk, and Tract 999 as "Common Areas" to the Association.

Section 2.2 Use. Each Owner shall have the right to use the common areas in common with all other Owners. The right to use the Common Areas shall be governed by the provisions of this Declaration, the Bylaws, and the rules and regulations of the Association.

Section 2.3 Abandonment of Common Areas. The Common Areas may not be abandoned, partitioned, subdivided, encumbered, sold, or transferred by the Association, any Owner or any third party, provided that, with the approval of at least 67% of the Owners and compliance with any restrictions on the face of the Plat, the Common Areas may be transferred to or encumbered for the benefit of a public agency, authority, or utility. The granting of easements for utilities or for other Areas by the Owners shall not be deemed purposes consistent with the intended use of the Common a partition or division.

Section 2.4 Alteration of Common Areas. Nothing shall be altered or constructed in or removed from any Common Areas except upon the prior written consent of the Board.

Section 2.5 Easements for Utilities. Declarant hereby creates and reserves a 10-foot easement along all property lines adjoining Private Road Easement for the benefit of Puget Sound Energy, Skagit County Public Utility District # 1 and such other similar private or public utility and drainage users as may be authorized by the purpose of installation, repair, replacement and operation of the utility services provided by such entities, together with the right to enter upon the easements at all time for the purposes stated. No structures shall be constructed on any area reserved for these easements. For purposes of section, "structures" shall not include landscaping, fencing, walkways, driveways or rockeries. The Board, with the consent of at least 51% of the voting power of the Association, shall be entitled to designate those additional private utilities that shall be entitled to utilize the easement area reserved in this Section 2.5. No lines or wires for the transmission of electric current or for telephone use or placed or permitted to be placed upon any Lot unless the same be cable television shall underground or in conduit attached to a Structure.

Section 2.6 Easements for Private Road. Declarant hereby creates and reserves a 40-foot easement

2.7 Conditions for Grant of Easements. The easements granted in Sections 2.5 and 2.6 are subject to the agreement of grantees to compensate grantor (or grantor's successors and assigns) for any property caused by the exercise of grantee's easement rights; to use reasonable care in carrying out any construction or repair in the easement areas and to restore such areas, to the extent reasonably practicable, to the condition they were immediately prior to such work; and to indemnify and hold harmless grantor (and grantor's successors and assigns) from any and all claims for injuries and/or damages suffered by any person caused by grantee's exercise of the rights therein granted.

## ARTICLE III. CONSTRUCTION ON LOTS AND USE OF LOTS

Section 3.1 Uniformity of Use and Appearance. One of the purposes of this Declaration is to assure, within the Property, a uniformity of use and quality of workmanship, maintenance and location of Structures with respect to topography and finish grade elevation. It is in the best interests of each Owner that such uniformity of use be maintained as hereinafter provided. Notwithstanding anything herein set forth, the Construction of any Structure shall comply with the more restrictive of either (i) the terms and conditions of this Declaration or (ii) the laws, codes, ordinances and regulations of any governmental entity having jurisdiction.

Section 3.2 Local Codes. In with the Skagit County and other applicable Codes. In the event of a conflict of applicable codes and this Declaration, the codes shall govern.

Section 3.3 Use Residential.

3.3.1 Residential Use. The Lots 1-8 and 11 shall be used only for single family residential purposes, the Lots 9 and 10 may be used for single-family or duplex residential purposes, and only one single family residence (and such accessory structures as are approved pursuant to this Article 3) shall be constructed on each Lot. Temporary "model homes" and real estate sales offices established for the purpose of marketing the Plat shall be considered a residential use until houses have been built and sold on all Lots.

3.3.2 Maintenance of Buildings and Lots. Each Owner shall, at the Owner's sole expense, keep the interior and exterior of the structure clean and sanitary condition, free of rodents and pests, and in good order, condition and repair and shall do all redecorating, painting, landscaping, and maintenance at any time necessary to maintain the appearance and condition of the Structure and the Lot and in such a manner as to not endanger the appearance and condition of the neighboring structures or lots.

3.3.3 Parking. No commercial-type trucks, campers, trailers, motorhomes, boats or motorcycles shall be parked or permitted to remain on any Lot, unless the same is stored or placed in a garage, in a rear yard area screened from adjoining lots, or in a screened or structured carport. No such vehicles shall be parked overnight on any street adjoining any Lot; provided that such vehicles belonging to guests may occasionally be so parked. No motor vehicles, inoperative for reasons of mechanical failure, shall be parked and/or stored on any Lot or in the street easement for more than 72 hours.

3.3.4 Animals. No horses, livestock, poultry, reptiles, pigs or other non-domestic animals shall be kept on any lot. All animal enclosures must be kept in a clean, neat and odor-free condition at all times. Notwithstanding anything set forth herein all Owners shall comply with all applicable governmental laws, codes, ordinances, and regulations pertaining to animals.

3.3.5 Clothes Lines. No washing, rugs, clothing, apparel or any other article shall be hung from the exterior of any Structure or on a Lot so as to be visible from the streets and roadways adjoining the Lots.

3.3.6 Temporary Structures. No Structure of a temporary character, trailer, tent, shack, garage, barn, or other outbuilding shall be installed, placed or used on any Lot as a residence, either temporarily or permanently.

3.3.7 Trash Containers and Debris. All trash shall be placed in sanitary containers either buried or screened so as not to be visible from adjoining Structures or streets or roadways. No Lot or any portion thereof shall be used as a dumping ground for trash or rubbish of any kind. Yard rakings, dirt and debris resulting from landscaping work or Construction shall not be dumped onto adjoining lots or streets or roadways. Compost piles may be kept upon the Lots provided they are kept in a clean, neat, odorless and sanitary condition.

3.3.8 Underground Utilities. No outdoor overhead wire or service drop for the distribution of electric energy or for telecommunications purposes nor any pole, tower or other structure supporting said outdoor overhead wires shall be erected, placed or maintained within the Property. All Owners shall use underground service wires to connect any Structure to electric or telephone utility facilities.

3.3.9 Water Supply/Sewage Disposal. No individual water supply system or individual sewage system shall be permitted on any Lot.

3.3.10 Damage. Any damage to streets, Plat improvements, entry structure, fences, landscaping, mailboxes, lights and lighting standards by Lot Owners, their children, contractors, agents, visitors, friends, relatives or service personnel shall be repaired and restored to like new (12) days from the occurrence of such damage.

#### ARTICLE IV. BAY HEIGHTS HOMEOWNERS ASSOCIATION

Section 4.1 Form of Association. The Owners of Lots within the Property shall constitute the members of the Bay Heights Homeowners Association, a Washington nonprofit corporation to be formed by Declarant. The rights and duties of the members and of the Association shall continue to be governed by the provisions of this Declaration, and the Association's Articles of Incorporation and Bylaws.

Section 4.2 Board of Directors. The affairs of the Association shall be governed by a Board of Directors (the "Board"). The initial Board shall be as described in the Articles of Incorporation of the Bay Heights Homeowners Association and shall serve until the Transition Date. Except, however, so long as

Declarant owns 20% of Lots within any phase of the Plat, the initial Board shall continue to function in its capacity as the Architectural Control Committee, as more particularly set forth in Article 5. At such time as the lots by Declarant constitute less than 20% of any of the Plat, the duties of the Board set forth in Article 5, in its capacity as the Architectural Control Committee, shall be assumed by the Board elected to serve after the transition date. After the Transition Date, the Board shall consist of such numbers of members as provided for in the Articles of Incorporation and Bylaws of the association. Subject to any specific requirements provided for in the Articles of Incorporation and Bylaws of the requirements hereof, the Board shall have authority to establish operating rules and procedures. In the event of death or resignation of any member or members of the Board, the remaining member or members, if any, shall have full authority to appoint a successor member or members. Members of the Board shall not be entitled to any compensation for services performed as Directors pursuant to this Declaration. Upon the Transition Date and without further action by any person or persons, (i) the term of the initial Directors or their successors shall end, and (ii) the initial Directors and their then successors shall be released from any and all liability whatsoever for claims arising out of or in connection with this Declaration, excepting only claims arising prior to the Transition Date.

Section 4.3 Qualification for Membership. Each owner of all or a portion of the fee interest in a Lot (including Declarant) shall be a member of the Association. Ownership of a Lot shall be the sole qualification for membership in the Association. Membership shall be appurtenant to and may not be separate from Ownership of any Lot, and shall not be assigned, transferred, pledged, hypothecated, conveyed or alienated in any way except upon the transfer of title to the Lot and then only to the transferee of title to the Lot. Any attempt to make a prohibited transfer shall be void. Any transfer of title to a Lot shall operate automatically to transfer the Association membership to the persons constituting the new Owners.

Section 4.4 Voting Rights. The Association shall have two (2) classes of voting membership:

Class A: Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one (1) vote for each Lot owned; provided, that if a Lot has been sold on contract, the purchaser shall exercise the rights of an Owner. Except with respect to contract purchasers, when more than one person holds an interest in any Lot, all such persons shall be members.

Class B: Class B members shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership effective on the Transition Date.

Section 4.5 Voting. If a Lot is owned by more than one person and only one of them is present or represented at a meeting, the one who is present or represented will represent the Owner. The vote for a Lot must be cast as a single vote, and fractional votes shall not be allowed. If joint owners are unable to agree among themselves how their vote shall be cast, they shall lose their right to vote on the matter in question. An Owner may, by written notice to the Board, designate a voting representative for the Lot. The designated voting representative need not be an Owner. The designation may be revoked at any time by written notice to the Board from a Person having an ownership interest in a Lot, or by actual notice to the incompetence of any Person with an ownership interest in the Lot, except in cases in which the Person designated is a Mortgagee of the Lot. This power of designation and revocation may be exercised by the guardian of an Owner, the attorney-in-fact for the Owner under a durable power of attorney, and the administrator or executor of an Owner's estate. If no designation has been made, or if a designation has been revoked and no new designation has been made, the voting representative of each Lot shall be the group composed of all of its Owners. Unless otherwise expressly provided in this Declaration, a quorum is throughout any meeting of the Association if the Owners to which twenty five percent (25%) of the votes of the Association are allocated are present in person or by proxy at the beginning of the meeting.

Section 4.7 Annual and Special Meetings. Within one year following recording of the final plat, on a date selected by the Board there shall be a meeting of the members of the Association and of thereafter there shall be an annual meeting of the members of the Association in the first quarter each fiscal year at such reasonable place and time as may be designated by written notice from the Board delivered to the Owners no less than 30 days before the meeting. At the first such meeting, and at each annual meeting thereafter, the Owners shall elect by majority vote individuals to serve as Directors until a successor is elected at the next annual meeting. Each Lot shall be entitled to one vote for each Director and the voting for Directors shall be non-cumulative. The financial statement for the preceding fiscal year (if any) and the budget the Board has adopted for the pending fiscal year shall be presented at the annual meeting for ratification by the members. Special meetings of the members of the Association may be called at any time upon not less than 14 days prior written notice to all Owners, for the purpose of considering matters which require the approval of

purpose. Any First Mortgagee of a Lot may attend or designate a representative to attend the purpose.

Section 4.8 Books and Records. The Board shall cause to be kept complete, detailed, and accurate books and records of the receipts and expenditures (if any) of the Association, in a form that complies with generally accepted accounting principles. The books and records, authorizations for payment of expenditures, and all contracts, documents, papers, and other records of the by the Lot Owners, Mortgagees, and the agents or attorneys of either of them, during normal business hours and at any other reasonable time or times as established by the Association's Rules, Regulations and Bylaws.

Section 4.9 Transition Date. The "Transition Date" shall be the date control of the Board passes from the initial Board to the Association. Prior to the Transition Date, Declarant shall be entitled to exercise all rights and powers of the Board and the Association. At Declarant's option, the Transition Date will be either: (i) the date designated by Declarant in a written notice to the Owners, which date may be by Declarant's election any date after this Declaration has been recorded; or (ii) the 120th day after Declarant has transferred to retail purchasers title to all Lots in the Property. For purposes of the foregoing clause (ii) transfer of title to a Lot by Declarant to any Participating Builder shall be disregarded and title to any Lot owned by Participating Builder shall not be deemed transferred for purposes of determining the Transition Date until the Lot is further transferred by Participating Builder to a purchaser who is not either a Participating Builder or Declarant.

## ARTICLE V. AUTHORITY OF THE BOARD

Section 5.1 Adoption of Rules and Regulations. The Board is empowered to adopt, amend, and revoke on behalf of the Association detailed administrative rules and regulations necessary or convenient from time to time to ensure compliance with the general guidelines of this Declaration to promote the comfortable use and enjoyment of the Property and to govern the operation and procedures of the Association. The rules and resolutions may, without limitation, authorize voting by proxy or mail, or both, on Association matters. The rules and regulations of the Association shall be binding upon all Owners and occupants and all other Persons claiming any interest in the Property.

Section 5.2 Enforcement of Declaration. Etc. The Board shall have the power to enforce the provisions of this Declaration, and the rules and regulations of the Association for the benefit of the Association. The failure of any Owner to comply with the provisions of this Declaration, or the rules and regulations of the Association will give rise to a cause of action in the Association (acting through the Board) and any aggrieved Lot Owner for recovery of damages, or injunctive relief, or both. If a legal action is brought to interpret or enforce compliance with the provisions of this Declaration, or the rules or regulations of the Association, the prevailing party shall be entitled to judgment against the other party for its reasonable expenses, court costs, and attorneys' fees in the amount awarded by the Court.

Section 5.3 Goods and Services. The Board shall acquire and pay for as common expenses of the Association all goods and services reasonably necessary or convenient for the efficient and orderly functioning of the Association and maintenance of all portions of the common areas including the Bioretention pond (Tract 999), stormwater conveyance maintenance (guidelines will be covered in a different document, "Stormwater Maintenance Manual", Private Road and Sidewalks and all other common areas not maintained by public utility companies or a governmental entity and of any planter islands and other landscaping, including trees planted in the road right of ways dedicated to Skagit County. The goods and services shall include (by way of illustration and not limitation) irrigation systems for landscaping maintenance, utility services for the Common Areas; policies of insurance; and maintenance, repair, landscaping, gardening and general upkeep of the Common Areas. The Board may hire such employees as it considers necessary.

Section 5.4 Protection of Common Areas. The Board may spend such funds and take such action as it may from time to time deem necessary to preserve the Common Areas, settle claims, or otherwise act in what it considers to be the best interests of the Association, including but not limited to spending such funds and taking such action as is necessary to keep common areas in good working order.

## ARTICLE VI. LIMITATION LIABILITY

Section 6.1 So long as a Director, or Association member, or the Declarant acting on behalf of the board, has acted in good faith, without willful or intentional misconduct, upon the basis of such actual information, then no such Person shall be personally liable to any Owner, or to any other Person, including the Association, for any damage, loss, or prejudice suffered or claimed on account of any act, omission, error, or negligence of such Person; provided that this Article shall not apply to the extent the liability of such person for such act, omission, error, or negligence is covered by any insurance actually obtained by the Board.

## ARTICLE VII. INDEMNIFICATION

Section 7.1 Each Director, and Declarant shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed in connection with any proceeding to which such person may be a party, or in which such person may become involved, by reason of holding or having held such position, or any settlement thereof, whether or not such person holds such position at the time such expenses or liabilities are incurred, except to the extent such expenses and liabilities are covered by insurance actually obtained by the Board and except in the such cases wherein such Director or Declarant is adjudged guilty of willful misfeasance in the performance of his or her duties; provided, that in the event of a settlement, the indemnification shall apply only when the Board approves such settlement and reimbursement as being for the best interests of the Association.

## ARTICLE VIII. INSURANCE

Section 8.1 At such times as the Board deems appropriate, the Board shall cause the Association to purchase and maintain as a common expense a policy or policies which the Board deems necessary or desirable to provide casualty insurance; comprehensive liability insurance; with such deductible provisions as the Board deems Association's affairs; and such insurance, if available, for the protection of the Association's Directors, and representatives from personal liability in the management of the insurance as the Board deems advisable. The Board shall review the adequacy of the Association's insurance coverage at least annually.

## ARTICLE IX. DAMAGE AND REPAIR OF DAMAGE TO PROPERTY

Section 9.1 In the event of any casualty, loss or other damage to the Common Area for which the then current assessments by the Board are insufficient to repair, or restore or for which there are not insurance proceeds or insufficient insurance proceeds available to the Board for such restoration or repair, the Board may make a special assessment against each Lot within the Property for its pro rata share of the cost and expenses to repair and/or restore the Common Areas. The special rata shares of the cost and expenses to repair and/or assessment shall be payable, at the determination of the Board, in either monthly or quarterly shall notify each Lot Owner of any such special assessment not less than 20 days prior to the date such special assessment or the first installment thereon is due and payable, which notice shall be accompanied by a reasonably detailed statement of the Board's estimated costs and expenses of repairing and/or restoring the Common Areas.

## ARTICLE X. RESERVATION OF DECLARANT'S RIGHT TO AMEND

Section 10.1 Amendment by Declarant. Declarant reserves the right to amend the Declaration, prior to the Transition Date, as may be necessary to comply with Federal Home Loan Mortgage Corporation ("FMC") or Federal National Mortgage Association ("FNMA") or Federal Housing Administration ("FHA") regulations or requirements as necessary to enable the holders of first mortgages or deeds of trust to sell first mortgages or deeds of trust to FHLMC or FNMA or if such amendment is necessary to secure funds or financing provided by, through or in conjunction with FHLMC or FNMA or FHA or, if such amendment is necessary, in Declarant's sole opinion, for the efficient functioning of the Association, the Property, or the Plat.

Section 17.2 Authorization to Amend. If Declarant, at its option, necessary so to amend the Declaration, then Declarant, on behalf of all Lot Owners in the Association, is hereby authorized to execute and to have recorded (or filed, in the case of the Articles) said required amendment or amendments. All Lot Owners hereby grant to Declarant a full and complete power of attorney to take any and all actions necessary to effectuate and record said amendment or amendments and agree that said amendment or amendments shall be binding upon their respective Lots and upon them and their heirs, personal representatives, successors and assigns to the same extent as if they had personally executed said amendment or amendments. All Lot Owners hereby acknowledge and agree that the power of attorney granted herein shall be deemed coupled with an interest and shall be irrevocable.

Section 17.3 Duration. Declarant's rights under this Article 17 shall exist until the Transition Date.

## ARTICLE XI. MISCELLANEOUS

## 14.1 Severability.

A determination by a court that any provision hereof is invalid for any reason shall not affect the validity of any other provision in the Declaration.

## 14.2 No Liability.

Declarant has, using best efforts and all due diligence, prepared and recorded this Declaration so that each and every owner shall have the right and power to enforce the terms and provisions of this Declaration against every other owner. However, in the event that this Declaration is unenforceable by an owner, or any other person in a court of law, Declarant shall have no liability of any kind as a result of such unenforceability. Each and every owner, by acceptance of a deed conveying a lot, acknowledges that Declarant shall have no such liability.

## ARTICLE XI. EFFECTIVE DATE.

This Declaration shall be effective upon recording.

## ARTICLE XII. ASSIGNMENT BY DECLARANT.

Declarant reserves the right to assign, transfer, sell, lease, or rent all or any portion of the Property and reserves the right to assign or delegate all or any of its rights, duties, and obligations created under this Declaration. If property is sold before plats are sold, the new owner has the right to amend, change, and/or add, and record any covenants, conditions, and restrictions.



Brandon Atkinson, for KSA Investments, LLC

Date:

02/20/24

IN WITNESS THEREOF, the Declarant has caused this Declaration to be duly executed and sealed this {day} of {month and year}.

Signed, sealed, and delivered in the presence of:

{Developer's Name}

PATSEVERIN

Witness

SOUND DEVELOPMENT GROUP

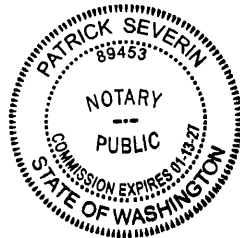
By: MARKELO HENRIQUEZ

{Name and Title}

{Corporate Seal}



Notary Public Signature and Stamp





## EXHIBIT A

## LEGAL DESCRIPTION

THAT PORTION OF THE NORTHEAST  $\frac{1}{4}$  OF THE NORTHEAST  $\frac{1}{4}$  OF SECTION 2, TOWNSHIP 34 NORTH, RANGE 3 EAST, W.M., DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF THE NORTHEAST  $\frac{1}{4}$  OF SECTION 2, TOWNSHIP 34 NORTH, RANGE 3 EAST, W.M.; THENCE WEST 20 RODS (330 FEET) TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 49 RODS (808.50 FEET); THENCE WEST 60 RODS (990 FEET); THENCE NORTH 49 RODS (808.5 FEET); THENCE EAST 60 RODS (990 FEET) TO THE TRUE POINT OF BEGINNING,

EXCEPT THE EAST 337.5 FEET THEREOF,

EXCEPT THAT PORTION THEREOF LYING WITHIN THE WEST 495 FEET OF THE NORTHEAST  $\frac{1}{4}$  OF THE NORTHEAST  $\frac{1}{4}$  OF SAID SECTION 2,

EXCEPT STATE HIGHWAY 1-C RUNNING ALONG THE NORTH LINE THEREOF,

AND EXCEPT DITCH RIGHTS OF WAY.

SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON.