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Fairhart Transfer Pote

Agreement to Transfer Potential Credits P48951 – 774 Old Highway 99 N. Bellingham, WA 98229

N1/2 OF GOVERNMENT LOT 7, SECTION 6, TOWNSHIP 36 NORTH, RANGE 4 EAST, W.M.

This Agreement to Transfer Potential Credits ("Agreement") is entered into this 27th day of June, 2024 (the "Effective Date") by Mark Fairhart (the "Landowner") and Skagit Conservation District, a governmental subdivision (the "Project Operator") whose mission is conservation of natural resources and who has undertaken an afforestation or reforestation project ("Tree Project") on the Property of Landowner (the "Property").

1. Purpose and Intent

Project Operator and Landowner desire to help Project Operator fund this Tree Project by allowing Project Operator to develop potential carbon and environmental credits that it can attempt to sell to defray project costs or to plant additional trees. The Landowner will receive the benefits of the trees planted in this project at little to no cost to the Landowner.

These potential carbon or environmental credits or offsets include amounts of carbon dioxide stored, stormwater runoff reductions, energy savings, and air quality benefits arising from the planting and growth of trees in the Tree Project ("City Forest Carbon Forward Removal Credits" or "Credits"). The Credits will be developed using the protocols and registry of City Forest Credits, a non-profit organization ("CFC").

2. Rights Granted

Landowner grants Project Operator the title and rights to any and all Credits developed from the Tree Project during the term of this agreement, including rights to register with CFC, and develop and sell the Credits.

3. Subject Lands

The Property specified in Exhibit A.

4. Obligations of Landowner

Landowner shall not cut, harvest, or damage trees in the Tree Project except in cases of emergency involving fire or flooding or to mitigate hazard if trees are identified as a hazard by a certified arborist.

5. Obligations of Project Operator

Project Operator will pay all costs and assume all responsibilities for development and sale of Credits from the Tree Project.

6. Landowner Representations

Landowner represents that it has authority to enter this agreement, and that the Property is free from any liens, claims, encumbrances, tenancies, restrictions, or easements that would prevent or interfere with the rights to Credits granted under this Agreement.

7. Project Operator Representations

Project Operator represents that it has the capacities necessary to execute its obligations under this agreement.

8. Default

If either party is in default of this agreement, the other party may notify the defaulting party of the specific nature of the default. The defaulting Party has 30 days from the date of notice to correct the default. If the default is not corrected in 30 days, the non-defaulting party may cancel this agreement. Notice of cancellation shall be delivered in writing to the current contact address of the defaulting party.

9. Term of Agreement and Option to Renew

This Agreement shall remain in force for 26 years after the Effective Date of the Agreement. Project Operator may renew this Agreement for a second 26 years if it delivers written notice of renewal to Landowner at least 90 days prior to expiration of this Agreement.

10. Governing Law

This agreement shall be construed and enforced in accordance with the laws of the State of Washington.

11. Parties

Project Operator		Landowner	
Name:	Emmett Wild	Name:	Mark Fairhart Eugenie Fairhart
Title:	District Manager	Title:	Landowner
Address:	2021 East College Way, Suite 203	Address:	18 Bowline Ct Bellingham, WA 98229
Phone:	360-428-4313	Phone:	425-508-3462 425-281-0405
Email:	emmett@skagitcd.org	Email:	Fairmark11@gmall.com Geniefairhart@gmail.com
Signature:	Rometin .	Signature:	Mrs Z That
Date:	7/2/24	Date:	June 27, 2024

Exhibit A

Legal Description of Property

(18.0900 AC) CU F&A #71 AF#790138 1975 TRNSF AF#807021: N1/2 OF GOVERNMENT LOT 7, SECTION 6, TOWNSHIP 36 NORTH, RANGE 4 EAST, W.M., LESS RD. EXCEPT FOLLOWING DESCRIBED TRACT: BEGINNING AT THE SE CORNER OF SAID N1/2 OF GOVERNMENT LOT 7; THENCE NORTH 01-26-54 EAST, ALONG THE EAST LINE OF SAID GOVERNMENT LOT 7, 100 FEET; THENCE NORTH 87-45-26 WEST, 140 FEET; THENCE SOUTH 01-26-54 WEST, 100 FEET; THENCE SOUTH 87-45-26 EAST, 139.9 FEET; TO THE POINT OF BEGINNING. ALSO EXCEPT BEGINNING AT A POINT ON THE EAST LINE OF GOVERNMENT LOT 7, SECTION 6, TOWNSHIP 36 NORTH, RANGE 4 EAST, W.M., NORTH 01-26-54 EAST A DISTANCE OF 301.06 FEET, OF THE SOUTHEAST CORNER OF THE NORTH 1/2 OF SAID GOVERNMENT LOT 7; THENCE SOUTH 36-33-26 WEST, 243.40 FEET: THENCE SOUTH 87-45-26 EAST, 140 FEET, MORE OR LESS, TO A POINT ON THE EAST LINE OF SAID GOVERNMENT LOT 7; THENCE NORTH 01-26-54 EAST ALONG THE EAST LINE OF SAID GOVERNMENT LOT 7, 201.06 FEET, TO THE POINT OF BEGINNING. TOGETHER WITH BEGINNING AT A POINT ON THE EAST LINE OF GOVERNMENT LOT 7, SECTION 6, TOWNSHIP 36 NORTH, RANGE 4 EAST, W.M., NORTH 01-26-54 EAST A DISTANCE OF 301.06 FEET OF THE SOUTHEAST CORNER OF THE NORTH 1/2 OF SAID GOVERNMENT LOT 7; THENCE CONTINUING ALONG SAID EAST LINE OF SAID GOVERNMENT LOT 7 NORTH 01-26-54 EAST 254.45 FEET, MORE OR LESS, TO A POINT ON THE WESTERLY RIGHT OF WAY OF STATE HIGHWAY 1; THENCE SOUTH 27-13-03 EAST ALONG SAID RIGHT OF WAY, 230.60 FEET; THENCE SOUTH 66-13-19 WEST, 122.28 FEET, TO THE POINT OF BEGINNING. SURVEY AF#201911210091, 13.09 Ac Fairhart Planting as noted in Exhibit B.

Exhibit B

