



200002010089

Kathy Hill, Skagit County Auditor

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WHEN RECORDED RETURN TO:

Name: ~~Skagit State Bank~~ Mitzels Farmhouse Inn LLC
Address: ~~PO Box 1285~~ 1376 LaConner-Whitney Road
City, State, Zip ~~Bluffville WA 98273~~ Mount Vernon, WA 98273

FIRST AMERICAN TITLE CO.

Grantor. Skagit State Bank
Grantee. Mitzel's Farmhouse Inn LLC, A Washington Limited Liability Co
Abbrev. Leg. Section 7, Township 34, Range 3; Ptn SW-SE *
Tax Acct No. 340307-3-002-0002 R21199, 340307-0-020-000 R21182
*Portion of Government Lot 11, Section 7, Township 34 North, Range 3

B61319 E-1

SPECIAL WARRANTY DEED

THE GRANTOR, Skagit State Bank, for and in consideration of
Ten Dollars and Other Valuable Consideration Dollars (\$ 10.00 - - - - -),
in hand paid, grants, bargains, sells, conveys and confirms to
THE GRANTEE, Mitzel's Farmhouse Inn LLC, A Washington Limited Liability Co

the following described real estate, situated in the County of Skagit
State of Washington:

See Exhibit "A" attached hereto and made a part hereof.
Subject to: See Exhibit "B" attached hereto and made a part hereof.
Said premises being subject to a non-exclusive easement for existing septic system and
drainfield together with the right to maintain, repair, replace and enlarge said existing
septic system & drainfield to any location on said premises. Said easement to be
appurtenant to Parcels "C" & "D" (collectively referred to as Parcel "B" of a proposed lease)
as described on Exhibit C hereto. Said Easement to be automatically extinguished should
Parcel "C" & "D" ever be connected to a public sewer system.

The Grantor for itself and for its successors in interest does by these presents
expressly limit the covenants of the deed to those herein expressed, and excludes all
covenants arising or to arise by statutory or other implication, and does hereby covenant
that against all persons whomsoever lawfully claiming or to claim by, through or under
said Grantor and not otherwise, the Grantor will forever warrant and defend the said
described real estate.

Said lands have been reclassified for tax
purposes, notice of which is given by
instrument as herein set forth. They will
be subject to further taxation and interest
thereupon as provided by chapter 84.34 and
84 RCW upon withdrawal from such classifi-
cation or change in use. Reclassified as
farm and agricultural under Auditor's file
No's 768381 and 8003030029.

DATED January 31, 2000

Skagit State Bank,

By Duane Oord, Senior Vice President

SKAGIT COUNTY WASHINGTON
Real Estate Excise Tax

33665

STATE OF WASHINGTON

COUNTY OF SKAGIT

FEB - 1 2000

I certify that I know or have satisfactory evidence that Duane Oord
is the person who appeared before me and said person acknowledged that HE/SHE signed this instrument,
on oath stated that HE/SHE was authorized to execute the instrument and acknowledged it
as Sr Vice President of SKAGIT STATE BANK to be the free and voluntary act of such
party for the uses and purposes mentioned in the instrument.

Amount Paid \$ 2421.23
By Skagit Co. Treasurer Deputy

Witness my hand and official seal hereto affixed this 31st day of January, 2000

Lydia Reynolds
Lydia Reynolds

Typed/Printed Notary Name

Notary Public in and for the State of Washington, residing at Mt Vernon

My appointment expires 8-9-2001

READ AND CONTENT APPROVED:

X _____
X _____

Exhibit "A"
Mitzel Deed

The land referred to in this report/policy is situated in the State of Washington, County of Skagit, and is described as follows:

Parcel "A":

That portion of the Northeast 1/4 of the Southwest 1/4 of Section 7, Township 34 North, Range 3 East, W.M., lying Southerly of State Highway No. 1;

EXCEPT that portion condemned in Skagit County Superior Court Cause No. 31675 for State Highway.

(Said Parcel is further described as a portion of Parcel "A" of the to be executed Lease Agreement.)

Parcel "B":

Government Lot 11 in Section 7, Township 34 North, Range 3 East, W.M.;

EXCEPT that portion lying North of the South right of way line of State Highway No. 536 as conveyed to the State of Washington by Deed dated August 2, 1938, and recorded November 5, 1938 in Volume 175 of Deeds, page 568, under Auditor's File No. 307273, records of Skagit County, Washington;

ALSO EXCEPT that portion condemned by the State of Washington for State Highway No. 536 by Decree of Appropriation in Skagit County Superior Court Cause No. 31675;

AND ALSO EXCEPT the East 650 feet thereof.

(Said Parcel is further described as a portion of Parcel "A" of the to be executed Lease Agreement.)



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Exhibit "B" Mitzel Deed

EASEMENT, INCLUDING THE TERMS AND PROVISIONS THEREOF:

Grantee:	City of Anacortes
Dated:	November 14, 1930
Recorded:	January 14, 1931
Auditor's No:	240245 Vol. 156, page 421
Purpose:	Water main
Area Affected:	Exact location not disclosed on record Affects Parcels "A", "B", "C" and "D"

READ AND CONFIRMED
[Signature]
[Signature]

By an instrument dated February 3, 1931, filed May 2, 1931, under File No. 243029, and recorded in Volume 157 of Deeds, page 455, said easement was modified to provide that the pipes and mains involved should be at least 18 inches under the surface instead of 24 inches.

EASEMENT, INCLUDING THE TERMS AND PROVISIONS THEREOF:

Grantee:	Transmountain Oil Pipe Line Corporation
Dated:	July 22, 1954
Recorded:	December 8, 1954
Auditor's No:	510272
Purpose:	Lay, maintain, etc., an oil pipe line
Area Affected:	Exact location undisclosed on record Affects: Parcels "A", "B", "C" and "D"

EASEMENT, INCLUDING THE TERMS AND PROVISIONS THEREOF:

Grantee:	Olympic Pipe Line Company
Dated:	April 30, 1964
Recorded:	June 1, 1964 and October 29, 1964
Auditor's No:	651635 and 657780
Purpose:	Pipeline
Area Affected:	Exact location undisclosed on record Affects Parcels "A", "B", "C" and "D"

Any prohibition or limitation on the use, occupancy or improvements or the land resulting from the rights of the public or riparian owners to use any waters which may now cover the land or to use any portion of the land which is now or may formerly have been covered by water.

Affects: Parcel "A"

Right of use, control or regulation by the United States of America in exercise of power over navigation.

Affects: Parcel "A"

Rights of the State of Washington in and to that portion of said premises, if any, lying in the bed or former bed of the unnamed slough disclosed by Skagit County Assessor's map, if it is navigable.

Affects: Parcel "A"

A security Interest in Goods under the provision of the Uniform Commercial Code:

Debtor: Mitzel's Farmhouse Inn LLC
 Secured Party: Skagit State Bank
 Auditor's File No. 199909030028
 Collateral: All Fixtures

Debtor: Mitzel's Farmhouse Inn, LLC
 Secured Party: Simon D. Carey, Jr.
 Auditor's File No. 199911190020
 Collateral: Fixtures



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Exhibit "C"

Parcel "C":

The East 400 feet of Government Lot 11 in Section 7, Township 34 North, Range 3 East, W.M.;

EXCEPT that portion thereof lying North of the South right of way line of State Highway No. 536, as conveyed to the State of Washington by Deed dated August 2, 1938, and recorded November 5, 1938, in Volume 175 of Deeds, page 568, under Auditor's File No. 307273, records of Skagit County, Washington;

ALSO EXCEPT LaConner-Whitney Road;

AND ALSO EXCEPT that portion thereof condemned by the State of Washington for Highway No. 536 by Decree of Appropriation in Skagit County Superior Court Cause No. 31675.

(Said Parcel is further described as a portion of Parcel "B" of the to be executed Lease Agreement.)

Parcel "D":

The West 250 feet of the East 650 feet of that portion of Government Lot 11 in Section 7, Township 34 North, Range 3 East, W.M., lying Southerly of that parcel condemned by the State of Washington for State Highway No. 536 by Decree of Appropriation in Skagit County Superior Court Cause No. 31675.

(Said Parcel is further described as a portion of Parcel "B" of the to be executed Lease Agreement.)

