WHEN RECORDED RETURN TO: .

City, State, Zip LaConner WA

20002010090

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Name: Robert L Apter
Address: 5A Beach Dr

98257

Grantor. Skagit State Bank FIRST AMERICAN TITLE CO. Grantee. Robert L Apter, an unmarried man B61319 E-2 Abbrev. Leg. Section 11/1/Jownship/34/kange/3:/ Pth/SW/SE Tax Acct No. 340407-0-020-0105 R21183, 340307-0-020-0204 R21184 Portion of Government Lot 11, Section 7, Township 34 North, Range 3 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, Robert L Apter, an unmarried man the following described real estate, situated in the County of Skagit State of Washington: 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 ingress and egress over and across the easements conveyed to the Transmountain Oil Pipeline Corp by Auditor's File No 510272. Said premises being also subject to a non exclusive easement for ingress, egress and utilities over, across and under a stip of land 10 feet wide contiguous to and Northerly of the North line of said Transmountain Oil Pipeline Corp easements. Said easements to be appurtenant to Parcels "A" and "B"(collectively referred to as Parcel "B" of a proposed lease) as described on Exhibit "C" hereto. 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. January 31 2000 DATED Skagit State Bank, SKAGIT COUNTY Real Fetate Excise Tex Duane Oord, Senior Vice President Amount Paid s 18, 252.87 STATE OF WASHINGTON SS. **COUNTY OF SKAGIT** Deputy I certify that I know or have satisfactory evidence that 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. 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. Witness my hand and official seal hereto affixed this 31st day of 2000 Lydia Reynolds Typed/Printed Notary Name

Notary Public in and for the State of Washington, residing at 1/1/

My appointment expires

READ AND CONTENT APPROVED:

Exhibit "A"
Apter Deed

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.)

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Exhibit "B" /Apter Deed

EASEMENT, INCLUDING THE TERMS AND PROVISIONS THEREOF:

Grantee:
Dated:
Recorded:

Auditor's No:

Purpose: Area Affected: City of Anacortes November 14, 1930 January 14, 1931 240245 Vol. 156, page 421

Water main

Exact location not disclosed on record Affects Parcels "A", "B", "C" and "D"

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:

Dated: Recorded:

Auditor's No: Purpose: Area Affected: Transmountain Oil Pipe Line Corporation

July 22, 1954 December 8, 1954

510272

Lay, maintain, etc., an oil pipe line Exact location undisclosed on record Affects: Parcels "A", "B", "C" and "D"

EASEMENT, INCLUDING THE TERMS AND PROVISIONS THEREOF:

Grantee:

Dated:

Recorded:

Auditor's No: Purpose:

Area Affected:

Olympic Pipe Line Company

April 30, 1964

June 1, 1964 and October 29, 1964

651635 and 657780

Pipeline

Exact location undisclosed on record Affects Parcels "A", "B", "C" and "D"

Condemnation by the State of Washington of rights of access to State Highway and of light, view and air, by decree entered in Skagit County Court Cause No. 31675.

Affects:

Parcel "C"

SECURITY INTEREST IN GOODS UNDER THE PROVISON 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 Secured Party: Simon D. Carey, Jr. Auditor's File No. 199911190020

Collateral: Fixtures

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Exhibit "B" continued SEAS/Apter Deed

EASEMENT AND PROVISIONS CONTAINED THEREIN:

Grantee:

Dated:

Recorded: Auditor's No:

Purpose:

Puget Sound Power & Light Company

October 30, 1979

7910300005

Right to enter said premises to operate, maintain and repair underground electric transmission and/or distribution system, together with the right to remove brush, trees

and landscaping which may constitute a

danger to said lines

Portion of subject property

Affects: Parcel "C"

EASEMENT, INCLUDING THE TERMS AND PROVISIONS THEREOF:

Grantee:

Affects:

Dick South and Chris L. Hansen as trustees and receivers pursuant to orders in Skagit

County Superior Court, Cause

No. 83-2-00046-0.

January 27, 1986

Dated:

Recorded: Auditor's No:

Purpose:

Area Affected:

February 13, 1986 8602130088

Ingress, egress and utilities

Under the South 60 feet of Parcels "C" and

"D"

EASEMENT, INCLUDING THE TERMS AND PROVISIONS THEREOF:

Grantee:

Chris S. Knudson and Marilyn Knudson,

husband and wife

Dated:

Recorded:

February 13, 1986

Auditor's No:

8602130086

Purpose:

Ingress, egress and utilities

Area Affected:

Over, across and under the South 60 feet of

Parcel "D"

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Exhibit fugu

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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