AFTER RECORDING MAIL TO:

Graham & Dunn PC 1420 Fifth Avenue, 33rd Floor Seattle, WA 98101 Attn: Janene A. Collins 2 0 0 2 0 9 2 0 0 1 6 6 Skagit County Auditor 9/20/2002 Page 1 of 7 3:52PM

FIRST AMERICAN TITLE CO.

Document Title(s):

1. Restrictive Covenant Agreement

nant Agreement

Grantors:

- 1. Charles H. Barefield
- 2. Robin J. Barefield

Grantee:

1. Duane Knapp

Abbreviated Legal Description as follows:

1. Ptn Tracts 34 and 35 ANACO BEACH (P111195 and P32512)

Reference Number(s) of Documents assigned or released: None

- 2. Ptn Lot 35, Lot 36, and Ptn Lot 37 ANACO BEACH, together with tidelands (P61845 and P32513)
 - ☑ Complete legal descriptions are on Exhibits A and B of document

Assessor's Property Tax Parcel/Account Number(s):

- 1. 3858-000-035-0005 (P111195) and 350134-0-004-0004 (P32512)
- 2. 3858-000-037-0004 (P61845) and 350134-0-005-0003 (P32513)

After Recording return to:

Duane E. Knapp 2415 T Avenue, Suite 210 Anacortes, Washington 98221

Charles H. Barefield 11168 Marine Drive Anacortes, WA 98221

RESTRICTIVE COVENANT AGREEMENT

THIS RESTRICTIVE COVENANT AGREEMENT is made by CHARLES H. BAREFIELD and ROBIN J. BAREFIELD, husband and wife ("Grantors"), as owners of that certain real property commonly known as 11168 Marine Drive, Anacortes, Washington 98221, and DUANE KNAPP, an individual ("Knapp") together with LEONA FRANCIS KNAPP, an individual (collectively, "Grantee"), as owner of that certain undeveloped real property adjacent to the real property owned by Grantors.

A. Grantors are owners of that certain real property commonly known as 11168 Marine Drive, Anacortes, Washington 98221 (hereinafter referred to as "Parcel 1"), the legal description of which is as follows:

Legal Description is set forth in Exhibit A which, by this reference, is incorporated herein.

Tax Parcel Nos. P111195 and P32512

B. Grantee is owner of that certain real property adjacent to Parcel 1 (hereinafter referred to as "Parcel 2"), the legal description of which is as follows:

Legal Description is set forth in Exhibit B which, by this reference, is incorporated herein.

Tax Parcel Nos. P61845 and P32513

- C. Pacific Services, LLC has agreed to purchase Parcel 2 from Grantee pursuant to that certain Purchase and Sale Agreement dated August 12, 2002 ("Parcel 2 Purchase"). Knapp has agreed to finance the Parcel 2 Purchase and take a security interest in Parcel 2 as well as other collateral.
 - D. Parcel 1, together with Parcel 2, are collectively referred to herein as the "Property."
- E. Grantor and Grantee desire to place a restrictive covenant on the Property for the benefit of Knapp to protect any security interest Knapp may hereinafter obtain in Parcel 2.

NOW, THEREFORE, in and for good and valuable consideration, the receipt of which is hereby

200209200166 Skagit County Auditor 9/20/2002 Page 2 of 7 3:52PM acknowledged, Grantor and Grantee, for themselves, their heirs, executors, administrators and successors and assigns, hereby agree as follows:

- Restriction Against Improvements or Changes to the Property. Grantor and Grantee shall be prohibited from making any additional improvements or changes to the Property, other than ongoing maintenance, unless otherwise agreed to by the parties in writing or until such time as all amounts due to Knapp relating to the Parcel 2 Purchase have been paid in full and Knapp has released his security interests in Parcel 2 as set forth in Paragraph 2 below.
- 2. Removal of Restriction. At such time Knapp has been paid in full for all amounts due relating to the Parcel 2 Purchase and released his security interests thereon, Grantee shall execute all necessary and appropriate documentation to remove this Restrictive Covenant against Parcel 1 and to release Grantee's security interests on Parcel 2.
- 3. Good Faith. The parties agree to exercise their best efforts in good faith to perform their respective obligations hereunder, execute all subsequent documentation as contemplated herein and/or to resolve any disputes which may arise concerning this Agreement or the subject matter hereof.
- 4. <u>Disputes</u>; Attorneys Fees. In the event of any controversy, claim, or dispute relating to this Agreement or its breach, the most prevailing party shall be entitled to recover its reasonable attorneys' fees, and costs, whether or not suit is commenced.
- 5. Governing Law. It is agreed that this Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of Washington.
- 6. Notices. Any notice provided for or concerning this Agreement shall be in writing and be deemed sufficiently given when sent by certified or registered mail if sent to the respective address of each party as set forth at the beginning of this Agreement.
- 7. Entire Agreement. This Agreement shall constitute the entire agreement between the parties and any prior understanding or representation of any kind preceding the date of this Agreement shall not be binding upon either party except to the extent incorporated in this Agreement.
- 8. Successors and Assigns. This Agreement shall be binding on the parties hereto and their respective heirs, successors and assigns.
- 9. <u>Modification of Agreement</u>. Any modification of this Agreement or additional obligation assumed by either party in connection with this Agreement shall be binding only if evidenced in writing signed by each party or an authorized representative of each party.

200209200166 Skagit County Auditor 9/20/2002 Page 3 of 7 3:52PM IN WITNESS WHEREOF, this Agreement was executed on the ______ day of September, 2002.

PARCEL I OWNER: Jack 4. Journal Barefield

Charles H. Barefield

ROBIN J. BAREFIELD

STATE OF WASHINGTON) ss. COUNTY OF SKAGIT

On this day personally appeared before me CHARLES H. BAREFIELD and ROBIN J. BAREFIELD, husband and wife, the owners of Parcel 1 referenced in the foregoing instrument, to me known or upon satisfactory evidence shown to be the individuals described in and who executed the within and foregoing instrument, and acknowledged the execution of the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and seal this 2002.

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

My appointment expires:

6-70

200209200166

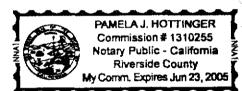
Skagit County Auditor

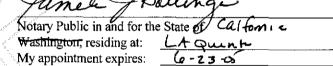
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PARCEL 2 OWNER:	Juna Et mapo
	DUANE KNAPP
	Leona Francis Knapp
	LEONA FRANCIS KNAPP, by Duane Knapp, her attorney in fact
STATE OF California)	
COUNTY OF RIVERSIDE) SS.	
in the foregoing instrument, to me known or up	re me DUANE KNAPP, an individual, the owner of Parcel 2 referenced on satisfactory evidence shown to be the individual described in and who

executed the within and foregoing instrument, and acknowledged the execution of the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and seal this 19 day of September, 2002.





STATE OF Alifanic SCOUNTY OF LIVESIDE SS.

I certify that I know or have satisfactory evidence that **Duane Knapp**, an individual, is the person who appeared before me, and said person acknowledged that he signed this instrument as the attorney in fact of **Leona Francis Knapp**, an individual, and acknowledged it to be the free and voluntary act of said person for the uses and purposes therein mentioned.

GIVEN under my hand and seal this 19 day of September, 2002.



Notary Public in and for the State of Californic Residing at:

My appointment expires: 6-23-01



EXHIBIT "A"

LEGAL DESCRIPTION OF GRANTOR'S PROPERTY:

THE SOUTHERLY 37.07 FEET, AS MEASURED ALONG THE WEST LINE OF TRACT 34 AND ALL THAT PORTION OF TRACT 35, "ANACO BEACH", ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 5 OF PLATS, PAGE 4, RECORDS OF SKAGIT COUNTY, WASHINGTON; LYING NORTHERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT ON THE EAST LINE OF SAID TRACT 35 AT A POINT 75 FEET SOUTH, AS MEASURED AT RIGHT ANGLES, FROM THE NORTH LINE OF THE SOUTHERLY 37.07 FEET, AS MEASURED ALONG THE WESTERLY LINE OF TRACT 34; THENCE SOUTH 89 DEGREES 56'00" WEST 128'; THENCE SOUTH 45 DEGREES WEST TO A POINT WHICH IS 92 FEET SOUTH OF, AS MEASURED AT RIGHT ANGLES TO THE NORTH LINE OF THE SOUTHERLY 37.07 FEET; AS MEASURED ALONG THE WEST LINE OF SAID TRACT 34; THENCE SOUTH 89 DEGREES 56'00" WEST A DISTANCE OF 68 FEET, TO THE WEST LINE OF SAID TRACT 35 AND THE TERMINUS OF SAID LINE:

TOGETHER WITH THAT PORTION OF TRACT 1, PLATE 2, TIDE AND SHORE LANDS OF SECTION 34, TOWNSHIP 35 NORTH, RANGE 1 EAST, W.M., ANACORTES HARBOR, AS SHOWN ON OFFICIAL MAP THEREOF IN THE OFFICE OF THE STATE LAND COMMISSIONER AT OLYMPIA, WASHINGTON, LYING IN FRONT OF, ADJACENT TO, OR ABUTTING UPON THAT PORTION OF THE HEREINABOVE DESCRIBED PROPERTY LYING WITHIN THE SOUTHERLY 1/2 OF TRACT 35, "ANACO BEACH", ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 5 OF PLATS, PAGE 4, RECORDS OF SKAGIT COUNTY, WASHINGTON.



EXHIBIT "B"

LEGAL DESCRIPTION OF GRANTEE'S PROPERTY:

TRACT 36, AND THE NORTH 14.64 FEET OF TRACT 37, "ANACO BEACH", ACCORDING TO THE PLAT RECORDED IN VOLUME 5 OF PLATS, PAGE 4, RECORDS OF SKAGIT COUNTY, WASHINGTON; AND ALL THAT PORTION OF TRACT 35 LYING SOUTHERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT ON THE EAST LINE OF SAID TRACT 35 AT A POINT 75 FEET SOUTH, AS MEASURED AT RIGHT ANGLES, FROM THE NORTH LINE OF THE SOUTHERLY 37.07 FEET, AS MEASURED ALONG THE WESTERLY LINE OF TRACT 34; THENCE SOUTH 89 DEGREES 56'00" WEST 128 FEET; THENCE SOUTH 45 DEGREES WEST TO A POINT WHICH IS 92 FEET SOUTH OF, AS MEASURED AT RIGHT ANGLES TO THE NORTH LINE OF THE SOUTHERLY 37.07 FEET; AS MEASURED ALONG THE WEST LINE OF SAID TRACT 34; THENCE SOUTH 89 DEGREES 56'00" WEST A DISTANCE OF 68 FEET, TO THE WEST LINE OF SAID TRACT 35 AND THE TERMINUS OF SAID LINE;

TOGETHER WITH THAT PORTION OF TRACT 1, PLATE 2, TIDE AND SHORE LANDS OF SECTION 34, TOWNSHIP 35 NORTH, RANGE 1 EAST, W.M., ANACORTES HARBOR, AS SHOWN ON THE OFFICIAL MAP THEREOF IN THE OFFICE OF THE STATE LAND COMMISSIONER AT OLYMPIA, WASHINGTON, LYING IN FRONT OF, ADJACENT TO, OR ABUTTING UPON THE HEREINABOVE DESCRIBED PROPERTY.

