AFTER RECORDING MAIL TO:

Skagit County Auditor

2/20/2003 Page

1 of

3:44PM

Name ANTHONY B. PICKERING, BRONWYN PICKERING Address 3400 E Fir City, State, Ziph Towy Yellook 98273. 00071973

Filed for Record at Request of First American Title of Skagit County

Statutory Warranty Deed

FIRST AMERICAN TITLE CO.

719725

THE GRANTOR PATRICK R. ARMSTRONG and DIANNE L. ARMSTRONG, Husband and Wife and DIANNE L. ARMSTRONG, as trustee for Brian C. Dale Trust, as to an undivided 1/4 interest for and in consideration of Ten Dollars and other valuable consideration in hand paid, conveys and warrants to ANTHONY B. PICKERING and BRONWYN PICKERING, Husband and Wife the following described real estate, situated in the County of SKAGIT, State of Washington:

See Exhibit A attached hereto and made a part hereof. Section 17, Township 34, Range 4; Ptn. NW - NW and Ptn. Lots 1 & 2 "Mount Vernon Acreage"

> 783 SKAGIT COUNTY WASHINGTON Real Estate Excise Tax PAID

> > FEB 2 0 2003

Amount Paid \$ /3, 357.03
Skagit County Treasurer Chelm Deputy

This conveyance is subject to covenants, conditions, restrictions and easements, if any, affecting title which may appear in the public record, including those shown on any recorded plat or survey.

Assessor's Property Tax Parcel Account Number(s): 3746-000-001-0002 P53825 3746-000-001-0200 P53837, 3746-000-002-0001 P53838

Dated February 17, 2003.

BRIAN C. DALE TRUST

Dianne L. Armstrong, Trustee

DIANNE L. ARMSTRONG

STATE OF WASHINGTON COUNTY OF

I certify that I know or have satisfactory evidence that PATRICK R. ARMSTRONG and DIANNE L. ARMSTRONG are the persons who appeared before me, and said persons acknowledged that they signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes mentioned in this instrument. instrument. Veb. 18,20 William H

Dated:

Notary Public in and for the State of Washington Residing at Mount Vunn

My appointment expires: 12/15/05

AFTER RECORDING MAIL TO:

Name ANTHONY B. PICKERING, BRONWYN PICKERING

Address 3 100 E Fir St.

City, State, Zipmout verson, ua 98273. 00071973

Filed for Record at Request of First American Title of Skagit County

Statutory Warranty Deed

Dianne THE GRANTOR PATRICK R. ARMSTRONG and DIANE L. ARMSTRONG, Husband and Wife as to and undivided 3/4 interest and DIANNE L. ARMSTRONG, as trustee for Brian C. Dale Trust, as to an undivided 1/4 interest for and in consideration of Ten Dollars and other valuable consideration in hand paid, conveys and warrants to ANTHONY B. PICKERING and BRONWYN PICKERING, Husband and Wife the following described real estate, situated in the County of SKAGIT, State of Washington:

See Exhibit A attached hereto and made a part hereof. Section 17, Township 34, Range 4; Ptn. NW - NW and Ptn. Lots 1 & 2 "Mount Vernon Acreage"

This conveyance is subject to covenants, conditions, restrictions and easements, if any, affecting title which may appear in the public record, including those shown on any recorded plat or survey.

Assessor's Property Tax Parcel Account Number(s): 3746-000-001-0002 P53825, 4-other-accounts

Dated February 10, 2003.

3746-000-002-0001 BRIAN C. DALE TRUST/

Je Amstron Dianne

PATRICK R. ARMSTRONG Dianne L. Armstrong, Trustee

DIANE L. ARMSTRONG Dianne

 α Hawaii STATE OF WASHINGTON COUNTY OF Man

مخت CHANNE I certify that I know or have satisfactory evidence that **FATRICK R. ARMSTRONG** and **DIANE** L. ARMSTRONG and DIANNE L. ARMSTRONG are the persons who appeared before me, and said persons acknowledged that he/she/they signed this instrument and acknowledged it to be his/her/their free and

3746-000-3001-0200

voluntary act for the uses and purposes mentioned in this instrument.

Notary Public in and for the State Residing at Bank of Haward

My appointment expires:

LPB-10



Parcel "A"

The West 400 feet of Tract 1 of "Plat of Mount Vernon Acreage, Skagit County, Wash.", as per plat recorded in Volume 3 of Plats, page 102, records of Skagit County, Washington;

EXCEPT the South 70.5 feet thereof;

AND EXCEPT that portion of the West 300.00 feet (as measured perpendicular to the West line) of Tract 1, "Plat of Mount Vernon Acreage, Skagit County, Wash.", as per Plat recorded in Volume 3 of Plats, page 102, records of Skagit County, Washington, being more particularly described as follows:

BEGINNING at the Northwest corner of said Tract 1;

thence South 89°38'14" East along the North line of said Tract 1, also being the South line of the Northwest 1/4 of the Northwest 1/4 of Section 17, Township 34 North, Range 4 East, W.M., for a distance of 300.05 feet, more or less, to the East line of said West 300.00 feet of Tract 1;

thence South 0°40'15" East along said East line 20.74 feet, more or less, to a point 134.52 feet South (as measured perpendicular to the North line) of the North line of that certain parcel described on Real Estate Contract to Max W. Dale and Pauline Dale, Husband and Wife, recorded under Skagit County Auditor's File No. 661495;

thence South 89°24'15" West parallel with said North line for a distance of 300.00 feet, more or less, to the West line of said Tract 1 at a point bearing South 0°40'15" East from the POINT OF BEGINNING;

thence North 0°40'15" West along said West line 25.76 feet to the POINT OF BEGINNING.

AND ALSO EXCEPT the West 10 feet as conveyed to the City of Mount Vernon by Deed recorded August 15, 1985, under Auditor's File No. 8508150012;

TOGETHER WITH a right-of-way for road purposes over the West 25 feet of the South 70.5 feet of said Tract 1 and over the West 25 feet of Tract 2 of said Plat;

ALSO TOGETHER WITH an easement for road purposes over the North 30 feet of the South 70.5 feet of the West 400 feet of said Tract 1.

AND ALSO TOGETHER WITH an 89.5 foot wide parking and unopstructed view easement to the restaurant building "Max Dale's" as it now exists, over and across those portions of the Northwest 1/4 of the Northwest 1/4 of Section 17, Township 34 North, Range 4 East, W.M. and of Tract 1, "Plat of Mount Vernon Acreage, Skagit County, Wash.," as per Plat recorded in Volume 3 of Plats, page 102, records of Skagit County, Washington described as follows:

Commencing at the Southwest corner of said Northwest 1/4 of the Northwest 1/4;

thence South 89°38'14" East along said South line for a distance of 30.00 feet to the East margin of State Highway No. 1-A, also known as Riverside Drive, and also being the Northwest corner of said Tract 1, "Plat of Mount Vernon Acreage, Skagit County, Wash.," and also being the TRUE POINT OF BEGINNING;

thence South 0°40'15" East along the West line of said Tract 1 for a distance of 89.45 feet to the North line of the South 40.50 feet of said Tract 1;

thence North 89°19'45" East along said North line for a distance of

300.00 feet, more or less, to the East line of the West 300.00 feet (as measured perpendicular to the West line of said Tract 1);

thence North 0°40'15" West along said East line, or East line extended, for a distance of 89.50 feet;

thence South 89°19'45" West for a distance of 300.00 feet, more or less, to said East margin of State Highway No. 1-A, also known as Riverside Drive, at a point bearing North 0°40'15" West from the TRUE POINT OF BEGINNING; thence South 0°40'15" East along said East line 0.05 feet, more or less, to the TRUE POINT OF BEGINNING.

That portion of Lot 1, "Plat of Mount Vernon Acreage, Skagit County, Washington", as per plat recorded in Volume 3 of Plats, page 102, records of Skagit County, described as follows:

BEGINNING at the intersection of the North line of said Lot 1 with the East line of the West 400.00 feet of said Lot 1, which point bears South 89°38'14" East a distance of 400.07 feet from the Northwest corner of said Lot 1;

thence South 0°40'15" East along a line which is parallel to and 400.00 feet East of (when measured at right angles to) the West line of said Lot 1, a distance of 52.28 feet to a point which is 70.50 feet North of the South line of said Lot 1;

thence North 89°19'45" East along a line which is parallel to and 70.50 feet North of the South line of said Lot 1, a distance of 129.74 feet to the Southwest corner of that certain tract conveyed to Ivan A. Wilson, et us, by deed dated December 11, 1969 and recorded December 22, 1969 under Auditor's File No. 734279 in Volume 40 of Official Records, page 481;

thence North 0°54'25" West, a distance of 49.96 feet to a point on the North line of said Lot 1, which point bears North 89°38'14" West, a distance of 125.02 feet from the Northeast corner of said Lot 1;

thence North 89°38'14" West along the North line of said Lot 1, a distance of 129.55 feet to the POINT OF BEGINNING of this description.

Parcel "C"

Skagit County Auditor

2/20/2003 Page 3 of 9 3:44PM 508, 605 M à di

That portion of the South 70.5 feet of Lot 1 and that portion of Lot 2 of "Plat of Mount Vernon Acreage, Skagit County, Washington", as per plat recorded in Volume 3 of Plats, page 102, records of Skagit County, lying Easterly of the East line of the West 338 feet of said Lots 1 and 2;

TOGETHER WITH that portion of the West 10 feet of the abandoned railroad right-of-way abutting thereon conveyed to Bellingham and Skagit Railway Company, a corporation, by Deed dated October 21, 1911 and recorded October 23, 1911 in Volume 87 of Deeds, page 298, lying between the Easterly extension of a line 70.5 feet North of the South line of said Lot 1 and of the South line of said Lot 2 in the "Plat of Mount Vernon Acreage."

ALL OF THE ABOVE BEING Parcels A, B and C ALSO BEING SUBJECT TO and TOGETHER WITH easements, reservations, restrictions, covenants, liens, leases, court causes and other instruments of record.

All situate in the City of Mount Vernon, County of Skagit, State of Washington

200302200147 Skagit County Auditor

2/20/2003 Page 4 of 9 3:44PM

Exhibit "B"

Agreement establishing covenants, conditions, restrictions, easements, and a First Right of Refusal on portions of the subject property and the Grantor's adjacent property to the North described on Exhibit "C" hereto:

1. The property described in paragraph 20 of the original lease, dated November 1, 1998, between the parties of this agreement is not included in this sale. The view easement and the restricted uses referred to in said paragraph 20 shall survive the extinguishment of the lease at closing. The restriction limiting use shall run with the land only as long as the benefitting property, "Max Dale's Restaurant", is used as a restaurant/lounge.

The restricted uses referenced in said paragraph 20 are the following:

Grantors and Grantor's successors and assigns shall not, during the term of this lease and any extension thereof, use or allow the use of the property described on Exhibit "C" for the operation of a competing business, including restaurants, taverns, cocktail lounges or fast food services unless Grantees or Grantee's successors and assigns shall give written consent to such use.

- 2. Billboard Sign. Situated on the Northwest area of the reserved property described on Exhibit "C" is a billboard sign advertising Max Dale's restaurant. If seller develops the property so that the billboard must be removed, the seller will move the sign Southerly to an area not affected by the right of the seller to build on said property.
- 3. Purchasers are granted non-exclusive parking rights to the North 134.52 feet of the West 300.05 feet (except that portion on which King Clinic is situated) of the real property described on Exhibit "C". If and when this parcel is developed and built on said non-exclusive parking rights shall be limited to the South 59.5 feet of the West 300.05 feet of the described property.
- 4. Seller reserves an ingress and egress and utility easement over and across the South 60 feet of the West 300.05 feet of the described property, being conveyed herein.

Commitment No. 00071973

Seller grants to purchasers the right of first refusal on the North 134.52 feet of the West 300.05 feet (except King Clinic property) of the described property. Should the seller accept any bona fide offer for the sale and purchase of the property from a third party, seller shall give purchaser written notice of the terms of the proposed sale. The purchaser shall have the first right to purchase the property at the same price and terms. If purchaser desires to purchase, purchaser shall, within 30 days from date said notice is deemed given, notify sellers in writing of their intent to exercise the option to purchase.

Sellers/Grantors

Patrick R. Armstrong

Buyers/Grantees

Anthony B Pickering

Brown Pickering

Dianne L. Armstrong as

Trustee for Brian C. Dale Trust

200302200147 Skagit County Auditor

2/20/2003 Page

5 of

3:44PM

EXHIBIT "C"

Parcel "A"

That portion of the Northwest 1/4 of the Northwest 1/4, Section 17, Township 34 North, Range 4 East, W.M., described as follows:

BEGINNING at a point on the West line of said subdivision which point bears North 0°40'15" West a distance of 50 feet from the Southwest corner of said subdivision; thence South 89°38'14" East a distance of 30.00 feet to a point on the East line of Riverside Drive.

thence South 0°40'15" East along the Easterly line of Riverside Drive a distance of 1.24 feet, which point is the TRUE POINT OF BEGINNING;

thence North 0°40'15" West a distance of 6 feet;

thence North 89°24'15" East 107 feet;

thence North 0°40'15" West 54 feet;

thence North 89°24'15" East 193 feet;

thence South 0°40'15" East 60 feet, more or less, to the Northeast corner of that certain tract conveyed to M & P D, Inc., by deed dated August 11, 1959 and recorded under Auditor's File No. 586246;

thence North 89°38'40" West along the North line of said M & P D, Inc., tract 153.71 feet to the Southeast corner of that certain tract conveyed to M & P D, Inc. by deed dated June 1, 1961, and recorded under Auditor's File No. 608723;

thence North 0°35'45" West a distance of 1.21 feet;

thence South 89°24'15" West a distance of 146.27 feet to the TRUE POINT OF BEGINNING.

EXCEPT the West 10 feet adjacent to Riverside Drive as conveyed to the City of Mount Vernon by deed recorded August 25, 1985 under Auditor's File No. 8509250001.

Parcel "B"

That portion of the Northwest 1/4 of the Northwest 1/4 of Section 17, Township 34 North, Range 4 East, W.M., described as follows:

BEGINNING at a point on the West line of said subdivision which bears North 0°40'15" West 50 feet from the Southwest corner of said subdivision,

thence South 89°38'14" East 104.13 feet to the TRUE POINT OF BEGINNING;

thence continue South 89°38'14" East 72.16 feet;

thence North 0°35'45" West 1.21 feet;

thence South 89°24'15" West 72.15 feet to the TRUE POINT OF BEGINNING.

200302200147 Skagit County Auditor

2/20/2003 Page

of 9 3:44PM

Parcel "C"

That portion of the Northwest 1/4 of the Northwest 1/4 of Section 17, Township 34 North, Range 4 East, W.M., described as follows:

BEGINNING at the Southwest corner of said Northwest 1/4 of the Northwest 1/4 which point bears South 0°40'15" East a distance of 1,324.34 feet from the Northwest corner of said Section 17:

thence South 89°38'14" East along the South line of said Northwest 1/4 of the Northwest 1/4 a distance of 30 feet to the TRUE POINT OF BEGINNING on the East line of former State Highway No. 1-A:

thence North 0°40'15" West along the East line of said Highway 50 feet;

thence South 89°38'40" East 300 feet;

thence South 0°14'15" East 50 feet to the South line of said Northwest 1/4 of the Northwest 1/4;

thence North 89°38'14" West along said South line 300 feet to the TRUE POINT OF BEGINNING;

EXCEPT that portion of said premises, described as follows:

BEGINNING at a point on the West line of said Northwest 1/4 of the Northwest 1/4 which bears North 0°40'15" West 50 feet from the Southwest corner of said subdivision; thence South 89°38'14" East 30 feet to a point on the East line of Riverside Drive which is the TRUE POINT OF BEGINNING;

thence continue South 89°38'14" East 74.13 feet;

thence South 89°24'15" West 74.12 feet to a point on the East line of Riverside Drive; thence North 0°40'15" West along the East line of Riverside Drive 1.24 feet to the TRUE POINT OF BEGINNING;

ALSO EXCEPT the West 10 feet as conveyed to the City of Mount Vernon by deed recorded August 15, 1985 under Auditor's File No. 8508150012.

Parcel "D"

That portion of the West 300.00 feet (as measured perpendicular to the West line) of Tract 1, "Plat of Mount Vernon Acreage, Skagit County, Wash,", as per Plat recorded in Volume 3 of Plats, page 102, records of Skagit County, Washington, being more particularly described as follows:

BEGINNING at the Northwest corner of said Tract 1; thence South 89°38'14" East along the North line of said Tract 1, also being the South line of the Northwest 1/4 of the Northwest 1/4 of Section 17, Township 34 North, Range 4 East, W.M., for a distance of 300.05 feet, more or less, to the East line of said West 300.00 feet of Tract 1;

thence South 0°40'15" East along said East line 20.74 feet, more or less, to a point 134.52 feet South (as measured perpendicular to the North line) of the North line of that certain parcel described on Real Estate Contract to Max W. Dale and Pauline Dale, Husband and Wife, recorded under Skagit County Auditor's File No. 661495; thence South 89°24'15" West parallel with said North line for a distance of 300.00 feet, more or less, to the West line of said Tract 1 at a point bearing South 0°40'15" East from the POINT OF BEGINNING; thence North 0°40'15" West along said West line 25.76 feet to the POINT

EXCEPT the West 10 feet as conveyed to the City of Mount Vernon by Deed recorded August 15, 1985, under Auditor's File No. 8508150012;

OF BEGINNING.

SUBJECT TO and TOGETHER WITH a right-of-way for road purposes over the West 25 feet of the South 70.5 feet of said Tract 1 and over the West 25 feet of Tract 2 of said Plat;

ALSO SUBJECT TO and TOGETHER WITH an easement for road purposes over the North 30 feet of the South 70.5 feet of the West 400 feet of said Tract 1.

AND ALSO SUBJECT TO and TOGETHER WITH an 89.5 foot wide parking and unobstructed view easement to the restaurant building "Max Dale's" as it now exists, over and across those portions of the Northwest 1/4 of the Northwest 1/4 of Section 17, Township 34 North, Range 4 East, W.M. and of Tract 1, "Plat of Mount Vernon Acreage, Skagit County, Wash.," as per Plat recorded in Volume 3 of Plats, page 102, records of Skagit County, Washington described as follows:

Commencing at the Southwest corner of said Northwest 1/4 of the Northwest 1/4:

thence South 89°38'14" East along said South line for a distance of 30.00 feet to the East margin of State Highway No. 1-A, also known as Riverside Drive, and also being the Northwest corner of said Tract 1, "Plat of Mount Vernon Acreage, Skagit County, Wash.," and also being the TRUE POINT OF BEGINNING;

thence South 0°40'15" East along the West line of said Tract 1 for a distance of 89.45 feet to the North line of the South 40.50 feet of said Tract 1:

thence North 89°19'45" East along said North line for a distance of 300.00 feet, more or less, to the East line of the West 300.00 feet (as measured perpendicular to the West line of said Tract 1); thence North 0°40'15" West along said East line, or East line extended, for a distance of 89.50 feet;

200302200147 Skagit County Auditor

2/20/2003 Page

8 of

3:44PM

thence South 89°19'45" West for a distance of 300.00 feet, more or less, to said East margin of State Highway No. 1-A, also known as Riverside Drive, at a point bearing North 0°40'15" West from the TRUE POINT OF BEGINNING;

thence South 0°40'15" East along said East line 0.05 feet, more or less, to the TRUE POINT OF BEGINNING.



2/20/2003 Page

9 3:44PM