When Recorded Return to: ISLAND CONSTRUCTION, INC. P. O. Box 399 Oak Harbor WA 98277



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411:29AM

Chicago Title Company - Island Division Order No: IQOE1943 GMN PN UPO 1034691 V

STATUTORY WARRANTY DEED

THE GRANTOR PEGGY JEAN HINTON, as her separate estate

for and in consideration of One Million One Hundred Ninety-Five Thousand and 00/100...(\$1,195,000.00) Dollars

in hand paid, conveys and warrants to

ISLAND CONSTRUCTION, INC., a Washington corporation

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

E/2 SW, NW SE Sec 30, T34N, R5EWM and NE SW, E/2 NW and GL2 Sec 31, T34N, R5EWM more fully described on Exhibit "A" attached hereto and made a part thereof.

Tax Account No.:

340531-3-001-0001 P30544

340530-3-002-0001 P30514

340531-0-002-0006 P30526

340531-2-002-0002 P30543

340531-2-001-0003 P30542

340530-3-001-0002 P30512

340530-4-002-0009 P30517 340530-3-001-0200 P104162

Subject to: Restrictions, reservations and easements of record.

See Exhibit "B" attached hereto and made a part thereof.

Dated: August 18, 2005

SKAGIT COUNTY WASHINGTON REAL ESTATE EXCISE TAX

inton 08/30/05

SEP 0 0 2005

Amount Paid \$ 21,274.00 Skagit Co. Treasurer

Deputy Ву

STATE OF WASHINGTON COUNTY OF Whatcom

I certify that I know or have satisfactory evidence that PEGGY JEAN HINTON the person(s) who appeared before me, and said person(s) acknowledged that she signed this instrument and acknowledged it to be her free and voluntary act for the uses and purposes therein mentioned in this instrument.

Dated:

Notary Public in and for the State of Washington Residing at Belling kould Koup 30, 2008

OF WASHING

EXHIBIT "A"

PARCEL A:

The Northeast Quarter of the Southwest Quarter of Section 31, Township 34 North, Range 5 East of the Willamette Meridian;

EXCEPT road rights of way

AND EXCEPT a tract conveyed to Skagit County by deed dated December 8, 1936, and recorded March 9, 1937, in Volume 171 of Deed, page 345, records of Skagit County, Washington, which is more particularly described as follows:

Beginning at a point being North 18°38'30" West a distance of 1347.6 feet from the South Quarter corner of said Section 31;

Thence North 0°19' East a distance of 120.0 feet;

Thence North 63°27'30" West a distance of 255.9 feet;

Thence South 0°19' West a distance of 240.0 feet;

Thence North 88°38' East a distance of 230.0 feet, more or less, to a point of beginning; (bearings are referred to the South line of the Southwest Quarter of said Section 31 as bearing North 87°36'30" East),

ALSO EXCEPT the South Half of the Southwest Quarter of the Northeast Quarter of the Southwest Quarter:

AND ALSO EXCEPT that portion of above described property lying Southwest of the county road commonly known as Walker Valley Road conveyed to Clay Imhof by deed dated April 4, 1984, and recorded April 30, 1984 in Volume 558 of Deed, page 252, under Auditor's File No. 8404300071, records of Skagit County, Washington.

Situated in Skagit County, Washington,

PARCEL B:

The Southeast Quarter of the Southwest Quarter of Section 30, Township 34 North, Range 5 East of the Willamette Meridian, Skagit County Washington.

Situated in Skagit County, Washington.

PARCEL C:

Government Lot 2, in Section 31, Township 34 North, Range 5 East of the Willamette Meridian, Skagit County, Washington.

Situated in Skagit County, Washington.

PARCEL D:

The East Half of the Northwest Quarter of Section 31, Township 34 North, Range 5 East of the Willamette Meridian, Skagit County, Washington.

Situated in Skagit County, Washington.

PARCEL E:

The Northwest Quarter of the Southeast Quarter in Section 30, Township 34 North, Range 5 East of the Willamette Meridian:

EXCEPT county road right of way, commonly known as the Gunderson Road.

ALSO EXCEPT that portion conveyed to Skagit County for Gunderson Road #0600 by deed recorded November 18, 1986 as Auditor's File Nos. 8611180004 and 8611180005, records of Skagit County, Washington.

AND ALSO EXCEPT that portion of said premises lying Northerly of Gunderson Road as conveyed by deed recorded on October 31, 1988 under Auditor's File Nos. 8810310090 and 8810310091, records of Skagit County, Washington.

Situated in Skagit County, Washington.

200509020097 Skagit County Auditor

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PARCEL F:

LPB No. 10

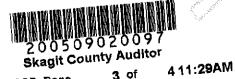
The Northeast Quarter of the Southwest Quarter in Section 30, Township 34 North, Range 5 East, of the Willamette Meridian;

EXCEPT county road right of way, commonly known as the Gunderson Road.

ALSO EXCEPT that portion conveyed to Skagit County for Gunderson Road #0600 by deed recorded November 18, 198 as Auditor's File Nos. 8611180004 and 8611180005, records of Skagit County, Washington.

AND ALSO EXCEPT that portion of said premises lying Northerly of Gunderson Road as conveyed by deed recorded on October 31, 1988, under Auditor's File Nos. 8810310090 and 8810310091, records of Skagit County, Washington.

Situated in Skagit County, Washington.



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EXHIBIT "B"

Buyer is aware that the Property may be subject to the Skagit County Right to Farm Ordinance, Skagit County Code section 14.48, which states:

If your real property is adjacent to property used for agricultural operations or included within an area zoned for agricultural purposes, you may be subject to inconveniences or discomforts arising from such operations, INCLUDING BUT NOT LIMITED TO NOISE, ODORS, FLIES, FUMES, DUST, SMOKE, THE OPERATION OF MACHINERY OF ANY KIND DURING ANY 24 HOUR PERIOD (INCLUDING AIRCRAFT), THE STORAGE AND DISPOSAL OF MANURE, AND THE APPLICATION BY SPRAYING OR OTHERWISE OF CHEMICAL FERTILIZERS, SOIL AMENDMENTS: HERBICIDES AND PESTICIDES. SkagiT County has determined that the use of real property for agriculture operations is a high priority and favored use to the county and will not consider to be a nuisance those incoveniences or discomforts arising from agricultural operations, if such operations are consistent with commonly accepted good management practices and comply with local, State and Federal laws.

END OF EXHIBIT "B"

