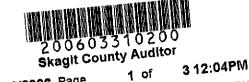
AFTER RECORDING MAIL TO:

Mr. James H. Lovell 1032 NE 62nd Street Seattle, WA 98115



3/31/2006 Page

CHICAGO TITLE CO.

STATUTORY WARRANTY DEED

Escrow No. 2042 Title Order No. IC37170

THE GRANTOR Jeffrey R. Smith and Teresa J. Smith, Husband and Wife

for and in consideration of Ten Dollars and other good and valuable consideration

in hand paid, conveys and warrants to James H. Lovell, A Single Man

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

Legal Description (abbreviated): Ptn. Lot C, Lake Cavanuagh Subdivision No. 1, additional legal(s) on page Exhibit "A"

Assessor's Property Tax Parcel/Account Number(s): 3937-006-036-0200, Property No. P109214

The following shall not cause the title to be unmarketable: rights, reservations, covenants, conditions and restrictions, presently of record and general to the area; easements and encroachments, not materially affecting the value of or unduly interfering with Buyer's reasonable use of the Property; and reserved oil and mining rights.

Subject to: As described on attached Schedule "B-001", and by this reference made a part thereof.

Jeffrey R. Smith State of Washington }ss. County of Snohomish

I certify that I know or have satisfactory evidence that Jeffrey R. Smith and Teresa J. Smith is/are the person(s) who appeared before me, and said person(s) 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.

Notary Public in and for the Residing at

eree+

My appointment expires

MAR 0 1 2003

REAL ESTATE EXCISE

SKAGIT COUNTY

Amount Paid \$ 4,010,00 Skagit Co. Treasurer

LP8-10

EXHIBIT "A"

That portion of Tract C, LAKE CAVANAUGH SUBDIVISION NO. 1, according to the plat thereof recorded in Volume 5 of Plats, pages 37 to 43, records of Skagit County, Washington in the Northwest Quarter of the Northwest Quarter in Section 26, Township 33 North, Range 6 East of the Willamette Meridian, described as follows:

Beginning at the Southeast corner of said Tract C, said corner being on the Northerly margin of North Shore Drive:

Thence North 00°20'36" East along the East line of said Tract C, 379.45 feet;

Thence North 89°39'24" West, a distance of 249.27 feet to a point on the Westerly line of Tract C, said point being the Northeast corner of Lot 59, Block 2 of said subdivision;

Thence South 21°15'00" East along said Westerly line, 115.49 feet to the Southeast corner of Lot 60 of said subdivision;

Thence South 68°45'00" West along the Southerly line of said lot, 327.96 feet to the Northerly margin of North Shore Drive;

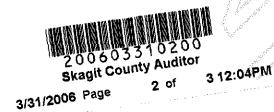
Thence South 61°45'00" East, 149,44 feet;

Thence South 81°12'00" East, 325,19 feet;

Thence South 59°34'00" East, 67.03 feet to the true point of beginning.

Situated in Skagit County, Washington.

- END OF EXHIBIT "A" -



SCHEDULE B-001

Easement, including the terms and conditions thereof, granted by instrument(s);

Recorded:

March 30, 1937

Auditor's No(s).:

288266, records of Skagit County, Washington

In favor of:

State Division of Forestry

For:

Construct and maintain a road for forest protection purposes

Affects:

Location undeterminable

Easement, including the terms and conditions thereof, granted by instrument(s); 2.

Recorded:

October 17, 1938

Auditor's No(s).:

306699, records of Skagit County, Washington

In favor of:

State Division of Forestry

For:

Construct and maintain a road for forest protection purposes

Affects:

Location undeterminable

Covenants, Conditions and Restrictions contained in said plat as follows: 3.

No noxious or offensive trade shall be carried on upon any lot nor shall anything be done A. thereon which may be or become an annoyance to the neighborhood.

- No lots shall be used for commercial business or manufacturing purposes. В.
- C. No building shall be constructed closer than 10 feet to any lot boundary.
- Any prohibition or limitation on the use, occupancy, or improvement of the land resulting from the 4. rights of the public or riparian owners to use any waters which may cover the land or to use any portion of the land which is now or may formerly have been covered by water.
- Right of use, control, or regulation by the United States of America in the exercise of power over 5. commerce and navigation.
- Any question of location, boundary or area related to Lake Cavanaugh, including, but not limited to, 6. any past or future changes in it.
- Right of the State of Washington in and to that portion of the property described herein, if any, lying 7. in the bed or former bed of the Lake Cavanaugh, if navigable.
- Terms, conditions, and restrictions of that instrument entitled Protected Critical Area Site Plan; 8.

Recorded:

Auditor's No(s).:

February 1, 1999 9902010014, records of Skagit County, Washington

Terms, conditions, and restrictions of that instrument entitled Title Notification - Property Adjacent 9 To Designated Natural Resource Lands;

Recorded:

March 10, 2000

Auditor's No(s).:

200003100094, records of Skagit County, Washington

Agreement and Easement, including the terms and conditions thereof; entered into: 10.

By:

Jeffrey R. Smith and Teresa J. Smith, husband and wife

And Between:

Michael E. Wascom

Recorded:

August 12, 2004

Auditor's No.:

200408120065, records of Skagit County, Washington

Providing:

Easement and agreement for septic system including provision for

maintenance thereof

CORRECTED by instrument(s): Recorded:

November 29, 2005

Auditor's No(s).:

200511290082, records of Skagit County, Washington

Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification; 11.

Recorded:

March 3, 2006

Auditor's No(s).:

200603030124, records of Skagit County, Washington

- END OF SCHEDULE B-001 -

Skagit County Auditor

3/31/2006 Page

3 of

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