



200604270156
Skagit County Auditor

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This Space Provided for Recorder's Use

WHEN RECORDED MAIL TO:

Owens Mortgage Investment Fund
Loan No.: 51032
P.O. Box 2400
Walnut Creek, CA 94595

LAND TITLE OF SKAGIT COUNTY 111171-SE

ABSOLUTE ASSIGNMENT OF RENTS AND LEASES

Assignor(s): **CLEAR VALLEY ENVIRONMENTAL FARM, LLC, a Washington limited liability company; and CLEAR VALLEY ENVIRONMENTAL FARM II, INC., a Washington corporation**

Assignee(s): **OWENS MORTGAGE INVESTMENT FUND, a California limited partnership, Assignee**

Legal Description: **ptn 10, 11, 14 & 15-34-4-E W.M.**

Assessor's Property Tax Parcel or Account No.: **APN's: 340410-1-007-0005, 340410-3-001-0007, 340410-3-006-0002, 340410-4-001-0005, 340410-4-003-0003, 340410-4-004-0002, 340410-4-005-0001, 340410-4-006-0000, 340410-4-007-0009, 340410-4-008-0008, 340410-4-010-0004, 340410-4-011-0003, 340411-0-010-0001, 340411-3-001-0006, 340411-3-002-0005, 340411-3-003-0004, 340411-3-005-0002, 340411-3-006-0001, 340414-0-001-0009, 340414-0-002-0008, 340414-0-003-0007, 340414-0-004-0006, 340414-2-001-0207, 340414-3-007-0007, 340415-0-012-0005, 340415-1-001-0006, 340415-1-002-0005, 340415-1-003-0004, 340415-1-004-0003, 340415-1-005-0002, 340415-1-006-0001, 340415-2-001-0004, 340415-2-002-0003, 340415-2-015-0016, 340415-4-000-0001, 340415-4-000-0100, 340415-4-003-0008, 340411-2-004-0005, 340414-0-005-0005, 340414-2-003-0003, 340414-2-004-0002, 340414-2-006-0000**

THIS ABSOLUTE ASSIGNMENT OF RENTS AND LEASES ("Assignment ") is dated April 10, 2006, among CLEAR VALLEY ENVIRONMENTAL FARM, LLC, a Washington limited liability company; and CLEAR VALLEY ENVIRONMENTAL FARM II, INC., a Washington corporation, whose address is c/o Jerome Ryan, 9 Teaberry Lane, Tiburon, CA 94920 (referred to below as "Assignor"); OWENS MORTGAGE INVESTMENT FUND, a California limited partnership, whose address is P.O. Box 2400, Walnut Creek, CA 94595, (referred to below as "Assignee").

This Assignment is made for the purpose of securing:

The payment of the indebtedness (including any extensions or renewals thereof) evidenced by a certain Note of even date herewith in the principal sum of: \$3,500,000.00 and secured by that certain Deed of Trust, of even date herewith, (hereinafter referred to as the "Deed of Trust") upon all that real property located in the County of Skagit, State of Washington and described as follows: ptn 10, 11, 14 & 15-34-4-E W.M.

The payment of any other indebtedness or liability of Assignor to Assignee, now or hereafter arising, and secured by the Deed of Trust; and

The performance and discharge of each and every term, covenant and condition of Assignor contained in the Note, Deed of Trust, or any other instrument constituting security for the Note.

WITNESSETH

Assignor, for good and valuable consideration, the receipt of which is hereby acknowledged, does hereby bargain, sell, transfer, assign, convey, set over and deliver unto Assignee all right, title and interest of the Assignor in, to and under the lease and rental agreements affecting the premises described herein, or any part thereof, now existing or which may be executed at any time in the future during the life of this Assignment, and all amendments, extensions and renewals of said lease and rental agreements, and any of them, (all of which are hereinafter collectively referred to as the "Leases"), and all rents, royalties, issue, revenues, income and profits which may now or hereafter be or become due or owing under the Leases, and any of them, or which may be derived from or exist on account of the use of the premises.

ASSIGNOR WARRANTS, COVENANTS AND AGREES TO AND FOR THE BENEFIT OF ASSIGNEE AS FOLLOWS:

1. That it is the sole owner of the entire Lessor's interest in the Leases and that, it has not and shall not execute any other assignment of any of the Leases or the rents, income and profits accruing from the premises, and that it has not and shall not intentionally and voluntarily perform any acts or execute any other instrument which might prevent Assignee from fully exercising its rights under any of the terms, covenants and conditions of this Assignment. **If there are any exceptions, they shall be set out and identified in an Exhibit and attached hereto.** The foregoing Assignment is recorded in accordance with RCW 65.08.070 and the lien created by this Assignment is intended to be specific, perfected, and choate upon the recording of this Assignment.

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200604270156

Skagit County Auditor

THIS ABSOLUTE ASSIGNMENT OF RENTS AND LEASES ("Assignment") is dated April 10, 2006, among **CLEAR VALLEY ENVIRONMENTAL FARM, LLC**, a Washington limited liability company; and **CLEAR VALLEY ENVIRONMENTAL FARM II, INC.**, a Washington corporation, whose address is c/o Jerome Ryan, 9 Teaberry Lane, Tiburon, CA 94920 (referred to below as "Assignor"); **OWENS MORTGAGE INVESTMENT FUND**, a California limited partnership, whose address is P.O. Box 2400, Walnut Creek, CA 94595, (referred to below as "Assignee").

This Assignment is made for the purpose of securing:

The payment of the indebtedness (including any extensions or renewals thereof) evidenced by a certain Note of even date herewith in the principal sum of: **\$3,500,000.00** and secured by that certain Deed of Trust, of even date herewith, (hereinafter referred to as the "Deed of Trust") upon all that real property located in the **County of Skagit, State of Washington** and described as follows: **ptn 10, 11, 14 & 15-34-4-E W.M.**

The payment of any other indebtedness or liability of Assignor to Assignee, now or hereafter arising, and secured by the Deed of Trust; and

The performance and discharge of each and every term, covenant and condition of Assignor contained in the Note, Deed of Trust, or any other instrument constituting security for the Note.

WITNESSETH

Assignor, for good and valuable consideration, the receipt of which is hereby acknowledged, does hereby bargain, sell, transfer, assign, convey, set over and deliver unto Assignee all right, title and interest of the Assignor in, to and under the lease and rental agreements affecting the premises described herein, or any part thereof, now existing or which may be executed at any time in the future during the life of this Assignment, and all amendments, extensions and renewals of said lease and rental agreements, and any of them, (all of which are hereinafter collectively referred to as the "Leases"), and all rents, royalties, issue, revenues, income and profits which may now or hereafter be or become due or owing under the Leases, and any of them, or which may be derived from or exist on account of the use of the premises.

ASSIGNOR WARRANTS, COVENANTS AND AGREES TO AND FOR THE BENEFIT OF ASSIGNEE AS FOLLOWS:

1. That it is the sole owner of the entire Lessor's interest in the Leases and that, it has not and shall not execute any other assignment of any of the Leases or the rents, income and profits accruing from the premises, and that it has not and shall not intentionally and voluntarily perform any acts or execute any other instrument which might prevent Assignee from fully exercising its rights under any of the terms, covenants and conditions of this Assignment. **If there are any exceptions, they shall be set out and identified in an Exhibit and attached hereto.** The foregoing Assignment is recorded in accordance with RCW 65.08.070 and the lien created by this Assignment is intended to be specific, perfected, and choate upon the recording of this Assignment.

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2. That the Leases are valid and enforceable in accordance with their terms and have not been altered, modified, amended, renewed, nor have any of the terms and conditions thereof been waived, in any manner whatsoever, except as approved in writing by Assignee, and shall not be altered, modified, amended, renewed, or any term or condition thereof be waived, without the prior written approval of Assignee, which approval shall not be unreasonably withheld.

3. That there are no defaults now existing under any of the Leases, and there exists no state of facts which, with the giving of notice or lapse of time, or both, would constitute a default under any of the Leases; and that Assignor will fulfill or perform each and every condition and covenant of each of the Leases by Lessor to be fulfilled or performed, give prompt notice to Assignee of any notice of default by Assignor under any of the Leases received by Assignor, together with complete copy of any such notice. Assignor shall, at the sole cost and expense of Assignor, enforce, short of termination of any Lease, the performance or observance of each and every covenant and condition of all such Leases by the Lessee(s) to be performed observed.

4. That it has not and shall not collect, or accept payment of, rent under any of the Leases more than one (1) month in advance, other than as provided under the Leases.

5. Assignor shall, upon receipt of demand by Assignee, deliver copies of all Leases covered by this Assignment.

6. That it shall and does hereby assign and transfer to the Assignee any and all subsequent leases upon all, or any part, of the premises, and shall execute and deliver, at the request of Assignee, all such further assurances and assignments as Assignee shall, from time to time, require or deem necessary.

7. That each of the Leases shall remain in full force and effect, irrespective of any merger of the interests of the Lessor and Lessee under any of the Leases, without Assignee's approval.

8. That Assignor will not permit the Lessor's interest in any Lease to become subordinate to any lien, other than the lien of the Deed of Trust.

ASSIGNOR FURTHER AGREES AS FOLLOWS:

This Assignment is absolute and is effective immediately. Notwithstanding the foregoing, until notified by Assignee in writing that a default has occurred under the terms and conditions of the Note or Deed of Trust, or any other instrument constituting additional security for the Note, Assignor shall have a license to receive, collect and enjoy the rents, income and profits accruing from the premises.

In the event of any default in the Note or Deed of Trust, or any other instrument constituting additional security for the Note, Assignee may, at its option, receive and collect all such rents, income and profits as they become due, from such premises and under any and all Leases for all, or any part, of the premises. Assignee shall, thereafter, continue to receive and collect all such rents, income and profits, until such default has been cured.



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J. A. R.

Assignor hereby appoints Assignee as its true and lawful attorney, with full power of substitution, and with power for Assignee in its own name and capacity, or in the name and capacity of Assignor, to demand, collect, receive and give complete acquittances for any and all rents, income and profits accruing from the premises after default, and, at Assignee's discretion, to file any claim or take any other action or proceeding and make any settlement of any claims, either in its own name, or in the name of Assignor, or otherwise, which Assignee may deem necessary or desirable in order to collect and enforce the payment of the rents, income and profits. Lessees of the premises are hereby expressly authorized and directed to pay any and all amounts due Assignor pursuant to the Leases to Assignee, or such nominee as Assignee may designate in writing, delivered to and received by such Lessees who are expressly relieved of any and all duty, liability or obligation to Assignor, in respect of all payments so made.

Assignee is hereby vested with full power to use all measures, legal and equitable, deemed by it necessary or proper to enforce this Assignment and to collect the rents, income and profits assigned hereunder, including the right of Assignee, or its designee, to enter upon the premises pursuant to an Order of the Court. Assignor hereby grants full power and authority to Assignee to exercise all rights, privileges and powers herein granted at any and all times hereafter, without notice to Assignor, with full power to use and apply all of the rents and other income herein assigned to the payment of the costs of managing and operating the premises; and of any indebtedness or liability secured by or created under the Note, and any instrument securing it, including, but not limited to, the payment of receiver's fees, receiver's attorneys' fees, receiver's certificate, taxes, special assessments, insurance premiums, damage claims, the costs of maintaining, repairing, rebuilding and restoring the improvements on the premises, or of making the same rentable, attorneys' fees incurred in connection with the enforcement of this Assignment, and of the principal and interest payments due from Assignor to Assignee on the Note and the Deed of Trust, all in such order as Assignee may determine. Assignee shall be under no obligation to exercise or prosecute any of the rights or claims assigned to it hereunder, or to perform or carry out any of the obligations of the Lessor under any of the Leases, and does not assume any of the liabilities in connection with or arising or growing out of the covenants and agreements of Assignor in the Leases. Assignor hereby agrees that the following shall be added to the indebtedness secured hereby: any liability, loss or damage incurred by Assignee hereunder or by reason of this Assignment, including, without limitation, reasonable attorneys' fees which may or might be incurred by it under the Leases, or any and all claims and demands whatsoever, which may be asserted against Assignee by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in any of the Leases. Assignor hereby agrees to indemnify Assignee and to hold it harmless from any and all liability, loss or damage, including, without limitation, reasonable attorneys' fees and costs, which may or might be incurred by it under the Leases or by reason of this Assignment, and from any and all claims and demands whatsoever, which may be asserted against Assignee by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants, or agreements contained in any of the Leases. It is further understood that this Assignment shall not operate to place responsibility for the control, care, management or repair of the premises, or parts thereof, upon Assignee, nor shall it operate to make Assignee liable for the performance of any of the terms and conditions of any of the Leases, or for any waste of the premises by the Lessee under any of the Leases, or any other party, or for any dangerous or defective condition of the premises, or for any negligence in the management, upkeep, repair or control of the premises resulting in loss or injury or death of any lessee, licensee, employee or stranger.



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Assignee may take or release other security, may release any party, primarily or secondarily liable for any indebtedness secured hereby, may grant extensions, renewals or indulgences with respect to such indebtedness, and may apply any other security therefor held by it to the satisfaction of such indebtedness, without prejudice to any of its rights hereunder.

Upon payment in full of all indebtedness secured hereby, as evidenced by the recording of a full reconveyance, without the recording of another deed of trust in favor of the Assignee affecting the premises, this assignment shall be void and of no effect.

Assignee may, at its option, although it shall not be obligated to do so, perform any Lease covenant for and on behalf of the Assignor, and any monies expended in so doing shall be chargeable, with interest, to the Assignor and added to the indebtedness secured hereby.

Waiver of or acquiescence by Assignee in any default by the Assignor, or failure of the Assignee to insist upon strict performance by the Assignor of any warranties or agreements in this Assignment, shall not constitute a waiver of any subsequent or other default or failure, whether similar or dissimilar. The rights and remedies of Assignee under this Assignment are cumulative and are not in lieu of, but are in addition to any other rights or remedies which Assignee shall have under the Note, Deeds of Trust, or any other instrument constituting security for the Note, or at law or in equity.

If any term of this Assignment, or the application thereof to any person or circumstances, shall, to any extent, be invalid or unenforceable, the remainder of this Assignment, or the application of such term to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term of this Assignment shall be valid and enforceable to the fullest extent permitted by law.

All notices to be given pursuant to this Assignment shall be sufficient if mailed, postage prepaid to the above-described addresses of the parties hereto, or to such other address as a party may request in writing. Any time period provided in the giving of any notice hereunder shall commence upon the date such notice is deposited in the mail.

The terms "Assignor" and "Assignee" shall be construed to include the heirs, personal representatives, successors and assigns thereof. The gender and number used in this Assignment are used as a reference term only, and shall apply with the same effect, whether the parties are of the masculine or feminine gender, corporate or other form, and the singular shall, likewise, include the plural.

This Assignment may not be amended, modified or changed, nor shall any waiver of any provision hereof be effective, except only by an instrument in writing and signed by the party against whom enforcement of any waiver, amendment, change, modification or discharge is sought.



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[Handwritten signatures]

Governing Law: WITHOUT REGARD TO ANY PRINCIPLES OF CONFLICT LAW, THIS INSTRUMENT AND ALL OF THE OTHER LOAN DOCUMENTS SHALL BE GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA EXCEPT THAT THE PROCEDURAL AND SUBSTANTIVE LAWS OF THE STATE IN WHICH THE PROPERTY IS LOCATED RELATING TO THE CREATION, PERFECTION OR PRIORITY OF LIENS AND SECURITY INTERESTS AND TO FORECLOSURE OR OTHER REMEDY WITH RESPECT TO THE PROPERTY SHALL NECESSARILY GOVERN. IN NO EVENT WILL CALIFORNIA'S "ONE FORM OF ACTION RULE" (California Civil Code of Procedure section 726) BE AVAILABLE TO BORROWER, IT'S SUCCESSORS AND/OR ASSIGNS. THE VENUE FOR ANY DISPUTE, WHETHER IN FEDERAL OR STATE COURT, SHALL, AT ASSIGNEE'S OPTION, BE IN CONTRA COSTA COUNTY, CALIFORNIA.

Execution in Counterparts. This ABSOLUTE ASSIGNMENT OF RENTS & LEASES may be executed in counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts, taken together, shall constitute but one and the same agreement.

IN WITNESS WHEREOF, the said Assignor has caused this instrument to be executed as of the date and year first above written, at Walnut Creek, California.

ASSIGNOR:

CLEAR VALLEY ENVIRONMENTAL FARM, LLC, a Washington limited liability company

BY: SUSTAINABLE ENVIRONMENTS, LLC, a Washington limited liability company
ITS: Managing Member

↓

Kevin F. Noon, Managing Member

↓ *James Blythe Hodge*

James Blythe Hodge, Managing Member

↓ *Jerome Ryan*

Jerome Ryan, Managing Member

CLEAR VALLEY ENVIRONMENTAL FARM, II, INC., a Washington corporation

↓

Kevin F. Noon, Vice President

↓ *Jerome Ryan*

Jerome Ryan, President

↓ *James Blythe Hodge*

James Blythe Hodge, Secretary

Notarize



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Governing Law: WITHOUT REGARD TO ANY PRINCIPLES OF CONFLICT LAW, THIS INSTRUMENT AND ALL OF THE OTHER LOAN DOCUMENTS SHALL BE GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA EXCEPT THAT THE PROCEDURAL AND SUBSTANTIVE LAWS OF THE STATE IN WHICH THE PROPERTY IS LOCATED RELATING TO THE CREATION, PERFECTION OR PRIORITY OF LIENS AND SECURITY INTERESTS AND TO FORECLOSURE OR OTHER REMEDY WITH RESPECT TO THE PROPERTY SHALL NECESSARILY GOVERN. IN NO EVENT WILL CALIFORNIA'S "ONE FORM OF ACTION RULE" (California Civil Code of Procedure section 726) BE AVAILABLE TO BORROWER, IT'S SUCCESSORS AND/OR ASSIGNS. THE VENUE FOR ANY DISPUTE, WHETHER IN FEDERAL OR STATE COURT, SHALL, AT ASSIGNEE'S OPTION, BE IN CONTRA COSTA COUNTY, CALIFORNIA.


Execution in Counterparts. This ABSOLUTE ASSIGNMENT OF RENTS & LEASES may be executed in counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts, taken together, shall constitute but one and the same agreement.

IN WITNESS WHEREOF, the said Assignor has caused this instrument to be executed as of the date and year first above written, at Walnut Creek, California.


ASSIGNOR:

CLEAR VALLEY ENVIRONMENTAL FARM, LLC, a Washington limited liability company


BY: SUSTAINABLE ENVIRONMENTS, LLC, a Washington limited liability company
ITS: Managing Member



Kevin F. Noon, Managing Member



James Blythe Hodge, Managing Member



Jerome Ryan, Managing Member

CLEAR VALLEY ENVIRONMENTAL FARM, II, INC., a Washington corporation



Kevin F. Noon, Vice President



Jerome Ryan, President



James Blythe Hodge, Secretary

Notarize



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CALIFORNIA
STATE OF WASHINGTON
COUNTY OF MARIN

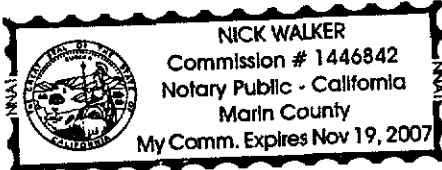
On this 22nd day of April in the year of 2006, before me, the
before me, NICK WALKER, a Notary Public, personally appeared

Jerome M. Ryan

~~personally known to me~~ (or proved to me on the basis of satisfactory evidence) to be
the person(s) whose name(s) is/are subscribed to the within instrument and
acknowledged to me that he/she/they executed the same in his/hers/their authorized
capacity(ies), and that by his/hers/their signature(s) on the instrument the person(s), or
the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

[Signature]
NOTARY PUBLIC



CALIFORNIA
STATE OF WASHINGTON
COUNTY OF MARIN

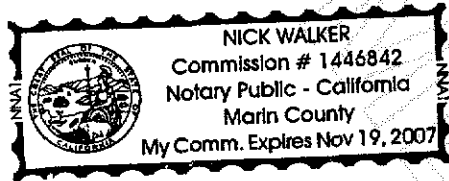
On this 22nd day of April in the year of 2006, before me, the
before me, NICK WALKER, a Notary Public, personally appeared

JAMES Blythe Hodge

~~personally known to me~~ (or proved to me on the basis of satisfactory evidence) to be
the person(s) whose name(s) is/are subscribed to the within instrument and
acknowledged to me that he/she/they executed the same in his/hers/their authorized
capacity(ies), and that by his/hers/their signature(s) on the instrument the person(s), or
the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

[Signature]
NOTARY PUBLIC



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Skagit County Auditor

COLORADO
STATE OF WASHINGTON
COUNTY OF DENVER

On this 22ND day of APRIL in the year of 2006, before me, the
before me, ALBERT BROKER, a Notary Public, personally appeared

KEVIN F NOON
personally known to me (or proved to me on the basis of satisfactory evidence) to be
the person(s) whose name(s) is/are subscribed to the within instrument and
acknowledged to me that he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or
the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.


NOTARY PUBLIC



My Commission Expires 12/13/2009

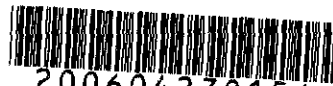
STATE OF WASHINGTON
COUNTY OF _____

On this _____ day of _____ in the year of _____, before me, the
before me, _____, a Notary Public, personally appeared

personally known to me (or proved to me on the basis of satisfactory evidence) to be
the person(s) whose name(s) is/are subscribed to the within instrument and
acknowledged to me that he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or
the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

NOTARY PUBLIC



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STATE OF WASHINGTON
COUNTY OF _____

On this ____ day of _____ in the year of _____, before me, the
before me, _____, a Notary Public, personally appeared

personally known to me (or proved to me on the basis of satisfactory evidence) to be
the person(s) whose name(s) is/are subscribed to the within instrument and
acknowledged to me that he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or
the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

NOTARY PUBLIC

STATE OF WASHINGTON
COUNTY OF _____

On this ____ day of _____ in the year of _____, before me, the
before me, _____, a Notary Public, personally appeared

personally known to me (or proved to me on the basis of satisfactory evidence) to be
the person(s) whose name(s) is/are subscribed to the within instrument and
acknowledged to me that he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or
the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

NOTARY PUBLIC



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Skagit County Auditor

STATE OF WASHINGTON
COUNTY OF _____

On this _____ day of _____ in the year of _____, before me, the
before me, _____, a Notary Public, personally appeared

personally known to me (or proved to me on the basis of satisfactory evidence) to be
the person(s) whose name(s) is/are subscribed to the within instrument and
acknowledged to me that he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or
the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

NOTARY PUBLIC

STATE OF WASHINGTON
COUNTY OF _____

On this _____ day of _____ in the year of _____, before me, the
before me, _____, a Notary Public, personally appeared

personally known to me (or proved to me on the basis of satisfactory evidence) to be
the person(s) whose name(s) is/are subscribed to the within instrument and
acknowledged to me that he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or
the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

NOTARY PUBLIC



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Skagit County Auditor

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL "A"

That portion of the South ½ of the Northeast ¼ of Section 10, Township 34 North, Range 4 East W.M., lying Southerly of Nookachamps Creek.

Situate in the County of Skagit, State of Washington.

PARCEL "B":

The Southeast ¼ and the East ½ of the Southwest ¼ of Section 10, Township 34 North, Range 4 East W.M., EXCEPT that portion of said Southeast ¼ of the Southwest ¼ lying within the boundaries of Tract "A" of Skagit County Short Plat No. 60-77, approved August 30, 1977 and recorded August 30, 1977 under Auditor's File No. 863767, in Volume 2 of Short Plats, page 112, records of Skagit County, Washington,

EXCEPT that portion conveyed by Deed recorded April 10, 2006, under Auditor's File No. 200604100126, described as follows:

That portion of said East ½ lying South of the North line of the South ½ of the South ½ and lying West of the East line of the West 363.45 feet of said East ½.

Situate in the County of Skagit, State of Washington.

PARCEL "C":

The West ½ of the Southwest ¼ of Section 11, Township 34 North, Range 4 East W.M.;

EXCEPT County road right of way.

ALSO EXCEPT that portion lying Southerly of the South line of Nookachamps Creek.

Situate in the County of Skagit, State of Washington.

PARCEL "D":

That portion of the following described property situated in the South ½ of the Southwest ¼ of Section 11, Township 34 North, Range 4 East W.M., lying Westerly and Northwesterly of the right of way of the Northern Pacific Railway Company:

Beginning at a point on the North and South center line of said Section, 60 feet North of where the North line of the right of way of the Seattle and International Railway crosses said line;



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PARCEL "D" Continued:

thence North 45° West to the Southerly bank of Nookachamps Creek;
thence Westerly along the Southerly bank of said creek to the West line of said Section 11;
thence South to the Southwest corner of said Section 11;
thence East to the Southeast corner of the Southwest ¼ of said Section;
thence North to the place of beginning; EXCEPT right of way of Puget Sound Cascade Railway.

Situate in the County of Skagit, State of Washington.

PARCEL "E":

That portion of the Northwest ¼ of Section 14, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at the quarter post on the North side of said Section 14;
thence West along the North line of said Section, 275 88 feet to an intersection with the Westerly right-of-way line of the Northern Pacific Railway Company and the true point of beginning;
thence Southwesterly along said right-of-way line, 1,494.24 feet;
thence Northwesterly in a straight line to a point 396 feet South of the Northwest corner of said Section;
thence North 396 feet to the Northwest corner of said Section;
thence East along the North line of said Section to the true point of beginning.

Situate in the County of Skagit, State of Washington.

PARCEL "F":

That portion of the abandoned Puget Sound and Cascade Railway right-of-way in the Southeast ¼ of the Southwest ¼ of Section 11, Township 34 North, Range 4 East, W.M., more particularly described as follows:

A strip of land 50 feet wide, being 25 feet each side of the centerline described as follows:

Beginning at a point on the South boundary line of Section 11, 296.8 feet, more or less, West from the South ¼ section corner thereof;
thence Northeasterly to the East line of said Southeast ¼, 366 feet, more or less, North of said section corner.

Situate in the County of Skagit, State of Washington.



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PARCEL "G":

That portion of the Northwest $\frac{1}{4}$ of Section 14, Township 34 North, Range 4 East W.M., described as follows:

Beginning at the intersection of the North line of Section 14 with the Westerly line of the right of way of the Seattle Lake Shore and Eastern Railway Company, as said right of way was conveyed by deeds recorded in Volume 10 of Deeds, pages 651 to 654, records of Skagit County, Washington; thence Southwesterly along said right of way; 1494.24 feet to the true point of beginning; thence North $60^{\circ}30'$ West, 1683 feet, more or less, to a point 396 feet South of the Northwest corner of said Section 14; thence South along the West line of the Section to a point 660 feet North of the Southwest corner of the Northwest $\frac{1}{4}$ of said Section; thence East 871.2 feet, more or less, to the Westerly line of the said railway company right-of-way; thence Northeasterly along said right of way to the true point of beginning, EXCEPT the 50 foot wide right of way of the Puget Sound and Cascade Railway Company, as said right of way was reserved in deed recorded under Auditor's File No. 138390, in Volume 115 of Deeds, page 619, records of Skagit County, Washington; AND ALSO EXCEPT that portion lying within the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of said Section 14.

Situate in the County of Skagit, State of Washington.

PARCEL "H":

That portion of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 14, Township 34 North, Range 4 East W.M., lying Westerly of the West line of the 100 foot wide right of way conveyed to the Seattle Lake Shore and Eastern Railway Company by deed recorded under Auditor's File No. 3823, in Volume 20 of Deeds, page 504, records of Skagit County, Washington; EXCEPT mineral rights as reserved by deed recorded under Auditor's File No. 28646, in Volume 34 of Deeds, page 392, records of Skagit County, Washington; AND ALSO EXCEPT that certain 20 foot wide strip of land conveyed to the Northern Pacific Railway Company by deed recorded under Auditor's File No. 102078, in Volume 96 of Deeds, page 509, records of Skagit County, Washington; AND ALSO EXCEPT that portion of the North 30 feet of the East 105 feet of that portion of said Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ lying West of the West line of the Northern Pacific Railway, said portion being the non-vacated portion of Coltrine #211 County Road, said road being previously conveyed to Skagit County by deeds recorded under Auditor's File Nos. 75461 and 75462, in Volume 78 of Deeds, page 223, records of Skagit County, Washington, and portions of said road being vacated by Order of Vacation entered in Volume 12 of Commissioner's Journal, page 479, records of Skagit County, Washington; AND ALSO EXCEPT any portion of the as built and existing road commonly known as Gunderson Road and formerly known as Coltrine Road, extending on to said property.

Situate in the County of Skagit, State of Washington.



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PARCEL "I":

The Northeast ¼ of the Northwest ¼ of Section 15, Township 34 North, Range 4 East W.M., EXCEPT that portion thereof lying within the boundaries of Tract "A" of Skagit County Short Plat No. 60-77, approved August 30, 1977 and recorded August 30, 1977 under Auditor's File No. 863767, records of Skagit County, Washington; AND EXCEPT the West 30 feet thereof for the as built and existing County road commonly known as the McLaughlin Road extension and as said road was conveyed to Skagit County by deed recorded under Auditor's File No. 864821 and by deed recorded April 18, 1916 under Auditor's File No. 112823, in Volume 102 of Deeds, page 508, records of Skagit County, Washington; AND ALSO EXCEPT the as built and existing County road running along the South line thereof, commonly known as the McLaughlin Road.

Situate in the County of Skagit, State of Washington.

PARCEL "J":

The Northwest ¼ of the Northeast ¼ of Section 15, Township 34 North, Range 4 East W.M., EXCEPT that portion thereof lying within the boundaries of the as built and existing County road commonly known as McLaughlin Road running along the South line thereof.

Situate in the County of Skagit, State of Washington.

PARCEL "K":

The East ½ of the Northeast ¼ of Section 15, Township 34 North, Range 4 East W.M., EXCEPT that portion thereof lying within the boundaries of that certain 50 foot wide strip of land conveyed to Puget Sound and Cascade Railway Company by deed recorded December 11, 1915 under Auditor's File No. 111086, in Volume 101 of Deeds, page 631, records of Skagit County, Washington.

Situate in the County of Skagit, State of Washington.

PARCEL "L":

The Northeast ¼ of the Southeast ¼ of Section 15, Township 34 North, Range 4 East W.M., EXCEPT that portion thereof lying within the boundaries of the as built and existing State Highway right of way running through said subdivision, commonly known as Clear Lake Road and also known as College Way.

Situate in the County of Skagit, State of Washington.



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PARCEL "M":

That portion of the Northeast ¼ of the Southwest ¼ and the Northwest ¼ of the Southeast ¼ of Section 15, Township 34 North, Range 4 East W.M., lying Northerly of State Highway No. 538.

Situate in the County of Skagit, State of Washington.

PARCEL "N":

The Southwest ¼ of the Northeast ¼ of Section 15, Township 34 North, Range 4 East W.M., EXCEPT the 50 foot wide right of way conveyed to the Puget Sound and Cascade Railway Company by deed recorded under Auditor's File No. 110943, in Volume 101 of Deeds, page 586, records of Skagit County, Washington; AND ALSO EXCEPT the North 30 feet thereof conveyed to Skagit County for road purposes by deed recorded under Auditor's File No. 77104, in Volume 65 of Deeds, page 189, records of Skagit County, Washington; AND ALSO EXCEPT that portion thereof lying within the as built and existing County Road running along the North line thereof commonly known as McLaughlin Road.

Situate in the County of Skagit, State of Washington.

PARCEL "O":

The Southeast ¼ of the Northwest ¼ of Section 15, Township 34 North, Range 4 East W.M., EXCEPT the State Highway right of way running along a portion of the South line thereof, AND EXCEPT the as built and existing County road running along the North line thereof commonly known as the McLaughlin Road.

EXCEPT from all of Parcel "O" hereinabove the following described tracts:

- 1.) The West 208.7 feet of the South 626.1 feet of that portion of said Southeast ¼ of the Northwest ¼, lying North of State Road No. 1-G.



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PARCEL "O" Continued:

2.) Beginning at the Northwest corner of the Southeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of said Section; thence South along the West line thereof 20 feet to the Southerly line of McLaughlin Road and the true point of beginning; thence continuing South along said West line 666.63 feet to the Northwest corner of that certain parcel described in real estate contract in favor of Kenneth Moore and Phyllis Marie Moore and recorded under Auditor's File No. 8305270054; thence East along the North line of said Moore parcel and said line extended 980.15 feet; thence North parallel to the West line of said Southeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ 666.63 feet, more or less, to the South line of McLaughlin Road; thence West along the South line to the point of beginning.

Situate in the County of Skagit, State of Washington.

PARCEL "P":

The Westerly $\frac{1}{2}$ of that certain 100 foot wide strip of land conveyed to the Seattle Lake Shore and Eastern Railway Company by Deed dated April 4, 1890, and recorded July 13, 1890, in Volume 10 of Deeds, page 651, records of Skagit County, Washington, being a portion of the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of Section 14, Township 34 North, Range 4 East, W.M..

Situate in the County of Skagit, State of Washington.

PARCEL "Q":

The Easterly $\frac{1}{2}$ of that portion of that certain 100 foot wide strip of land conveyed to the Seattle Lake Shore and Eastern Railway Company by Deed dated April 4, 1890, and recorded July 13, 1890, in Volume 10 of Deeds, page 651, records of Skagit County, Washington, which lies Southerly of a line drawn perpendicular through the centerline of said 100 foot wide strip of land and through the point of divergence of the Easterly right-of-way line of said 100 foot wide strip of land and the Westerly right-of-way line of the road right-of-way commonly known as State Highway No. 9, being a portion of the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of Section 14, Township 34 North, Range 4 East, W.M..

Situate in the County of Skagit, State of Washington.



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PARCEL "R":

Those two fifty foot by fifteen hundred foot strips of land conveyed to the Seattle Lake Shore and Eastern Railway Company by deeds dated April 4, 1890, and recorded July 13, 1890, and July 25, 1890, in Volume 10 of Deeds, pages 653 and 759, records of Skagit County, Washington, being portions of the North ½ of the Northwest ¼ of Section 14, Township 34 North, Range 4 East, W.M.

Situate in the County of Skagit, State of Washington.

PARCEL "S":

The Westerly ½ of that portion of that certain 100 foot wide strip of land conveyed to the Seattle Lake Shore and Eastern Railway Company by Deed dated July 17, 1891, and recorded July 25, 1891, as auditor's File No. 3823, in Volume 20 of Deeds, page 504, records of Skagit County, Washington, lying within the Northwest ¼ of the Southwest ¼ of Section 14, Township 34 North, Range 4 East W.M.

Situate in the County of Skagit, State of Washington.

PARCEL "T":

That certain 20 foot wide strip of land conveyed to the Northern Pacific Railway Company by Deed dated April 15, 1914, and recorded April 21, 1914, as Auditor's File No. 102078, in Volume 96 of Deeds, page 509, records of Skagit County, Washington, being a portion of the Northwest ¼ of the Southwest ¼ of Section 14, Township 34 North, Range 4 East, W.M..

Situate in the County of Skagit, State of Washington.

PARCEL "U":

That portion of the Northwesterly ½ of that certain 100 foot wide strip of land conveyed to the Seattle Lake Shore and Eastern Railway Company, by Deed recorded June 2, 1890, in Volume 10 of Deeds, page 574, records of Skagit County, Washington, which lies within the East ½ of the Southwest ¼ of Section 11, Township 34 North, Range 4 East, W.M..

Situate in the County of Skagit, State of Washington.



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PARCEL "V":

That portion of the Northwesterly ½ of that certain 100 foot wide strip of land conveyed to the Seattle Lake Shore and Eastern Railway Company, by deed recorded June 2, 1890, in Volume 10 of Deeds, page 577, records of Skagit County, Washington, which lies within the Southeast ¼ of Section 11, Township 34 North, Range 4 East, W.M., and lies Southwesterly of the Southeasterly extension of the Northeasterly line of that certain tract conveyed to Robert G. Lundvall, et ux., by deed recorded September 3, 1982, as Auditor's File No. 8209030067.

Situate in the County of Skagit, State of Washington.

PARCEL "W":

That portion of the following described tract lying within the Southwest ¼ of the Northwest ¼ of Section 14, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at the intersection of the North line of Section 14 with the Westerly line of the right of way of the Seattle Lake Shore and Eastern Railway Company, as said right of way was conveyed by deeds recorded in Volume 10 of Deeds, pages 651 to 654, records of Skagit County, Washington;
thence Southwesterly along said right of way, 1,494.24 feet to the true point of beginning;
thence North 60°30' West, 1,683 feet, more or less, to a point 396 feet South of the Northwest corner of said Section 14;
thence South along the West line of the Section to a point 660 feet North of the Southwest corner of the Northwest ¼ of said Section;
thence East 871.2 feet, more or less, to the Westerly line of the said railway company right of way;
thence Northeasterly along said right of way to the true point of beginning.

EXCEPT the 50 foot wide right of way of the Puget Sound and Cascade Railway Company, as said right of way was reserved in deed recorded under Auditor's File No. 138390, in Volume 115 of Deeds, page 619, records of Skagit County, Washington,

AND ALSO EXCEPT that portion, if any, lying within the as built and existing extension of the Gunderson County Road.

Situate in the County of Skagit, State of Washington.



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PARCEL "X":

That portion of the South 660 feet of the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 14, Township 34 North, Range 4 East, W.M., lying Westerly of the West line of the 200 foot wide right of way and depot grounds of the Seattle Lake Shore and Eastern Railway Company, as said right of way and depot grounds were conveyed to said railway company by deeds recorded in Volume 10 of Deeds, page 651 to 654, records of Skagit County, Washington,

EXCEPT that certain 50 foot wide strip of land conveyed to Puget Sound and Cascade Railway Company by deed recorded under Auditor's File No. 111086, in Volume 101 of Deeds, page 631, records of Skagit County, Washington,

AND ALSO EXCEPT that portion of the South 30 feet of the East 105 feet of that portion of said Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$, lying West of the West line of the right of way of the Northern Pacific Railway, as said right of way existed on June 6, 1927.

Said portion being the non-vacated portion of Coltrine #211 County Road, said road being previously conveyed to Skagit County by deeds recorded under Auditor's File Nos. 75461 and 75462 in Volume 78 of Deeds, page 223, and portions of said road being vacated by Order of Vacation entered in Volume 12 of Commissioner's Records, page 479, records of Skagit County, Washington,

AND ALSO EXCEPT that portion, if any, lying within the boundaries of the as built and existing County road commonly known Gunderson Road and formerly known as Coltrine Road, extending into said property.

Situate in the County of Skagit, State of Washington.

PARCEL "Y":

That portion of the Northwest $\frac{1}{4}$ of Section 14, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at the intersection of the East line of the Northern Pacific Railway right of way with the South line of the said Northwest $\frac{1}{4}$;
thence East 606 feet, more or less, to the West line of the Big Lake Road;



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PARCEL "Y" Continued:

thence Northerly along said West line of road to intersection with the East line of the Northern Pacific Railway right of way;
thence Southwesterly along the East line of the Northern Pacific Railway right of way to the point of beginning.

EXCEPT road right of way.

Situate in the County of Skagit, State of Washington.

PARCEL "Z":

The Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 11, Township 34 North, Range 4 East, W.M., EXCEPT County road right of way.

Situate in the County of Skagit, State of Washington.

EXCEPT from the above Parcels any portion lying within that right-of-way conveyed by deed recorded October 26, 2004, under Auditor's File No 200410260120.



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