

When Recorded Return to:
HANSELL MITZEL LLC
1111 Cleveland Avenue #201
Mount Vernon, WA 98273



200707020089
Skagit County Auditor

7/2/2007 Page 1 of 6 9:49AM

NOTICE OF CONTINUANCE
LAND CLASSIFIED AS CURRENT USE OR FOREST LAND

Chapter 84.34 And 84.33 Revised Code of Washington

Grantor(s) CLEAR VALLEY ENVIRONMENTAL FARM, LLC AND
CLEAR VALLEY ENVIRONMENTAL FARM, II
Grantee(s) Dan R. Mitzel and Patricia R. Burklund, husband and wife
Legal Description See attached legal description
S 10,15
T 34
R 4
Assessor's Property Tax Parcel or Account Number P24488, P24494, P24802, P24803
P24804, P24807, P24809, P24854
Reference Numbers of Documents Assigned or Released 7 89545 800384

If the new owner(s) of land that is classified or designated as current use or forest land wish(es) to continue the classification or designation of this land, the new owner(s) must sign below. All new owners must sign. If the new owner(s) do(es) not desire to continue the classification or designation, all additional or compensating tax calculated pursuant to RCW 84.34.108 or RCW 84.33.120, 140 shall be due and payable by the seller or transferor at the time of sale. To determine if the land qualifies to continue classification or designation, the county assessor may be consulted.

Name of New Owner(s) Dan R. Mitzel and Patricia R. Burklund

Address 1111 Cleveland Avenue, Suite 201
Mount Vernon, WA 98273

Phone No. 360-757-7930 Excise Tax No. _____

File No. B90559 Taxing District _____

Date of Sale or Transfer / / Date of Notice / /

Interest in Property: Fee Owner Contract Purchaser Other

To inquire about the availability of this notice in an alternate format for the visually impaired or in a language other than English, please call (360) 733-3217. Teletype (TTY) users may call (800) 451-7985

A. CLASSIFICATION UNDER CHAPTER 84.34 RCW. I/we request that this land retains the current use classification as Open Space Land, Farm and Agricultural Land, Timberland, and I am/we are aware of the following use classification of the land:

1. OPEN SPACE LAND MEANS EITHER:

- a) any land area so designated by an official comprehensive land use plan adopted by any city or county and zoned accordingly; or
- b) any land area, the preservation of which in its present use would: (i) conserve and enhance natural or scenic resources; (ii) protect streams or water supply; (iii) promote conservation of soils, wetlands, beaches, or tidal marshes; (iv) enhance the value to the public of abutting or neighboring parks, forests, wildlife preserves, nature reservations or sanctuaries or other open space; (v) enhance recreation opportunities; (vi) preserve historic sites; (vii) preserve visual quality along highway, road, and street corridors or scenic vistas; or (viii) retain in its natural state tracts of land not less than one acre situated in an urban area and open to public use on such conditions as may be reasonably required by the legislative body granting the open space classification; or
- c) any land that meets the definition of farm and agricultural conservation land. "Farm and agricultural conservation land is either: (i) land that was previously classified as open space farm and agricultural land that no longer meets the criteria of farm and agricultural land, and that is reclassified as open space and under RCW 84.34.020(1); or (ii) land that is traditional farmland that is not classified under chapter 84.33 or 84.34 RCW, that has not been irrevocably devoted to a use inconsistent with agricultural uses, and that has a high potential for returning to commercial agriculture.

2. FARM AND AGRICULTURAL LAND MEANS EITHER:

- a) any land in contiguous ownership of twenty or more acres devoted: (i) primarily to the production of livestock or agricultural commodities, for commercial purposes; or (ii) enrolled in the federal conservation reserve program or its successor administered by the United States department of agriculture; or (iii) other similar commercial activities as may be established by rule; or
- b) any parcel of land at least five acres but less than twenty acres devoted primarily to agricultural uses and produces a gross income equal to two hundred dollars or more per acre per year for three out of the five calendar years preceding the date of application for classification under chapter 84.34 RCW; or
- d) any parcel of land that is less than five acres devoted primarily to agricultural uses and produces a gross income equal to fifteen hundred dollars or more per year for three out of the five calendar years preceding the date of application for classification under chapter 84.34 RCW; or
- d) any land on which the principal place of residence of the farm operator or owner of land or housing for employees is sited if the classified farm and agricultural land is classified pursuant to subsection (a) of this section, if the residence or housing is on or contiguous to the classified parcel, and the use of the residence or housing is integral to the use of the classified land for agricultural purposes.

Agricultural land also includes (i) land on which appurtenances necessary for the production, preparation, or sale of commercial agricultural products are situated when the appurtenances are used in conjunction with the land(s) producing agricultural products, (ii) land incidentally used for an activity or enterprise that is compatible with commercial agricultural purposes as long as the incidental use does not exceed twenty percent of the classified land, and (iii) any noncontiguous parcel of land from one to five acres in size that constitutes an integral part of the commercial agricultural operations of a classified parcel of farm and agricultural land.



3. **TIMBER LAND MEANS** any land in contiguous ownership of five or more acres devoted primarily to the growing and harvesting of forest crops for commercial purposes and not classified as reforestation land pursuant to Chapter 84.28 RCW. Timber land means the land only.

I/we declare that I am/we are aware of the liability of withdrawal or removal of this land from classification to the following extent:

1. If the owner has filed the proper notice of request to withdraw the classified land and the land has been classified for a minimum of ten years he/she shall pay an amount equal to the difference between the tax computed on the basis of "current use" and the tax computed on the basis of true and fair value plus interest at the same statutory rate charged on delinquent property taxes. The additional tax and interest shall be paid for the preceding seven years.
2. If land is removed from classification because of a change to a non-conforming use, land is removed prior to the minimum ten year period, or land is removed because the owner(s) failed to comply with the two year notice of withdrawal he/she shall be liable to pay the additional tax and interest described in 1 above plus a penalty of twenty percent of the additional tax and interest. The additional tax, interest, and penalty shall be paid for the preceding seven years.
3. The additional tax, interest, and/or penalty shall not be imposed if the withdrawal or removal from classification resulted solely from:
 - a) transfer to a government entity in exchange for other land located within the state of Washington;
 - b) a taking through the exercise of the power of eminent domain, or sale or transfer to an entity having the power of eminent domain in anticipation of the exercise of this power, said entity having manifested its intent in writing or by other official action;
 - c) a natural disaster such as a flood, windstorm, earthquake, or other calamity rather than by virtue of the act of the landowner changing the use of the classified land;
 - d) official action by an agency of the state of Washington or by the county or city within which the land is located that disallows the present classified use of the land;
 - e) transfer of land to a church when the land would qualify for exemption pursuant to RCW 84.36.020;
 - f) acquisition of property interests by a state or federal agency, county, city, town, metropolitan park district; metropolitan municipal corporation, nonprofit historic preservation corporation as defined in RCW 64.04.130, or nonprofit nature conservancy corporation or association as defined in RCW 84.34.250;
 - g) removal of classified farm and agricultural land on which the principal residence of the farm operator or owner or housing for employees;
 - h) removal of land from classification after enactment of a statutory exemption that qualifies the land for exemption and receipt of notice from the owner to remove the land from classification;
 - i) the creation, sale, or transfer of forestry riparian easements under RCW 76.13.120; or
 - j) the creation, sale, or transfer of a fee interest or a conservation easement for the riparian open space program under RCW 76.09.040.

B CLASSIFICATION UNDER CHAPTER 84.33 RCW. I/we request that this land retain its classification or designation as forest land and I am/we are aware of the following definition of forest land:

FOREST LAND means and is synonymous with timber land and means all land in contiguous ownership of at least twenty acres that is primarily devoted to and used for growing and harvesting timber. Forest land means the land only.

- a) **CLASSIFIED FOREST LAND** is land whose highest and best use is the growing and harvesting of timber.
- b) **DESIGNATED FOREST LAND** is land that is primarily devoted to and used for growing and harvesting timber but whose value for other purposes may be greater than its value for use as forest land.

REV 64 0047-1 (1/03/00)



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Skagit County Auditor

I/we declare that I am/we are aware of the liability of removal of this land from classification or designation and upon removal a compensating tax shall be imposed that shall be equal to the difference between the amount of tax last levied on the land as forest land and an amount equal to the new assessed valuation of the land multiplied by the mileage rate of the last levy extended against the land, multiplied by a number, not greater than ten, equal to the number of years the land was classified or designated as forest land.

The compensating tax shall not be imposed if the removal of classification or designation resulted solely from:

- a) transfer to a government entity in exchange for other forest land located within the state of Washington;
- b) a taking through the exercise of the power of eminent domain, or sale or transfer to an entity having the power of eminent domain in anticipation of the exercise of this power;
- c) a donation of fee title, development rights, or the right to harvest timber, to a government agency or organization qualified under RCW 84.34.210 and 64.04.130 for the purposes enumerated in those sections or the sale or transfer of fee title to a governmental entity or a nonprofit nature conservancy corporation, as defined in RCW 64.04.130, exclusively for the protection and conservation of lands recommended for state natural area preserve purposes by the natural heritage council and natural heritage plan as defined in Chapter 79.70 RCW;
- d) the sale or transfer of fee title to the parks and recreation commission for park and recreation purposes;
- e) official action by an agency of the State of Washington or by the county or city within which the land is located that disallows the present use of such land;
- f) the creation, sale, or transfer of forestry riparian easements under RCW 76.13.120; or
- g) the creation, sale, or transfer of a fee interest or a conservation easement for the riparian open space program under RCW 76.09.040.

Agreement to tax according to use shall not be considered to be a contract and can be abrogated at any time by the legislature in which event no additional tax or penalty shall be imposed. (RCW 84.34.070).

Dan R. Mitzel *Dan R. Mitzel* 5/17/07
 Property Owner Date

1111 Cleveland Avenue #201, Mount Vernon, Wa 98273
 Address

Patricia R. Burklund *Patricia R. Burklund* 5/18/07
 Property Owner Date

 Address

 Property Owner Date

 Address

 Property Owner Date

 Address

REV 64 0047-4 (1/03/00)



200707020089
Skagit County Auditor

Schedule "C"
Legal description

The land referred to in this report/policy is situated in the State of Washington, County of Skagit, and is described as follows:

Parcel 3 After BLA:

That portion of the Southeast ¼ of the Southwest ¼ and the Southwest ¼ of the Southeast ¼ of said Section 10, together with that portion of the Northeast ¼ of the Northwest ¼ and the Northwest ¼ of the Northeast ¼ of Section 15, all in Township 34 North, Range 4 East, W.M., described as follows:

Commencing at the Northwest corner of the Southeast ¼ of the Southwest ¼ of said Section 10; thence South 0°12'29" West, along the West line thereof, a distance of 660.87 feet, more or less, to the Northwest corner of that certain parcel as conveyed by Deed recorded April 10, 2006, under Auditor's File No. 200604100126; thence South 89°11'17" East, along the North line thereof, 363.49 feet to the Northeast corner thereof; thence North 62°42'54" East 117.72 feet; thence South 63°15'58" East 111.40 feet; thence South 15°42'36" East 159.39 feet; thence South 32°41'51" East 129.01 feet; thence South 52°05'24" East 149.71 feet; thence South 88°04'38" East 128.61 feet; thence North 79°36'46" East 295.79 feet; thence South 66°03'52" East 138.90 feet; thence South 66°03'52" East 103.00 feet to the true point of beginning; thence North 66°03'52" West 103.00 feet; thence North 66°03'52" West 138.90 feet; thence South 79°36'46" West 295.79 feet; thence North 88°04'38" West 128.61 feet; thence North 52°05'24" West 149.71 feet; thence North 32°41'51" West 129.01 feet; thence North 15°42'36" West 159.39 feet; thence North 63°15'58" West 111.40 feet; thence South 62°42'54" West 117.72 feet to the aforementioned Northeast corner of parcel described under Auditor's File No. 200604100126; thence South 0°38'29" West, along the East line of said parcel and said parcel extended, a distance of 769.92 feet to the Southeast corner of Tract "A" of Skagit County Short Plat 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; thence North 89°20'05" West, along the South line thereof, 330.03 feet to the Southwest corner thereof, said point being on the East margin of McLaughlin Extension Road, thence South 1°26'36" West, along said margin, 1,202.86 feet to an intersection with the North margin of McLaughlin Road; thence South 89°00'37" East, along said North margin, 967.04 feet to a point which lies South 16°45'44" West from the true point of beginning; thence North 16°45'44" East 1,656.33 feet to the true point of beginning



Parcel 4 After BLA:

That portion of the Southwest ¼ of the Southeast ¼ of Section 10, together with that portion of the Northeast ¼ of the Northwest ¼ and the Northwest ¼ of the Northeast ¼ of Section 15, all in Township 34 North, Range 4 East, W.M., described as follows:

Commencing at the Northwest corner of the Southeast ¼ of the Southwest ¼ of said Section 10; thence South 0°12'29" West, along the West line thereof, a distance of 660.87 feet, more or less, to the Northwest corner of that certain parcel as conveyed by Deed recorded April 10, 2006, under Auditor's File No. 200604100126, thence South 89°11'17" East, along the North line thereof, 363.49 feet to the Northeast corner thereof; thence North 62°42'54" East 117.72 feet; thence South 63°15'58" East 111.40 feet; thence South 15°42'36" East 159.39 feet; thence South 32°41'51" East 129.01 feet; thence South 52°05'24" East 149.71 feet; thence South 88°04'38" East 128.61 feet; thence North 79°36'46" East 295.79 feet; thence South 66°03'52" East 138.90 feet; thence South 66°03'52" East 103.00 feet to the true point of beginning; thence South 78°26'16" East 220.72 feet; thence South 57°43'31" East 112.69 feet; thence South 76°50'23" East 84.64 feet; thence South 76°59'11" East 180.46 feet; thence South 54°48'59" East 93.58 feet; thence South 25°47'39" East 91.15 feet; thence South 25°47'39" East 87.34 feet; thence South 30°23'11" East 111.90 feet; thence South 8°07'49" East 157.41 feet; thence South 18°17'32" East 348.90 feet; thence South 25°34'21" East 205.38 feet; thence South 12°48'25" East 218.85 feet; thence South 5°34'33" West 162.09 feet; thence South 29°59'41" West 117.22 feet to the North margin of McLaughlin Road; thence North 88°19'54" West, along said margin, 1,100.37 feet, to the West line of the Northwest ¼ of the Northeast ¼ of said Section 15; thence continue along said margin, North 89°00'37" West 352.95 feet, to a point which lies South 16°45'44" West from the true point of beginning; thence North 16°45'44" East 1,656.33 feet to the true point of beginning

TOGETHER WITH commencing the Northwest corner of the Southeast ¼ of the Southwest ¼ of Section 10, Township 34 North, Range 4 East, W.M.; thence South 0°12'29" West, along the West line thereof, a distance of 660.87 feet, more or less to the Northwest corner of that certain parcel as conveyed by Deed recorded April 10, 2006, under Auditor's File No. 200604100126; thence South 89°11'17" East, along the North line thereof, 363.49 feet to the Northeast corner thereof; thence North 62°42'54" East 117.72 feet; thence South 63°15'58" East 111.40 feet; thence South 15°42'36" East 159.39 feet; thence South 32°41'51" East 129.01 feet; thence South 52°05'24" East 149.71 feet; thence South 88°04'38" East 128.61 feet; thence North 79°36'46" East 295.79 feet; thence South 66°03'52" East 138.90 feet, more or less, to the West line of the West ½ of the Southeast ¼ of said Section 10; thence South 66°03'52" East 103.00 feet; thence South 78°26'16" East 220.72 feet; thence South 57°43'31" East 112.69 feet; thence South 76°50'23" East 84.64 feet; thence South 76°59'11" East 180.46 feet; thence South 54°48'49" East 93.58 feet; thence South 25°47'39" East 91.15 feet to the South line of the West ½ of the Southeast ¼ of said Section 10; thence South 25°47'39" East 87.34 feet; thence South 30°23'11" East 111.90 feet; thence South 8°07'49" East 157.41 feet; thence South 18°17'32" East 348.90 feet; thence South 25°34'21" East 205.38 feet; thence South 12°48'25" East 218.85 feet; thence South 5°34'33" West 162.09 feet; thence South 29°59'41" West 139.94 feet to the South line of the Northwest ¼ of the Northeast ¼ and the true point of beginning; thence continue South 29°59'41" West 185.06 feet; thence South 71°25'46" West 334.89 feet; thence North 86°50'15" West 213.62 feet; thence North 85°42'09" West 472.91 feet to the West line of the said Southwest ¼ of the Northeast ¼ of Section 15; thence North 88°33'24" West 370.33 feet, to the East line of Exception 4 described above; thence North 1°26'36" East, along said East line, 248.56 feet to the North line of the Southeast ¼ of the Northwest ¼ of said Section 15; thence South 89°00'37" East, along said North line, 369.85 feet to the Northeast corner of said Southeast ¼ of the Northwest ¼; thence South 88°19'54" East, along the North line of the Northwest ¼ of the Northeast ¼ of said Section 15, a distance of 1,089.47 feet to the true point of beginning.

EXCEPT any portion lying within the right-of-way of McLaughlin Road. AND EXCEPT the East 209 feet of the West 242 feet of the North 229 feet of the Southwest ¼ of the Northeast ¼ of said Section 15, EXCEPT the North 20 feet thereof for McLaughlin Road.



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