

When Recorded Return to:
KEITH A. PADGETT
SYLVIA A. PADGETT
3906 Cedardale Road
Mount Vernon WA 98273



200802290092
Skagit County Auditor

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Chicago Title Company - Island Division
Order No: IMV2968 MKP Title Order No: IC44691

STATUTORY WARRANTY DEED

THE GRANTOR MAGIC LIVING INC., a Nevada corporation

for and in consideration of **One Million Seven Hundred Fifty Thousand and 00/100...(\$1,750,000.00) DOLLARS**

in hand paid, conveys and warrants to

KEITH A. PADGETT and SYLVIA A. PADGETT, husband and wife

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

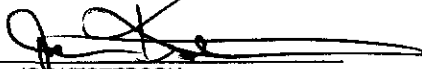
Abbreviated legal description: That portion of the East Half of the Southwest Quarter of Section 32, Township 34 North, Range 4 East of the Willamette Meridian, described as follows: See legal description attached hereto and by reference made a part hereof.

Tax Parcel Number(s): 340432-0-011-0005 P29357

Subject to: Restrictions, reservations and easements of record. Skagit County has established a policy for unincorporated areas to protect and encourage agriculture and forestry operations. If your real property is located near an agriculture or forestry operation, you may be subject to inconvenience or discomfort arising from such operations, including but not limited to, noise, odors, fumes, dust, flies, and other associated pests, the operation of machinery of any kind during any 24-hour period, the storage and disposal of manure, and the application of fertilizers, soil amendments, and pesticides. If conducted in compliance with local, state, and federal laws, these inconveniences or discomforts are hereby deemed not to constitute a nuisance as provided in Chapter 7.48 RCW for purposes of the Skagit County Code and shall not be subject to legal action as a public nuisance.

Dated: February 26, 2008

MAGIC LIVING, INC. a Nevada corporation


By JOE KESTERON
President

627
SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

FEB 29 2008

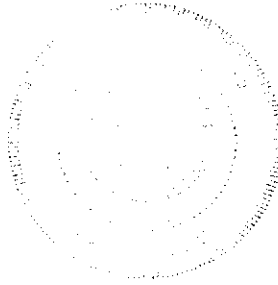
Amount Paid \$ 31,155.00
Skagit Co. Treasurer
By Mam Deputy

STATE OF Texas
COUNTY OF

I certify that I know or have satisfactory evidence that JOE KESTERSON the person(s) who appeared before me, and said person(s) acknowledged that he signed this instrument, on oath stated that he is authorized to execute the instrument and acknowledged it as the President of MAGIC LIVING, INC. a Nevada corporation to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

Dated: 2-27-08

Katy L. Lee
Notary Public in and for the State of Texas
Residing at
My appointment expires: 5-5-09



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EXHIBIT 'A'

Description:

Order No: IMV2968 MKP

That portion of the East Half of the Southwest Quarter of Section 32, Township 34 North, Range 4 East of the Willamette Meridian, described as follows:

Beginning at a point 1,213 feet North of the Southwest corner of the Southeast Quarter of the Southwest Quarter of said section;
thence North a distance of 563 feet;
thence East to center of the slough;
thence Southerly along the center of said slough to a point that is due East of the point of beginning;
thence West to the point of beginning;

EXCEPT that portion thereof conveyed to the State of Washington for Primary State Highway No. 1 by deeds recorded under Auditor's File Nos. 537746 and 764018, records of Skagit County, Washington;

ALSO EXCEPT that portion, if any, lying South of the North line of that tract conveyed to Lars Garavbroth by deed recorded August 31, 1905, under Auditor's File No. 533677, records of Skagit County, Washington.

Situated in Skagit County, Washington.



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