

WHEN RECORDED MAIL TO:

Skagit Law Group, PLLC
Craig E. Cammock
227 Freeway Dr. Ste B
Mount Vernon, WA 98273



200908130082
Skagit County Auditor

8/13/2009 Page 1 of 7 3:19PM

QUITCLAIM DEED

GRANTOR: BNSF RAILWAY COMPANY, a Delaware corporation

GRANTEE: SKAGIT SYNERGY LLC

Abbreviated Legal Description: BNSF Railway Right of Way in Amended Plat of Burlington, PTN Blk. 8

Assessor Property Tax Parcel Account Numbers:
4076-008-006-0107 / P71324

BNSF RAILWAY COMPANY, a Delaware corporation, (formerly known as The Burlington Northern and Santa Fe Railway Company and formerly known as Burlington Northern Railroad Company), of 2500 Lou Menk Drive, Fort Worth, Texas 76131-2830, hereinafter called "Grantor", for and in consideration of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, in hand paid, conveys and quitclaims, without any covenants of warranty whatsoever and without recourse to the Grantor, its successors and assigns, to Skagit Synergy LLC., a Washington limited liability company, hereinafter called "Grantee", all its right, title and interest, if any, in real estate (exclusive of any improvements thereon), subject however, to all existing interests, including but not limited to all reservations, rights-of-way and easements of record or otherwise, situated in the County of Skagit, State of Washington, hereinafter called "Property", together with all after acquired title of Grantor therein, additional legal description is on page 7 in **EXHIBIT "A"**, consisting of one (1) page attached hereto and made a part hereof.

Grantee covenants and agrees as follows:

(a) Grantee's interest shall be subject to the rights and interests of Grantor, Grantor's licensees, permittees and other third parties in and to all existing driveways, roads, utilities, fiber optic lines, tracks, wires and easements of any kind whatsoever on the Property whether owned, operated, used or maintained by the Grantor, Grantor's licensees, permittees or other third parties and whether or not of public record. Grantor does hereby reserve a perpetual easement on the Property for the use of such existing driveways, roads, utilities, fiber optic lines, tracks, wires and easements by Grantor and Grantor's licensees, permittees and customers. Also, Grantor does hereby reserve a non-exclusive easement for the construction, maintenance and operation of one or more pipelines or fiber optic lines and any and all communications facilities as may be located in the future on the Property within 60 feet of the center line of any Main Track on or adjacent to the Property and as may be presently located on the Property.

(b) Grantee's interest shall further be subject to, and Grantor does hereby specifically reserve, all coal, oil, gas, casing-head gas and all ores and minerals of every kind and nature including sand and gravel underlying the surface of the Property, together with the full right, privilege and license at any and all times to explore, or drill for and to protect, conserve, mine, take, remove and market any and all such products in any manner which will not damage structures on the surface of the Property, together with the right of access at all times to exercise said rights.

(c) Any improvements constructed or altered on the Property after the date Grantor quitclaims its interest to Grantee shall be constructed or altered in such a manner to provide adequate drainage of water away from any of Grantor's railroad tracks on nearby property.

(d) Grantee acknowledges and affirms that Grantor may not hold fee simple title to the Property, that Grantor's interest in all or part of the Property, if any, may rise only to the level of an easement for railroad purposes. Grantee is willing to accept Grantor's interest in the Property, if any, on this basis and expressly releases Grantor, its successors and assigns from any claims that Grantee or Grantee's successors may have as a result of an abandonment of the line of rail running over or adjacent to any portion of the Property. In light of Grantor's disclosure that it may not hold a fee interest in all or part of the Property, Grantee agrees to indemnify, defend and hold Grantor harmless from any suit or



claim for damages, punitive or otherwise, expenses, attorneys' fees, or civil penalties that may be imposed on Grantor as the result of any person or entity claiming an interest in any portion of the Property or claiming that Grantor did not have the right to transfer all or part of the Property to Grantee.

(e) Grantee has been allowed to make an inspection of the Property. **GRANTEE IS PURCHASING THE PROPERTY ON AN "AS-IS WITH ALL FAULTS" BASIS WITH ANY AND ALL PATENT AND LATENT DEFECTS, INCLUDING THOSE RELATING TO THE ENVIRONMENTAL CONDITION OF THE PROPERTY, AND IS NOT RELYING ON ANY REPRESENTATION OR WARRANTIES, EXPRESS OR IMPLIED, OF ANY KIND WHATSOEVER FROM GRANTOR AS TO ANY MATTERS CONCERNING THE PROPERTY,** including, but not limited to the physical condition of the Property; zoning status; tax consequences of this transaction; utilities; operating history or projections or valuation; compliance by the Property with Environmental Laws (defined below) or other laws, statutes, ordinances, decrees, regulations and other requirements applicable to the Property; the presence of any Hazardous Substances (defined below), wetlands, asbestos, lead, lead-based paint or other lead containing structures, urea formaldehyde, or other environmentally sensitive building materials in, on, under, or in proximity to the Property; the condition or existence of any of the above ground or underground structures or improvements, including tanks and transformers in, on or under the Property; the condition of title to the Property, and the leases, easements, permits, orders, licenses, or other agreements, affecting the Property (collectively, the "**Condition of the Property**"). Grantee represents and warrants to Grantor that Grantee has not relied and will not rely on, and Grantor is not liable for or bound by, any warranties, guaranties, statements, representations or information pertaining to the Property or relating thereto (including specifically, without limitation, Property information packages distributed with respect to the Property) made or furnished by Grantor, the manager of the Property, or any real estate broker or agent representing or purporting to represent Grantor, to whomever made or given, directly or indirectly, orally or in writing. Grantee assumes the risk that Hazardous Substances or other adverse matters may affect the Property that were not revealed by Grantee's inspection and indemnifies, holds harmless and hereby waives, releases and discharges forever Grantor and Grantor's officers, directors, shareholders, employees and agents (collectively, "**Indemnitees**") from any and all present or future claims or demands, and any and all damages, Losses, injuries, liabilities, causes of actions (including, without limitation, causes of action in tort) costs and expenses (including, without limitation fines, penalties and judgments, and



attorneys' fees) of any and every kind or character, known or unknown, which Grantee might have asserted or alleged against Indemnitees arising from or in any way related to the Condition of the Property or alleged presence, use, storage, generation, manufacture, transport, release, leak, spill, disposal or other handling of any Hazardous Substances in, on or under the Property. Losses shall include without limitation (a) the cost of any investigation, removal, remedial or other response action that is required by any Environmental Law, that is required by judicial order or by order of or agreement with any governmental authority, or that is necessary or otherwise is reasonable under the circumstances, (b) capital expenditures necessary to cause the Grantor remaining property or the operations or business of the Grantor on its remaining property to be in compliance with the requirements of any Environmental Law, (c) Losses for injury or death of any person, and (d) Losses arising under any Environmental Law enacted after transfer. The rights of Grantor under this section shall be in addition to and not in lieu of any other rights or remedies to which it may be entitled under this document or otherwise. This indemnity specifically includes the obligation of Grantee to remove, close, remediate, reimburse or take other actions requested or required by any governmental agency concerning any Hazardous Substances on the Property. The term "**Environmental Law**" means any federal, state or local statute, regulation, code, rule, ordinance, order, judgment, decree, injunction or common law pertaining in any way to the protection of human health or the environment, including without limitation, the Resource Conservation and Recovery Act, the Comprehensive Environmental Response, Compensation and Liability Act, the Toxic Substances Control Act, and any similar or comparable state or local law. The term "**Hazardous Substance**" means any hazardous, toxic, radioactive or infectious substance, material or waste as defined, listed or regulated under any Environmental Law, and includes without limitation petroleum oil and any of its fractions.

The covenants and agreements set forth in paragraphs (a) through (e), above, shall be binding upon Grantee and Grantee's heirs, successors and assigns, and shall be covenants running with the land benefiting Grantor and its heirs, successors and assigns.

TO HAVE AND TO HOLD the Property, together with all the appurtenances thereunto belonging, unto the said Grantee, Grantee's successors and assigns, forever.



IN WITNESS WHEREOF, the said Grantor caused this instrument to be signed by its authorized representative, attested by its Assistant Secretary, and its corporate seal to be affixed hereto on the 31st day of July, 2009.

BNSF RAILWAY COMPANY

By: *Dalen E. Wintermute*
Dalen E. Wintermute
Manager-Land Revenue Management



ATTEST:

By: *Patricia Zbichorski*
Patricia Zbichorski
Assistant Secretary

2461
SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

AUG 13 2009

Amount Paid \$
Skagit Co. Treasurer
By *CP* Deputy

85.10



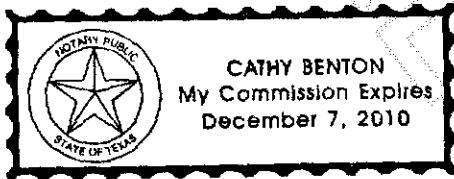
200908130082
Skagit County Auditor

STATE OF TEXAS
COUNTY OF TARRANT

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§ ss.
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On this 31st day of July, 2009, before me, the undersigned, a Notary Public in and for the State of Texas, duly commissioned and sworn, personally appeared Dalen E. Wintermute and Patricia Zbichorski, to me known to be the Manager-Land Revenue Management and Assistant Secretary, respectively, of **BNSF RAILWAY COMPANY**, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

Witness my hand and official seal hereto affixed the day and year first above written.



Cathy Benton
Cathy Benton
Notary Public for the State of Texas

Residing at: Weatherford, Texas

My appointment expires: 12-07-2010

FORM APPROVED BY LAW

APPROVED LEGAL	<i>KCH</i>
APPROVED FORM	<i>PB</i>
APPROVED	<i>REW</i>



EXHIBIT "A"
LEGAL DESCRIPTION

Two strips of land lying in Block 8, "Amended Plat of Burlington, Skagit County, Wash." as per plat recorded in Volume 3 of Plats, Page 17, records of Skagit County, Washington, described as follows:

Strip No. 1

That portion of that certain 25 foot wide strip of land described in deed dated July 23, 1892 from Geo. D. McLean and Ella R. McLean to Seattle and Northern Railway Company (predecessor in interest to BNSF Railway Company) recorded October 28, 1892 in Volume 23, Page 123, records of said Skagit County, Washington, described in said deed as lying in Lots 2, 3, 4, 5 and 6 of said Block 8.

Strip No. 2

That portion of that certain 20 foot wide strip of land described in deed dated July 22, 1892 from Geo. D. McLean and Ella R. McLean to Seattle & Montana Railway Company (predecessor in interest to BNSF Railway Company) recorded November 1, 1892 in Volume 23 of Deeds, Page 704, records of said Skagit County, Washington, described in said deed as lying in Lots 4, 5 and 6 of said Block 8.

