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Skagit County Auditor \$114.00
7/19/2013 Page 1 of 43 1:43PM

When recorded return to:

Jeff Poetsch
Managing Member
1028 Wilmington Way
Redwood City, CA 94062

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

JUL 19 2013

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

GUARDIAN NORTHWEST TITLE CO.

GRANT DEED OF CONSERVATION EASEMENT
(Skagit Environmental Bank)

m9745-1

Grantors: Clear Valley Environmental Farm LLC, a Washington limited liability company and Clear Valley Environmental Farm, II, Inc., a Washington corporation

ACCOMMODATION RECORDING ONLY

Grantee: Forterra NW, a Washington nonprofit corporation

Legal Description: Ptns of Sections 10, 11, 14 & 15, T34N, R4E W.M., Skagit County, Washington.

Additional Legal attached as Exhibit A.

Assessor's Tax Parcel Numbers: P109225; P109241; P24443; P24483; P24480; P24491; P24494; P24497; P24498; P24512; P24530; P24531; P24532; P24533; P24535; P24892; P24695; P24897; P24731; P24743; P24801; P24805; P24806; P24890; P24891; P24892; P24804; P24694; P128590

THIS GRANT DEED OF CONSERVATION EASEMENT ("Easement") is made by Clear Valley Environmental Farm LLC, a Washington limited liability company and Clear Valley Environmental Farm, II, Inc., a Washington corporation, each having a primary contact address of 1028 Wilmington Way, Redwood City, CA 94062 ("Grantors"), in favor of Forterra NW, a Washington nonprofit corporation, having a primary address at 901 5th Avenue, Suite 2200, Seattle, WA 98115 ("Grantee") (collectively, the "Parties").

1. RECITALS

1.1. Grantors, as tenants-in-common, are the sole owners in fee simple of approximately 396 acres of certain real property (the "Protected Property") located near the city of Mt. Vernon in Skagit County, Washington, more particularly described in Exhibit A (legal description) and shown on Exhibit B (site map), attached hereto and incorporated into this Easement by this reference.

1.2. The Protected Property contains and is adjacent to multiple streams which flow into the nearby Skagit River and possesses wetlands and other fish and wildlife habitat ("Conservation Values"). Grantee acknowledges that Grantors intend to take actions on the Protected Property consistent with an approved mitigation banking instrument (described below) that established a wetland mitigation bank ("Mitigation Bank") on the Protected Property in order to restore reaches of the Nookachamps Creek, the East Fork of Nookachamps Creek, Mud Lake Creek, and associated floodplain wetlands. Wetlands and other fish and wildlife habitat on the Protected Property that are created, restored, enhanced, or otherwise improved due to Grantors' actions after the effective date of this Easement shall also be considered Conservation Values.

1.3. The Conservation Values are a result of the Protected Property's inherent ecological potential and of the existing and/or anticipated restoration and enhancement of wetlands and other habitats on the Protected Property by Grantor Clear Valley Environmental Farm LLC, the bank "Sponsor." The foregoing restoration and enhancement is intended to qualify the Protected Property for the release of wetland mitigation credits for sale by Grantors. Restoration and enhancement of the Protected Property may occur as identified and described in that certain wetland mitigation banking instrument, including appendices, for the Skagit Environmental Bank, as may be amended from time to time (the "Banking Instrument"), approved by the Washington Department of Ecology and U.S. Army Corps of Engineers (collectively, "Banking Agencies"), as well as other certain public agencies. The Banking Instrument is a public document which is kept on file with the Washington Department of Ecology. Links to the Banking Instrument and additional documentation regarding the Mitigation Bank may be found at: <http://www.ecy.wa.gov/programs/sea/wetlands/mitigation/banking/sites/skagit.html>.

1.4 The Mitigation Bank was established by Grantor Clear Valley Environmental Farm LLC, in coordination with, and approved by, the Banking Agencies, as well as other certain public agencies. This Easement is a condition of the release of credits to the Mitigation Bank.

1.5. Grantors and Grantee intend that the Conservation Values be preserved and maintained in perpetuity by permitting only those land uses on the Protected Property that do not impair or interfere with the Conservation Values, which include, but are not limited to, such restoration, enhancement, agricultural, and recreational uses as further provided in this Easement.

1.6. Grantee is a publicly supported, tax-exempt nonprofit organization, qualified under Sections 501(c)(3) and 170(h) of the Internal Revenue Code of 1986, as amended, and also qualified as a nonprofit nature conservancy corporation under RCW 64.04.130 and RCW 84.34.250, whose primary purpose is to promote the preservation of open space and critically important ecological systems in Skagit County and other areas of Washington State.



1.7. Grantee desires, by accepting this Easement, to preserve and protect in perpetuity the Conservation Values and enforce the provisions hereof, unless this Easement is sooner extinguished or terminated as expressly provided for herein.

1.8. The Parties acknowledge that this Easement does not provide standards or criteria regarding the effectiveness of Grantors' restoration or enhancement of the Protected Property under the Banking Instrument and that this Easement is not intended to provide a basis for ensuring the effectiveness of such restoration and enhancement or to obligate Grantee to ensure such effectiveness. The Parties further acknowledge that such standards and criteria and the ability to ensure the effectiveness thereof are provided for in the Banking Instrument and related documents.

1.9 The Parties acknowledge that fish or wildlife habitat credits and other species credits, stream restoration credits, water quality credits, carbon credits, or any other credits that may be derived from the preservation, restoration or enhancement of the Protected Property issued pursuant thereto (collectively, "Additional Environmental Credits") may be generated by the Protected Property pursuant to other instruments separate from but consistent with the Banking Instrument. The Parties acknowledge that this Easement may be used to meet the requirements of such instruments and that, if this Easement is not sufficient to meet such requirements, Grantors may enter into separate conservation instruments to qualify for Additional Environmental Credits provided that all such easements are not inconsistent with either the Banking Instrument or the terms of this Easement.

2. CONVEYANCE AND CONSIDERATION

2.1. For the reasons stated above, and in consideration of the mutual covenants, terms, conditions, and restrictions contained in this Easement, and other good and valuable consideration provided by the Parties, Grantors hereby voluntarily grant, convey, and quit claim to Grantee a conservation easement in perpetuity over the Protected Property, consisting of certain rights in the Protected Property, as set forth in this Easement, subject only to the restrictions contained in this Easement.

2.2. This conveyance is a conveyance of an interest in real property under the provisions of RCW 64.04.130 and RCW 84.34.210.

2.3. This grant shall be subject to easements, restrictions, interests, and water rights of record as of the effective date of this Easement, including, but not limited to, those set forth in Exhibit C, which is attached and incorporated into this Easement by this reference.

2.4. Grantors expressly intend that this Easement run with the land and that this Easement shall be binding upon Grantors' successors and assigns.



2.5 This Easement does not transfer any water or water rights, or rights to include the Protected Property within a subdivision or other process as further described in Section 2.6 and Section 5.8. This Easement also does not transfer, or create any entitlement in, any credit from, or rights in, the Mitigation Bank, or the seed and plant collection activities described in Section 5.1.7, or in any wetland credits or Additional Environmental Credits.

2.6 Notwithstanding any other provision of this Easement to the contrary, this Easement does not prohibit Grantors from using the acreage of the Protected Property for the purpose of calculating permissible lot yield or development density of any other property, or from including the Protected Property in any subdivision or Conservation and Reserve Development (“CaRD”) application, so long as the Protected Property is not subdivided or developed or utilized for any uses other than those allowed for under the terms and conditions of this Easement. Grantors may participate in city or county sponsored transfer of development rights programs provided that no such transfer shall enable development in excess of base zoning on any land adjacent to the Protected Property.

3. PURPOSE

The purpose of this Easement is to assure that the Protected Property will be retained forever predominantly in its condition as wetland and other aquatic and riparian habitat of fish, wildlife, and plants, providing the wetland, aquatic, and riparian functions and values described in the Baseline Documentation (described below), and to prevent any use of, or activity on, the Protected Property that will impair or interfere with the Conservation Values (the “Purpose”). Grantors intend that this Easement will confine the use of, or activity on, the Protected Property to such uses and activities that are consistent with this Purpose. This Easement shall not be construed as affording to the general public physical access to any portion of the Protected Property.

4. RIGHTS CONVEYED TO GRANTEE

To accomplish the Purpose of this Easement, the following rights are conveyed to Grantee by this Easement:

4.1. Identification and Protection. To preserve and protect in perpetuity, unless sooner terminated as expressly provided under this Easement, and to enhance by mutual agreement, the Conservation Values.

4.2. Access.

4.2.1. To enter the Protected Property annually, at a mutually agreeable time and upon prior written notice to Grantors, for the purpose of making a general inspection to monitor compliance with this Easement.



4.2.2. To enter the Protected Property at such other times as are necessary if Grantee reasonably believes that a violation of the Easement is occurring or has occurred, for the purpose of mitigating or terminating the violation and otherwise enforcing the provisions of this Easement. Such entry shall be upon prior reasonable notice to Grantors, and Grantee shall not in any case unreasonably interfere with Grantors' use and enjoyment of the Protected Property. Grantee shall not in any case unreasonably interfere with Grantors' use and quiet enjoyment of the Protected Property, including, without limitation, the seed and plant collection activities described in Section 5.8, or the restoration and enhancement activities described in Section 5.6.

4.2.3. To enter the Protected Property, at mutually agreeable times and upon prior written notice to Grantors, to exercise any other affirmative rights as expressly provided for herein.

4.2.4. This Easement does not convey a general right of access to the public.

4.3. **Injunction and Restoration.** To enjoin any use of, or activity on, the Protected Property that is inconsistent with the Purpose of this Easement, including trespasses by members of the public, and to undertake the restoration of such areas or features of the Protected Property as may be damaged by uses or activities inconsistent with the provisions of this Easement, all in accordance with Section 9.

4.4. **Enforcement.** To enforce the terms of this Easement, consistent with Section 9.

4.5. **Assignment.** To assign, convey, or otherwise transfer Grantee's interest in the Protected Property in accordance with Section 13 and subject to Section 11.4.

4.6. **Baseline Documentation.**

4.6.1. Grantee shall document specifically the Conservation Values in an inventory of relevant features of the Protected Property, which Grantee shall maintain on file at its offices and which shall be incorporated into this Easement by this reference ("Baseline Documentation"). The Baseline Documentation shall consist of reports, maps, photographs, and other documents that provide, collectively, an accurate representation of the Protected Property. The Baseline Documentation is intended to serve as an objective, although nonexclusive, information baseline for monitoring compliance with the terms and conditions of this Easement. Grantee shall, at Grantee's expense, prepare and update the Baseline Documentation as follows: (i) within ninety (90) days after the recording of this Easement; (ii) within sixty (60) days of Grantors' notice to Grantee that mitigation banking activities under the Banking Instrument (further described in Section 5.6 below) have been substantially completed; and (iii) within sixty (60) days after the recording of any amendment hereof under Section 12 where such amendment necessitates an update to the Baseline Documentation. Grantors may, from time-to-time and as necessary, with Grantors' consent and at Grantor's



expense, prepare additional updates to the Baseline Documentation to reflect additional restoration and enhancement work beyond that described in the Banking Instrument, including but not limited to activities designed to generate Additional Environmental Credits, and to document the enhanced Conservation Values resulting therefrom for purposes of monitoring compliance with the terms and conditions of this Easement.

4.6.2. The Parties acknowledge and agree that through the process of developing the Mitigation Bank there will be prepared from time to time such annual reports, "as-built" plans, and other documentation of the condition of the Protected Property ("Mitigation Bank Plans & Reports") which may significantly contribute to updates to the Baseline Documentation. Promptly after Grantors' receipt thereof, Grantors agree to provide Grantee with a copy of each such document constituting a Mitigation Bank Plan or Report. The Parties further agree that Grantee may, but shall have no obligation to, independently obtain any other information for the purpose of establishing or updating the Baseline Documentation.

5. GRANTORS' RESERVED RIGHTS AND OBLIGATIONS

5.1. General. Grantors reserve for themselves and their successors and assigns all rights accruing from ownership of the Protected Property, including, but not limited to, the right to sell, lease, and devise the Protected Property and the right to engage in, or permit or invite others to engage in, any use of, or activity on, the Protected Property that is not inconsistent with the Purpose of the Easement and that is not prohibited by this Easement. Without limiting the generality of this Section 5.1, Grantors specifically reserve for themselves and their successors and assigns, the following uses and activities:

5.2. Agricultural Use. Conducting agricultural activities including but not limited to, grass cutting, baling, and corn silage production; *provided* that such activities are carried out in compliance with federal, state, and local regulations; and *further provided that* portions of the Protected Property once restored pursuant to the Banking Instrument (up to the entirety of the Protected Property), shall not be used for agricultural activities unless specifically authorized by the Banking Instrument.

5.3. Recreation. The undertaking of dispersed (*i.e.*, not occurring in a confined area) recreational activities, such as canoeing, hiking, bird watching, horseback riding, fishing, and hunting; *provided* that such activities are conducted in a manner and intensity that does not cause more than a *de minimis* adverse impact on the Conservation Values. Notwithstanding the foregoing, Grantors shall not construct improvements in furtherance of the foregoing uses and activities, including, but not limited to trails, *except* that Grantors may install temporary, seasonal devices, such as removable hunting blinds provided that they do not adversely impact the Conservation Values. If Grantee has notified Grantors of its intent to conduct a site visit or otherwise access the Protected Property on particular dates pursuant to Section 4.2, Grantors shall not permit hunting activities on those dates.



5.4. Road Maintenance. The use, maintenance, renovation, or replacement of existing roads necessary to maintain, restore, or enhance the Conservation Values or to facilitate access within the Protected Property necessary for uses and activities expressly allowed in this Section 5.

5.5. Fences. The construction and maintenance of fences within or around the Protected Property provided that the design and location shall not adversely affect the Conservation Values.

5.6. Habitat Stewardship, Restoration, and Enhancement. Constructing, installing, planting, maintaining, and engaging in other activities to maintain or further restore or enhance the Conservation Values in accordance with the Banking Instrument and any final design, construction, or management plans and bid specifications subsequently developed in conformance with the Banking Instrument, which may include, but are not limited to: planting and irrigating plants; removing and controlling weeds and rodents (including beavers); harvesting whips from existing native plants as a source material for planting other areas within the Protected Property or for commercial sale off-site; installing and maintaining ditches, berms, dikes, wells, log weirs, engineered log jams, and other water control and production structures ("Water Control Structures"); diking wetland areas; removing or filling dikes and other Water Control Structures; altering or manipulating ponds and water courses; creating new wetlands, water impoundments, channels or water courses; and re-grading as necessary (the "Mitigation Banking Activities"). Grantors shall provide Grantee prior written notice of the installation of any Water Control Structures and the manipulation of natural water courses. Motorized and mechanized vehicles may be used in furtherance of, and to facilitate, the Mitigation Banking Activities, provided that any off-road use thereof does not cause more than a *de minimis* adverse impact on the Conservation Values. If Grantors have conveyed or assigned their rights to engage in the activities described in this Section 5.6 to Grantee or third parties, Grantors covenant to not interfere with such restoration and/or enhancement, including, but not limited to, by the exercise of any rights reserved to Grantors under this Easement. The Mitigation Banking Activities shall include all uses and activities permitted or required by federal, state, and county approvals authorizing the Mitigation Banking Activities, which include but are not limited to a Section 404 permit issued by the U.S. Army Corps of Engineers, a Section 401 Order and a CZM Consistency Determination issued by the Washington Department of Ecology, a Hydraulic Project Approval issued by the Washington Department of Fish and Wildlife, and a Shoreline Substantial Development/Conditional Use permit and Fill and Grade permit issued by Skagit County.

5.7. Other Restoration and Enhancement Activities In addition to the Mitigation Banking Activities, any other activities to enhance or improve the Protected Property for ecologically beneficial purposes that are not inconsistent with the Conservation Values, the Purpose of this Easement, and the Banking Instrument, including but not limited to activities designed to generate Additional Environmental Credits.



5.8. **Seed and Plant Collection Activities.** Hand collecting of various seeds and cuttings from established native vegetation from the Protected Property for commercial sale off-site (the "Seed and Plant Collection Activities.")

5.9. **Maintenance.** Taking various actions necessary to protect the Conservation Values, water control structures, ditches, canals, agricultural improvements, and other features of the Protected Property, to insure that neighboring properties are not adversely impacted by any activities or conditions on or caused by the Protected Property, provided that the conduct of such maintenance activities itself does not cause more than a *de minimis* adverse impact on the Conservation Values.

5.10. **Signs.** The installation and maintenance of signs, *provided* that such installation does not cause more than a *de minimis* adverse impact on the Conservation Values, and *further provided* that signs in excess of twenty-five (25) square feet in area shall not be permitted.

5.11. **Protection of Health or Safety.** The undertaking of other activities necessary to protect human health or safety, or that are actively required by and subject to compulsion of any governmental agency with authority to require such activity; *provided* that any such activity shall be conducted so that significant adverse impacts on the Conservation Values are avoided, or, if avoidance is not possible, minimized to the greatest extent possible under the circumstances.

5.12. **Creation of Mortgage Liens.** The creation of consensual liens, whether by mortgage, deed of trust, or otherwise, for the purpose of securing repayment of indebtedness of the Grantors, *provided* that such liens shall be subordinate to this Easement.

5.13. **Selling of Credits.** Selling of wetland credits or Additional Environmental Credits to third parties.

5.14. **Inclusion Within a Subdivision, Lot Line Adjustment, and/or CaRD Application or Process.** Including the Protected Property in a subdivision, lot line adjustment, or CaRD application or process, or in any other transfer of development rights program, so long as the Protected Property is not developed for any uses other than those allowed for under the terms and conditions of this Conservation Easement. Grantors shall notify Grantee in advance of Grantors' application for any such inclusion(s).

5.15 **Grantors' Obligations.**

5.15.1. **Access & Non-Interference.** Grantors shall provide access for the purpose of implementing the long-term management and maintenance plan of the Mitigation Bank, as set forth in the Banking Instrument ("Plan"). Grantors, furthermore, shall refrain from impeding or otherwise interfering with implementation of the Plan. Activities in furtherance of the Plan are to be carried out by Grantors, or their assignee(s) as approved by the Banking Agencies. Such activities may include, but are not limited to, maintenance and



repair of water control structures; maintenance, repair, removal, or abandonment of structural elements of the Mitigation Bank; and removal of invasive plant species.

6. USES AND ACTIVITIES INCONSISTENT WITH THE PURPOSE OF THE EASEMENT

6.1. General. Any use of, or activity on, the Protected Property inconsistent with the Purpose of this Easement is prohibited, and Grantors acknowledge and agree that they will not conduct, engage in, or permit any such use or activity. Without limiting the generality of the foregoing, the following uses of, or activities on, the Protected Property, although not an exhaustive list of inconsistent uses or activities, are inconsistent with the Purpose of this Easement and shall be prohibited *except* as expressly provided in Sections 5.2 through 5.14 above:

6.2. Subdivision. The legal or “de facto” division or subdivision of the Protected Property, which shall include, but not be limited to, any subdivision, short subdivision, platting, binding site plan, testamentary division, or other process by which the Protected Property is divided into lots. Notwithstanding the foregoing, inclusion of the Protected Property within a subdivision is allowed as part of Grantors’ reserved rights under Section 5.14, so long as the Protected Property is not developed for any uses other than those allowed for under the terms and conditions of this Easement. Furthermore, this prohibition shall not be interpreted to preclude any lot line adjustment that does not create a number of lots that is greater than the number of lots in existence on the effective date of this Easement.

6.3. Construction. The placement, installation, or construction of any buildings, structures, or other improvements of any kind, including, but not limited to, roads, railroads, utilities, cellular phone towers, septic systems, wells, recreational facilities, and parking lots.

6.4. Alteration of Land. The alteration of the surface of the land, including, without limitation, the excavation or removal of soil, sand, gravel, rock, peat, or sod.

6.5. Erosion or Water Pollution. Any use or activity that causes or is likely to cause significant soil degradation or erosion or significant pollution of any surface or subsurface waters. For the purposes of this Easement, the uses and activities expressly allowed under Section 5 above shall be deemed to not violate this prohibition.

6.6. Removal of Trees and Other Vegetation. The pruning, topping, cutting down, uprooting, girdling, or other destruction or removal of live and dead trees and other vegetation.

6.7. Waste Disposal. The disposal, storage, or Release of Hazardous Substances, rubbish, garbage, debris, unregistered vehicles, abandoned equipment, parts thereof, or other offensive waste or material. The term “Release” shall mean release, generation, treatment,



disposal, storage, dumping, burying, or abandonment. The term "Hazardous Substances" shall mean any substances, materials, or wastes that are hazardous, toxic, dangerous, or harmful, or are designated as, or contain components that are, or are designated as, hazardous, toxic, dangerous, or harmful, and/or that are subject to regulation as hazardous, toxic, dangerous, or harmful or as a pollutant by any federal, state, or local law, regulation, statute, or ordinance, including, but not limited to, petroleum or any petroleum product.

6.8. Mining. The exploration for, or development and extraction of, oil, gas, coal, limestone, fossils, metals, geothermal resources, sand, gravel, or rock of any type on or below the surface of the Protected Property.

6.9. Recreational Activities. The undertaking of recreational activities and the installation or construction of improvements in furtherance of the same. The Parties acknowledge that the East Fork and the Main Stem of the Nookachamps run through portions of the Protected Property and are subject to public use, and, therefore, Grantors do not have authority to restrict the general public from these areas.

7. NOTICE AND APPROVAL

7.1. Notice.

7.1.1. **Grantors.** Certain provisions of this Easement require Grantors to notify Grantee and/or to receive Grantee's written approval prior to undertaking certain permitted uses and activities. The purpose of requiring Grantors to notify Grantee prior to undertaking these permitted uses and activities is to afford Grantee an adequate opportunity to ensure that the use or activity in question is designed and carried out in a manner consistent with the Purpose of this Easement. Whenever such notice is required, Grantors shall notify Grantee in writing not less than thirty (30) days prior to the date Grantors intend to undertake the use or activity in question. The notice shall describe the nature, scope, design, location, timetable, and any other material aspect of the proposed use or activity in sufficient detail to permit Grantee to make an informed judgment as to its consistency with the terms of this Easement and the Purpose thereof.

7.1.2. **Grantee.** Certain provisions of this Easement require Grantee to give notice to Grantors prior to undertaking certain activities. Whenever such notice is required, Grantee shall notify Grantors in writing not less than thirty (30) days prior to the date Grantee intends to undertake the use or activity in question, unless otherwise provided for by this Easement.

7.2. Approval. Where approval by one of the Parties is required under this Easement, such approval shall be granted or denied in writing within thirty (30) days of receipt of a written request for approval, and such approval shall not be unreasonably



withheld. Such approval may include reasonable conditions consistent with the Banking Instrument that must be satisfied in undertaking the proposed use or activity. When approval is required under this Easement, and when such approval is not granted or denied within the time period and manner set forth in this Section 7.2, the non-approving party may conclusively assume the other party's approval of the use or activity in question.

7.3. Optional Consultation. If Grantors are unsure whether a proposed use or activity is prohibited by this Easement, Grantors may consult Grantee by providing Grantee a written notice describing the nature, scope, design, location, timetable, and any other material aspect of the proposed use or activity in sufficient detail to permit Grantee to make an informed judgment as to its consistency with the Purpose of this Easement and to provide comments thereon to Grantors. This Section 7.3 does not itself impose a requirement of prior approval of the activity described in any such notice; however, if Grantee does not provide written objections within thirty (30) days after receipt of Grantors' notice, Grantee shall be deemed to have approved of the proposed use or activity.

7.4. Addresses. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other shall be in writing and either served personally or sent by first class certified mail, postage prepaid, or by facsimile (if available) with original dispatched by certified mail, addressed as follows, or to such other address as either party from time to time shall designate by written notice to the other:

To Grantors: Clear Valley Environmental Farm LLC
Clear Valley Environmental Farm, II, Inc.
1028 Wilmington Way
Redwood City, CA 94062
Attn: Managing Member

With a copy to: Van Ness Feldman
719 Second Avenue, Suite 1150
Seattle, WA 98104-1700
Attn: Brent Carson / Duncan Greene

To Grantee: Forterra NW
901 5th Avenue, Suite 2200
Seattle, WA 98164
Attn: Stewardship Director

Notices given hereunder shall be deemed to have been given on the date of personal or overnight courier delivery (or the first business day thereafter if delivered on a non-business day), upon receipt of a facsimile, or three (3) business days after the date of mailing.

8. ALTERNATIVE DISPUTE RESOLUTION

8.1. Preventive Discussions. Each party will promptly give the other party notice of problems or concerns arising in connection with the others' actions under this Easement and will meet as needed, but no later than fifteen (15) business days after receipt of a written request for a meeting, to minimize the same.

8.2 Mediation. If the Parties disagree as to the terms of this Easement and the Parties are unable to resolve such disagreement through unassisted preventive discussions between themselves, either party may refer the dispute to mediation by request made in writing upon the other. Within ten (10) business days of the receipt of such a request, the Parties shall select a single impartial mediator. Mediation shall then proceed in accordance with the following guidelines:

8.2.1. Purpose. The purpose of the mediation is to: (a) promote discussion among the Parties; (b) assist the Parties to develop and exchange pertinent information concerning the issues in dispute; and (c) assist the Parties to develop proposals which enable them to arrive at a mutually acceptable resolution of the controversy. The mediation is not intended to result in any express or de facto modification or amendment of the terms, conditions, or restrictions of this Easement.

8.2.2. Participation. The mediator may meet with the Parties and their counsel jointly or ex parte. The Parties agree that they will participate in the mediation process in good faith and expeditiously, attending all sessions scheduled by the mediator. Representatives of all Parties with settlement authority will attend mediation sessions as requested by the mediator.

8.2.3. Confidentiality. All information presented to the mediator shall be deemed confidential and shall be disclosed by the mediator only with the consent of the Parties or their respective counsel. The mediator shall not be subject to subpoena by any party. No statements made or documents prepared for mediation sessions shall be disclosed in any subsequent proceeding or construed as an admission of a party. Records of mediation communications shall be exempt from the requirements of Chapter 42.56 RCW (Washington State Public Records Act) to the extent provided for in Chapter 7.07 RCW (Washington State Uniform Mediation Act).

8.2.4. Time Period. Neither party shall be obligated to continue the mediation process beyond a period of sixty (60) days from the date of receipt of the initial request or if the mediator concludes that there is no reasonable likelihood that continuing mediation will result in a mutually agreeable resolution of the dispute.

8.2.5. Costs. The costs of the mediator shall be borne equally by the Parties. The Parties shall bear their own expenses, including attorney's fees, individually.



8.3 Arbitration. If the Parties are unable to resolve their dispute through preventive discussions or mediation, either party may thereafter refer the dispute to arbitration, by request made in writing to the other, upon such rules of arbitration as the Parties may agree. If arbitration is pursued, the prevailing party shall be entitled, in addition to such other relief as may be granted, to a reasonable sum for all its costs and expenses related to such arbitration, including but not limited to, the fees and expenses of the arbitrator and attorneys' fees, which shall be determined by the arbitrator or any court having jurisdiction that may be called upon to enforce or review the award.

9. JUDICIAL RESOLUTION

9.1. Notice of Violation, Corrective Action. If either party determines that the other is in violation of the terms of this Easement or that a violation is threatened, they shall give written notice to the other of such violation and demand corrective action sufficient to cure the violation and, where the violation involves injury to the Protected Property resulting from any use or activity inconsistent with the Purpose of this Easement, to restore the portion of the Protected Property so injured to its prior condition in accordance with a plan approved by Grantee.

9.2. Failure to Respond. Either party may bring an action as provided in Section 9.3 below if the other party:

9.2.1. Fails to cure the violation within thirty (30) days after receipt of a notice of violation; or

9.2.2. Under circumstances where the violation cannot reasonably be cured within a thirty (30) day period, fails to begin curing the violation within the thirty (30) day period and fails to continue diligently to cure such violation until finally cured.

9.3. Action.

9.3.1. **Injunctive Relief.** Either party may bring an action at law or in equity in a court having jurisdiction to enforce the terms of this Easement:

9.3.1.1. To enjoin the violation, *ex parte* as necessary and as allowed under the applicable civil rules, by temporary or permanent injunction; and

9.3.1.2. To require the restoration of the Protected Property to the condition that existed prior to any such injury.

9.3.2. **Damages.** The prevailing party shall be entitled to recover damages for violation of the terms of this Easement or injury to any Conservation Values protected by



this Easement. Without limiting Grantors' liability in any way, Grantee shall first apply any damages recovered to the cost of undertaking corrective or restoration action on the Protected Property.

9.4. Emergency Enforcement. If Grantee, in its sole discretion, determines that circumstances require immediate action to prevent or mitigate significant damage to the Conservation Values, Grantee may pursue its remedies under this Section 9 without prior notice to Grantors or without waiting for the period provided for cure to expire.

9.5. Scope of Relief. Grantee's rights under this Section 9 apply equally in the event of either actual or threatened violations of the terms of this Easement. Grantors agree that Grantee's remedies at law for any violation of the terms of this Easement are inadequate and that Grantee shall be entitled to the injunctive relief described in this Section 9, both prohibitive and mandatory, in addition to such other relief to which Grantee may be entitled, including specific performance of the terms of this Easement, without the necessity of proving either actual damages or the inadequacy of otherwise available legal remedies. Grantee's remedies described in this Section 9 shall be cumulative and shall be in addition to all remedies now or hereafter existing at law or in equity.

9.6. Costs of Enforcement. EXCEPT AS PROVIDED IN SECTION 9.1 ABOVE, IN THE EVENT A PARTY FINDS IT NECESSARY TO BRING AN ACTION AT LAW OR OTHER PROCEEDING AGAINST THE OTHER PARTY TO ENFORCE ANY OF THE PROVISIONS OF THIS EASEMENT, THE REASONABLE ENFORCEMENT EXPENSES, INCLUDING ATTORNEYS' AND CONSULTANTS' FEES (WHETHER INCURRED AT THE TRIAL, APPELLATE, OR ADMINISTRATIVE LEVEL) INCURRED BY THE PREVAILING PARTY, SHALL BE PAID BY THE OTHER PARTY.

JP,
Grantors [initials]

Grantee [initials]

9.7. Discretion in Enforcement. Enforcement of the terms of this Easement shall be at the discretion of Grantee, and any forbearance by Grantee to exercise its rights under this Easement in the event of any breach of any terms of this Easement by Grantors, their agents, employees, contractors, invitees or licensees shall not be deemed or construed to be a waiver by Grantee of such term of any of Grantee's rights under this Easement. No delay or omission by Grantee in the exercise of any right or remedy upon any breach by Grantors shall impair such right or remedy or be construed as a waiver. Notwithstanding the foregoing, nothing in this Easement shall be interpreted to waive or toll any applicable statutes of limitation.

9.8. Acts Beyond Party's Control. Neither Grantors nor Grantee shall be in default or violation as to any obligation created hereby and no condition precedent or subsequent shall be deemed to fail to occur if such party is prevented from fulfilling such obligation by, or such condition fails to occur due to:



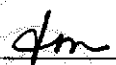
this Easement. Without limiting Grantors' liability in any way, Grantee shall first apply any damages recovered to the cost of undertaking corrective or restoration action on the Protected Property.

9.4. Emergency Enforcement. If Grantee, in its sole discretion, determines that circumstances require immediate action to prevent or mitigate significant damage to the Conservation Values, Grantee may pursue its remedies under this Section 9 without prior notice to Grantors or without waiting for the period provided for cure to expire.

9.5. Scope of Relief. Grantee's rights under this Section 9 apply equally in the event of either actual or threatened violations of the terms of this Easement. Grantors agree that Grantee's remedies at law for any violation of the terms of this Easement are inadequate and that Grantee shall be entitled to the injunctive relief described in this Section 9, both prohibitive and mandatory, in addition to such other relief to which Grantee may be entitled, including specific performance of the terms of this Easement, without the necessity of proving either actual damages or the inadequacy of otherwise available legal remedies. Grantee's remedies described in this Section 9 shall be cumulative and shall be in addition to all remedies now or hereafter existing at law or in equity.

9.6. Costs of Enforcement. EXCEPT AS PROVIDED IN SECTION 9.1 ABOVE, IN THE EVENT A PARTY FINDS IT NECESSARY TO BRING AN ACTION AT LAW OR OTHER PROCEEDING AGAINST THE OTHER PARTY TO ENFORCE ANY OF THE PROVISIONS OF THIS EASEMENT, THE REASONABLE ENFORCEMENT EXPENSES, INCLUDING ATTORNEYS' AND CONSULTANTS' FEES (WHETHER INCURRED AT THE TRIAL, APPELLATE, OR ADMINISTRATIVE LEVEL) INCURRED BY THE PREVAILING PARTY, SHALL BE PAID BY THE OTHER PARTY.

Grantors [initials]



Grantee [initials]

9.7. Discretion in Enforcement. Enforcement of the terms of this Easement shall be at the discretion of Grantee, and any forbearance by Grantee to exercise its rights under this Easement in the event of any breach of any terms of this Easement by Grantors, their agents, employees, contractors, invitees or licensees shall not be deemed or construed to be a waiver by Grantee of such term of any of Grantee's rights under this Easement. No delay or omission by Grantee in the exercise of any right or remedy upon any breach by Grantors shall impair such right or remedy or be construed as a waiver. Notwithstanding the foregoing, nothing in this Easement shall be interpreted to waive or toll any applicable statutes of limitation.

9.8. Acts Beyond Party's Control. Neither Grantors nor Grantee shall be in default or violation as to any obligation created hereby and no condition precedent or subsequent shall be deemed to fail to occur if such party is prevented from fulfilling such obligation by, or such condition fails to occur due to:



9.8.1. Actions by trespasser upon the Protected Property;

9.8.2. Forces beyond such party's reasonable control, including without limitation, destruction or impairment of facilities resulting from breakdown not resulting from lack of ordinary care and maintenance, flood, earthquake, slide, storm, lightning, fire, epidemic, war, riot, civil disturbance, sabotage, proceeding by court or public authority, or act or failure to act by court, public authority, or third party, which forces by exercise of due diligence and foresight such party could not reasonably have expected to avoid; or

9.8.3. Any action deemed reasonable by Grantors under emergency conditions to prevent, abate, or mitigate significant injury to the Protected Property resulting from such causes.

In the event the terms of this Easement are violated by acts of trespassers, Grantors agree, at Grantee's option and expense, to join in any suit, to assign their right of action to Grantee, or to appoint Grantee their attorney in fact, for the purpose of pursuing enforcement action against the responsible parties.

9.9. Compliance Certificates. Upon request by Grantors, Grantee shall within thirty (30) days execute and deliver to Grantors, or to any party designated by Grantors, any document, including a compliance certificate, that certifies, to the best of Grantee's knowledge, the status of Grantor's compliance with any obligation of Grantors contained in this Easement and otherwise evidences the status of this Easement

10. COSTS, LIABILITIES, TAXES, ENVIRONMENTAL COMPLIANCE, AND INDEMNIFICATION

10.1. Costs, Legal Requirements, Liabilities, and Insurance. Grantors retain all responsibilities and shall bear all costs and liabilities of any kind related to the ownership, operation, upkeep, and maintenance of the Protected Property.

10.2. Taxes and Other Costs. Grantors shall pay all taxes, fees, and charges assessed against the Protected Property by governmental authority as they become due, including taxes imposed upon, or incurred as a result of, this Easement, and shall furnish Grantee with satisfactory evidence of payment upon request. To preserve its rights under this Easement, Grantee may, but is in no event obligated to, make payment of any taxes upon five (5) days prior written notice to Grantors, in accordance with any bill, statement, or estimate procured from the appropriate authority, without inquiry into the validity of the taxes or the accuracy of the bill, statement or estimate, and the obligation to Grantee created by such payment will bear interest until paid by Grantors at the same rate imposed by the relevant governmental authority for the late payment of the tax so paid by Grantee.



10.3. Representations and Warranties. Grantors represent and warrant that to Grantors' actual knowledge, and except as disclosed to Grantee in writing prior to the effective date of this Easement:

10.3.1. There are no apparent or latent defects in or on the Protected Property; and

10.3.2. Grantors and the Protected Property are in compliance with all federal, state, and local laws, regulations, and requirements applicable to the Protected Property and its use, including, but not limited to, environmental laws, regulations, and requirements.

10.4. Control. Nothing in this Easement shall be construed as giving rise, in the absence of a judicial decree, to any right or ability in Grantee to exercise physical or managerial control over the day-to-day operations of the Protected Property, or any of Grantors' activities on the Protected Property, or otherwise to become an operator with respect to the Protected Property within the meaning of the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended ("CERCLA"), and the Model Toxics Control Act, as amended ("MTCA").

10.5. Grantors' Indemnification. Grantors shall hold harmless, indemnify, and defend Grantee and its members, directors, officers, employees, agents, and contractors (collectively "Grantee Indemnified Parties") from and against all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims, demands, or judgments, including, without limitation, reasonable attorneys' and consultants' fees, arising from or in any way connected with breach of their representations and warranties or injury to or the death of any person, or physical damage to any property, resulting from any act, omission, condition, hazardous material, or other matter related to or occurring on or about the Protected Property that is not a consequence of the negligent actions or omissions of any of the Grantee Indemnified Parties on or about the Protected Property.

10.6. Grantee's Indemnification. Grantee shall hold harmless, indemnify, and defend Grantors and Grantors' members, directors, officers, employees, agents, and contractors (collectively "Grantor Indemnified Parties") from and against all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims, demands, or judgments, including, without limitation, reasonable attorneys' and consultants' fees, arising from or in any way connected with injury to or the death of any person, or physical damage to any property, resulting from any act, omission, condition, or other matter related to or occurring on or about the Protected Property that is a consequence of Grantee's negligent actions or omissions or the negligent actions or omissions of any of Grantee's members, directors, officers, employees, agents, or contractors on or about the Protected Property.



11. EXTINGUISHMENT, CONDEMNATION, AND SUBSEQUENT TRANSFER

11.1. Extinguishment. If circumstances arise in the future that render the Purpose of this Easement impossible to accomplish, this Easement can only be terminated or extinguished, whether in whole or in part, by the Parties' mutual agreement and with the written approval of the Banking Agencies, or by judicial proceedings of a court having jurisdiction. Unless otherwise agreed to by the Parties, Grantee shall have no compensable interest in this Easement under such circumstances and Grantee acknowledges that its compensation relating to its obligations under this Easement is provided for under separate agreement with Grantors. The immediately foregoing provision shall be limited solely to the circumstances described in this Section 11.1, and shall not be interpreted to have any application or inference to any other provision of, or circumstance under, this Easement, including, but not limited to, those provisions pertaining to Grantee's rights to enforce the terms of this Easement and Grantee's rights to damages to, or the cost of restoring, the Conservation Values.

11.2. Condemnation. If the Easement is taken, in the whole or in the part, by the exercise of the power of eminent domain, Grantee shall be entitled to compensation based upon the appraised value of the conservation easement. The immediately foregoing provision shall be limited solely to the circumstances described in this Section 11.2, and shall not be interpreted to have any application or inference to any other provision of, or circumstance under, this Easement, including, but not limited to, those provisions pertaining to Grantee's rights to enforce the terms of this Easement and Grantee's rights to damages to, or the cost of restoring, the Conservation Values.

11.3. Subsequent Transfers. Grantors agree to:

11.3.1. Incorporate the terms of this Easement by reference in any deed or other legal instrument by which either or both of them divest themselves of any interest in all or a portion of the Protected Property, including, without limitation, a leasehold interest;

11.3.2. Describe this Easement in and append it to any executory contract for the transfer of any interest in the Protected Property; and

11.3.3. Give written notice to Grantee of the transfer of any interest in all or a portion of the Protected Property prior to the date of such transfer. Such notice to Grantee shall include the name, address, and telephone number of the transferee or the transferee's representative.

The failure of Grantors to perform any act required by this Section 11.3 shall not impair the validity of this Easement or limit its enforceability in any way.

11.4. No Merger. In the event that Grantee acquires the fee title to the Protected Property, it is the Parties' intention that no merger of title shall take place that would merge



the restrictions of this Easement with fee title to the Protected Property and thereby eliminate them, and that the restrictions on the use of the Protected Property, as embodied in this Easement, shall, in the event title becomes vested in Grantee, become and remain permanent and perpetual restrictions on the use of the Protected Property.

12. AMENDMENT

If circumstances arise under which an amendment to or modification of this Easement would be appropriate and would comport with Grantee's internal policies and procedures as a holder of conservation easements, Grantors and Grantee are free to jointly amend this Easement upon approval of such amendment or modification by the Banking Agencies. Any such amendment shall be recorded in the official records of Skagit County, Washington, and any other jurisdiction in which such recording is required.

13. ASSIGNMENT AND SUCCESSION

13.1. Assignment. With Grantors' written approval, which shall not be unreasonably withheld, and the Banking Agencies' written approval, this Easement is transferable, but Grantee may assign its rights and obligations under this Easement only to an organization that is authorized to acquire and hold conservation easements under RCW 64.04.130 or RCW 84.34.210 (or any successor provision(s) then applicable). As a condition of such transfer, Grantee shall require that the transferee exercise its rights under the assignment consistent with the Purpose of this Easement. Grantee shall notify Grantors in writing forty-five (45) days prior to such assignment at Grantors' last known address.

13.2. Succession. If at any time (a) it becomes impossible for Grantee to ensure compliance with the covenants, terms, conditions and restrictions contained in this Easement, (b) the Grantors and the Banking Agencies, or the Banking Agencies alone, determine that this Easement should be assigned due to any reasons of actual non performance by the Grantee, including, but not limited to, circumstances under which actual non performance occurs because Grantee is the holder of both the fee title to the Protected Property and this Easement, (c) Grantee ceases to exist or to be authorized to acquire and hold conservation easements under RCW 64.04.130 and 84.34.210 (or any successor provision(s) then applicable), or (d) Grantee is otherwise released from its liabilities and obligations under the Easement, then, if Grantee has been provided forty five (45) days prior notice and opportunity to cure any non performance or otherwise remedy any other circumstance forming the basis of any transfer under this Section 13.2, and subject to the Preventative Discussion provisions under Section 8.1 above if applicable, Grantee's rights and obligations under this Easement shall become vested and fall upon such other entity as may be designated by the Banking Agencies and approved by the Grantors, which has purposes similar to Grantee's and is authorized to acquire and hold conservation easements under RCW 64.04.130 or RCW 84.34.210 (or the successor statutes then applicable), to the extent that such entity accepts and



assumes the obligations of the Grantee under this Easement; *provided* that if such vesting is deemed to be void under the Rule Against Perpetuities, the rights and obligations under this Easement shall vest in such organization as a court having jurisdiction shall direct, pursuant to the applicable Washington law and with due regard to the Purpose of this Easement. Grantee shall cause any approved assignment under this provision to be recorded in the Official Records of Skagit County, Washington, and shall notify the Banking Agencies and the Grantors of such assignment.

14. RECORDATION

Grantee shall record this Easement in a timely fashion in the official records of Skagit County, Washington, and in any other appropriate jurisdictions, and may re-record it at any time as may be required to preserve its rights in this Easement.

15. GENERAL PROVISIONS

15.1. Controlling Law. The interpretation and performance of this Easement shall be governed by the laws of the State of Washington.

15.2. Liberal Construction. Any general rule of construction to the contrary notwithstanding, this Easement shall be liberally construed in favor of the grant to effect the Purpose of this Easement. If any provision in this Easement is found to be ambiguous, an interpretation consistent with the Purpose of this Easement that would render the provision valid shall be favored over any interpretation that would render it invalid.

15.3. Severability. If any provision of this Easement, or its application to any person or circumstance, is found to be invalid, the remainder of the provisions of this Easement, or the application of such provision to persons or circumstances other than those as to which it is found to be invalid, as the case may be, shall not be affected.

15.4. Entire Agreement. Except as to any other written agreement between the Parties, all prior discussions, negotiations, understandings, communications, or oral agreements regarding this Easement have been superseded by, and are merged into, this Easement.

15.5. No Forfeiture. Nothing contained in this Easement will result in a forfeiture of Grantors' title in any respect.

15.6. "Grantors" - "Grantee". The terms "Grantors" and "Grantee," wherever used in this Easement, and any pronouns used in their place, shall be held to mean and include, respectively the above-named Grantors, and their successors and assigns, and the above-named Grantee, and its successors and assigns.



15.7. Successors and Assigns. The covenants, terms, conditions, and restrictions of this Easement shall be binding upon, and inure to the benefit of, the Parties to this Easement and their respective successors and assigns, and shall continue as a servitude running in perpetuity with the Protected Property, unless sooner terminated as expressly provided for herein. No term or provision of this Easement is intended to be, or shall be, for the benefit of any person, firm, organization, or corporation not a party to this Easement, and no such other person, firm, organization, or corporation shall have any right or cause of action hereunder, *except* as expressly provided in Section 13 above.

15.8. Termination of Rights and Obligations. A party's rights and obligations under this Easement terminate upon transfer of the party's interest in the Easement or Protected Property, except that liability for acts or omissions occurring prior to transfer shall survive transfer.

15.9. Counterparts. The Parties may execute this Easement in two or more counterparts, which shall be signed by both Parties. Each counterpart shall be deemed an original instrument as against any party who has signed it. In the event of any disparity between the counterparts produced, the recorded counterpart shall be controlling.

15.10. Recitals. Each recital set forth above is fully incorporated into this Easement.

15.11. Effective Date. The effective date of this Easement is the date of recording of this Easement.

15.12. Authority. The individuals signing below, if signing on behalf of any entity, represent and warrant that they have the requisite authority to bind the entity on whose behalf they are signing.

15.13. Captions. The captions in this instrument have been inserted solely for convenience and ease of reference and are not a part of this Easement and shall have no effect upon construction or interpretation.

15.14 Subordination. Grantors hereby represent to Grantee that, to Grantors' actual knowledge, as of the date of this Easement, the Protected Property is not encumbered with any mortgage, deed of trust or other monetary encumbrance except for liens for non-delinquent real property taxes and assessments, and those monetary encumbrances as described in Exhibit C that will be subordinated to this Easement.



16. SCHEDULE OF EXHIBITS

- 16.1. Exhibit A -- Legal Description of Property Subject to Easement.
- 16.2. Exhibit B -- Site Map(s).
- 16.3. Exhibit C -- Permitted Exceptions.
- 16.4. Exhibit D -- Agreement for Release from Liability.

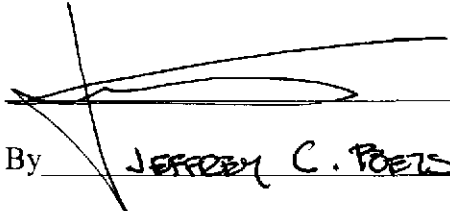


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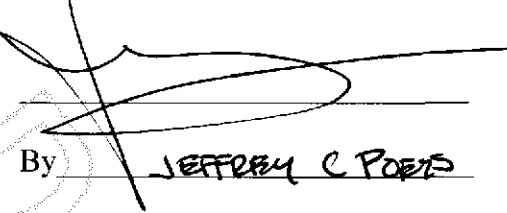
TO HAVE AND TO HOLD unto Grantee, its successors and assigns forever.

IN WITNESS WHEREOF, the undersigned Grantors have executed this Easement this ___ day of JULY 10, 2013.

CLEAR VALLEY ENVIRONMENTAL FARM, LLC


By JEFFREY C. POETSCH
Its MANAGING MEMBER

CLEAR VALLEY ENVIRONMENTAL FARM, II, INC.


By JEFFREY C POETSCH
Its PRESIDENT

Forterra NW, a Washington nonprofit corporation, does hereby accept the above Grant Deed of Conservation Easement.

Dated: _____

FORTERRA NW

By _____
Its _____



TO HAVE AND TO HOLD unto Grantee, its successors and assigns forever.

IN WITNESS WHEREOF, the undersigned Grantors have executed this Easement this ___ day of _____, 2013.

CLEAR VALLEY ENVIRONMENTAL FARM, LLC

By _____

Its _____

CLEAR VALLEY ENVIRONMENTAL FARM, II, INC.

By _____

Its _____

Forterra NW, a Washington nonprofit corporation, does hereby accept the above Grant Deed of Conservation Easement.

Dated: 7/12/13

FORTERRA NW

AM

By Teresa Macaluso

Its COO

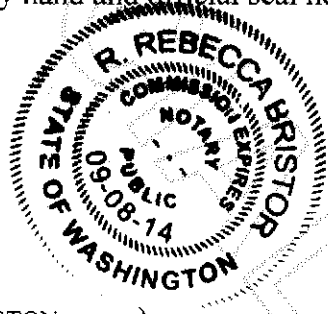


201307190125

STATE OF WASHINGTON)
) ss.
COUNTY OF King)

On this 10th day of July 20 13, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____, to me known to be the _____ of Clear Valley Environmental Farm, LLC, the Washington limited liability company that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said company for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the deal and year in this certificate above written.

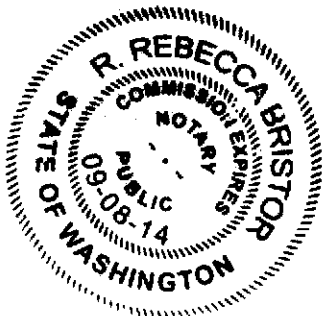


R. Rebecca Bristor
NOTARY PUBLIC in and for the State of Washington, residing at Seattle
Print Name: R. Rebecca Bristor
My commission expires 09/08/14

STATE OF WASHINGTON)
) ss.
COUNTY OF King)

On this 10th day of July 20 13, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____ to me known to be the _____ of Clear Valley Environmental Farm, II, Inc., the Washington corporation that executed the within and 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 he is authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the deal and year in this certificate above written.



R. Rebecca Bristor
NOTARY PUBLIC in and for the State of Washington, residing at Seattle
Print Name: R. Rebecca Bristor
My commission expires 09/08/14



STATE OF WASHINGTON)
) ss.

COUNTY OF King

On this 12th day of July 2013, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Teresa Macaluso to me known to be the Executive Vice President of Forterra NW, the Washington nonprofit corporation that executed the within and 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 he is authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the deal and year in this certificate above written.



Elizabeth A. Johnston
NOTARY PUBLIC in and for the State of
Washington, residing at Seattle
Print Name: Elizabeth A. Johnston
My commission expires 04-09-17



EXHIBIT A
Legal Description of Property Subject to Conservation Easement

UNOFFICIAL DOCUMENT

45408-3

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201307190125

Skagit County Auditor

\$114.00

7/19/2013 Page

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SUBDIVISION GUARANTEE

Schedule "C" Legal Description

The land referred to herein is situated in the State of Washington, County of Skagit, and is described as follows:

Tract "A":

That portion of Sections 10, 11, 14 and 15 Township 34 North, Range 4 East, WM, described as follows: Commencing at the Southwest corner of said Section 11, Thence South 88° 32' 07" East, along the South line of said Section 11 a distance of 1168.41 feet; Thence North 1° 06' 44" East 1024.71 feet to the TRUE POINT OF BEGINNING, said true point of beginning is the same true point of beginning as described in that certain document recorded under Auditors File No. 200710110106, records of Skagit County Washington titled parcel "B" after adjustment; Thence the following courses along said Parcel "B" boundary, North 65° 38' 15" West 89.27 feet; Thence North 60° 12' 24" West 578.82 feet; Thence North 58° 52' 21" West 337.35 feet; Thence North 43° 09' 09" West 68.08 feet; Thence North 0° 43' 05" West 371.65 feet; Thence North 3° 01' 13" East 349.79 feet; Thence North 28° 03' 28" East 282.53 feet; Thence North 39° 46' 02" East 128.04 feet; Thence North 73° 15' 44" East 458.76 feet; Thence North 49° 28' 04" East 210.47 feet; Thence along a curve to the left having a radius of 148.75 feet through a central angle of 87° 56' 43" an arc distance of 228.33 feet; Thence North 38° 28' 39" West 106.10 feet; Thence North 29° 08' 06" West 48.98 feet; Thence North 5° 45' 31" West 28.47 feet; Thence North 27° 57' 37" East 255.36 feet; Thence North 38° 57' 10" East 102.81 feet; Thence North 76° 29' 57" East 62.91 feet; Thence North 60° 00' 00" East 58.53 feet; Thence South 44° 26' 23" East 49.42 feet, more or less to the Westerly margin of Babcock Road; Thence leaving said boundary of Parcel "B" Northerly along the West margin of Babcock Road, North 3° 26' 55" East 41.07 feet; Thence continuing along said West margin the following courses, North 11° 45' 40" East 40.64 feet; Thence North 27° 27' 02" East 32.32 feet; Thence North 32° 48' 39" East 35.96 feet, more or less to the East line of the Southwest Quarter of the Northwest Quarter of said Section 11; Thence North 1° 36' 43" East, along said East line, 139.16 feet to the Southerly margin of Swan Road; Thence the following courses along said Southerly margin, Northwesterly along a non-tangent curve concave to the Southwest whose radius point bears South 10° 04' 23" West a distance of 2834.79 feet through a central angle of 6° 32' 59" an arc distance of 324.06 feet; Thence North 86° 28' 36" West 1027.43 feet, more or less to the West line of said Section 11; Thence North 1° 29' 48" East, along said West line, 15.22 feet; Thence continuing along said right of way North 86° 40' 21" West 59.18 feet; Thence North 86° 44' 13" West 105.52 feet; Thence North 85° 17' 44" West 96.36 feet; Thence North 82° 50' 22" West 76.89 feet; Thence North 81° 18' 27" West 146.29 feet to the centerline of Nookachamps creek; Thence the following meandered courses along the centerline of said Nookachamps creek, South 14° 59' 44" West 44.48 feet; Thence South 1° 39' 17" East 70.61 feet; Thence South 28° 20' 12" East 86.67 feet; Thence South 63° 39' 24" East 100.51 feet; Thence South 75° 45' 56" East 110.95 feet; Thence South 66° 37' 29" East 133.10 feet; Thence South 50° 39' 38" East 53.86 feet; Thence South 36° 57' 59" East 46.09 feet; Thence South 31° 38' 29" East 105.02 feet; Thence South 19° 37' 45" East 78.67 feet; Thence South 6° 28' 20" East 36.00 feet; Thence South 1° 15' 55" East 48.25 feet; Thence South 21° 57' 10" West 65.40 feet; Thence South 52° 42' 41" West 71.75 feet; Thence South 87° 55' 04" West 50.91 feet; Thence South 70° 43' 30" West 73.77 feet; Thence North 83° 33' 13" West 37.27 feet; Thence North 67° 12' 20" West 51.36 feet; Thence North 46° 14' 06" West 152.66 feet; Thence North 55° 38' 38" West 50.63 feet; Thence North 41° 51' 17" West 255.39 feet; Thence North 62° 11' 43" West 53.08 feet; Thence North 79° 35' 00" West 58.48 feet; Thence South 82° 24' 56" West 86.84 feet; Thence South 54° 57' 47" West 88.04 feet; Thence South 36° 22' 07" West 58.88 feet; Thence South 33° 34' 34" West 198.18 feet; Thence South 55° 01' 33" West 58.93 feet; Thence North 89° 28' 26" West 79.74 feet; Thence North 80° 41' 38" West 63.98 feet; Thence North 65° 20' 23" West 91.10 feet; Thence North 56° 36' 34" West 115.20 feet; Thence North 70° 29' 45" West 114.29 feet; Thence South 89° 35' 10" West 129.32 feet; Thence South 64° 49' 30" West 116.57 feet;



03' 58" West 97.32 feet; Thence South 40° 28' 29" West 111.76 feet; Thence South 27° 08' 00" West 48.46 feet; Thence South 13° 48' 27" West 146.66 feet; Thence South 20° 24' 58" West 163.42 feet; Thence South 50° 47' 36" West 107.26 feet; Thence South 57° 39' 24" West 85.65 feet, more or less to the North line of the Northwest Quarter of the Southeast Quarter of said Section 10; Thence leaving said creek centerline North 88° 44' 43" West, along said North line, 196.82 feet; Thence leaving said North line South 31° 56' 05" West 31.48 feet; Thence South 22° 29' 52" West 15.99 feet; Thence South 34° 40' 55" West 51.25 feet; Thence South 5° 54' 54" East 100.00 feet; Thence South 7° 21' 13" West 80.73 feet; Thence South 49° 27' 34" East 158.12 feet; Thence South 33° 46' 25" East 6.19 feet; Thence South 23° 32' 55" East 28.75 feet; Thence South 14° 56' 18" East 62.19 feet; Thence South 31° 17' 40" East 62.18 feet;

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Thence South 21° 43' 52" East 44.19 feet; Thence South 26° 20' 27" East 50.67 feet;
Thence South 21° 18' 30" East 50.11 feet; Thence South 26° 08' 06" East 87.41 feet;
Thence South 49° 19' 42" East 101.36 feet; Thence South 74° 28' 53" East 68.57 feet;
Thence South 61° 47' 09" East 24.61 feet; Thence South 60° 00' 49" East 21.17 feet;
Thence South 35° 59' 34" West 60.63 feet; Thence South 16° 40' 14" West 121.02 feet;
Thence South 19° 08' 12" East 132.43 feet; Thence South 12° 29' 58" East 52.68 feet;
Thence South 46° 52' 30" East 48.87 feet; Thence South 60° 03' 05" East 103.02 feet;
Thence South 69° 30' 09" East 48.21 feet; Thence South 85° 54' 15" East 100.84 feet;
Thence South 13° 32' 45" West 57.27 feet; Thence South 2° 03' 06" East 172.92 feet;
Thence South 2° 06' 02" West 912.30 feet; Thence South 27° 26' 09" West 80.39 feet;
Thence South 25° 10' 53" East 33.79 feet; Thence South 22° 11' 09" East 134.93 feet;
Thence South 22° 14' 46" East 135.27 feet; Thence South 19° 27' 00" East 152.21 feet;
Thence South 19° 27' 02" East 154.76 feet; Thence South 30° 22' 07" East 160.09 feet;
Thence South 31° 44' 17" East 165.70 feet; Thence South 8° 25' 19" East 88.89 feet;
Thence South 9° 23' 50" East 153.52 feet; Thence South 13° 53' 40" East 127.17 feet;
Thence South 5° 13' 09" West 703.31 feet; Thence South 16° 31' 19" West 90.60 feet;
Thence South 13° 16' 59" East 93.08 feet; Thence South 15° 26' 09" East 27.73 feet;
Thence South 26° 42' 33" East 216.31 feet; Thence South 53° 03' 24" East 45.81 feet;
Thence South 21° 00' 54" West 115.42 feet; Thence South 7° 01' 24" West 143.10 feet;
Thence South 29° 48' 00" East 59.82 feet; Thence South 1° 34' 02" East 49.36 feet;
Thence South 13° 38' 32" East 64.62 feet; Thence South 23° 58' 35" East 65.67 feet;
Thence South 40° 38' 15" East 90.57 feet; Thence South 50° 23' 19" East 102.63 feet;
Thence South 79° 51' 55" East 166.09 feet; Thence North 70° 45' 13" East 43.22 feet;
Thence South 79° 25' 18" East 20.49 feet; Thence South 81° 40' 02" East 29.44 feet;
Thence South 11° 49' 18" West 92.65 feet; Thence South 12° 29' 54" East 123.98 feet;
Thence South 28° 39' 56" West 29.14 feet; Thence South 14° 37' 34" West 75.63 feet;
Thence South 0° 20' 45" East 111.73 feet; Thence South 48° 25' 28" East 11.36 feet;
Thence South 5° 04' 40" East 65.41 feet; Thence South 19° 53' 20" East 63.44 feet;
Thence South 28° 19' 19" East 94.72 feet; Thence South 70° 31' 51" East 89.84 feet;
Thence South 43° 33' 29" East 155.07 feet; Thence North 70° 24' 51" East 83.00 feet;
Thence South 54° 50' 52" East 21.37 feet; Thence North 79° 28' 23" East 71.92 feet;
Thence South 62° 24' 17" East 18.77 feet; Thence South 72° 29' 08" East 30.68 feet;
Thence North 78° 29' 56" East 189.47 feet; Thence North 76° 52' 30" East 48.87 feet;
Thence North 60° 00' 00" East 39.16 feet; Thence North 45° 00' 00" East 39.16 feet;
Thence North 30° 00' 00" East 39.16 feet; Thence North 15° 00' 00" East 39.16 feet;
Thence North 2° 40' 41" East 25.22 feet; Thence North 2° 26' 49" West 123.92 feet;
Thence North 11° 11' 06" West 151.99 feet; Thence North 4° 52' 22" East 217.56 feet;
Thence North 3° 26' 51" East 166.51 feet; Thence North 3° 54' 05" West 38.37 feet;
Thence North 16° 28' 47" West 55.73 feet; Thence North 2° 38' 24" East 488.36 feet;
Thence North 33° 46' 25" East 91.41 feet; Thence North 15° 15' 23" East 159.46 feet;
Thence North 23° 57' 12" East 230.05 feet; Thence North 42° 19' 28" East 83.47 feet;
Thence North 76° 34' 08" East 85.59 feet; Thence North 81° 15' 14" East 140.92 feet;
Thence North 89° 24' 51" East 314.01 feet; Thence North 79° 23' 17" East 227.38 feet;
Thence North 70° 05' 05" East 99.42 feet; Thence North 79° 18' 54" East 95.41 feet;
Thence North 73° 24' 27" East 30.88 feet; Thence North 62° 30' 16" East 39.83 feet;

continued on next page



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Thence North 39° 52' 39" East 258.14 feet more or less to the Southwesterly line of that certain parcel described as Parcel "A" after BLA, recorded under Auditors File No. 200708090007, records of Skagit County Washington; Thence North 60° 07' 16" West along said Southwesterly line of said Parcel "A" a distance of 218.28 feet; Thence North 29° 52' 18" East 422.07 feet to a point on the Northeasterly line of said Parcel "A"; Thence the following courses along the boundary of said Parcel "A" South 56° 41' 17" East 148.65 feet; Thence North 46° 15' 53" East 126.54 feet; Thence South 53° 55' 39" East 185.22 feet to the Northeasterly corner of said Parcel "A", being on the centerline of that certain 100 foot wide right of way to Seattle Lake Shore and Eastern Railway Company right of way as conveyed by Deed dated April 4, 1890 and recorded July 13, 1890 in Volume 10 of Deeds, page 651, records of Skagit County Washington;

Thence along the centerline of said right of way, North 36° 04' 21" East 104.06 feet; Thence along a curve to the right having a radius of 5613.62 feet through a central angle of 4° 10' 36" and arc distance of 409.21 feet; Thence North 40° 14' 58" East 804.87 feet to a point on the East line of the Southwest Quarter of Section 11; Thence North 1° 43' 48" East along said line, 140.29 feet to the Northeast corner of that certain parcel described as Parcel "D" described in that certain document recorded under Auditors File No. 200805080061, records of Skagit County Washington; Thence North 45° 00' 00" West along the Easterly line of said Parcel "D" a distance of 58.96 feet to the Southerly bank of the East Fork of Nookachamps Creek; Thence along the Southerly bank of the East Fork of Nookachamps Creek the following courses South 33° 37' 57" West 6.52 feet; Thence South 51° 31' 50" West 116.03 feet; Thence South 85° 47' 33" West 62.12 feet; Thence North 64° 43' 28" West 53.38 feet; Thence North 71° 22' 26" West 66.45 feet; Thence South 77° 07' 20" West 47.84 feet; Thence South 60° 57' 09" West 28.25 feet; Thence South 47° 36' 06" West 26.30 feet; Thence South 37° 13' 16" West 30.25 feet; Thence South 50° 03' 57" West 29.00 feet; Thence South 71° 14' 40" West 40.28 feet; Thence North 83° 04' 06" West 51.29 feet; Thence North 69° 25' 17" West 94.54 feet; Thence North 58° 31' 50" West 104.07 feet; Thence North 50° 26' 04" West 48.54 feet; Thence North 59° 32' 38" West 24.74 feet; Thence South 89° 03' 02" West 213.66 feet; Thence North 74° 35' 08" West 54.54 feet; Thence North 68° 35' 12" West 132.92 feet; Thence South 37° 17' 52" West 92.81 feet; Thence South 52° 15' 52" West 29.33 feet; Thence South 72° 35' 27" West 56.67 feet; Thence North 85° 25' 43" West 33.79 feet to the East line of the Southwest Quarter of the Southwest Quarter of said Section 11; Thence North 1° 06' 44" East along the East line thereof, 614.85 feet more or less to a point which lies South 65° 38' 15" East from the true point of beginning; Thence North 65° 38' 15" West 163.26 feet to the TRUE POINT OF BEGINNING.

EXCEPT the fee ownership underlying those Easement rights AND EXCEPT those Easement rights reserved by Clear Valley Environmental Farm, LLC, a Washington limited liability company, et al, on that certain Statutory Warranty Deed recorded November 20, 2007 as Auditor's File No. 200711200139; being a portion of the North ½ of the Northwest ¼ of Section 14, Township 34 North, Range 4 East, W.M..

Tract "B":

Those Easement rights reserved by Clear Valley Environmental Farm, LLC, a Washington limited liability company, et al, on that certain Statutory Warranty Deed recorded November 20, 2007 as Auditor's File No. 200711200139; being a portion of the North ½ of the Northwest ¼ of Section 14, Township 34 North, Range 4 East, W.M., EXCEPT the following described property:

That portion of the below described Parcel "A" being a portion of the Northwest ¼ of Section 14, Township 34 North, Range 4 East, WM described as follows, being a portion of Parcel "A", after Boundary Line Adjustment, as recorded under Auditors File No. 200708090007:

Beginning at the most Southerly corner of the below described Parcel "A"; Thence North 60° 07' 16" West along the Southwesterly line thereof, 30.00 feet; Thence North 29° 52' 44" East 423.87 feet to a point on the Northeasterly line of the below Parcel A"; Thence South 56° 41' 17" East along said line, 30.00 feet; Thence South 29° 52' 18" West 422.07 feet to the point of beginning.



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Parcel "A":

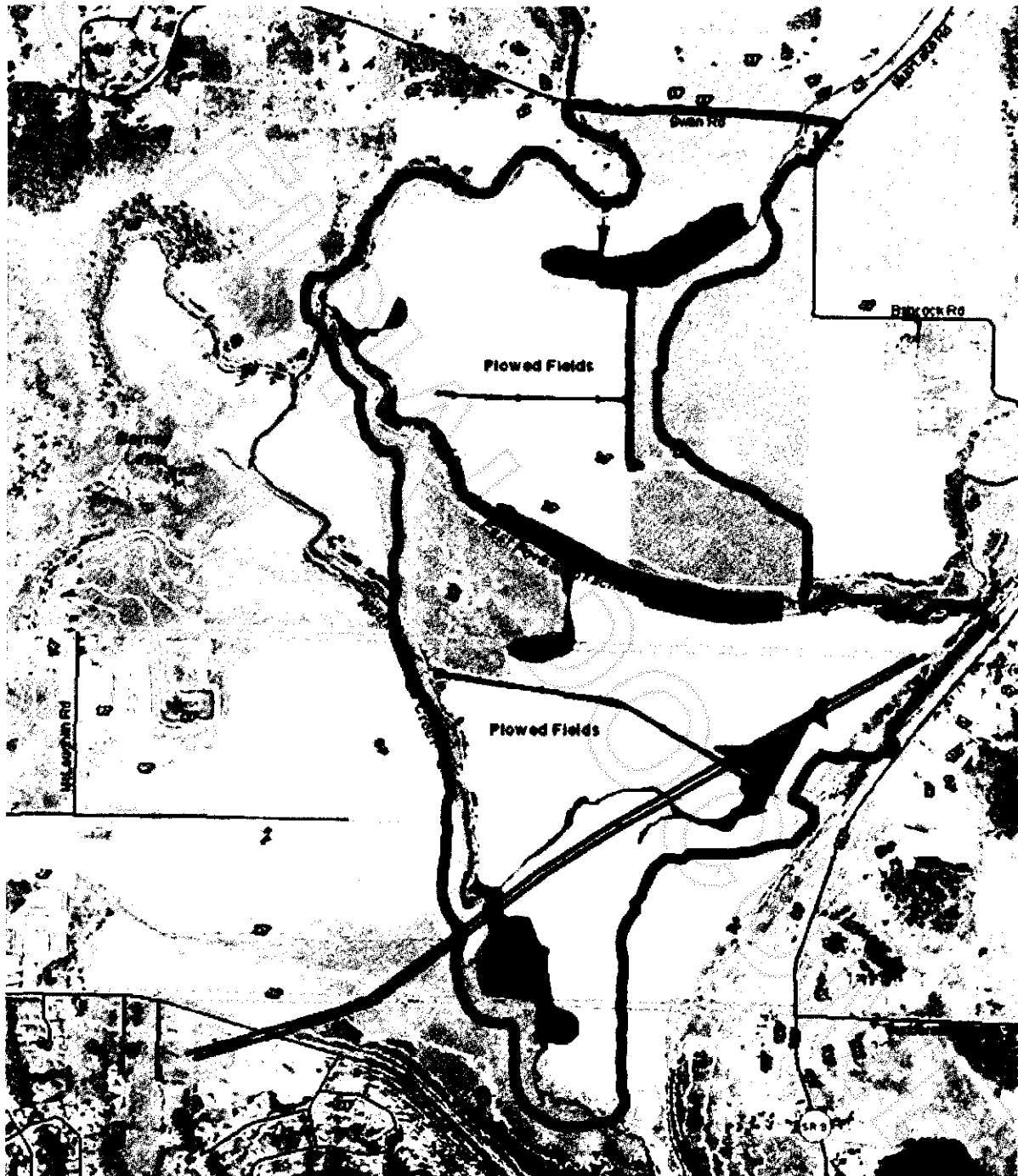
Commencing at the North Quarter corner of Section 14, Township 34 North, Range 4 East, W.M.; thence West, along the North line of said Section 14, a distance of 275.88 feet to an intersection with the Westerly right of way line of the Northern Pacific Railway Company; thence Southwesterly, along said right of way line, 1086.24 feet to a point hereinafter referred to as Point "A"; thence continue Southwesterly along said right of way, 408.00 feet; thence North 60° 07' 16" West in a straight line, 1691.33 feet, more or less, to a point 396.00 feet South of the Northwest corner of said Section 14 and on the West line of said Section 14 to the TRUE POINT OF BEGINNING; thence North, along the West line thereof a distance of 396.00 feet; thence East, along the North line of said Section 14, a distance of 329.30 feet; thence South 56° 41' 17" East, along a line that would connect to the aforementioned Point "A", a distance of 1363.83 feet; thence South 29° 52' 18" West 422.07 feet, to a point which lies South 60° 07' 16" East from the true point of beginning; thence North 60° 07' 16" West 1460.34 feet to the TRUE POINT OF BEGINNING.

Said Tracts "A" and "B" comprise portions of Tracts 1, 2, 3, 4, 5, 6 and 7 of the legal description set forth on the original Schedule "C" of this Guarantee.



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EXHIBIT B
Site Map



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EXHIBIT C
Permitted Exceptions

UNOFFICIAL DOCUMENT

45408-3



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SUBDIVISION GUARANTEE

Schedule "B-1"

Exceptions:

A. Reservation of all coal and other minerals by W.M. Lindsey, et ux, as contained in deed recorded under Auditor's File No. 28646, in Volume 34 of Deeds, page 392, records of Skagit County, Washington. (Affects Tract 4)

B. RESERVATION CONTAINED IN DEED:

From: W.M. Lindsey and Emma Lindsey, husband and wife
Recorded: June 18, 1902
Auditor's No.: 40336, in Volume 49 of Deeds, page 22
As Follows: "Excepting and reserving from this conveyance all petroleum, gas, coal and other valuable minerals."
Affects: Tract 1

Said mineral rights are now owned by Skagit County.

C. RESERVATION CONTAINED IN DEED THROUGH WHICH TITLE IS CLAIMED:

From: W.C. Glenn, et ux
Recorded: August 10, 1906
Volume/Page: Vol. 67 of Deeds, pg 249
As Follows: "First party reserves the right to lay a pipe across said land to certain spring in Southeast corner of said land."
Affects: Portion Tract 1

D. Reservation contained in deed from the State of Washington recorded under Auditor's File No. 132975, in Volume 114 of Deeds, page 1, records of Skagit County, Washington, reserving to the grantor all oil, gases, coal, ores, minerals, fossils, etc., and the right of entry for opening, developing and working the same and providing that such rights shall not be exercised until provision has been made for full payment of all damages sustained by reason of such entry.

Right of State of Washington or its successors, subject to payment of compensation therefore, to acquire rights of way for private railroads, skid roads, flumes, canals, water courses or other easements for transporting and moving timber, stone, minerals and other products from this and other property, as reserved in deed referred to above. (Affects a portion Tract 1)

E. DELETED



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F. An easement for private road over the East 20 feet of Tract 5 as disclosed by instrument dated February 6, 1931 and recorded under Auditor's File No. 244672, in Volume 158 of Deeds, page 117.

G. EASEMENT AND THE TERMS AND CONDITIONS THEREOF:

Grantee: Puget Sound Power and Light Company
Purposes: Electric Transmission line
Area Affects: Northerly 5 feet of the Northwest 1/4 of the Southwest 1/4 of Section 11, Township 34 North, Range 4 East W.M.
Dated: May 7, 1948
Recorded: June 10, 1948
Auditor's No.: 419097
Affects: Tract 1

H. EASEMENT AND THE TERMS AND CONDITIONS THEREOF:

Grantee: Puget Sound Power and Light Company
Purpose: Anchor and guy wires
Area Affected: East line of the Southwest 1/4 of the Northwest 1/4 of Section 11, Township 34 North, Range 4 East W.M.
Dated: March 10, 1952
Recorded: March 17, 1952
Auditor's No.: 472789
Affects: Tract 1

I. EASEMENT FOR ELECTRIC TRANSMISSION LINE, TOGETHER WITH RIGHT OF INGRESS AND EGRESS OVER GRANTORS ADJOINING PROPERTY AND INCLUDING COVENANTS AGAINST BLASTING WITHOUT NOTICE:

Grantee: Puget Sound Power and Light Company
Dated: April 21, 1955
Recorded: April 26, 1955
Auditor's No.: 516878, Volume 270 of Deeds, page 100
Affects: Exact location undisclosed on the record but is "along the South line" of a portion of Tract 1

J. AN EASEMENT AFFECTING THE PORTION OF SAID PREMISES AND FOR THE PURPOSES STATED HEREIN, AND INCIDENTAL PURPOSES:

For: Transmission and/or distribution line
In Favor Of: Puget Sound Power & Light Company
Recorded: May 4, 1955
Auditor's No.: 517301
Affects: A strip of land, (width undisclosed) the centerline of which is described as follows

Beginning 1 foot South of the Northwest corner of East 1/2 of Northeast 1/4 of Section 15; thence Easterly and parallel with the North line of above tract to the East line thereof; also beginning at a point on the West line of East 1/2 of Northeast 1/4 of Section 15, 7 feet North of the Southwest corner thereof; thence Easterly and parallel with the South line thereof and the Southwest 1/4 of the Northwest 1/4 of Section 14 to the East line thereof. (Affects Tract 4)



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K. EASEMENT AND THE TERMS AND CONDITIONS THEREOF:

Grantee: Puget Sound Power and Light Company
 Purpose: An electric transmission line
 Area Affected: Strip of land along the Southerly line of the Southeast ¼ of the Southeast ¼ of Section 10, Township 34 North, Range 4 East W.M..
 Dated: September 3, 1955
 Recorded: September 30, 1955
 Auditor's No.: 525117
 Affects: Tract 1

L. DELETED

M. AN EASEMENT FOR ELECTRIC TRANSMISSION LINE, TOGETHER WITH RIGHT OF INGRESS AND EGRESS OVER GRANTORS ADJOINING THE PROPERTY AND INCLUDING COVENANTS AGAINST BLASTING WITHOUT NOTICE:

Granted To: Puget Sound Power & Light Company
 Dated: August 9, 1960
 Recorded: August 10, 1960
 Auditor's No.: 597545
 Affects: As surveyed, staked and agreed upon
 Affects: Tracts 2 and 3

N. AN EASEMENT AFFECTING THE PORTION OF SAID PREMISES AND FOR THE PURPOSES STATED HEREIN, AND INCIDENTAL PURPOSES:

For: Pipe line
 In Favor Of: Public Utility District No. 1, Skagit County, Washington
 Recorded: February 27, 1961
 Auditor's No.: 604622
 Affects: A strip of land 50 feet in width, the centerline of which is described as follows:

Beginning at a point on the West line of the Southeast ¼ of the Northeast ¼ of Section 15, Township 34 North, Range 4 East W.M., from which the Southwest corner of said Southeast ¼ of the Northeast ¼ bears South 0°15'10" West, a distance of 371.48 feet; thence North 52°10" East, a distance of 996.00 feet to a point; thence North 56°02' East, a distance of 656.78 feet to a point on the East line of the Northeast ¼ of the Northeast ¼ of said Section 15, from which the Southeast corner of said Northeast ¼ of the Northeast ¼ bears South 0° 10" West, a distance of 34.3 feet. (Affects Tract 4)



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O. AN EASEMENT AFFECTING THE PORTION OF SAID PREMISES AND FOR THE PURPOSES STATED HEREIN, AND INCIDENTAL PURPOSES:

For: Water pipe line or lines
 In Favor Of: Public Utility District No. 1 of Skagit County
 Recorded: March 7, 1961
 Auditor's No.: 604945
 Affects: A strip of land 50 feet in width, lying 25 feet on each side of the following described centerline:

Beginning at the Northwest corner of the Northwest ¼ of the Northwest ¼ of Section 14, Township 34 North, Range 4 East W.M.; thence South 0° 10' West along the West line of said Section 14, a distance of 396.0 feet; thence South 61°02'20" East, a distance of 896.29 feet to the true point of beginning; thence from the true point of beginning North 59°49' East, a distance of 1,613.38 feet to a point on the North line of the Northeast ¼ of the Northwest ¼ of said Section 14, which point lies North 89°30'15" West, a distance of 458.96 feet from the Northeast corner of said Northeast ¼ of the Northwest ¼. (Affects Tract 2 and 3)

P. EASEMENT AND THE TERMS AND CONDITIONS THEREOF:

Grantee: John P. Verdoes, a bachelor and Abe Verdoes and Anna Verdoes, husband and wife
 Purpose: Joint use of 10 foot farm road
 Area Affected: East 10 feet of the West ½ of the Southwest ¼ North of Creek
 Dated: August 26, 1970
 Recorded: December 30, 1970
 Auditor's No.: 747242
 Affects: Tract 1

Q. EASEMENT AND THE TERMS AND CONDITIONS THEREOF:

Grantee: Puget Sound Power & Light Company, a Washington Corporation
 Purpose: The right to construct, operate, maintain, repair, replace and enlarge one or more electric transmission and/or distribution lines
 Area Affected: Beginning at the Northwest corner thereof; thence South along the West line thereof approximately 26 feet; thence East parallel with the North line of said property approximately 2241 feet; thence South 25 feet; thence East approximately 206 feet to the West line of SR-9; thence Northeasterly along said Westerly line approximately 73 feet to the North line of said property; thence West along said North line approximately 2500 feet to the point of beginning of this description
 Dated: May 11, 1983
 Recorded: May 26, 1983
 Auditor's No.: 8305260073
 Affects: Tracts 2 and 3



Order No.: 99009

Guarantee No.: H-1006203-0073322

R. EASEMENT AND THE TERMS AND CONDITIONS THEREOF:

Grantee: Puget Sound Power & Light Company, a Washington Corporation
 Purpose: The right to construct, operate, maintain, repair, replace and enlarge one or more electric transmission and/or distribution lines
 Area Affects: Portion of the subject property lying in Section 10 and the North 24 feet of that portion of the subject property lying in Section 15
 Dated: May 12, 1983
 Recorded: May 26, 1983
 Auditor's No.: 8305260072
 Affect: Tracts 1, 4, 5 and 6

S. EASEMENT AND THE TERMS AND CONDITIONS THEREOF:

Grantee: The State of Washington
 Purposes: Construction, maintenance, and operation of drainage facilities
 Area Affected: A 20', 30' and 40' strip through Tract 4
 Dated: March 20, 1988
 Recorded: April 18, 1988
 Auditor's No.: 8804180060

T. Any adverse claim by reason of any change in the location of the boundaries of said premises which may have resulted from any change in the location of the River/Creek herein named, or its banks, or which may result from such change in the future.

River/Creek: Nookachamps Creek and its tributaries

U. LOT CERTIFICATION, INCLUDING THE TERMS AND CONDITIONS THEREOF. REFERENCE TO THE RECORD BEING MADE FOR FULL PARTICULARS. THE COMPANY MAKES NO DETERMINATION AS TO ITS AFFECTS.

Recorded: October 14, 2005
 Auditor's No.: 200510140016 through 200510140028

No review or copies of said documents have been made herefor.

V. EASEMENT, INCLUDING TERMS AND PROVISIONS THEREOF:

Grantee: Puget Sound Power & Light Company
 Dated: May 23, 1955
 Recorded: June 16, 1955
 Auditor's No.: 519497
 Purpose: Right to construct, operate, maintain, repair, replace and enlarge one or more electric transmission and/or distribution lines over and/or under the right-of-way
 Area Affected: Tracts 2 and 3

W. EASEMENT, INCLUDING TERMS AND PROVISIONS THEREOF:

Grantee: Public Utility District No. 1
 Dated: March 3, 1961
 Recorded: March 7, 1961
 Auditor's No.: 604944
 Purpose: Waterlines
 Area Affected: Tracts 3 and 7



X. REGULATORY NOTICE/AGREEMENT THAT MAY INCLUDE COVENANTS, CONDITIONS AND RESTRICTIONS AFFECTING THE SUBJECT PROPERTY:

Executed By: Clear Valley Environmental Farm, LLC, et al
Recorded: August 9, 2007
Auditor's No.: 200708090007
Regarding: Boundary Line Adjustments

Reference is hereby made to the record for the full particulars of said notice/agreement. However, said notice/agreement may have changed or may in the future change without recorded notice.

Y. REGULATORY NOTICE/AGREEMENT THAT MAY INCLUDE COVENANTS, CONDITIONS AND RESTRICTIONS AFFECTING THE SUBJECT PROPERTY:

Executed By: Clear Valley Environmental Farm, LLC, et al
Recorded: October 11, 2007
Auditor's No.: 200710110105
Regarding: Boundary Line Adjustments

Reference is hereby made to the record for the full particulars of said notice/agreement. However, said notice/agreement may have changed or may in the future change without recorded notice.

Z. MATTERS AS DISCLOSED AND/OR DELINEATED ON THE FACE OF THE FOLLOWING RECORDED SURVEY:

Recorded: October 11, 2007
Auditor's No.: 200710110106

AA. AGREEMENT, AND THE TERMS AND PROVISIONS THEREOF:

Between: Clear Valley Environmental Farm, LLC, et al
And: Dan R. Mitzel, et ux
Dated: October 15, 2008
Recorded: October 15, 2008
Auditor's No.: 200810150034
Regarding: Easements, agreements and restrictions as set forth therein

BB. REGULATORY NOTICE/AGREEMENT THAT MAY INCLUDE COVENANTS, CONDITIONS AND RESTRICTIONS AFFECTING THE SUBJECT PROPERTY:

Executed By: Skagit County
Recorded: December 30, 2008
Auditor's No.: 200812300131
Regarding: Administrative Special Use Request PL 08-0407

Reference is hereby made to the record for the full particulars of said notice/agreement. However, said notice/agreement may have changed or may in the future change without recorded notice.



Order No.: 99009

Guarantee No.: H-1006203-0073322

CC. REGULATORY NOTICE/AGREEMENT THAT MAY INCLUDE COVENANTS, CONDITIONS AND RESTRICTIONS AFFECTING THE SUBJECT PROPERTY:

Executed By: Skagit County Hearing Examiner
Recorded: January 28, 2009
Auditor's No.: 200901280146
Regarding: Shoreline Substantial Development Conditional Use Request PL 06-0607 and Grading Permit Request BP 06-0669 and Appeals PL 05-0195 and PL 08-0197

Reference is hereby made to the record for the full particulars of said notice/agreement. However, said notice/agreement may have changed or may in the future change without recorded notice.

DD. EASEMENT AND PROVISIONS CONTAINED THEREIN AS CREATED OR DISCLOSED INSTRUMENT:

In Favor Of: Clear Valley Environmental Farm, LLC, et al
Recorded: November 20, 2007
Auditor's No.: 200711200139
For: The purposes set forth therein
Affects: Parcel "B"

EE. EASEMENT, INCLUDING TERMS AND PROVISIONS THEREOF:

Grantee: Cascade Natural Gas Corporation
Dated: March 18, 2010
Recorded: May 12, 2010
Auditor's No.: 201005120080
Purpose: Pipeline facilities
Area Affected: Tract 4 and other property

Said Easement states the following: "This ... Easement Agreement replaces existing easements ... recorded... under Auditor's File Nos. 545054 and 545610..."

FF. ALL EASEMENTS, COVENANTS, RESTRICTIONS, ENCROACHMENTS AND OTHER MATTERS SHOWN ON THE FACE OF THE FOLLOWING SURVEY/PLAT:

Name: Boundary Line Survey
Recorded: June 28, 2012
Auditor's No.: 201206280062



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\$114.00

1:43PM

Order No.: 99009

Guarantee No.: H-1006203-0073322

GG. ALL EASEMENTS, COVENANTS, RESTRICTIONS, ENCROACHMENTS AND OTHER MATTERS SHOWN ON THE FACE OF THE FOLLOWING SURVEY/PLAT:

Name: Boundary Line Survey
Recorded: November 13, 2012
Auditor's No.: 201211130142

HH. EASEMENT, INCLUDING TERMS AND PROVISIONS THEREOF:

Grantee: Skagit Land Trust
Recorded: November 15, 2012
Auditor's No. 201211150080
Purpose: Ingress, egress and utilities
Area Affected: See document for full details

II. MEMORANDUM OF AGREEMENT, INCLUDING THE TERMS AND PROVISION THEREIN:

Between: Skagit Land Trust
And: Clear Valley Environmental Farm, LLC
And: Clear Valley Environmental Farm, II, Inc.
Dated: November 13, 2012
Recorded: November 20, 2012
Auditor's No.: 201211200162
Regarding: An agreement to record a covenant to restrict the use of property, see document for full details



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1:43PM

EXHIBIT D
Agreement for Release from Liability

In consideration for permission to enter certain property, the _____, in _____ County, Washington, owned by _____ LLC (hereafter the "Protected Property") to observe and study the ecology of the Protected Property, I hereby acknowledge and agree to the following:

1. My activities in the Protected Property involve many risks, including, but not limited to, risks of bodily injury/illness or death resulting from accident, poisonous plants or animals;
2. I am entering the Protected Property at my own risk and I assume full responsibility for the risk of bodily injury or death, whether foreseen or unforeseen, in connection with my activities in the Protected Property;
3. I HEREBY RELEASE, WAIVE AND DISCHARGE _____ LLC and their personal representatives, heirs, successors, and assigns, and the _____ and its personal representatives, successors, and assigns from any liability for harm or loss suffered by me in connection with my activities in the Protected Property, WHETHER BY NEGLIGENCE OR NOT, and I FURTHER SAVE AND HOLD HARMLESS _____ LLC, and their personal representatives, heirs, successors or assigns, and the _____, and its personal representatives, successors, and assigns, from any and all liability, actions, causes of action, claims, demands of every kind and nature whatsoever by me or my family, estate, heirs, executors, administrators, legal representatives, successors or assigns arising out my activities in the Protected Property;
4. I hereby expressly agree that this "AGREEMENT FOR RELEASE FROM LIABILITY" is intended to be as broad and inclusive as permitted by the laws of the State of Washington, and if any portion thereof is held invalid, it is agreed that the balance shall, notwithstanding, continue in full force and effect; and
5. This "AGREEMENT FOR RELEASE FROM LIABILITY" contains the entire agreement between the parties hereto and that the terms of this Agreement are contractual in nature and not a mere recital; I understand all of the terms; and I am of lawful age and legally competent to sign this Agreement.

** I HAVE FULLY INFORMED MYSELF OF THE CONTENT OF THIS "AGREEMENT FOR RELEASE FROM LIABILITY" BY READING IT CAREFULLY BEFORE SIGNING IT.

Name (print)

Signature

Date

City/County/State

