

APPRAISAL OF REAL PROPERTY



LOCATED AT

NHN Kodiak Avenue
Camano Island, WA 98257
See legal description addenda

FOR

Brad Hayton
102 Circle Dr
Camano Island, WA 98282

OPINION OF VALUE

360,000

AS OF

04/10/2026

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LAND APPRAISAL REPORT

File No.: 26-211

Property Address: NHN Kodiak Avenue		City: Camano Island		State: WA		Zip Code: 98257													
County: Island		Legal Description: See legal description addenda																	
Assessor's Parcel #: R23114-282-3120		Tax Year: 2025		R.E. Taxes: \$ 1,566		Special Assessments: \$ 0													
Market Area Name: Camano Island - Mid Island		Map Reference: N/A		Census Tract: 9716.00															
Current Owner of Record: Hayton, Bradley & Barbara		Borrower (if applicable): N/A																	
Project Type (if applicable): ☐ PUD ☐ De Minimis PUD ☐ Other (describe)		HOA: \$		☐ per year ☐ per month															
Are there any existing improvements to the property? ☒ No ☐ Yes		If Yes, indicate current occupancy:		☐ Owner ☐ Tenant ☐ Vacant ☐ Not habitable															
If Yes, give a brief description:																			
The purpose of this appraisal is to develop an opinion of: ☒ Market Value (as defined), or ☐ other type of value (describe)																			
This report reflects the following value (if not Current, see comments): ☒ Current (the Inspection Date is the Effective Date) ☐ Retrospective ☐ Prospective																			
Property Rights Appraised: ☒ Fee Simple ☐ Leasehold ☐ Leased Fee ☐ Other (describe)																			
Intended Use: The intended use of this report is to establish the market value of the subject on the effective date of the report, 04/10/2026, for the client's use in pre-listing.																			
Intended User(s) (by name or type): The intended user is Brad Hayton.																			
Client: Brad Hayton		Address: 102 Circle Dr, Camano Island, WA 98282																	
Appraiser: Ashley Peugh		Address: P.O. Box 886, Mukitoe, WA 98275																	
Characteristics		Predominant Occupancy		Present Land Use		Change in Land Use													
Location: ☐ Urban ☒ Suburban ☐ Rural		☒ Owner		One-Unit 70 %		☐ Not Likely													
Built up: ☒ Over 75% ☐ 25-75% ☐ Under 25%		☐ Tenant		2-4 Unit 1 %		☒ Likely * ☐ In Process *													
Growth rate: ☐ Rapid ☒ Stable ☐ Slow		☒ Vacant (0-5%)		Multi-Unit 1 %		* To: Higher density single													
Property values: ☐ Increasing ☒ Stable ☐ Declining		☐ Vacant (>5%)		Comm'l 6 %		family													
Demand/supply: ☐ Shortage ☒ In Balance ☐ Over Supply				Other 22 %															
Marketing time: ☒ Under 3 Mos. ☐ 3-6 Mos. ☐ Over 6 Mos.																			
Factors Affecting Marketability																			
Item		Good		Average		Fair		Poor		N/A									
Employment Stability		☐		☒		☐		☐		☐									
Convenience to Employment		☐		☒		☐		☐		☐									
Convenience to Shopping		☐		☒		☐		☐		☐									
Convenience to Schools		☐		☒		☐		☐		☐									
Adequacy of Public Transportation		☐		☒		☐		☐		☐									
Recreational Facilities		☐		☒		☐		☐		☐									
Adequacy of Utilities		☐		☒		☐		☐		☐									
Property Compatibility		☐		☒		☐		☐		☐									
Protection from Detrimental Conditions		☐		☒		☐		☐		☐									
Police and Fire Protection		☐		☒		☐		☐		☐									
General Appearance of Properties		☐		☒		☐		☐		☐									
Appeal to Market		☐		☒		☐		☐		☐									
Market Area Comments: The subject's neighborhood is generally defined by N. Cross Island Rd to the north, Port Susan to the east, Elger Bay to the south and Saratoga Passage to the west. The subject's neighborhood is located mid-island on Camano Island and has access to public services, arterials, schools, shopping, and recreational opportunities. The neighborhood experienced significant development after 1990 and consists of a mix of platted single-family homes on modest sites, homes on acre-plus sites, and larger estate-type and waterfront properties. The neighborhood is suburban in character, with residents commuting to employment centers in the Everett and Mount Vernon areas.																			
The neighborhood, included in the NWMLS area 780, enjoys marketing time for most homes under 47 days and sellers averaging 93% of their list prices. Financial concessions and/or price reductions are not uncommon, they generally do not exceed 3% of the sales price. The neighborhood, like most neighborhoods in the region is still experiencing low inventory, even with interest rates higher than before 2022.																			
Dimensions: See plat in title for dimensions		Site Area: 8.55 ac																	
Zoning Classification: RR		Description: Rural residential zone in Island County, with a base density of 3 dwelling units / 1 acre.																	
Do present improvements comply with existing zoning requirements?		☐ Yes ☐ No ☒ No Improvements																	
Uses allowed under current zoning: Primarily residential																			
Are CC&Rs applicable? ☐ Yes ☒ No ☐ Unknown		Have the documents been reviewed? ☐ Yes ☒ No		Ground Rent (if applicable) \$ /															
Comments:																			
Highest & Best Use as improved: ☐ Present use, or ☒ Other use (explain) The site is vacant and appears ready for development with a single unit residence.																			
Actual Use as of Effective Date: Vacant site		Use as appraised in this report: Vacant site																	
Summary of Highest & Best Use: See addendum for highest and best use summary.																			
Utilities		Public		Other		Provider/Description		Off-site Improvements		Type		Public		Private		Frontage		Typical	
Electricity		☒		☐				Street		Asphalt		☒		☐		Topography		Slopes from street	
Gas		☐		☐		None		Width		Typical						Size		Typical for neighborhood	
Water		☐		☒		Community Water		Surface		Asphalt						Shape		Irregular, see plat	
Sanitary Sewer		☐		☒		Septic Needed		Curb/Gutter		None		☐		☐		Drainage		Appears Adequate	
Storm Sewer		☐		☐		None		Sidewalk		None		☐		☐		View		Partial Water Potential	
Telephone		☐		☐		None		Street Lights		None		☐		☐					
Multimedia		☐		☐		None		Alley		Shared Lane		☐		☒					
Other site elements:																			

LAND APPRAISAL REPORT

File No.: 26-211

My research ☐ did ☒ did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.									
Data Source(s): NWMLS, County Records									
TRANSFER HISTORY		1st Prior Subject Sale/Transfer		Analysis of sale/transfer history and/or any current agreement of sale/listing: No sales or transfers of the subject over the past 36 months. No previous sales or transfers of the comparable sales over the past 12 months					
		Date:							
		Price:							
		Source(s): NWMLS, County Records							
		2nd Prior Subject Sale/Transfer							
		Date:							
		Price:							
		Source(s):							

FEATURE	SUBJECT PROPERTY	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
Address	Nhn Kodiak Ave Camano Island, WA 98257	949 Michael Way Camano Island, WA 98282		218 NE Camano Dr Camano Island, WA 98282		Ivy Way Camano Island, WA 98282	
Proximity to Subject		1.46 miles E		3.58 miles NE		1.83 miles SE	
Sale Price	\$	\$ 395,000		\$ 350,000		\$ 318,000	
Price/	\$	\$ 78,217.82		\$ 38,043.48		\$ 32,218.84	
Data Source(s)	NWMLS, County	NWMLS # 2475628;DOM 9		NWMLS #2388835;DOM 6		NWMLS #2424149;DOM 45	
Verification Source(s)	Owner	Doc #4598803		Doc #4588759		Doc #4594255	
VALUE ADJUSTMENT	DESCRIPTION	DESCRIPTION	+(-) \$ Adjust	DESCRIPTION	+(-) \$ Adjust	DESCRIPTION	+(-) \$ Adjust
Sales or Financing		Cash		Conventional		Cash	
Concessions		None known		None known		None known	
Date of Sale/Time		s04/26;c02/26		s07/25;c06/25		s12/25;c10/25	
Rights Appraised	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Location	Partial View Potential	Partial View Potential		Res, Near Golfcourse		Residential, Busy Rd	+20,000
Site Area	8.55	5.05	0	9.2	0	9.87	0
Topography	Wooded, Sloped	Wooded, Gen Level	-25,000	Mstly Clear, Gen Level	-25,000	Wooded, Sloped	
Utilities	Wtr/Elec Avail,Nd Sptc	Wtr/Elec Avail,Nd Sptc		Wtr/Elec Avail,Nd Sptc		Elec Avail,Nd Well/Sptc	+10,000
Site Imp./Permits	None	None		None		None	
Parcel Number	R23114-282-3120	R23113-345-4950		R33231-280-2060		S7140-00-00005-0	
Net Adjustment (Total, in \$)		☐ + ☒ - \$ -25,000		☐ + ☒ - \$ -25,000		☒ + ☐ - \$ 30,000	
Adjusted Sale Price (in \$)		Net 6.3 % Gross 6.3 % \$ 370,000		Net 7.1 % Gross 7.1 % \$ 325,000		Net 9.4 % Gross 9.4 % \$ 348,000	
Summary of Sales Comparison Approach A comprehensive search of the subject's neighborhood and market area was made to identify comparable properties that represent the best and most recent substitutions available for the subject. The auditors file number noted at the top of each comparable sale is verifiable proof of closing of each comparable sale. The three comparable sales and one active listing presented in this report are considered to be the best available and are believed to accurately support the estimate of the subject's market value. The sales presented nicely bracket or mirror the subject in all significant areas of comparison and make good substitutions for the subject. Sale #1 is the most recent sale. Sale #2 is most similar in site size but a more dated sale. Sale #3 is most similar in topography.							

PROJECT INFORMATION FOR PUDs (if applicable)		☐ The Subject is part of a Planned Unit Development.	
Legal Name of Project:			
Describe common elements and recreational facilities:			

Indicated Value by: Sales Comparison Approach \$		360,000	
Final Reconciliation The sales comparison approach reflects recent activity and receives all weight. The cost and income approaches were considered and not developed. All sales given some weight, with Sales #1 & #3 receiving more weight as they are more recent and closer in proximity.			
This appraisal is made ☒ "as is", or ☐ subject to the following conditions: This property is appraised in "as-is" condition. No personal property included in this valuation.			
☒ This report is also subject to other Hypothetical Conditions and/or Extraordinary Assumptions as specified in the attached addenda.			
Based upon an inspection of the subject property, defined Scope of Work, Statement of Assumptions and Limiting Conditions, and Appraiser's Certifications, my (our) Opinion of the Market Value (or other specified value type), as defined herein, of the real property that is the subject of this report is: \$ 360,000, as of: 04/10/2026, which is the effective date of this appraisal.			
If indicated above, this Opinion of Value is subject to Hypothetical Conditions and/or Extraordinary Assumptions included in this report. See attached addenda.			

ATTACH.		A true and complete copy of this report contains 30 pages, including exhibits which are considered an integral part of the report. This appraisal report may not be properly understood without reference to the information contained in the complete report, which contains the following attached exhibits:	
☒ Limiting cond./Certifications ☒ Photo Addenda		☒ Narrative Addendum ☒ Parcel Map ☐ Hypothetical Conditions	
		☐ Location Map(s) ☐ Flood Addendum ☒ Extraordinary Assumptions ☐ Hypothetical Conditions	

SIGNATURES		Client Contact: Brad Hayton	
E-Mail:		Address: 102 Circle Dr, Camano Island, WA 98282	
APPRaiser		SUPERVISORY APPRAISER (if required) or CO-APPRaiser (if applicable)	
Appraiser Name: Ashley Peugh Company: North Sound Valuation Phone: (425) 256-2499 Fax: _____ E-Mail: ashley@northsoundvaluation.com Date of Report (Signature): 04/15/2026 License or Certification #: 21030352 State: WA Designation: Trainee Expiration Date of License or Certification: 05/21/2027 Inspection of Subject: ☒ Did Inspect ☐ Did Not Inspect (Desktop) Date of Inspection: 04/10/2026		Supervisory or Co-Appraiser Name: Robert Bodkin, SRA Company: North Sound Valuation Phone: (425) 256-2499 Fax: _____ E-Mail: rob@northsoundvaluation.com Date of Report (Signature): 04/15/2026 License or Certification #: 1702350 State: WA Designation: _____ Expiration Date of License or Certification: 12/04/2026 Inspection of Subject: ☐ Did Inspect ☒ Did Not Inspect Date of Inspection: _____	

File No.: 26-211

SALES COMPARISON APPROACH

Supplemental Addendum

File No. 26-211

Owner	Hayton, Bradley & Barbara					
Property Address	NHN Kodiak Avenue					
City	Camano Island	County	Island	State	WA	Zip Code 98257
Owner	Hayton, Bradley & Barbara					

Site Comments

The subject site consists of an uncleared, wooded parcel that meets or exceeds market standards for similar acreage in the area. Primary access is provided via a shared lane located off Kodiak Ave., jointly owned by neighboring property owners, including the subject, with a recorded easement in place ensuring perpetual access for all parties. Topographically, the land slopes down and away from the lane, which runs along the eastern boundary of the property.

Aside from the established access lane, the site remains largely in its natural state, densely vegetated with native trees and brush. The site offers potential for a partial water view, supported by the established view corridor of the adjacent improved property to the southeast (1044 Sun Mountain Ct.).

The subject parcel holds a recorded easement for an off-site drainfield located on an adjacent, smaller parcel. See attached Drainfield Easement. No as-built record was found as of the effective date of this report, and to the appraiser's knowledge, no septic system has been installed to date.

A physical inspection of the property revealed no apparent adverse easements, encroachments, or signs of external obsolescence. The site appears to be a typical, buildable acreage parcel with no noted adverse conditions that would negatively impact marketability.

The subject shares a gravel/asphalt access lane with adjacent properties. No dues or maintenance fees are associated with its use, which is typical for the subject's market area and has no negative impact on marketability. The lane appears to be well-maintained. See attached Road Maintenance Agreement.

Wells, community water systems, and septic systems are the norm in the subject's neighborhood; public water and sewer are not available. This is well accepted in the local market and has no negative impact on the subject's marketability.

Extraordinary Assumptions / Hypothetical Conditions

The opinion of value reported herein is \$360,000. This figure is subject to the extraordinary assumption that the site is capable of supporting an approved septic system and can obtain connections to water and power, both of which appear to be readily available based on information provided at the time of inspection.

Regarding water service, the owner advised that access to a neighboring well is available and that Camano City Community Club has confirmed water rights for the entirety of the subject property. This information has not been independently verified by the appraiser. Should any of the above assumptions prove false it would likely have a significant impact on the report conclusion.

Fuel Trailer

At the time of inspection, a fuel trailer was observed on the site. Although a letter from the owner indicated a plan for its removal in 2021, the trailer remained in place as of the effective date of this appraisal. The trailer is classified as personal property and has been attributed no contributory value to the final opinion of value.

While no obvious soil staining or fuel odors were detected in the immediate vicinity, the appraiser is not qualified as an expert in environmental hazards. This appraisal is completed under the ordinary assumption that no subsurface contamination exists. The client is advised to verify the removal of the trailer and confirm the environmental integrity of the site prior to the close of any sale.

Highest and Best Use comment

I have considered the relevant legal, physical and economic factors to analyze the highest and best use of the subject and that process leads me to conclude that the current use of the subject property is not its highest and best use. The highest and best use of the subject would be developed with a single unit home that best expresses the ideal improvement possible. The subject's present use, vacant and ready for development is it's highest and best use, as improved.

Sales Comparison additional comments

Contract date is represented by the date that the sale went from active to some type of pending status in the NWMLS, unless otherwise noted. Concession amounts, when available, are noted. When a zero is noted for the concession amount that represents the reported concession amount. In the sales comparison approach to value, when there is no adjustment made for the difference between the subject and comparable sale that represents either no adjustment for the noted differences was warranted or the difference between the subject and the comparable sale has been noted and either adjusted for elsewhere or found to be off set by other amenity differences.

Adjustments for significant site size/view adjustments based on a comparison of the sales presented in this report and sales considered and not presented.

Adjustments for site improvements, wells, water systems, etc. largely based on cost of installation.

No adjustments under 1% are made in the grid, except for concessions, which are included as reported. Only significant adjustments supported by market data are applied.

Other statements and explanations

The current owners of record are Barbara V & Bradley P Hayton.

The subject is not in a 100 year flood plain.

The "other" use noted in the land-use makeup area of the site section on page 1 of this report accounts for parks, schools, other municipal uses and the land whose use has yet to be determined.

This report was written in accordance with USPAP, all relevant appraisal-related sections of FIRREA, all applicable state laws, and any implementing regulations in effect at the time this appraisal report was signed.

Legal Description

4513796 Page 3 of 7 03/17/2021 09:24:08 AM Island County, WA

EXHIBIT A LEGAL DESCRIPTION

Property Address: NHN Kodiak Avenue, Camano Island, WA 98257
Tax Parcel Number(s):

Property Description:

The East Half of the Southwest Quarter of the Southwest Quarter of the Northeast Quarter of Section 14, Township 31 North, Range 2 East of the Willamette Meridian;

TOGETHER WITH an easement for ingress, egress and public utilities as established in instrument recorded September 13, 1970 under Auditor's File No. 234515 and as amended by partial release of easement recorded December 2, 1983 under Auditor's File Number 418306;

ALSO TOGETHER WITH an easement for ingress, egress and utilities as established in instrument recorded December 2, 1983 under Auditor's File Number 418305;

TOGETHER WITH all that portion of the East Half of the Northwest Quarter of the Northwest Quarter of the Southeast Quarter of Section 14, Township 31 North, Range 2 East of the Willamette Meridian, lying North of the following described line:

COMMENCING at the Southwest corner of said East Half;
thence North 00°19'21" West along the West line thereof a distance of 114.04 feet to the True Point of Beginning;
thence North 89°37'04" East a distance of 103.75 feet;
thence North 0°19'21" West a distance of 147.94 feet;
thence North 89°37'15" East a distance of 50.38 feet;
thence South 0°19'21" East a distance of 24.44 feet;
thence North 89°38'01" East a distance of 140.72 feet;
thence North 33°27'24" East a distance of 72.22 feet to a point on the East line of said East Half and the terminus point of herein described line.

(Being a portion of Lots A and B of Boundary Line Adjustment recorded under Auditor's File Number 4171901.)

(Also known as New Lot A of Boundary Line Adjustment No. 437/06 as recorded January 23, 2007 under Auditor's File No. 4192328.)

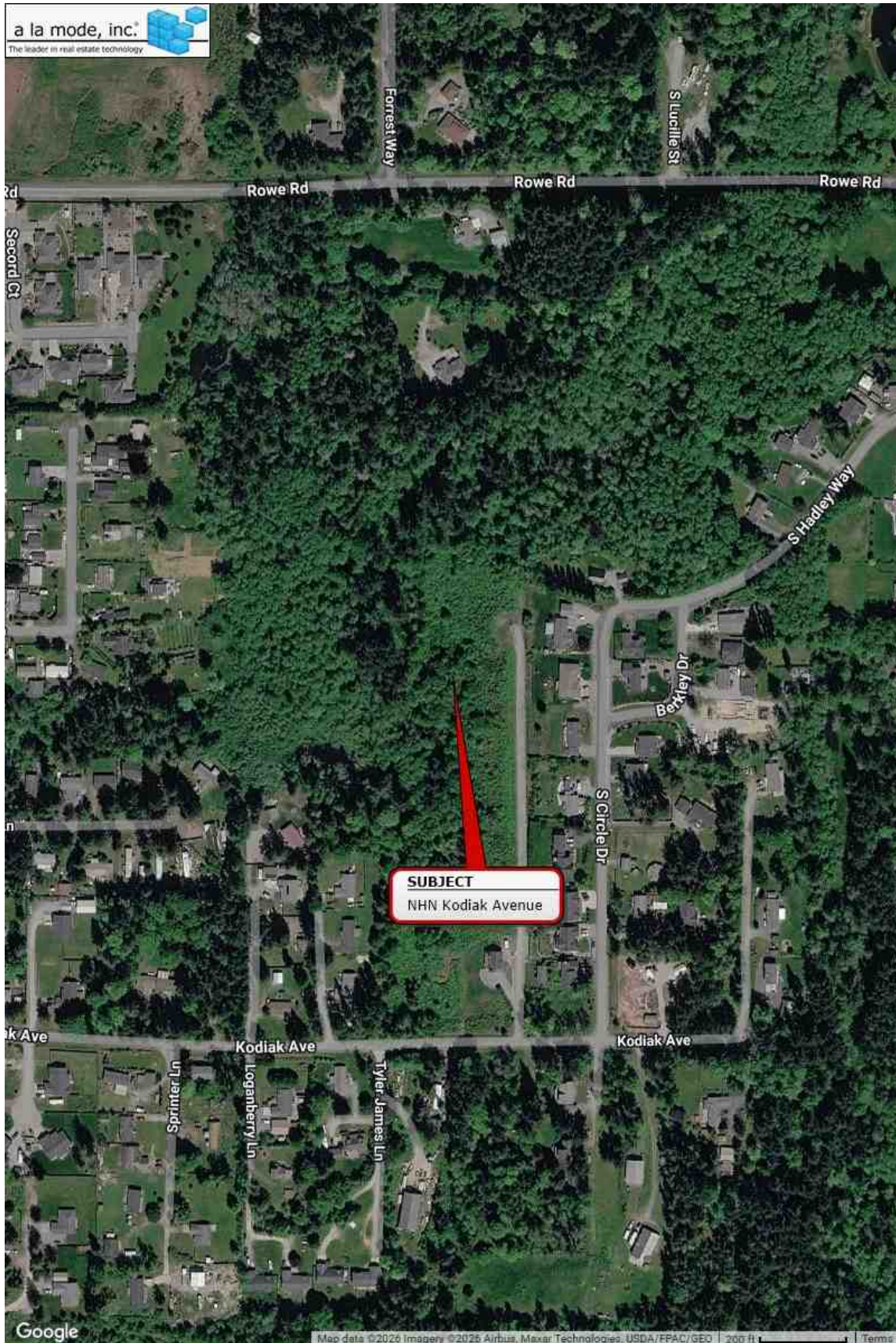
Statutory Warranty Deed
LPB 10-05

Order No.: 21-9689-TJ

Page 3 of 7

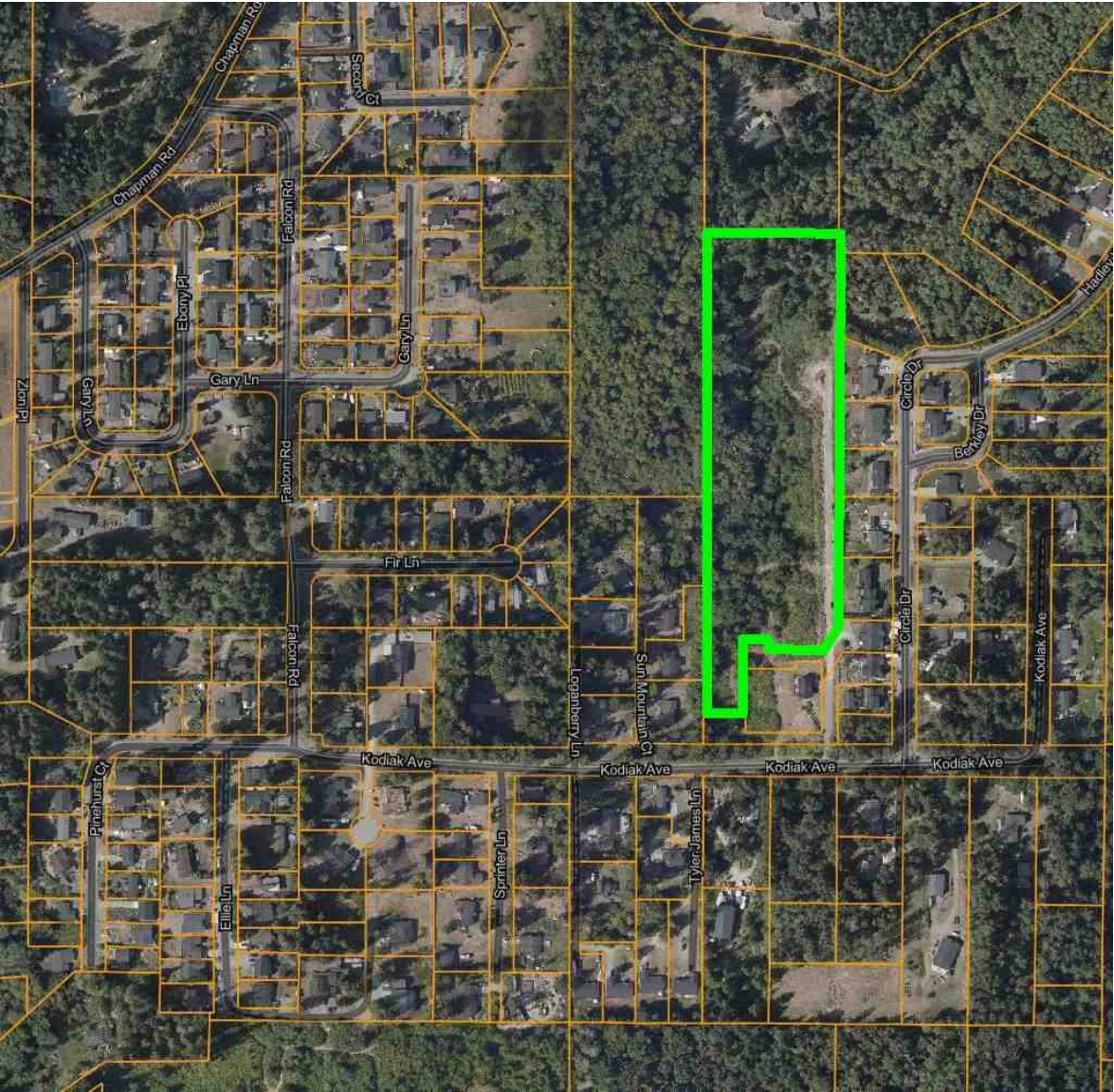
Aerial Map

Owner	Hayton, Bradley & Barbara					
Property Address	NHN Kodiak Avenue					
City	Camano Island	County	Island	State	WA	Zip Code 98257
Owner	Hayton, Bradley & Barbara					



Assessors Map

Owner	Hayton, Bradley & Barbara					
Property Address	NHN Kodiak Avenue					
City	Camano Island	County	Island	State	WA	Zip Code 98257
Owner	Hayton, Bradley & Barbara					



Subject Photo Page

Owner	Hayton, Bradley & Barbara						
Property Address	NHN Kodiak Avenue						
City	Camano Island	County	Island	State	WA	Zip Code	98257
Owner	Hayton, Bradley & Barbara						



Subject Front

Nhn Kodiak Ave
Sales Price
Gross Living Area
Total Rooms
Total Bedrooms
Total Bathrooms
Location Partial View Potential
View None Significant
Site 8.55
Quality
Age



Subject Interior



Subject Street

Photograph Addendum

Owner	Hayton, Bradley & Barbara						
Property Address	NHN Kodiak Avenue						
City	Camano Island	County	Island	State	WA	Zip Code	98257
Owner	Hayton, Bradley & Barbara						



Entrance from Shared Lane



Potential Partial Water View



View from Shared Lane/East End



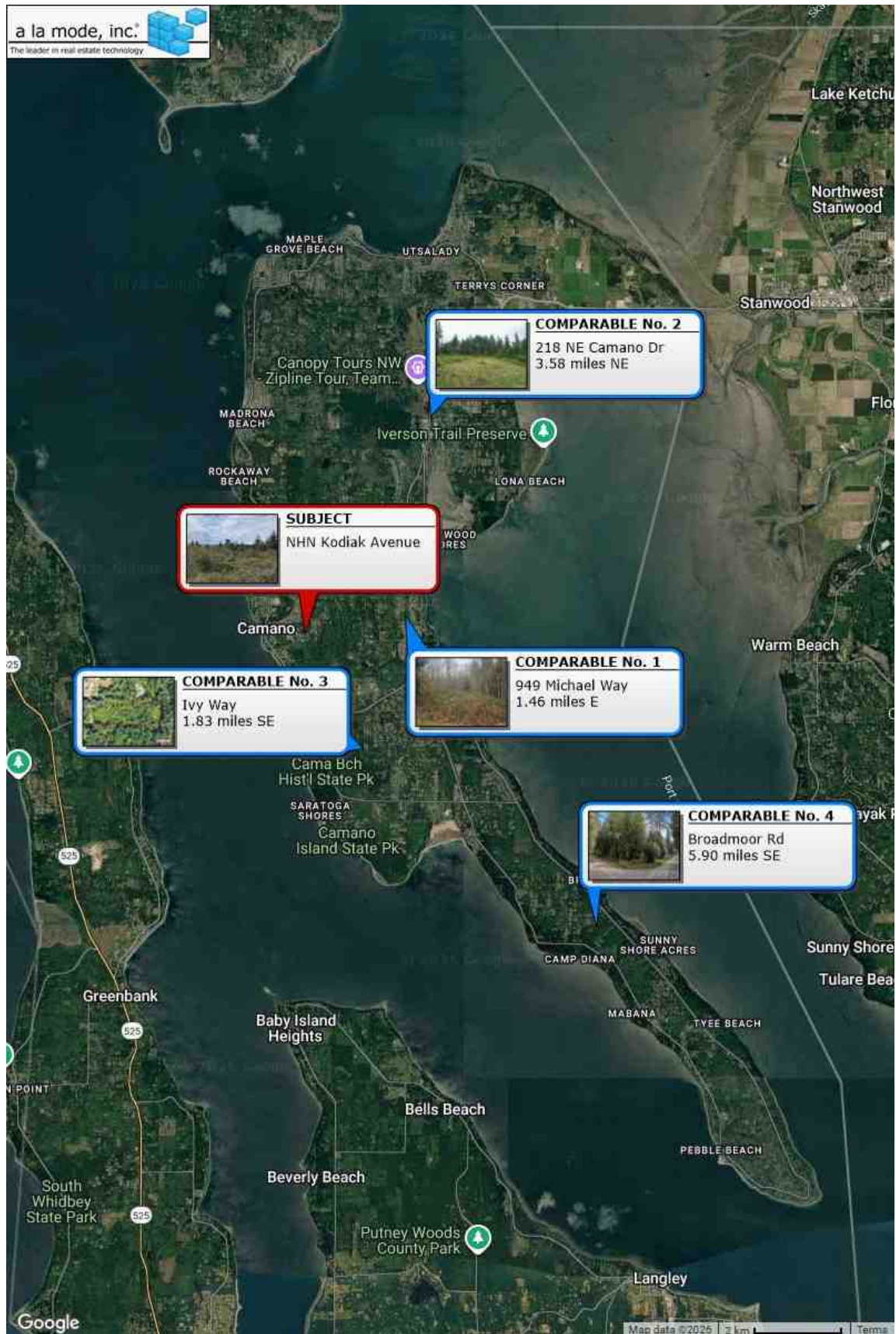
Fuel Trailer on Lane



Shared Lane

Location Map

Owner	Hayton, Bradley & Barbara					
Property Address	NHN Kodiak Avenue					
City	Camano Island	County	Island	State	WA	Zip Code 98257
Owner	Hayton, Bradley & Barbara					



Comparable Photo Page

Owner	Hayton, Bradley & Barbara					
Property Address	NHN Kodiak Avenue					
City	Camano Island	County	Island	State	WA	Zip Code 98257
Owner	Hayton, Bradley & Barbara					



Comparable 1

949 Michael Way
Prox. to Subject 1.46 miles E
Sales Price 395,000
Gross Living Area
Total Rooms
Total Bedrooms
Total Bathrooms
Location Partial View Potential
View
Site 5.05
Quality
Age



Comparable 2

218 NE Camano Dr
Prox. to Subject 3.58 miles NE
Sales Price 350,000
Gross Living Area
Total Rooms
Total Bedrooms
Total Bathrooms
Location Res, Near Golfcourse
View
Site 9.2
Quality
Age



Comparable 3

Ivy Way
Prox. to Subject 1.83 miles SE
Sales Price 318,000
Gross Living Area
Total Rooms
Total Bedrooms
Total Bathrooms
Location Residential, Busy Rd
View
Site 9.87
Quality
Age

Comparable Photo Page

Owner	Hayton, Bradley & Barbara					
Property Address	NHN Kodiak Avenue					
City	Camano Island	County	Island	State	WA	Zip Code 98257
Owner	Hayton, Bradley & Barbara					



Comparable 4

Broadmoor Rd	
Prox. to Subject	5.90 miles SE
Sale Price	385,000
Gross Living Area	
Total Rooms	
Total Bedrooms	
Total Bathrooms	
Location	Residential, Busy Rd
View	
Site	7.7
Quality	
Age	

Comparable 5

Prox. to Subject
Sale Price
Gross Living Area
Total Rooms
Total Bedrooms
Total Bathrooms
Location
View
Site
Quality
Age

Comparable 6

Prox. to Subject
Sale Price
Gross Living Area
Total Rooms
Total Bedrooms
Total Bathrooms
Location
View
Site
Quality
Age

Owner	Hayton, Bradley & Barbara					File No.	26-211	
Property Address	NHN Kodiak Avenue							
City	Camano Island	County	Island	State	WA	Zip Code	98257	

APPRAISAL AND REPORT IDENTIFICATION

This Report is one of the following types:

- ☒ Appraisal Report (A written report prepared under Standards Rule 2-2(a), pursuant to the Scope of Work, as disclosed elsewhere in this report.)
- ☐ Restricted Appraisal Report (A written report prepared under Standards Rule 2-2(b), pursuant to the Scope of Work, as disclosed elsewhere in this report, restricted to the stated intended use only by the specified client and any other named intended user(s).)

Comments on Standards Rule 2-3

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- Unless otherwise indicated, I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
- Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
- Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification (if there are exceptions, the name of each individual providing significant real property appraisal assistance is stated elsewhere in this report).

Reasonable Exposure Time

(USPAP defines Exposure Time as the estimated length of time that the property interest being

appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.)

My Opinion of Reasonable Exposure Time for the subject property at the market value stated in this report is:

55 days.

Comments on Appraisal and Report Identification

Note any USPAP-related issues requiring disclosure and any state mandated requirements:

[illegible]**APPRAISER:**

Signature: _____

Name: Ashley Peugh

Trainee

State Certification #:

or State License #: 21030352

State: WA Expiration Date of Certification or License: 05/21/2027

Date of Signature and Report: 04/15/2026

Effective Date of Appraisal: 04/10/2026

Inspection of Subject: ☐ None ☒ Interior and Exterior ☒ Exterior-Only

Date of Inspection (if applicable): 04/10/2026

SUPERVISORY or CO-APPRAISER (if applicable):

Signature:

Name: Robert Bodkin, SRA

State Certification #: 1702350

or State License #: _____

State: **WA** Expiration Date of Certification or License: **12/04/2026**

Date of Signature: 04/15/2026

Inspection of Subject: ☒ None ☐ Interior and Exterior ☐ Exterior-Only

Date of Inspection (if applicable):

Assumptions, Limiting Conditions & Scope of Work

File No.: 26-211

Property Address:	NHN Kodiak Avenue	City:	Camano Island	State:	WA	Zip Code:	98257
Client:	Brad Hayton	Address:	102 Circle Dr, Camano Island, WA 98282				
Appraiser:	Ashley Peugh	Address:	P.O. Box 886, Mukilteo, WA 98275				

STATEMENT OF ASSUMPTIONS & LIMITING CONDITIONS

- The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
- The appraiser may have provided a sketch in the appraisal report to show approximate dimensions of the improvements, and any such sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size. Unless otherwise indicated, a Land Survey was not performed.
- If so indicated, the appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
- The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
- If the cost approach is included in this appraisal, the appraiser has estimated the value of the land in the cost approach at its highest and best use, and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used. Unless otherwise specifically indicated, the cost approach value is not an insurance value, and should not be used as such.
- The appraiser has noted in the appraisal report any adverse conditions (including, but not limited to, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property, or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property, or adverse environmental conditions (including, but not limited to, the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
- The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
- The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and any applicable federal, state or local laws.
- If this appraisal is indicated as subject to satisfactory completion, repairs, or alterations, the appraiser has based his or her appraisal report and valuation conclusion on the assumption that completion of the improvements will be performed in a workmanlike manner.
- An appraiser's client is the party (or parties) who engage an appraiser in a specific assignment. Any other party acquiring this report from the client does not become a party to the appraiser-client relationship. Any persons receiving this appraisal report because of disclosure requirements applicable to the appraiser's client do not become intended users of this report unless specifically identified by the client at the time of the assignment.
- The appraiser's written consent and approval must be obtained before this appraisal report can be conveyed by anyone to the public, through advertising, public relations, news, sales, or by means of any other media, or by its inclusion in a private or public database.
- An appraisal of real property is not a 'home inspection' and should not be construed as such. As part of the valuation process, the appraiser performs a non-invasive visual inventory that is not intended to reveal defects or detrimental conditions that are not readily apparent. The presence of such conditions or defects could adversely affect the appraiser's opinion of value. Clients with concerns about such potential negative factors are encouraged to engage the appropriate type of expert to investigate.

The Scope of Work is the type and extent of research and analyses performed in an appraisal assignment that is required to produce credible assignment results, given the nature of the appraisal problem, the specific requirements of the intended user(s) and the intended use of the appraisal report. Reliance upon this report, regardless of how acquired, by any party or for any use, other than those specified in this report by the Appraiser, is prohibited. The Opinion of Value that is the conclusion of this report is credible only within the context of the Scope of Work, Effective Date, the Date of Report, the Intended User(s), the Intended Use, the stated Assumptions and Limiting Conditions, any Hypothetical Conditions and/or Extraordinary Assumptions, and the Type of Value, as defined herein. The appraiser, appraisal firm, and related parties assume no obligation, liability, or accountability, and will not be responsible for any unauthorized use of this report or its conclusions.

Additional Comments (Scope of Work, Extraordinary Assumptions, Hypothetical Conditions, etc.):

Certifications & Definitions

File No.: 26-211

Property Address: NHN Kodiak Avenue	City: Camano Island	State: WA	Zip Code: 98257
Client: Brad Hayton	Address: 102 Circle Dr, Camano Island, WA 98282		
Appraiser: Ashley Peugh	Address: P.O. Box 886, Mukilteo, WA 98275		

APPRAISER'S CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The credibility of this report, for the stated use by the stated user(s), of the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
- I did not base, either partially or completely, my analysis and/or the opinion of value in the appraisal report on the race, color, religion, gender, handicap, familial status or national origin of either the prospective owners or occupants of the subject property, or of the present owners or occupants of the properties in the vicinity of the subject property.
- Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report.
- Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification.

Additional Certifications:

DEFINITION OF MARKET VALUE *:

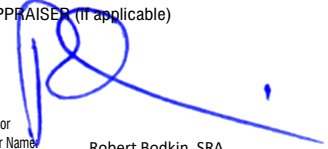
Market value means the most probable price which a property should bring in a competitive and open market under all conditions requisite

to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

* This definition is from regulations published by federal regulatory agencies pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989 between July 5, 1990, and August 24, 1990, by the Federal Reserve System (FRS), National Credit Union Administration (NCUA), Federal Deposit Insurance Corporation (FDIC), the Office of Thrift Supervision (OTS), and the Office of Comptroller of the Currency (OCC). This definition is also referenced in regulations jointly published by the OCC, OTS, FRS, and FDIC on June 7, 1994, and in the Interagency Appraisal and Evaluation Guidelines, dated October 27, 1994.

SIGNATURES

Client Contact:	Client Name: Brad Hayton
E-Mail:	Address: 102 Circle Dr, Camano Island, WA 98282
APPRAISER	SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable)
	
Appraiser Name: Ashley Peugh	Supervisory or Co-Appraiser Name: Robert Bodkin, SRA
Company: North Sound Valuation	Company: North Sound Valuation
Phone: (425) 256-2499	Phone: (425) 256-2499
Fax:	Fax:
E-Mail: ashley@northsoundvaluation.com	E-Mail: rob@northsoundvaluation.com
Date Report Signed: 04/15/2026	Date Report Signed: 04/15/2026
License or Certification #: 21030352	License or Certification #: 1702350
State: WA	State: WA
Designation: Trainee	Designation:
Expiration Date of License or Certification: 05/21/2027	Expiration Date of License or Certification: 12/04/2026
Inspection of Subject: ☒ Did Inspect ☐ Did Not Inspect (Desktop)	Inspection of Subject: ☐ Did Inspect ☒ Did Not Inspect
Date of Inspection: 04/10/2026	Date of Inspection:





Certification Statement: USPAP Compliant Appraisal Report

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- I have made a personal inspection of the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the person signing this certification.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, I have completed the continuing education program for Designated Members of the Appraisal Institute.

Certification



State of Washington
DEPARTMENT OF LICENSING
BUSINESS AND PROFESSIONS DIVISION
APPRAISER PROGRAM
PO Box 9021
Olympia, WA 98507-9021

ROBERT V BODKIN JR
PO BOX 886
MUKILTEO WA 98275-0886

STATE OF WASHINGTON
DEPARTMENT OF LICENSING - BUSINESS AND PROFESSIONS DIVISION
THIS CERTIFIES THE PERSON OR BUSINESS NAMED BELOW IS AUTHORIZED AS A

CERTIFIED RESIDENTIAL REAL ESTATE APPRAISER
SUPERVISOR

ROBERT V BODKIN JR

1702350 License Number 12/04/2006 Issue Date 12/04/2026 Expiration Date

Marcus J. Glasper, Director

(R4/23)

Certification



State of Washington
DEPARTMENT OF LICENSING
BUSINESS AND PROFESSIONS DIVISION
APPRAISER PROGRAM
PO Box 9021
Olympia, WA 98507-9021

ASHLEY M PEUGH
PO BOX 886
MUKILTEO WA 98275-0886

STATE OF WASHINGTON
DEPARTMENT OF LICENSING - BUSINESS AND PROFESSIONS DIVISION
THIS CERTIFIES THE PERSON OR BUSINESS NAMED BELOW IS AUTHORIZED AS A

STATE REGISTERED REAL ESTATE APPRAISER TRAINEE

ASHLEY M PEUGH

21030352	10/11/2021	05/21/2027
License Number	Issue Date	Expiration Date

Marcus J. Glasper, Director

(R/4/23)

INVOICE**FROM:**

North Sound Valuation
P.O. Box 886
Mukilteo, WA 98275-2212

Telephone Number: (206) 550-4554

Fax Number:

TO:

Brad Hayton
102 Circle Dr
Camano Island, WA 98282

E-Mail:

Telephone Number:

Fax Number:

Alternate Number:

INVOICE NUMBER

26-211

DATES

Invoice Date: 04/08/2026

Due Date: upon receipt

REFERENCE

Internal Order #: 26-211

Lender Case #:

Client File #:

FHA/VA Case #:

Main File # on form: 26-211

Other File # on form:

Federal Tax ID:

Employer ID:

DESCRIPTION

Lender:

Client:

Brad Hayton

Purchaser/Borrower: N/A

Property Address: NHN Kodiak Avenue

City: Camano Island

County: Island

State: WA

Zip: 98257

Legal Description: See legal description addenda

FEES**AMOUNT**

Land Appraisal

700.00

SUBTOTAL

700.00

PAYMENTS**AMOUNT**

Check #:

Date:

Description:

Check #:

Date:

Description:

Check #:

Date:

Description:

SUBTOTAL

TOTAL DUE

\$

700.00

After recording return to:
Darryl Jones
1487 Magnolia Lane
Camano Is, WA 98282

03/19/2018 10:55:43 AM 4440981

Recording Fee \$76.00 Page 1 of 3
 Declaration
 Island County Washington



APPENDIX A

DECLARATION OF COVENANT REQUIRING PRIVATE MAINTENANCE OF APPROVED PRIVATE ROAD AND DEDICATION TO COUNTY WHEN REQUIRED

Declaration of Covenant

In consideration of the approval by Island County of SHP 176/16-F, which
 said development creates the Lot(s) described as follows: (Insert legal description) E/2 SWSW NE
SEC 14 T6W PT E/2 NW NW SE SEC 14 LY N OF DESC LN: BG SWCR
SD E/2 N ALG WLN 114.04' TPB N89° E 103.75' N 147.94' N89°
E 50.38' S 24.44' N 89° E 140.72' N 33° E 72.22' TP ON ELN SD
E/2 & TERMINUS PT SD LN
 the undersigned covenants and agrees that: see attached for full legal description

1. The owner(s) of the aforescribed property or of any lot which has been or is subsequently created on said property shall be responsible for the maintenance of all private roads with said Short Plot # 176/16-F to # R 23114-282-3120
2. The road(s) and any private road name and/or stop signs shall be maintained consistent with Island County Standards for such private roads and/or signs.
3. Roadway maintenance financing shall be in a manner determined by the owners of a majority of the square footage of buildable land within such aforesaid property.
4. In the event such private road is improved to county standards for public streets, and the county is willing to accept the dedication of such road, each lot owner shall execute any documents necessary to accomplish such dedication.
5. Owners of lots within the above-referenced development, who are served by such private road, may sue and recover from any owner of any lot within the development which is similarly served who refuses to participate in the road maintenance. Such owners who refuse to share the costs shall be liable for any attorney's fees.
6. Warning: Island County has no responsibility to build, improve, maintain, or otherwise service the private roads contained within or providing service to the above-referenced property.

B. A. W. A.
 Drawing

ADDENDUM D
LEGAL DESCRIPTION, PARCEL #R23114-282-3120

THE EAST HALF OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 14, TOWNSHIP 31 NORTH, RANGE 2 EAST W.M.;

TOGETHER WITH AN EASEMENT FOR INGRESS, EGRESS AND PUBLIC UTILITIES AS ESTABLISHED IN INSTRUMENT RECORDED SEPTEMBER 15, 1970 UNDER AUDITOR'S FILE NO. 234515 AND AS AMENDED BY PARTIAL RELEASE OF EASEMENT RECORDED DECEMBER 2, 1983 UNDER AUDITOR'S FILE NO. 418306.

ALSO TOGETHER WITH AN EASEMENT FOR INGRESS, EGRESS AND UTILITIES AS ESTABLISHED IN INSTRUMENT RECORDED DECEMBER 2, 1983 UNDER AUDITOR'S FILE NO. 418305.

TOGETHER WITH ALL THAT PORTION OF THE EAST HALF OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 14, TOWNSHIP 31 NORTH, RANGE 2 EAST, W.M., LYING NORTH OF THE FOLLOWING DESCRIBED LINE:

COMMENCING AT THE SOUTHWEST CORNER OF SAID EAST HALF;
THENCE NORTH 0° 19' 21" WEST ALONG THE WEST LINE THEREOF A DISTANCE OF 114.04 FEET TO THE TRUE POINT OF BEGINNING;
THENCE NORTH 89° 37' 04" EAST A DISTANCE OF 103.75 FEET;
THENCE NORTH 0° 19' 21" WEST A DISTANCE OF 147.94 FEET;
THENCE NORTH 89° 37' 15" EAST A DISTANCE OF 50.38 FEET;
THENCE SOUTH 0° 19' 21" EAST A DISTANCE OF 24.44 FEET;
THENCE NORTH 89° 38' 01" EAST A DISTANCE OF 140.72 FEET;
THENCE NORTH 33° 27' 24" EAST A DISTANCE OF 72.22 FEET TO A POINT ON THE EAST LINE OF SAID EAST HALF AND TERMINUS POINT OF HEREIN DESCRIBED LINE:

(ALL OF THE ABOVE ALSO KNOWN AS NEW LOT A OF BOUNDARY LINE ADJUSTMENT RECORDED JANUARY 23, 2007 AS AUDITOR'S FILE NO. 4192328.)

SITUATE IN THE COUNTY OF ISLAND, STATE OF WASHINGTON.

4440981 Page 3 of 3 03/19/2018 10:55:43 AM Island County, WA

Owner Bob Withers (Withers Construction Inc., P.S.P.)

Bob Withers

STATE OF California
COUNTY OF Riverside

I certify that I know or have satisfactory evidence that Bob Withers is the person who appeared before me, and said person acknowledged that he/she/they signed this instrument, on oath state he/she/they was/were authorized to execute the instrument and acknowledged it as the Act of Withers Construction Inc., P.S.P. to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Given under my hand and official seal this 10th day of March, 2018



Signature

Printed Name

Notary Public in and for the State of CA
residing at Cathedral City
My appointment expires 1/10/2022



4201804

Page: 1 of 4

05/11/2007 04:14P

ISLAND COUNTY AUDITOR

EAS

Return to: Darryl Jones
1032 Circle Dr.
Carmel, CA 98282

EXCISE TAX

EXCISE TAX EXEMPT
JULY 11 2007

LINDA E. RIFFE
ISLAND COUNTY TREASURER

Road maintenance Agreement and
Access and utilities Easement
ABBR. Legal description - N.E. 1/4, S.E. 1/4 section 14
township 31N, Range 2E, W.M. - a portion thereof.
Tax # R23114-282-3120 & R23114-242-3480

The following legally described parcels
agree to the terms of this agreement
This is a permanent easement for access
to Lots 1 & 2 of Island county short plat
SHP038/07. The access for Lot 3
of SHP038/07 and tax parcel
R23114-282-3120 is permanent in
only as so long as Darryl Jones or
his assigns, corporations or successors
do not provide a suitable Island
county approved access to these
parcels. Upon new access approval
this easement for access will terminate
at the southern boundary line of Lot 2
of Island county short plat # SHP038/07
There will be no road access for
these parcels at that time.

This Easement is described as follows:

5/7/07

Darryl Jones
Darryl Jones





4201804

Page 2 of 4

05/11/2007 04:14P

INDIVIDUAL ACKNOWLEDGMENT

ISLAND COUNTY AUDITOR

EAS

STATE OF WASHINGTON,

County of Washington } ss.

I certify that I know or have satisfactory evidence that

Darryl Jones

is/are the individual(s) who appeared before me, and

who acknowledged that he/she/they signed this instrument and acknowledged it to be his/her/their free and voluntary
act for the uses and purposes mentioned in the instrument.

DATED

May 7, 2007
Anita Ann Hedahl
 Notary Public for Washington

My appointment expires

3-17-2008

Form No. 64 - Individual Acknowledgment

© 2006 Washington Legal Blank, Portland, OR www.wlforms.com

NO PART OF ANY WASHINGTON LEGAL BLANK FORM MAY BE REPRODUCED IN ANY FORM OR BY ANY ELECTRONIC OR MECHANICAL MEANS.

A non-exclusive easement for ingress, egress and all utilities over, under and across a 30.00 foot wide strip of land being described as follows:

The East 30.00 feet of the East half of the Northwest quarter of the Northwest quarter of the Southeast quarter of Section 14, Township 31 North, Range 2 East, W.M.

EXCEPT that portion of thereof lying North of the following described line:

COMMENCING at the Southeast corner of said subdivision; thence N 0° 10' 27" W along the East line thereof a distance of 297.48 feet to the **TRUE POINT OF BEGINNING** of herein described line; thence S 33° 27' 24" W a distance of 54.17 feet to a point on the West line of the East 30.00 feet of said subdivision and the terminus of herein described line.

Situate in the County of Island, State of Washington.



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Page: 3 of 4
05/11/2007 04:14P

ISLAND COUNTY AUDITOR

EAS



5-02-07

V:\17442\Legals\Jones 05-02-07.doc



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Page: 3 of 4
05/11/2007 04:14P

ISLAND COUNTY AUDITOR

EAS



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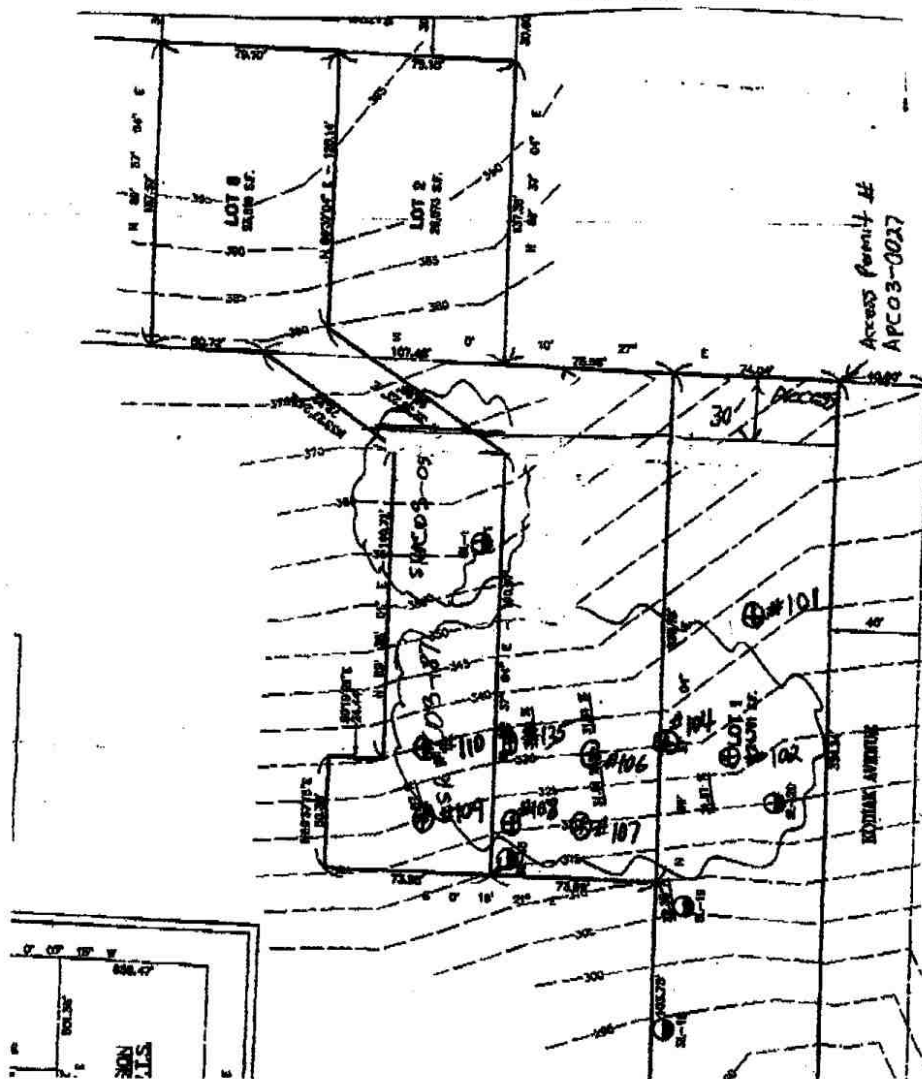
Page: 4 of 4

IP

05/11/2007 04:14P

ISLAND COUNTY AUDITOR

EAS



ACCESS AND UTILITY EASEMENT



4181818
Page: 1 of 4
09/15/2006 12:59P

ISLAND COUNTY AUDITOR

EAS

RETURN ORIGINAL DOCUMENT TO:

Darryl Jones
4131 S.E. Camano Dr.
Camano Island, WA 98282

OFF-SITE DRAINFIELD EASEMENT AND OPERATION AND MAINTENANCE AGREEMENT

KNOW ALL MEN BY THESE PRESENT that I (we), the undersigned, owners(s) in fee simple of an interest in the land described herein, hereby declare this covenant and easement and place the same on record:

(1) I (we), the grantor(s) herein, am (are) the owner(s) in fee simple of (an interest in) the following described real estate situated in Island County, State of Washington, to wit:

PARCEL I:

Grantor(s): Darryl Jones / Sun Mountain Cordline

The East $\frac{1}{2}$ of the S.W. $\frac{1}{4}$ of the S.W. $\frac{1}{4}$ of the
N.E. $\frac{1}{4}$ of section 14 Township 31 N., Range 2 E, W.M.
see Exhibit B for full legal description
Tax # R23114-282-3120

EXCISE TAX EXEMPT

SEP 15 2006

LINDA E. RIFFE
ISLAND COUNTY TREASURER

on which the grantee(s) herein may install, maintain, and repair septic tank tightline and drainfield over, across, and under which will serve the property owned by the grantee(s) herein which is described as follows:

PARCEL II:

Grantee(s): Darryl Jones

The North 75 feet of the South 190 feet of the west
half of the West half of the Northeast $\frac{1}{4}$, of the
North west $\frac{1}{4}$, of the South east $\frac{1}{4}$, section 14,
township 31 North, Range 2 East W.M.
Except the east 30 feet for road right of way
known as circle drive, situated in Island
county, Washington state
Tax parcel # R23114-223-3480

(2) It is the purpose of these grants and covenants to prevent certain practices hereinafter enumerated in the use of said grantor's land which might be deleterious and injurious to the public health, safety and welfare.



4181818
Page: 2 of 4
09/15/2006 12:59P

ISLAND COUNTY AUDITOR

EAS

(3) (a) Now, therefore, the grantor(s) agree(s) that said grantor(s) heirs, successors and assigns will not construct, maintain or suffer to be constructed or maintained upon the said land of the grantor's described above under the heading "Parcel I" so long as the same is used for maintenance and repair and operation of a septic tank tightline and/or drainfield. The grantor(s) shall be responsible for providing protection of the drainfield and reserve areas from:

- (i) Encroachment by buildings or construction such as placement of swimming pools, power poles, underground irrigation systems, and underground utilities;
- (ii) Cover by structures or impervious material;
- (iii) Surface drainage;
- (iv) Soil compaction, for example by vehicular traffic or livestock; and
- (v) Damage by soil removal and grade alteration.
- (vi) Direct drains, such as footing or roof drains away from the area where the OSS is located;

(3) (b) It is further covenanted, agreed and understood that unity of right, title and interest to the property described above under the heading "Parcel I" and "Parcel II", shall not affect these covenants and easements and the same shall run with the land until such time as this easement is terminated according to the terms enumerated in paragraph (3) (c) hereof.

(3) (c) The grantor(s) further agree(s) that said covenants and easement shall run with the land and shall be binding on all parties assuming or acquiring any right, title or interest in the land described herein or any part thereof, and shall inure to the benefit of each owner thereof until such time as a sanitary sewer system approved by the Island County Health Department is available and connection is permitted by the sewer utility to serve the property described above under the heading "Parcel II", at which time the aforesaid easement and covenants will terminate without further notice upon the recording of a release of this easement and covenants signed by the Island County Health Department Officer.

(4) The off-site property owner(s) of Parcel II (grantees) is (are) responsible for properly operating and maintaining the OSS (on-site sewage system), and the entire length of sewage transport line between "Parcel I and Parcel II, and shall:

- (a) Determine the level of solids and scum in the septic tank and pump chamber (if applicable) once every three years;
- (b) Employ an approved pumper to remove the septage from the tank(s) when the level of solids and scum indicates that removal is necessary. The septic tank shall be pumped when the total amount of solids equals or exceeds one-third (1/3) the volume of the tank. The pump and/or siphon chamber(s) shall be pumped when any solids are present;
- (c) Keep the flow of sewage to the OSS at or below the approved design both in quantity and waste strength;
- (d) Operate and maintain alternative systems as directed by the health officer;
- (e) Mark the easement area with permanent monuments; and
- (f) Provide vegetation maintenance over drainfield.

DATED this 14 day of September, 2006.


Signature (Owner of Parcel I, Grantor(s))

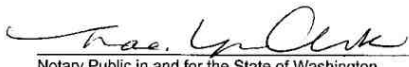

Signature (Owner of Parcel II, Grantee(s))

State of Washington)
County of Island)

On this 14th day of September, 2006, before me the undersigned Notary Public in and for the above named County and State, duly commissioned and sworn, personally appeared Daryl R. Jones and , to me known to be the individuals described in and who executed the foregoing easement and acknowledge to me that they signed this said instrument as their free and voluntary action for the purposes and uses therein made.

Given under my hand and official seal this 14th day of September, 2006.




Notary Public in and for the State of Washington
residing at Camano Island
My commission expires: 10-27-09

(1/2000)



Exhibit B Tax # R23114-282-3120

The East half of the Southwest quarter of the Southwest quarter of the Northeast quarter of Section 14, Township 31 North, Range 2 East, W.M.

TOGETHER WITH an easement for ingress, egress and public utilities as established in instrument recorded September 13, 1970 under Auditor's File Number 234515 and as amended by partial release of easement recorded December 2, 1983 under Auditor's File Number 418306.

ALSO TOGETHER WITH an easement for ingress, egress and utilities as established in instrument recorded December 2, 1983 under Auditor's File Number 418305.

TOGETHER WITH all that portion of the East half of the Northwest quarter of the Northwest quarter of the Southeast quarter of Section 14, Township 31 North, Range 2 East, W.M., lying North of the following described line:

COMMENCING at the Southwest corner of said East half; thence N 00° 19' 21" W along the West line of said subdivision a distance of 261.98 feet to the **TRUE POINT OF BEGINNING**; thence N 89° 37' 15" E a distance of 294.91 feet; thence N 89° 37' 04" E a distance of 40.00 feet to a point on the East line of said subdivision, said point being 261.97 feet North of the Southeast corner of said subdivision as measured along the East line thereof.

Situate in the County of Island, State of Washington



4181818
Page: 4 of 4
09/15/2006 12:59P

ISLAND COUNTY AUDITOR

EAS

EXHIBIT A

Drainfield easement description

All that portion of the East half of the Northwest quarter of the Northwest quarter of the Southeast quarter of Section 14, Township 31 North, Range 2 East, W.M. described as follows:

COMMENCING at the Southwest corner of said subdivision; thence North $0^{\circ} 19' 21''$ West along the West line thereof a distance of 425.08 feet; thence North $89^{\circ} 38' 01''$ East a distance of 100.15 feet to the **TRUE POINT OF BEGINNING**; thence continue North $89^{\circ} 38' 01''$ East a distance of 30.00 feet; thence North $0^{\circ} 21' 59''$ West a distance of 140.00 feet; thence South $89^{\circ} 38' 01''$ West a distance of 30.00 feet; thence South $0^{\circ} 21' 59''$ East a distance of 140.00 feet to the **TRUE POINT OF BEGINNING**.

TOGETHER WITH a 15.00 foot wide strip of land being 7.50 feet on each side of and adjacent to the following described line:

COMMENCING at the Southwest corner of above stated subdivision; thence North $0^{\circ} 19' 21''$ West along the West line thereof a distance of 425.08 feet; thence North $89^{\circ} 38' 01''$ East a distance of 130.15 feet; thence North $0^{\circ} 21' 59''$ West a distance of 52.50 feet to the **TRUE POINT OF BEGINNING**; thence North $89^{\circ} 38' 01''$ East a distance of 205.37 feet to a point on the East line of said subdivision and the terminus point of herein described line.

Situate in the County of Island, State of Washington.



9-07-06