

When Recorded Return to:

Michael Savage and Grace Hearn

8533 Latona Ave NE

Seattle WA 98115

Notice of Continuance
Land Classified as Current Use or Forest Land
Chapter 84.34 and 84.33 Revised Code of Washington

Grantor(s)/Sellers: Underwood Mountain LLC, a Washington limited liability company

Grantee(s)/Buyers: Savage Grace Wines, LLC a Washington limited liability company

Mailing Address: 8533 Latona Ave NE

City, State, Zip: Seattle WA 98115

Phone No: _____

Assessor's Parcel No: 03-10-21-1-0-0500-00, 03-10-21-1-0-0500/03

Address: _____

Legal Description: **PARCEL I**
THE NORTH HALF OF THE NORTHWEST QUARTER OF THE NORTHEAST
QUARTER OF SECTION 21, TOWNSHIP 3 NORTH, RANGE 10 EAST OF THE
WILLAMETTE MERIDIAN, SKAMANIA COUNTY, WASHINGTON.

PARCEL II
A TRACT OF LAND LOCATED IN THE EAST HALF OF THE NORTHEAST
QUARTER OF THE NORTHWEST QUARTER OF SECTION 21, TOWNSHIP 3
NORTH, RANGE 10 EAST OF THE WILLAMETTE MERIDIAN, SKAMANIA
COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:
BEGINNING AT A POINT ON THE WEST RIGHT OF WAY LINE OF THE
COUNTY ROAD KNOWN AND DESIGNATED AS THE KRAMER ROAD, SAID
POINT BEING NORTH 44°40' EAST A DISTANCE OF 936.1 FEET FROM A
RAILROAD IRON MARKING THE SOUTHWEST CORNER OF THE EAST HALF
OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF THE
SAID SECTION 21; THENCE SOUTH 89°38' WEST 300 FEET; THENCE NORTH
340 FEET; THENCE NORTH 89°38' EAST 300 FEET TO THE WEST RIGHT OF
WAY LINE OF SAID KRAMER ROAD; THENCE SOUTH ALONG SAID WEST
LINE 340 FEET TO THE POINT OF BEGINNING.

Date of Sale or Transfer: _____

Date Notice of Continuance
Received by Assessor: _____

Reference numbers of documents assigned or released: _____

Interest in property: ☐ Fee Owner ☐ Contract Purchaser ☐ Other

If the new owner(s) of land classified as current use or designated as forest land wishes to continue the classification or designation, the new owner(s) must sign the last page of this form. A signature is not required if land is transferred to an owner who is an heir or devisee of a deceased owner or transferred by a transfer on death deed and the new owner wants to continue classification or designation. The county assessor must then determine if the land continues to qualify. The county assessor has 15 calendar days, from the date all documentation is received, to determine whether the land will continue to qualify. All new owners must sign before the conveyance is recorded or filed. If the new owner(s) do(es) not desire to continue the classification or designation, all additional tax, interest, and penalty or compensating tax calculated pursuant to RCW 84.34.108 or RCW 84.33.140, will be due and payable by the seller or transferor at the time of sale. Payment in full is required before the conveyance can be recorded or filed.

For Official Office Use OnlyTransfer
Document _____Real Estate
Excise Tax No: _____

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A. CLASSIFICATION UNDER CHAPTER 84.34 RCW. I/we request that this land retain the current use classification as ☐ Open Space Land ☒ Farm & Agricultural Land ☐ Timber Land and I am/we are aware of the following land use classifications;

1. OPEN SPACE LAND MEANS EITHER:

- a. any land area so designated by an official comprehensive land use plan adopted by any city or county and zoned accordingly; or
- b. any land area, the preservation of which in its present use would: (i) conserve and enhance natural or scenic resources; (ii) protect streams or water supply; (iii) promote conservation of soils, wetland, beaches, or tidal marshes; (iv) enhance the value to the public of abutting or neighboring parks, forests, wildlife preserves, nature reservations or sanctuaries or other open space; (v) enhance recreation opportunities; (vi) preserve historic sites; (vii) preserve visual quality along highway, road, and street corridors or scenic vistas; or (viii) retain in its natural state tracts of land not less than one acre situated in an urban area and open to public use on such conditions as may be reasonably required by the legislative body granting the open space classification; or
- c. any land that meets the definition of farm and agricultural conservation land. "Farm and agricultural conservation land" is either, (i) land that was previously classified as farm and agricultural land under RCW 84.34.020(2) that no longer meets the criteria and is reclassified as open space under RCW 84.34.020(1); or (ii) land that is traditional farmland that is not classified under chapter 84.33 or 84.34 RCW, that has not been irrevocably devoted to a use inconsistent with agricultural uses, and has a high potential for returning to commercial agriculture.

2. FARM AND AGRICULTURAL LAND MEANS EITHER:

- a. any parcel of land or contiguous parcels of land that are twenty or more acres: (i) devoted primarily to the production of livestock or agricultural commodities, for commercial purposes; or (ii) enrolled in the federal conservation reserve program or its successor administered by the United States Department of Agriculture; or (iii) other similar commercial activities as may be established by rule; or
- b. any parcel of land or contiguous parcels of land that are at least five acres but less than twenty acres devoted primarily to agricultural uses which has:
Produced a gross income equal to two hundred dollars or more per acre per year for three out of the five calendar years preceding the date of application for classification under chapter 84.34 RCW;
Standing crops with an expectation of harvest within seven years and a demonstrable investment in the production of those crops equivalent to one hundred dollars or more per acre in the current or previous year; or
Standing crops of short rotation hardwoods with an expectation of harvest within fifteen years and a demonstrable investment in the production of those crops equivalent to one hundred dollars or more per acre in the current or previous year;
For the purposes listed above, "gross income from agricultural uses" includes, but is not limited to, the wholesale value of agricultural products donated to nonprofit food banks or feeding programs;
- c. any parcel of land less than five acres devoted primarily to agricultural uses which has produced a gross income equal to fifteen hundred dollars or more per year for three out of the five calendar years preceding the date of application for classification under chapter 84.34 RCW;

"Commercial agricultural purposes" means the use of land on a continuous and regular basis, prior to and subsequent to application for classification or reclassification, that demonstrates that the owner or lessee is engaged in and intends to obtain through lawful means, a monetary profit from cash income by producing an agricultural product. In addition, commercial agricultural purposes include the following uses of agricultural land:

- Land, one to five acres which is not contiguous (in this context, means non adjoining/touching) to a classified parcel, that constitutes an integral part of the farming operation being conducted on the land qualifying as "farm and agricultural land."
 - Land, not to exceed twenty percent of classified land, that has incidental uses compatible with agricultural purposes, and also the land on which appurtenances necessary to the production, preparation or sale of the agricultural products exist in conjunction with the lands producing such products.
 - Land used primarily for equestrian-related activities, for which a charge is made, including, but not limited to, stabling, training, riding, clinics, schooling, shows, or grazing for feed.
 - Land on which the principal place of residence of the farm operator or owner of land or housing for employees is sited if the farm and agricultural land is classified pursuant to RCW 84.34.020(2)(a), if the residence or housing is on or contiguous to the classified parcel, and the use of the residence or housing is integral to the use of the classified land for agricultural purposes.
 - Any land primarily used for commercial horticultural purposes, whether under a structure or not. Land cannot be primarily used for the storage, care, or selling of plants purchased from other growers for retail sale or covered by more than 20 percent pavement if the primary use is growing plants in containers. If the primary use of the land is growing plants in containers and the land used for this purpose is less than five acres, the land will not qualify for classification if more than 25 percent is open to the general public for on-site retail sales.
3. **TIMBER LAND MEANS** any parcel or contiguous parcels of land five or more acres devoted primarily to the growing and harvesting of forest crops for commercial purposes. Timber land means the land only and does not include a residential home site. The term includes land used for incidental uses that are compatible with the growing and harvesting of timber but no more than ten percent of the land may be used for such incidental uses. It also includes the land on which appurtenances necessary for the production, preparation, or sale of the timber products exist in conjunction with land producing these products.

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

1. If the owner has filed the proper two year notice to withdraw the classified land and the land has been classified for a minimum of ten years he/she will pay an amount equal to the difference between the tax computed on the basis of "current use" and the tax computed on the basis of true and fair value plus interest at the same statutory rate charged on delinquent property taxes. The additional tax and interest must be paid for the preceding seven tax years. This provision will not apply if there is a pending merger of a county's timber land classification and designated forest land program and the merger will occur prior to the date of withdrawal. If this occurs, the owner can choose to: (1) request immediate removal of the land from the timber land classification, (2) request immediate removal, after the merger, of the land from the designated forest land program, or (3) request the assessor to remove the land from the designated forest land program once two assessment years have passed following the receipt of the notice to withdraw. These removals will still be subject to the additional tax, interest, and penalty, or compensating tax.
2. If land is removed from classification and the removal does not meet one of the exceptions listed in (3) below, the additional tax and interest described in 1 above plus a penalty of twenty percent on the sum of the additional tax and interest will be imposed on the owner. The additional tax, interest, and penalty must be paid for the preceding seven tax years and from January 1 of the year of removal up to the date of removal.
3. The additional tax, interest, and penalty will not be imposed if the withdrawal or removal from classification resulted solely from:
 - a. transfer to a government entity in exchange for other land located within the state of Washington;
 - b. a taking through the exercise of the power of eminent domain, or sale or transfer to an entity having the power of eminent domain in anticipation of the exercise of this power, said entity having manifested its intent in writing or by other official action;

- c. a natural disaster such as a flood, windstorm, earthquake, or other calamity rather than by virtue of the act of the landowner changing the use of the classified land;
- d. official action by an agency of the state of Washington or by the county or city within which the land is located that disallows the present classified use of the land;
- e. transfer of land to a church when the land would qualify for exemption pursuant to RCW 84.36.020;
- f. acquisition of property interests by a state agencies or agencies or organizations qualified under RCW 64.04.130 and RCW 84.34.210 for the purposes enumerated in those sections;
- g. removal of classified farm and agricultural land under RCW 84.34.020(2)(f) on which the principal residence of the farm operator or owner or housing for employees is located;
- h. removal of land from classification after enactment of a statutory exemption that qualifies the land for exemption and receipt of notice from the owner to remove the land from classification;
- i. the creation, sale, or transfer of forestry riparian easements under RCW 76.13.120;
- j. the creation, sale, or transfer of a conservation easement of private forest lands within unconfined channel migration zones or containing critical habitat for threatened or endangered species under RCW 76.09.040;
- k. The sale or transfer within two years after the death of an owner with at least a fifty percent interest in the land if the land has been continuously assessed and valued as designated forest land under chapter 84.33 RCW or classified under chapter 84.34 RCW since 1993 and the individual(s) or entity(ies) receiving the land from the deceased owner is selling or transferring the land. The date of death shown on a death certificate is the date used; or
- l. The discovery that the land was classified in error through no fault of the owner.

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

FOREST LAND is synonymous with designated forest land and means any parcel of land or contiguous parcels of land at least five acres that is primarily devoted to and used for growing and harvesting timber and means the land only.

I/we declare that I am/we are aware of the liability of removal of this land from designated forest land and upon removal a compensating tax will be imposed that is equal to the difference between the amount of tax last levied on the land as "forest land" and an amount equal to the new assessed valuation of the land as of January 1 of the year of removal, multiplied by the dollar rate of the last levy extended against the land, multiplied by a number, not greater than nine, equal to the number of years the land was designated as forest land. Compensating tax will also be due on the land from January 1 of the year the designation is removed up to the removal date.

The compensating tax will not be imposed if the removal of designation resulted solely from:

- a. transfer to a government entity in exchange for other forest land located within the state of Washington;
- b. a taking through the exercise of the power of eminent domain, or sale or transfer to an entity having the power of eminent domain in anticipation of the exercise of this power based on official action taken by the entity and confirmed in writing;
- c. a donation of fee title, development rights, or the right to harvest timber, to a government agency or organization qualified under RCW 84.34.210 and 64.04.130 for the purposes enumerated in those sections;
- d. the sale or transfer of fee title to a governmental entity or a nonprofit nature conservancy corporation, as defined in RCW 64.04.130, exclusively for the protection and conservation of lands recommended for state natural area preserve purposes by the natural heritage council and natural heritage plan as defined in chapter 79.70 RCW or approved for state natural resources conservation area purposes as defined in chapter 79.71 RCW, or for acquisition and management as a community forest trust as defined in chapter 79.155 RCW. At such time as the land is not used for the purposes enumerated, the compensating tax will be imposed upon the current owner;
- e. the sale or transfer of fee title to the parks and recreation commission for park and recreation purposes;
- f. the creation, sale, or transfer of forestry riparian easements under RCW 76.13.120;

- g. the creation, sale, or transfer of a conservation easement of private forest lands within unconfined channel migration zones or containing critical habitat for threatened or endangered species under RCW 76.09.040;
- h. the sale or transfer within two years after the death of an owner with at least a fifty percent interest in the land if the land has been continuously assessed and valued as designated forest land under chapter 84.33 RCW or classified under chapter 84.34 RCW since 1993 and the individual(s) or entity(ies) receiving the land from the deceased owner is selling or transferring the land. The date of death shown on a death certificate is the date used;
- i. the discovery that the land was designated in error through no fault of the owner; or
- j. a transfer of a property interest, in a county with a population of more than six hundred thousand inhabitants or in a county with a population of at least two hundred forty-five thousand inhabitants that borders Puget Sound as defined in RCW 90.71.010, to a government entity, or to a nonprofit historic preservation corporation or nonprofit nature conservancy corporation, as defined in RCW 64.04.130, to protect or enhance public resources, or to preserve, maintain improve, restore, limit the future use of, or otherwise to conserve for public use or enjoyment, the property interest being transferred. At such time as the land is not used for the purposes enumerated, the compensating tax will be imposed upon the current owner.

The agreement to tax according to use of the property is not a contract and can be annulled or canceled at any time by the Legislature (RCW 84.34.070).

Please describe how you intend to use the land for continued classification or designation:*

*The assessor may require additional information from the seller(s) and/or Buyer(s) to determine whether the land will continue to qualify for classification or designation.

*The assessor may require additional information from the seller(s) and/or buyer(s) to determine whether the land will continue to qualify for classification or designation.

Is there a reclassification pending for this parcel(s)?

☐ Yes ☒ No

If yes, have you notified the granting authority, in writing, that you wish to continue with the reclassification process?

☐ Yes ☐ No

If yes, do you understand your rights and responsibilities if the reclassification is approved or denied?

☐ Yes ☐ No

Buyer's Signature

Michael J. member

Date

3/22/2018

Address

8533 Labona Ave NE, Seattle WA 98115

Buyer's Signature

Michael J.

Date

3/25/18

Address

3042 SW Manning St. Seattle WA 98126

Assessor Use Only

Does the parcel(s) subject to this document meet the qualifications for classification/designation continuance? ☐ Yes ☐ No

Assessor Signature

Date

If the parcel(s) subject to this document is/are considered contiguous, as defined in RCW 84.33.035(4) or RCW 84.34.020(6), with other parcels having different ownerships, then verify the following information with the purchaser:

☐ The parcel(s) subject to this document will be managed as part of a single operation with the other parcels having different ownerships.

☐ The new purchaser meets the definition of "family" as defined in RCW 84.34.020(6)(b)(ii) with the owner of an adjoining parcel.