



Memorandum of Agreement

SC Aggregate Company, Inc. a Washington corporation (hereinafter referred to as “Seller”), and **Haybrook Land Holding, LLC, a Washington Limited Liability Company** (hereinafter referred to as “Purchaser”), in consideration of advising Ecology (hereinafter defined) of the pertinent terms of the agreement between the parties, agree as follows:

1. Seller is the owner of certain water rights in the mainstem of the Yakima River, WRTS File No. CS4-01724CTCLsb7 (KITT-09-05) (the “Water”), which it has placed into the Yakima River Basin Trust Water Rights Program as authorized under Chapter 90.38 RCW (the “Trust”) as evidenced by that certain Certificate of Trust Water Right No. S4-01724CTCLsb7 issued by the Washington State Department of Ecology (“Ecology”) dated April 13, 2010 (the “Certificate”) for the purpose of enhancing in-stream flows and providing mitigation water to offset and allow for the permitting of new water rights to be used for any lawful purpose within the Yakima River basin.
2. Purchaser owns that certain real property located in Kittitas County and legally described in Exhibit 1 attached hereto and incorporated herein (hereinafter referred to as “Property”)
3. Purchaser desires to obtain a permit or water budget neutral determination from Ecology to withdraw ground water for in-door domestic use on the Property, which permit or determination would not otherwise be granted by Ecology without an offsetting water right in mitigation (collectively the “Permit”).
4. Seller has agreed to sell and Purchaser has agreed to purchase a permanent allocation of a portion of the Water in the Trust for the benefit of the Property to allow Purchaser to obtain the Permit (the “Mitigation Water”) pursuant to the terms and provisions contained in that certain Mitigation Water Purchase Agreement executed concurrently herewith. Estimated amount required: 1.428 acre-feet of consumptive use per year (17 ERU @ 250 gallons per day per ERU).
5. Upon receipt from Ecology of a determination that Purchaser’s proposed appropriation of groundwater, as mitigated by the Water, will be water budget neutral,
 - a. Seller will permanently allocate the Mitigation Water in the Trust to the Property in mitigation of the water right use designated in Ecology’s determination;
 - b. Purchaser will execute and record a Declaration of Groundwater Mitigation Covenant in the form attached hereto as Exhibit 2 and incorporated herein by reference.
6. This Memorandum of Agreement is not a complete summary of the agreement between the parties.

7. This Memorandum of Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original and all of which, when taken together, constitute one and the same document. The signature of any party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart. Electronic or facsimile transmission of any signed original document, and retransmission of any signed electronic or facsimile transmission, shall be the same as delivery of an original; provided, however, delivery of any and all such signed facsimile copies shall be immediately followed by delivery of the copy containing the original signature(s).

IN WITNESS WHEREOF, the parties have executed this Memorandum of Agreement as of the 28th day of July, 2023.

SELLER:
SC Aggregate Company, Inc. a Washington corporation

F. Steven Lathrop

By its President, F. Steven Lathrop
Execution Date: 8/9/2023 | 12:38 PM PDT

PURCHASER:
Haybrook Land Holding, LLC

Matthew M. Willard

By its Manager, Matthew M. Willard
Execution Date: 8/9/2023 | 12:34 PM PDT

[Signature]
By its Manager, Stephen A. Willard
Execution Date: 8/9/2023 | 1:32 PM PDT

EXHIBIT 1
The Property

Lots 1, 2, 3 and 4, Haybrook No. 2 (Kittitas County Short Plat No. SP-94-26), as per Short Plat thereof recorded in Book D of Short Plats at pages 235 and 236, records of Kittitas County, Washington.

AND

Parcel D1 of that certain survey recorded December 20, 2013, in Book 39 of Surveys at pages 9-11, under Auditor's File No. 201312200041, records of Kittitas County, Washington; being a portion of the Southwest Quarter of Section 30, Township 18 North, Range 19 East, W.M., in the County of Kittitas, State of Washington.

Tax Parcel Numbers: 10595 (18-19-30055-0001), 10596 (18-19-30055-0002),
 10597 (18-19-30055-0003), 10598 (18-19-30055-0004),
 639139 (18-19-30030-0020)

EXHIBIT 2

After recording return to:

Real Estate Excise Tax: Does not apply - no consideration as defined WAC 458-61A-102(2)

DECLARATION OF GROUNDWATER MITIGATION COVENANT

This Declaration is made and executed by the owner in fee simple of the following described real property located in Kittitas County, Washington, _____ (hereinafter “Declarant”), this _____ day of _____, 20____, to wit:

[insert legal description]

Assessor’s Tax Parcel No.: [insert parcel number(s)]

(hereinafter the “Property”), on which Grantor is, or may in future be, permitted to own and operate a private domestic groundwater well(s) and an onsite septic system(s). The Declarant agrees and covenants:

1. All groundwater withdrawals shall be water budget neutral.
2. All installed septic systems shall be properly maintained and no trees or shrubs shall be planted or maintained over any septic system drainfield.
3. This covenant shall be binding upon Declarant and Declarant’s heirs, successors and assigns and shall run with the land and shall be binding on all parties having or acquiring any right, title, or interest in the Property or any part thereof, and shall insure to the benefit of each owner thereof.

DATED as of the date and year first above written.

STATE OF WASHINGTON)
) ss.
County of Kittitas)

On this day personally appeared before me _____ to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this _____ day of _____, 20____.

Printed Name: _____
Notary Public in and for the State of Washington
My commission expires: _____