

RETURN TO:
PUD #1 of Skagit County
P. O. Box 1436
Mount Vernon, WA 98273



200008080039

Kathy Hill, Skagit County Auditor
8/8/2000 Page 1 of 3 9:28:09AM

EASEMENT AGREEMENT

This agreement is entered into this 7TH day of Aug., 2000, between **PUBLIC UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY**, hereinafter referred to as the "District" and **SALEM VILLAGE, a Washington Non-Profit Corporation**, their successors and assigns, hereinafter referred to as the "Owner".


The Owner has completed construction of building 2601 North LaVenture Road. Buildings 2603 and 2605 will be built in future phases of the development. The buildings are located within Salem Village No. II, **P111843**, Lot 3, Mount Vernon Short Plat No. MV-08-94. The buildings encroach upon the District easement. The buildings are to be built more than five (5.0) feet north of the water main (see drawing).

In consideration for the District not requiring the Owner to relocate the buildings and for allowing the Owner to hook up to the District's waterline, the Owner agrees to indemnify and hold the District harmless for any structural damage, including but not limited to, damage to the foundations of the buildings that encroach upon the easement that is caused by leaks, breaks or failure of the District's waterline.

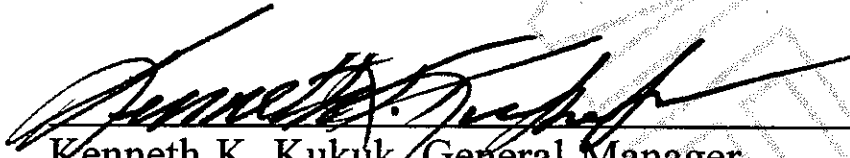
The Owners further agree not to interfere with the District's operation and maintenance of the waterline and to abide by all rules and regulation of the District.

In the event of dispute between the Owners and the District over the terms and conditions thereof or over any claims pursuant hereto, the prevailing party shall be entitled to their attorney fees and costs. Venue shall be in the Superior Court of the State of Washington for Skagit County.

This agreement shall remain with the land. The District shall record this agreement with the Assessor's Office of Skagit County.



Kent Haberly, President
Salem Village, a Washington Non-Profit Corp.



Kenneth K. Kukuk, General Manager
Public Utility District No. 1 of Skagit County

STATE OF WASHINGTON
COUNTY OF SKAGIT

I certify that I know or have satisfactory evidence that **Kent Haberly** is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as **President of Salem Village, a Washington Non-Profit Corporation**, to be the free and voluntary act for the uses and purposes mentioned in the instrument.

Date: August 4, 2000

Peggy A. Brown
Notary Public in and for the State of Washington



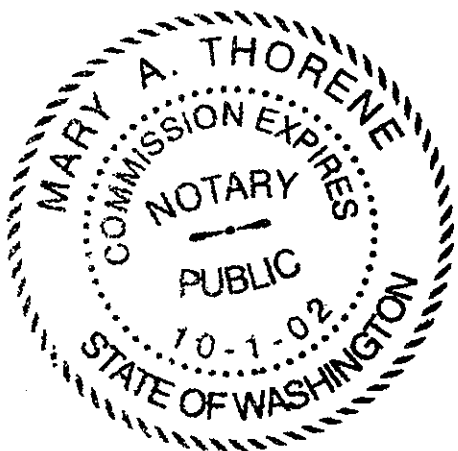
My appointment expires: 4-1-03
Peggy A. Brown

STATE OF WASHINGTON
COUNTY OF SKAGIT

I certify that I know or have satisfactory evidence that **Kenneth K. Kukuk** is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as **General Manager of Public Utility District No. 1 of Skagit County** to be the free and voluntary act for the uses and purposes mentioned in the instrument.

Date: August 7, 2000

Mary A. Thorene
Notary Public in and for the State of Washington



My appointment expires: 10-01-02

SKAGIT COUNTY WASHINGTON
Real Estate Excise Tax

AUG 08 2000

Amount Paid \$ 0
Skagit Co. Treasurer
By DC Deputy

C.O.#3847

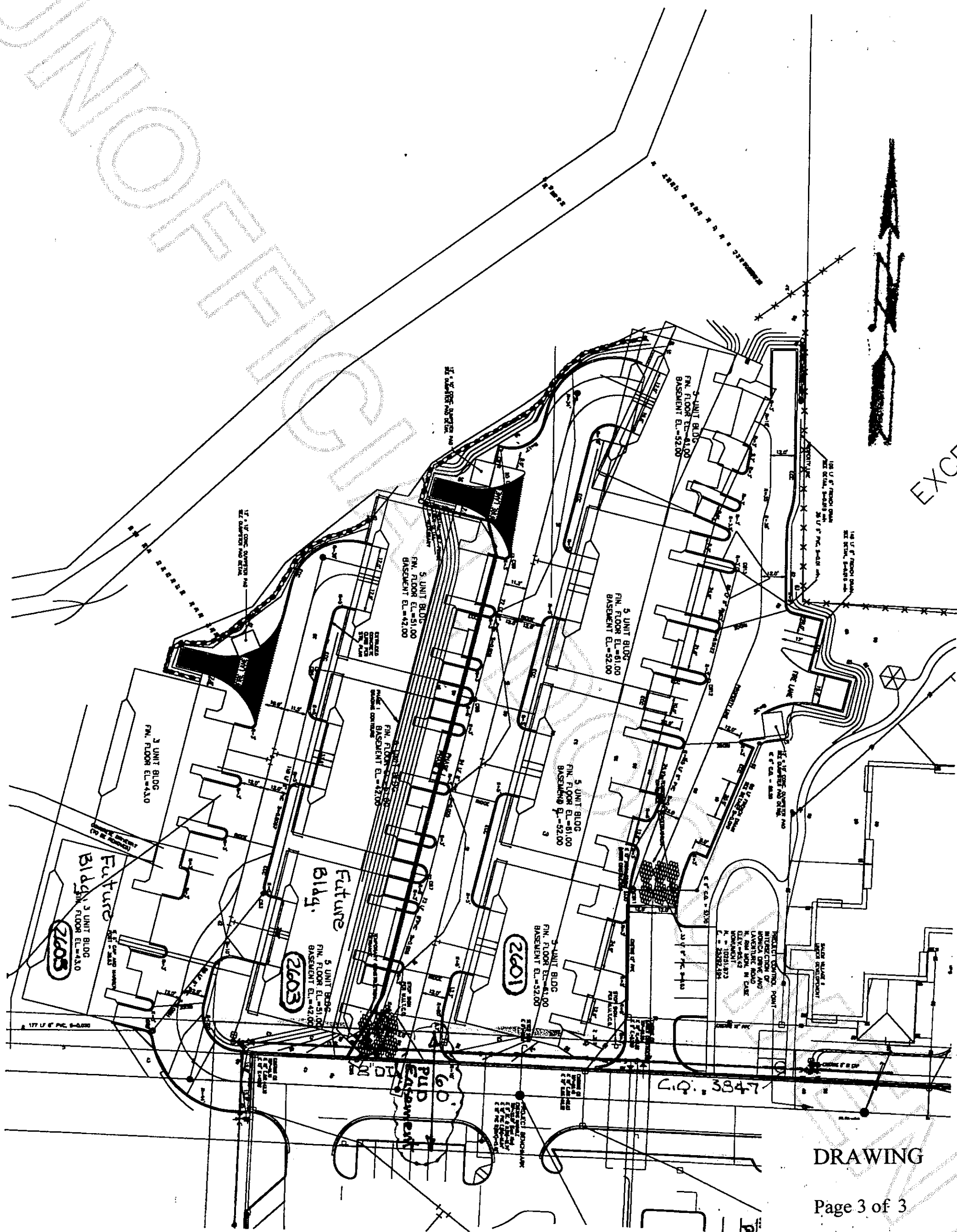


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