

AFTER RECORDING MAIL TO:

Name FIRST AMERICAN

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City/State ANACORTES

Document Title(s): (or transactions contained therein)

1. RECIPROCAL AGREEMENT
- 2.
- 3.
- 4.

Reference Number(s) of Documents assigned or released:

☐ Additional numbers on page _____ of document



**First American Title
Insurance Company**

AS 7860 E-6

(this space for title company use only)

Grantor(s): (Last name first, then first name and initials)

1. WALTERS, STANLEY C.
- 2.
3. WALTERS, HELEN L.
- 4.

5. ☐ Additional names on page _____ of document

Grantee(s): (Last name first, then first name and initials)

1. ARMADA/BURLINGTON LLC
- 2.
- 3.
- 4.

5. ☐ Additional names on page _____ of document

Abbreviated Legal Description as follows: (i.e. lot/block/plat or section/township/range/quarter/quarter)

5-34-4 NW-SW

☐ Complete legal description is on page _____ of document

Assessor's Property Tax Parcel / Account Number(s):

340405-3-013-0000 340405-3-008-0001
340405-3-011-0002

NOTE: The auditor/recorder will rely on the information on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.

RECIPROCAL AGREEMENTS

This agreement made and entered into this 5th day of March, 2001, by and between STANLEY C. WALTERS and HELEN L. WALTERS, husband and wife, "WALTERS" and ARMADA/BURLINGTON LLC "ARMADA".

WITNESETH:

WHEREAS, the parties have entered into a purchase and sale of real state described in EXHIBIT "A", and designated "Phase I" or PARCEL "A" (containing Lot 1, 2 and 3 of BSP-2-00), and WALTERS has retained ownership of the parcel described in EXHIBIT "B" and designated "Phase II" or PARCEL "B" (containing Lot 4 of BSP-2-00), and the parties have agreed to a parking easement on the parcel described in EXHIBIT "C", and designated "parking easement", and now wish to further memorialize all agreements concerning the above parcels.

THE PARTIES AGREE AS FOLLOWS:

1. ARMADA shall extend water, sewer and storm sewer only across PARCEL "A" to the easterly line of EXHIBIT "C" for use by PARCEL "A" and PARCEL "B" pursuant to the plans, specifications below referenced. The utilities shall be adequate to accommodate a 31,000 square foot single tenant retail building and 16,000 square foot storage building on PARCEL "B". ARMADA grants an easement across PARCEL "A" for the use, maintenance and repair of those utility facilities crossing PARCEL "A", including the storm water detention



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system. The utility location and designs shall be as delineated upon the plans and specifications submitted to and approved by the city of Burlington for the development of PARCEL "A", together with all city approved changes. The costs for maintenance and repair shall be paid by the owners of the properties described in EXHIBIT "A" and "B". PARCEL "A" shall be liable for 46% of the costs of repair and maintenance. PARCEL "B" shall be responsible for 54% of the costs of repair and maintenance.

2. PARCELS "A" and "B" will be developed. The parties hereby grant easements, each to the other, for the purposes of nonexclusive ingress and egress of vehicular and pedestrian traffic. It is understood that users and/or patrons of businesses or facilities on either of the parcels may gain access to either parcel over and across the other parcel and incidental thereto park on either parcel.

3. A pylon/monument will be erected on PARCEL "A" and its location established pursuant to the above referenced plans and specifications. The top panel of the sign shall be reserved for the use by the owners of PARCEL "B". An easement over PARCEL "A" in favor of PARCEL "B" is granted for the purpose of accessing the sign for maintenance, repair and panel modification. PARCEL "B" shall be liable for a pro rata* portion of the costs of electricity, maintenance and repairs of the sign, sign can, pylon and associated mechanical and electrical components. (*pro rata shall be defined by a fraction, the numerator of which shall be the size of the face/panel reserved for Parcel B and the denominator shall be the sum of all the sign faces on the pylon.)



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4. WALTERS grants to ARMADA an easement over under and across PARCEL "B" for the purpose of the construction of improvements upon PARCEL "B" which are necessary to complete the construction of the improvements upon PARCEL "A". All such improvements shall be at ARMADA'S expense and WALTERS shall have no obligation to reimburse any sum. ARMADA is particularly granted an easement to construct a parking area upon the area described in EXHIBIT "C" pursuant to the plans and specifications above referenced.

5. ARMADA shall indemnify and hold WALTERS harmless from all costs and expenses, including attorney's fees, arising out of any activity performed by ARMADA which in any way imposes liability upon WALTERS or Parcel B. ARMADA shall at all times keep PARCEL "B" free of all liens.

ARMADA/BURLINGTON LLC shall provide liability insurance naming the WALTERS as additional insureds for any activities undertaken by ARMADA on Parcel B and said insurance shall remain in effect so long as ARMADA/BURLINGTON LLC retains the easement over and across Parcel C. The amount of the insurance shall be \$1,000,000.

6. All easements which are granted pursuant to this agreement are appurtenant to the respective parcels, perpetual and exclusive and shall benefit and/or burden the respective parcels. The easements granted across PARCEL A which benefit PARCEL B shall not be effective until and unless PARCEL B is developed. The development, redevelopment and operation of Parcel B shall always provide all of the required parking stalls in accordance with all of the



200103150016

, Skagit County Auditor

3/15/2001 Page

4 of 11

9:11:11AM

applicable codes, from time to time, on Parcel B. The owner of Parcel B shall not look to this agreement or Parcel A to provide any parking required for the development, redevelopment or operation of Parcel B. All utilities required for the development, redevelopment and operation of Parcel B, except those as provided for in Paragraph 8 below, shall be installed within the southerly 18' of Parcel A.

7. All of the terms and/or conditions of this agreement shall inure to the benefit of the heirs, successors and/or assigns of the respective parties.

8. The plans and specifications, except surcharge permit, submitted by ARMADA to the city of Burlington for the purposes of the development and construction of improvements upon PARCEL "A" and PARCEL "C" and any city approved and or required changes are hereby made a part of this agreement by this reference. Following is the list of said plans and specifications: Civil Plans produced by KPFF Engineers, project #99260, containing sheets C1.0, C2.0, C3.0, C4.0, C5.0, C6.0, C7.0, C8.0, C8.0A together with Storm Drainage Report (dated April 3, 2000) and Erosion Control Report and Calculations (dated March 14, 2000) also produced by KPFF, and Binding Site Plan drawings produced by Lisser and Associates, containing 3 sheets, together with Subdivision Guaranty and Lot Closure Calculations.

9. In the event the services of an attorney are incurred to enforce any covenant, condition or term of this agreement or to procure a nonjudicial, an adjudicated, involuntary or voluntary termination of any party's rights hereunder, including an action to collect any payment required hereunder, the parties agree



200103150016

, Skagit County Auditor

that the nonprevailing party shall pay a reasonable sum as attorney's fees, whether or not suit is commenced, together with all court costs, costs of searching records, and costs of serving any notices required by law. Failure to pay said attorney's fees and costs incurred shall be deemed a substantial breach of this agreement.

IN WITNESS THEREOF the parties have hereunto set their hands the day and year first above written.

Stanley C. Walters 3-8-01
STANLEY C. WALTERS

Helen L. Waters
HELEN L. WATERS

ARMADA/BURLINGTON LLC

By

Alan J. Winningham
ALAN J. WINNINGHAM,
MANAGING MEMBER



200103150016
Skagit County Auditor
3/15/2001 Page 6 of 11 9:11:11AM

EXHIBIT A

LOTS 1, 2, & 3 OF CITY OF BURLINGTON BINDING SITE PLAN NO. BURL-BSP-2-00
APPROVED AUGUST 2, 2000 AND RECORDED MARCH 13, 2001, AS
SKAGIT COUNTY AUDITOR'S FILE NO. 200103130080, BEING A
PORTION OF THE NORTHWEST ¼ OF THE SOUTHWEST ¼ OF SECTION 5,
TOWNSHIP 34 NORTH, RANGE 4 EAST, W.M., TOGETHER WITH PARKING,
ACCESS AND UTILITY EASEMENTS DELINEATED ON SAID PLAN AS
APPURTENANT THERETO.



200103150016
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EXHIBIT B

LOT 4, OF CITY OF BURLINGTON BINDING SITE PLAN NO. BURL-SBP-2-00, APPROVED AUGUST 2, 2000 AND RECORDED MARCH 13, 2001 AS SKAGIT COUNTY AUDITOR'S FILE NO. 200103130080, BEING A PORTION OF THE NORTHWEST ¼ OF THE SOUTHWEST ¼ SECTION 5, TOWNSHIP 34 NORTH, RANGE 4 EAST, W.M., TOGETHER WITH PARKING, ACCESS AND UTILITY EASEMENTS DELINEATED ON SAID PLAN AS APPURTENANT THERETO.



200103150016
, Skagit County Auditor

3/15/2001 Page 8 of 11 9:11:11AM

EXHIBIT C

THE WESTERLY 64 FEET OF LOT 4, OF CITY OF BURLINGTON BINDING SITE
PLAN NO. BURL-SBP-2-00, APPROVED AUGUST 2, 2000 AND RECORDED
MARCH 13, 2001 AS SKAGIT COUNTY AUDITOR'S FILE NO.
200103131080, BEING A PORTION OF THE NORTHWEST ¼ OF THE
SOUTHWEST ¼ SECTION 5, TOWNSHIP 34 NORTH, RANGE 4 EAST, W.M.,
TOGETHER WITH PARKING, ACCESS AND UTILITY EASEMENTS DELINEATED ON
SAID PLAN AS APPURTENANT THERETO.

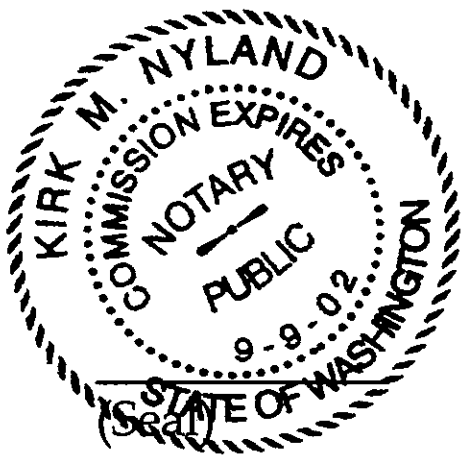


200103150016
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STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that Alan J. Winningham 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 Managing Member of Armada/Burlington LLC to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 3/5/01



A handwritten signature of Kirk Nyland in black ink.

(Signature of Notary Public)

KIRK NYLAND

(Printed Name of Notary Public)

My Appointment expires 9-9-02



200103150016
, Skagit County Auditor

3/15/2001 Page 10 of 11 9:11:11AM

STATE OF WASHINGTON)
COUNTY OF Skagit)

On this day personally appeared before me _____
to me known to be the individual(s) 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.

SUBSCRIBED AND SWORN to me this 7th day of March 2001.

Signature: _____
Print Name: _____

NOTARY PUBLIC FOR WASHINGTON
Residing at: _____
My Commission Expires: _____

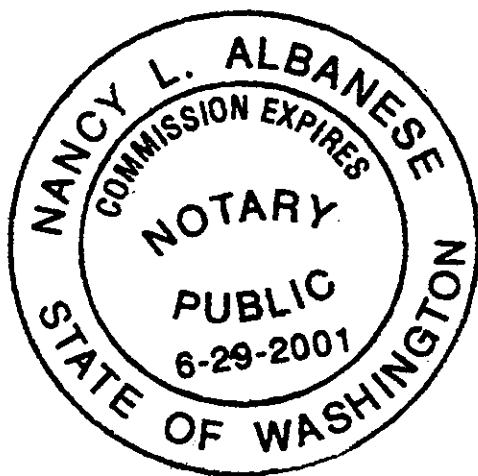
STATE OF WASHINGTON)
COUNTY OF Skagit)

On this day personally appeared before me Helen L. Walters and
Stanley C. Walters to me known to be the individual(s) 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 uses and purposes therein mentioned.

SUBSCRIBED AND SWORN to me this 8th day of March 2001.

Signature: Nancy L. Albanese
Print Name: NANCY L. ALBANESE

NOTARY PUBLIC FOR WASHINGTON
Residing at: Anacortes
My Commission Expires: 6-29-2001



200103150016
Skagit County Auditor
3/15/2001 Page 11 of 11 9:11:11AM