

Legal Descriptions: S&Y 27-35-1
Parcel No.'s: P90333

Telephone: 360.293.3013

James W. Macy and Linda S. Macy,
husband and wife.
4501 Anaco Beach Road
Anacortes, WA 98221

LICENSEE:

Telephone: 206.230.0236

Marine Heights, LLC,
a Washington Limited Liability Company.
3538 207th Ave. S.E.
Issaquah, WA 98029

LICENSER:

PARTIES:

LICENSE TO USE LAND

M12789

LAND TITLE COMPANY OF SKAGIT COUNTY

After recording, return to:
TERRANCE M. FROESE
Attorney at Law
P.O. Box 999
Anacortes, WA 98221

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RECITALS:

A. Licenser owns a parcel of real property in Skagit County, State of Washington, (hereinafter referred to as "the premises"), Marine Heights Subdivision, more fully described as follows:

See Exhibit "A" attached hereto and incorporated herein.

B. Licenser owns and/or occupies parcels of real property in Skagit County, State of Washington, more fully described as follows:

See Exhibit "B" attached hereto and incorporated herein.

C. Licenser desires to utilize a portion of Licenser's property for clearing timber from Licenser's property and for constructing an easement on Licenser's property. That portion of the premises to be thus used by Licenser is hereinafter referred to as the "licensed area" and is depicted in general on Exhibit "C" attached hereto and incorporated herein.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL PROMISES AND COVENANTS HEREIN, THE PARTIES AGREE AS FOLLOWS:

1. **LICENSE FOR LICENSEE CLEARING AND CONSTRUCTION ACTIVITIES:**
Licenser hereby grants to Licenser the nonexclusive right to use the licensed area depicted on Exhibit "C" attached hereto and incorporated herein by reference, which license is generally described as follows: An area approximately thirty feet (30') in width, extending approximately one hundred twenty feet (120') in length.

2. **PERMITTED USE OF LICENSE:**
During the term of this license the licensed area shall be used by Licenser for purposes of timber cutting and clearing the Licenser property and for constructing an easement on Grantor's property.

3. **CONDITIONS TO USE THE LICENSED AREA:**
Licenser shall pay all costs associated with using the licensed area, and Licenser shall use the licensed area only as contemplated herein.



**LICENSE REVOCABLE-LIMITED:**

The license granted by this agreement is revocable by Licensor, and in any event will terminate May 19, 2001, the work completion deadline as specified in a separate agreement between the parties. This agreement does not grant Licensee any license to use any portion of the Licensor's parcels or Licensor Subdivision other than the licensed area. Licensee agrees that Licensee has no ownership right to, nor any permanent right to use, the premises or any portion thereof, and this license does not grant Licensee a permanent right to use the licensed area or any portion thereof.

INSURANCE HAZARDS:

Licensee shall not commit or permit the commission of any acts on the licensed area, or use or permit the use of the licensed area in any manner, that will increase the existing rates for or cause the cancellation of any fire, liability, or other insurance policy insuring the premises or the improvements on the premises.

WASTE AND NUISANCE:

Licensee shall not commit or permit the commission by others of any waste on the licensed area. Licensee shall not maintain, commit, or permit the maintenance or commission of any nuisance, as defined by Washington law, on the licensed area; and, Licensee shall not use or permit the use of the licensed area for any unlawful purpose.

INDEMNIFICATION TO LICENSOR:

Licensor shall not be liable for any injury to any person, or for any loss of or damage to any property occurring in or about the licensed area from any cause whatsoever. Licensee shall indemnify and save Licensor its officer, agents, employees and contractors harmless from all liens, loss, damage, liability or expense (including but not limited to attorneys fees and other costs incurred in conjunction with litigation defense of claims, whether or not claims involve litigation) resulting from any actual or alleged loss of or damage to any property, arising out of Licensee's operation or occupation of the licensed area or caused by or resulting from any act or omission of Licensee or any licensee, assignee, tenant, subtenant or concessionaire, or of any officer, agent employee, guest, invitee or visitors of any such person in or about the licensed area or from Licensee's breach of its other obligations hereunder.

8. **NOTICE:** Any notice required to be given hereunder or any notice to be given by law shall be in writing and may be given by personal delivery or by certified mail, addressed to the parties at their addresses set forth herein or such other address as they shall provide to the other party in writing, or may be given to either of them in any other manner prescribed or authorized by law. All notices given hereunder shall be conclusively deemed received upon the third day, excluding Sundays, following the date of posting in the United States Mail, if such notice is given by mail:

9. **INTERPRETATION AND FAIR CONSTRUCTION OF CONTRACT:**

In this agreement has been reviewed and approved by each of the parties. In the event it should be determined that any provision of this agreement is uncertain or ambiguous, the language in all parts of this agreement shall be in all cases construed as a whole according to its fair meaning and not strictly construed for nor against either party.

10. **VALIDITY:**

In case any term of this agreement shall be invalid, illegal, or unenforceable, in whole or in part, the validity of any of the other terms of this agreement shall not, in any way, be affected thereby.

11. **WAIVER OF BREACH:**

The failure of any party hereto to insist upon strict performance of any of the covenants and agreements herein contained, or to exercise any option or right herein conferred, in any one or more instances, shall not be construed to be a waiver or relinquishment of any such option or right, or of any other covenants or agreement, but the same shall be and remain in full force and effect.

12. **INDEPENDENT COUNSEL:**

The parties hereto acknowledge and agree that they have each been represented or have had the opportunity to be represented in the negotiations and preparation of this agreement by independent counsel of their choice and that they have read this agreement, have had its contents fully explained to them by such counsel, and are fully aware of the contents hereof and of its legal effect.



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14. LAW:
This agreement shall be governed by, construed and enforced in accordance with the laws of the State of Washington, irrespective of the fact that any one of the parties is now or may become a resident of a different state. Venue for any action under this agreement shall lie in Skagit County, Washington.

15. ARBITRATION:
Except for injunction relief, any dispute arising between the parties to this agreement regarding the rights, terms or conditions therein contained shall be submitted to the Judicial Arbitration and Mediation Service (JAMS), Seattle, Washington for binding arbitration. Using the American Arbitration Association rules for arbitration, JAMS shall render a decision which decision may be entered into a Skagit County, State of Washington, Superior Court Judgment by any party and so enforced.

16. BINDING ON HEIRS AND SUCCESSORS:
This agreement shall be binding on and shall inure to the benefit of the heirs, executors, administrators, successors, and assigns of the parties

17. TIME OF ESSENCE:
Time is expressly declared to be of the essence in this agreement.

PARTIES

LICENSOR:

LICENSER:

DATE: March 9th, 2001.

MARINE HEIGHTS, LLC

by,

BARRY F. OWEN, Manager for
Marine Heights, LLC

Signed: March 9th, 2001.

LICENSEE:

James W. Macy
James W. Macy

Linda S. Macy
Linda S. Macy

License Agreement/Page 6/Schedule F





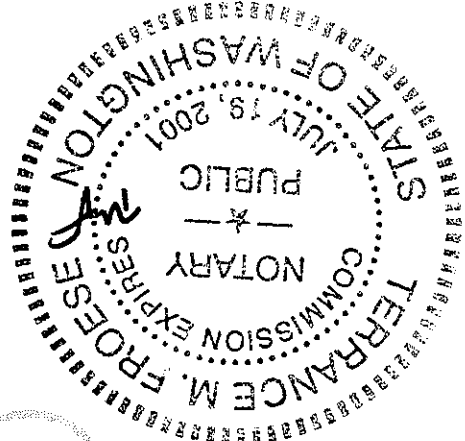
NOTARY PUBLIC in and for the
State of Washington, residing at Anacortes.
My Commission expires: 7-19-01

Terrance M. Froese

On this 9th day of March, 2001, before me personally appeared JAMES W. MACY and LINDA S. MACY, husband and wife, to me known to be the individuals 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 before me this 9th day of March, 2001.

STATE OF WASHINGTON
)
) ss
) County of Skagit



NOTARY PUBLIC in and for the
State of Washington, residing at Anacortes.
My Commission expires: 7-19-01

Terrance M. Froese

On this 9 day of March, 2001, before me personally appeared BARRY F. OWEN, Manager for Marine Heights, LLC, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as Manager for Marine Heights, LLC, as his free and voluntary act and deed, for the uses and purposes therein mentioned.

Subscribed and sworn to before me this 9th day of March, 2001.

STATE OF WASHINGTON
)
) ss
) County of Skagit

Notary

Exhibit A

Plat of Marine Heights, according to the plat hereof recorded in volume 16 of Plats, pages 173 through 175, under Auditors File no. 9707220058, records of Skagit County, Washington,
Subject to CC & R's amended September 7, 1999 and recorded September 13, 1999 in Skagit County, Washington under Auditors File no. 199909130145.

License Agreement/Page 8/Schedule F



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Lot 50

A parcel of land in the Southeast Quarter of Section 27, Township 35 North, Range 1 East of the Willamette Meridian, Skagit County, Washington, more particularly described as follows:

Commencing at the Northwest corner of Lot 31, Plat of Marine Heights, as recorded in Volume 16 of Plats, page 173, and running thence South 01°22'43" West along the West line of Lot 31, a distance of 118.06 feet; to the true point of beginning; thence South 45°00'00" East a distance of 30 feet; thence North 88°22'03" West a distance of 145 feet more or less to a point that lies 180 feet North 88°22'03" West of the West line of Lots 30 and 31, Plat of Marine Heights; thence South 01°22'43" West and parallel with the West line of Lots 30 and 31, to the North line of Lot 9, Plat of Marine Heights; thence South 88°13'39" East along the North line of Lots 9 and 10, a distance of 180 feet to the Southwest corner of Lot 30; thence North 01°22'43" East along the West line of Lot 30, a distance of 160.31 feet to the true point of beginning;

Lot 51

A parcel of land in the Southeast Quarter of Section 27, Township 35 North, Range 1 East of the Willamette Meridian, Skagit County, Washington, more particularly described as follows:

Beginning at the Northwest corner of Lot 31, Plat of Marine Heights, as recorded in Volume 16 of Plats, page 173, and running thence South 01°22'43" West along the West line of Lot 31, a distance of 118.06 feet; thence South 45°00'00" East a distance of 30 feet; thence North 88°22'03" West a distance of 145 feet more or less to a point that lies 180 feet North 88°22'03" West of the West line of Lots 30 and 31, Plat of Marine Heights; thence North 01°22'43" East and parallel with the West line of said Lots 30 and 31, to a point on the North line of that parcel conveyed to James W. Macy and Linda S. Macy by instrument recorded under Auditor's File No. 8603240051; said point being North 88°22'03" West a distance of 180 feet from the Northwest corner of Lot 31; thence South 88°22'03" East a distance of 180 feet to the Northwest corner of Lot 31 and the true point of beginning.



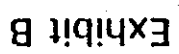


Exhibit C

An area approximately thirty feet in width, extending approximately on hundred twenty feet in length, pursuant to the Sound Development Group "Macy Driveway Plan and Profile" job no. 15-SDG-00, dated March 2000, as approved by the City of Anacortes.

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