



200204180031

Skagit County Auditor

4/18/2002 Page 1 of 5 9:58AM

RETURN ADDRESS:

Puget Sound Energy, Inc.
Attn: R/W Department
1700 East College Way
Mount Vernon, WA 98273

EASEMENT

GRANTOR: FIRST HORIZON GROUP LIMITED PARTNERSHIP
GRANTEE: PUGET SOUND ENERGY, INC.
SHORT LEGAL: Lots 2 and 3 Burl SP 1-92 a portion of NE 7-34-4
ASSESSOR'S PROPERTY TAX PARCEL: P24043 & P24037

For and in consideration of One Dollar (\$1.00) and other valuable consideration in hand paid, **FIRST HORIZON GROUP LIMITED PARTNERSHIP, a Delaware limited partnership** ("Grantor" herein), hereby conveys and warrants to **PUGET SOUND ENERGY, INC.**, a Washington Corporation ("Grantee" herein), for the purposes hereinafter set forth, a nonexclusive perpetual easement over, under, along, across, and through the following described real property ("Easement Area" herein) in Skagit County, Washington:

EASEMENT NO. 1: A STRIP OF LAND SEVEN (7) FEET IN WIDTH WITH THREE (3) FEET ON THE NORTH SIDE AND FOUR (4) FEET ON THE SOUTH SIDE OF THE CENTERLINE OF GRANTEE'S FACILITIES TO BE CONSTRUCTED, EXTENDED OR RELOCATED WITHIN THE SOUTH 15 FEET OF THE LOT 2 OF BURLINGTON SHORT PLAT 1-92 AS APPROVED JULY 18, 1989, AND RECORDED JULY 27, 1992, IN VOLUME 10 OF SHORT PLATS, PAGE 105, UNDER AUDITOR'S FILE NO. 9207270058, RECORDS OF SKAGIT COUNTY, WASHINGTON; BEING A PORTION OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 7, TOWNSHIP 34 NORTH, RANGE 4 EAST W.M.

EASEMENT NO. 2: A STRIP OF LAND TEN (10) FEET IN WIDTH WITH FIVE (5) FEET ON EACH SIDE OF THE CENTERLINE OF GRANTEE'S FACILITIES AS NOW CONSTRUCTED, TO BE CONSTRUCTED, EXTENDED OR RELOCATED LYING WITHIN THE SOUTH 30 FEET OF LOT 3 OF BURLINGTON SHORT PLAT 1-92 AS APPROVED JULY 18, 1989, AND RECORDED JULY 27, 1992, IN VOLUME 10 OF SHORT PLATS, PAGE 105, UNDER AUDITOR'S FILE NO. 9207270058, RECORDS OF SKAGIT COUNTY, WASHINGTON; BEING A PORTION OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 7, TOWNSHIP 34 NORTH, RANGE 4 EAST W.M.

SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON.

1. **Purpose.** Grantee shall have the right to construct, operate, maintain, repair, replace, improve, remove, enlarge, and use the easement area for one or more underground utility systems for purposes of transmission, distribution and sale of electricity. Such systems may include, but are not limited to:

Underground facilities. Conduits, lines, cables, vaults, switches and transformers for electricity; fiber optic cable and other lines, cables and facilities for communications; semi-buried or ground-mounted facilities and pads, manholes, meters, fixtures, attachments and any and all other facilities or appurtenances necessary or convenient to any or all of the foregoing.

Monetary consideration was paid

Following the initial construction of all or a portion of its systems, Grantee may, from time to time, construct such additional facilities as it may require for such systems. Grantee shall have the right of access to the Easement Area over and across Lots 2 and 3 of the above described Short Plat to enable Grantee to exercise its rights hereunder. Grantee shall compensate Grantor for any damage to the Property caused by the exercise of such right of access by Grantee.

2. Easement Area Clearing and Maintenance. Grantee shall have the right to cut, remove and dispose of any and all brush, trees or other vegetation in the Easement Area. Grantee shall also have the right to control, on a continuing basis and by any prudent and reasonable means, the establishment and growth of brush, trees or other vegetation in the Easement Area.

3. Grantor's Use of Easement Area. Grantor reserves the right to use the Easement Area for any purpose not inconsistent with the rights herein granted, provided, however, Grantor shall not construct or maintain any buildings, structures or other objects on the Easement Area and Grantor shall do no blasting within 300 feet of Grantee's facilities without Grantee's prior written consent, which consent shall not be unreasonably withheld.

4. Indemnity. Grantee agrees to indemnify Grantor from and against liability incurred by Grantor as a result of Grantee's negligence in the exercise of the rights herein granted to Grantee, but nothing herein shall require Grantee to indemnify Grantor for that portion of any such liability attributable to the negligence of Grantor or the negligence of others.

5. Abandonment. The rights herein granted shall continue until such time as Grantee ceases to use the Easement Area for a period of 90 (ninety) days, in which event, this easement shall terminate and all rights hereunder, and any improvements remaining in the Easement Area, shall revert to or otherwise become the property of Grantor; provided, however, that no abandonment shall be deemed to have occurred by reason of Grantee's failure to initially install its systems on the Easement Area within any period of time from the date hereof.

6. Successors and Assigns. Grantee shall have the right to assign, apportion or otherwise transfer any or all of its rights, benefits, privileges and interests arising in and under this easement. Without limiting the generality of the foregoing, the rights and obligations of the parties shall inure to the benefit of and be binding upon their respective successors and assigns.

DATED this 16th day of Apr. 1, 2002.

GRANTOR:

First Horizon Group Limited Partnership, a Delaware limited partnership
By: First HGI, Inc., a Delaware corporation, its general partner

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

BY: R. Kelum Antill

ITS: EVP, General Counsel & Secretary

APR 18 2002

STATE OF WASHINGTON)
City of Maryland) SS
COUNTY OF Baltimore)

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

On this 16th day of April, 2002, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared R. Kelum Antill to me known to be the person who signed as EVP, General Counsel of First HGI, Inc. said corporation being the general partner of First Horizon Group Limited Partnership, the limited partnership that executed the within and foregoing instrument, and acknowledged said instrument to be his/her free and voluntary act and deed and the free and voluntary act and deed of First HGI Inc for the uses and purposes therein mentioned; and on oath stated that he was authorized to execute the said instrument on behalf of said Corporation.

IN WITNESS WHEREOF I have hereunto set my hand and official seal the day and year first above written.

Gail R. Steptoe
(Signature of Notary)
GAIL R. STEPTOE
(Print or stamp name of Notary)
NOTARY PUBLIC in and for the State of
residing at _____
My Appointment Expires: _____

Washington,

Notary seal, text and all notations must be inside 1" margins

GAIL R. STEPTOE
NOTARY PUBLIC STATE OF MARYLAND
My Commission Expires December 13, 2005



200204180031
Skagit County Auditor

RIDER A TO THAT RIGHT-OF-WAY EASEMENT DATED _____, 20__
EXECUTED BY AND BETWEEN
FIRST HORIZON GROUP LIMITED PARTNERSHIP
A DELAWARE LIMITED PARTNERSHIP ("OWNER")
AND
PUGET SOUND ENERGY, INC.
A WASHINGTON CORPORATION ("UTILITY")

This Rider A (this "Rider") is attached to and incorporated in the Easement (the "Easement") dated as of the date of this Rider entered into by Owner and Utility. All terms not defined herein shall have the same meanings as defined in the Easement. If there is any conflict between the terms of the Easement and this Rider, the terms of this Rider shall control.

Owner and Utility hereby agree as follows:

1. Utility shall provide to Owner reasonable written notice prior to performing any construction, installation, maintenance, or repair work on Owner's property (the "Property"); provided, however, in the event of an emergency, prior notice will not be required though Utility shall be obligated to promptly provide Owner with written notice of such performance in the event of an emergency.

2. Upon completion of any construction, installation, maintenance, or repair work, Utility shall promptly repair and restore the Easement area (the "Easement Property") to the condition it was in prior to Utility's entry thereon and repair any damage to any other property of Owner caused by such installation, maintenance or repair work.

3. Utility shall indemnify and save and keep harmless Owner and its agents, employees, servants, contractors and sub-contractors from any loss, cost, damage or expense, including but not limited to reasonable attorneys' fees, which Owner or its agents, employees, servants, contractors and sub-contractors may suffer, incur or sustain, or for which any of them may become liable, arising out of any injury to or death of any person, or damage to or loss of real or personal property, caused by or resulting from the negligent or intentionally tortious acts or omissions of the Utility or its agents, employees, contractors or subcontractors in connection with (a) the construction of the electric systems (the "Easement Facilities"), (b) the operation and maintenance of the Easement Facilities, or (c) the utilization by Utility of the rights granted to it under the Easement.

4. Utility shall indemnify and hold Owner harmless from all mechanics' and materialmen's claims of liens arising out of or in connection with the construction of the Easement Facilities or additional work undertaken on behalf of Utility under the grant of the Easement, and, upon completion, shall furnish to Owner sworn contractor's affidavits and waivers of lien, in a form reasonably satisfactory to Owner.

5. If Utility shall abandon or no longer require the use of all or any part of the easement granted in the Easement, the part abandoned or no longer required shall automatically revert to Owner, and Utility shall release such easement rights which Utility abandons or shall no longer require.

6. Owner hereby reserves the right (a) to locate other utilities in the aforesaid Easement Property subject to the rights of Utility pursuant to the Easement; (b) to use the surface area of the aforesaid Easement Property for any purpose whatsoever, other than construction of a building on the Easement Property, as long as such use does not unreasonably and materially interfere with Utility's right to install, maintain, repair and replace such Easement Facilities; and (c) in its sole discretion, to relocate, at its expense, such Easement Facilities or any part thereof from time to time (and if such Easement Facilities are relocated, Owner will grant to Utility a new easement substituting the new easement area to which any part of the Easement Facilities are relocated for the Easement Property, and Utility will release the existing Easement).

7. Utility will complete its initial construction of the Easement Facilities on the Easement Property on or before December 31, 2002 barring unforeseen circumstances beyond Utility's control. If for any reason or cause whatsoever utility shall fail to properly construct the Easement Facilities on or before December 31, 2002 then Owner, at its sole option, may terminate the Easement and all rights granted to Utility under the Easement, though the obligations of Utility set forth in the Easement shall not be terminated by such termination. Such termination shall be effected and evidenced by the filing in the land records of Skagit County, Washington of a declaration of termination executed by Owner. Such a filing shall be conclusive as to the termination of all rights granted to Utility under the Easement.

8. After the installation of the Easement Facilities, Utility shall at all times during the existence of the Easement, keep and maintain the Easement Facilities in good condition and repair, making all necessary replacements and improvements to do so, and any such repair, replacements or maintenance work shall be done by Utility as expeditiously as possible and in such manner not to unreasonably interfere with Owner's use of the Easement Property and its other Property. After the completion of any such work, Utility shall return the surface of the Easement Property, and any other portion of the Property disturbed, to its former condition (including, but not limited to, repairing and resurfacing thereof).

9. Utility shall at all times during the initial construction of the Easement Facilities maintain electrical service to the shopping center located on the Property through the existing underground electric power until the new electric power line has been installed and is fully operational.

IN WITNESS WHEREOF, the undersigned has duly executed this Rider this _____ day of _____.

UTILITY:

PUGET SOUND ENERGY, INC.,
a Washington corporation

By: Ronald D. Bott

Name: Ronald D. Bott

Title: Real Estate Rep.

Date: April 17, 2002

STATE OF Washington)
) SS.
COUNTY OF SKAGIT)

OWNER:

FIRST HORIZON GROUP LIMITED
PARTNERSHIP, a Delaware limited
partnership

By: First HGI, Inc., a Delaware
corporation, its general partner

By: R. Kelvin Antill
Name: R. Kelvin Antill
Title: EVP General Counsel & Secretary
Date: April 16, 2002

This instrument was acknowledged before me on this 17th day of April, 2002, by Ronald D. Bott, the REAL ESTATE REPR of PUGET SOUND ENERGY INC on behalf of said corporation.

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

My Commission Expires:

APR 18 2002

STATE OF Maryland)
) SS.
COUNTY OF Baltimore)

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

This instrument was acknowledged before me on this 16th day of April, 2002, by R. Kelvin Antill, the EVP General Counsel of FIRST HGI, Inc., a Delaware corporation, the general partner of FIRST HORIZON GROUP LIMITED PARTNERSHIP, a Delaware limited partnership, on behalf of said corporation and said partnerships.

Gail R. Steptoe
Notary Public

My Commission Expires:

GAIL R. STEPTOE
NOTARY PUBLIC STATE OF MARYLAND
My Commission Expires December 13, 2005



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Skagit County Auditor