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Skagit County Auditor

WHEN RECORDED RETURN TO:

Michael S. Courtnage
Alston, Courtnage & Bassetti LLP
1000 Second Avenue
Suite 3900
Seattle, Washington 98104-1045

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Document Title: Easement and Maintenance Agreement**Grantor:** 425 East College Way LLC
NWCC Investments Inc.SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX**Grantee:** NWCC Investments Inc.
425 East College Way LLC

SEP 22 2004

Legal Description:

P53847

Abbreviated Legal Description:**Full Legal Description:** See Exhibit 1 attachedAmount Paid \$
Skagit Co. Treasurer
By Deputy**Assessor's Tax Parcel Nos.:**

Tract B and C, City of Mount Vernon Short Plat No. MV-26-76
W 160 feet of Tract 9, Plat of Mount Vernon Acreage
EASEMENT AND MAINTENANCE AGREEMENT

THIS AGREEMENT entered into as of this 20th day of July, 2004, by and between
425 EAST COLLEGE WAY LLC, a Washington limited liability company ("425") and
NWCC INVESTMENTS INC., a Washington corporation ("NWCC").

RECITALS

A. 425 is the owner of real property located in Skagit County, Washington,
which is described more particularly in Exhibit 1 hereto (the "425 Parcel").

B. NWCC is the owner of real property located in Skagit County, Washington,
which is described more particularly in Exhibit 2 hereto (the "NWCC Parcel").

C. The 425 Parcel and the NWCC Parcel are so designated on the diagram
attached hereto as Exhibit 3 (the "Site Plan") and are referred to collectively as the "Entire
Property." (Each of the 425 Parcel and the NWCC Parcel are sometimes referred to herein
as a "Parcel").

D. The parties have agreed to grant each other certain cross easements affecting portions of the 425 and NWCC Parcels and identify the maintenance obligations as to such reciprocal easement areas and wish to reflect those easements and certain other obligations in writing.

NOW, THEREFORE, the parties covenant and agree as follows:

1. Reciprocal Easements.

(a) 425 hereby grants to NWCC and its successors and assigns in title or interest to all or any portion of the NWCC Parcel a perpetual non-exclusive easement for vehicular and pedestrian ingress, egress and access from NWCC's Parcel to the adjacent property owned by others over and upon the drive aisle portions of the 425 Parcel, as such may be modified from time to time by the owner of the 425 Parcel and a non-exclusive easement for vehicular parking for its and their tenants' customers during normal business hours on the parking areas on the 425 Parcel, as such may be modified from time to time by the owner of the 425 Parcel (collectively the "425 Parcel Easement Area"). This easement is for the benefit of the NWCC Parcel.

(b) NWCC hereby grants to 425 and its successors and assigns in title or interest to all or any portion of the 425 Parcel a perpetual non-exclusive easement for vehicular and pedestrian ingress, egress and access from the 425 Parcel to the adjacent property owned by others over and upon the drive aisle portions of the NWCC Parcel, as such may be modified from time by the owner of the NWCC Parcel and a non-exclusive easement for vehicular parking for its and their tenants' customers during normal business hours on the parking areas on the NWCC Parcel, as such may be modified from time to time by the owner of the NWCC Parcel (collectively the "NWCC Parcel Easement Area"). This easement is for the benefit of the 425 Parcel.

(c) The easements granted hereby are granted for the use of the parties hereto (as long as they hold an interest in any portion of the Entire Property) and their respective successors, assigns, and the tenants, employees, agents, contractors, subtenants, licensees, concessionaires, customers and business invitees of each of them and shall be deemed covenants running with the land.

2. Trash Enclosure Easement. 425 hereby grants to NWCC and its successors and assigns in title or interest to all or any portion of the NWCC Parcel and its and their tenants and contractors a non-exclusive easement to locate a dumpster in the trash enclosure depicted on the Site Plan (the "Trash Enclosure") and to access and deposit refuse and waste materials into the dumpster and to empty the dumpster, as and when necessary. The owners of each of the 425 and NWCC Parcels shall each pay fifty percent (50%) of the cost of maintaining the trash enclosure (but not its contents) in good order, repair and condition, and each shall be responsible for causing its dumpster in the Trash Enclosure to be emptied before it overflows.



3. Easement Areas. The 425 Parcel Easement Area, the NWCC Parcel Easement Area and the easement area for the paragraph 2 Trash Enclosure are referred to collectively as the "Easement Areas."

4. Maintenance and Repair. The owners of each of the 425 and NWCC Parcels shall maintain the Easement Area on its respective Parcel in good order, repair and condition, at its own expense. However, the owners of each of the 425 and NWCC Parcels shall each pay fifty percent (50%) of the cost of retaining a company to sweep the shared parking area on a regular basis.

5. Indemnity; Insurance. The owner or owners of each Parcel shall indemnify and defend the owner or owners of the other Parcel against, and hold the other(s) harmless from and against, all claims, demands, liabilities, costs and expenses (including reasonable attorneys' fees) suffered by or claimed against the others as the result of or caused by a claim asserted by any third party for damage or injury suffered on the indemnifying party's Parcel Easement Area; provided that any such claim or demand is not due to the negligence or misconduct attributable to the owner(s) of the other Parcel. When a claim or demand results from negligence or misconduct attributable to the owners of more than one Parcel, each party will be responsible for the claim or demand in proportion to its allocable share of such joint negligence or misconduct. Each party shall carry commercial general liability insurance on its Parcel with combined minimum limits of not less than Two Million Dollars (\$2,000,000) per occurrence for property damage and bodily injury. Such policy shall name the owner(s) of the other Parcel as additional insureds and shall not be cancelable without at least ten (10) days' prior written notice to the other Parcel owners.

6. Limitation. Nothing contained in this Agreement shall limit the rights of any owner of the 425 or NWCC Parcels to construct, reconstruct, alter, remove or relocate buildings, improvements, landscaping or other features on the non-Easement Areas of its Parcel or to relocate the drive aisles or rearrange the parking stalls so long as the other Parcel owner is not materially and negatively impacted thereby.

7. Successors and Assigns. The term "successors and assigns in title or interest" to the 425 and NWCC Parcels includes, but is not limited to, mortgagees, beneficiaries of deeds of trust, secured parties under security agreements, and any purchaser upon the foreclosure of any such security interest or in lieu thereof. The term also includes contract purchasers, optionees and trustees.

8. Eminent Domain. Nothing herein shall be construed to give a party any interest in any award or payment made to another party in connection with any exercise of eminent domain or transfer in lieu thereof affecting the other party's Parcel or to give the public or any government any rights in the Entire Property or any Parcel. In the event of any exercise of eminent domain or transfer in lieu thereof of any part of the Easement Areas the award attributable to the land and improvements of such portion of the Easement Areas shall



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be payable only to the owner in fee thereof and no claim thereon shall be made by the owners of any other portion of the Easement Areas.

9. Amendment. This Agreement may be modified or amended only by written consent of the owners of the NWCC and 425 Parcels. As used herein the term "owner" shall include contract purchasers and lessees under ground leases and leases covering buildings, if such tenant leases require their approval of such modifications or amendments.

10. Attorneys' Fees. If any lawsuit or arbitration arises in connection with this Agreement, including without limitation, an action to rescind this Agreement, the substantially prevailing party therein shall be entitled to recover from the losing party the substantially prevailing party's costs and expenses, including reasonable attorneys' fees, incurred in connection therewith, in preparation therefor and on appeal therefrom, including those in any bankruptcy proceeding, which amounts shall be included in any judgment entered therein.

11. Default. If the owner of any Parcel shall default in the full, faithful and punctual performance of any obligation required hereunder, and if at the end of thirty (30) days after written notice from any owner of a Parcel or the party to whom its authority has been delegated, stating with particularity the nature and extent of such default, the defaulting owner has failed to cure such default, and if a diligent effort is not then being made to cure such default, then any other owner of a Parcel or the party to whom its authority has been delegated shall, in addition to all other remedies it may have at law or in equity, have the right to perform such obligation of this Agreement on behalf of such defaulting owner and recover the cost thereof, together with interest at the rate of twelve percent (12%) per annum. Any such claim for reimbursement, together with interest as aforesaid, shall be a secured right and a lien shall attach and take effect upon recordation of a lien claim by the claimant with the Skagit County Recorder's Office. The claim of lien shall include the following: (1) the name of the claimant; (2) a statement concerning the basis of the claim of the lien; (3) the last known name and address of the owner or reputed owner of the Parcel against which the lien is claimed; (4) a description of the Parcel against which the lien is claimed; (5) a description of the work performed or payment made which has given rise to the claim of lien hereunder and a statement itemizing the amount thereof; and (6) a statement that the lien is claimed pursuant to the provision of this Agreement. The notice shall be duly verified, acknowledged and contain a certificate that a copy thereof has been served upon or mailed to the party against whom the lien is claimed, either by personal service or by mailing (first class, certified, return receipt requested) at the address for mailing of tax statements with respect to the property against which the lien is claimed. A party which files a lien shall be obligated to release the lien if the owner of that Parcel posts a bond in an amount sufficient to release the lien as a matter of record. The lien so claimed shall attach from the date of recordation solely in the amount claimed thereby and it may be enforced in any manner allowed by law for the foreclosure of liens. Notwithstanding the foregoing, such liens shall be subordinate to any mortgage or deed of trust given in good faith and for value now or hereafter encumbering the property subjected to the lien which is



recorded prior to the date of such lien, and any purchaser at any foreclosure or trustee's sale (as well as any grantee by deed in lieu of foreclosure or trustee's sale) under any first mortgage or deed of trust shall take free and clear from any such then existing lien, but otherwise be subject to the provisions of this Agreement. The failure of the owner or owners of a Parcel to insist in any one or more cases upon the strict performance of any of the promises, covenants, conditions, restrictions or agreements herein, shall not be construed as a waiver or relinquishment for the future breach of the provisions hereof.

12. Rights and Obligations of Lender. Except as otherwise provided in paragraph 9, the provisions of this Agreement are, and shall at all times be, prior and therefore superior to the lien or charge of any mortgage or deed of trust hereafter made in good faith and for value affecting the 425 and NWCC Parcels or any part thereof, or any improvements now or hereafter placed thereon, but are subordinate to the security interests of record on the date hereof. A breach of any of the easements, covenants, or restrictions hereof shall not defeat or render invalid the lien or charge of any mortgage or deed of trust.

13. Release From Liability. Any person acquiring fee or leasehold title to the 425 or NWCC Parcels or any portion thereof shall be bound by this Agreement only as to the Parcel or portion of the Parcel acquired by such persons. Such person shall be bound by this Agreement only during the period such person is the fee or leasehold owner of such Parcel or portion of the Parcel, except as to obligations, liabilities or responsibilities that accrue during said period. Although persons may be released under this paragraph, the easements, covenants and restrictions of this Agreement shall continue to be benefits and servitudes upon the Parcels and running with the land. This Agreement shall bind and inure to the benefit of the parties hereto, their respective heirs, personal representatives, successors, and assigns.

14. Not a Public Dedication. Nothing herein contained shall be deemed to be a gift or dedication of any portion of the Parcels to the general public or for the general public or for any public purposes whatsoever, it being the intention of the parties hereto that this Agreement shall be strictly limited to and for the purposes herein expressed. The right of the public or any person to make any use whatsoever of the Easement Areas of the Parcels herein affected, or any portion thereof (other than any use expressly allowed by a written or recorded map, agreement, deed or dedication) is by permission, and subject to the control of the owner. Notwithstanding any other provisions herein to the contrary, the owners of the Parcels may periodically restrict ingress and egress in order to prevent a prescriptive easement from arising by reason of continued public use. Any restriction on ingress and egress shall be limited to the period reasonably necessary to prevent the creation of a prescriptive easement and, to the extent reasonably practical, shall occur at such time as to have a minimum effect on the parties hereto.

15. Notices. All notices provided for herein may be delivered in person, sent by regular overnight courier service, FedEx or mailed in the United States mail postage prepaid and, if mailed, shall be considered delivered three (3) days after deposit in such mail. The



addresses to be used in connection with such correspondence and notices are the following, or such other address as a party shall from time to time direct:

425:

100 W. Harrison Plaza, North Tower, Suite 550
Seattle, WA 98119
Attn: Charles Grinstein
Facsimile No.: (206) 284-8621

NWCC:

1420 Fifth Avenue, Suite 2200
Seattle, WA 98101
Attn: Mark McDonald
Facsimile No.: (206) 623-4305

16. Miscellaneous.

(a) Headings. The headings in this Agreement are for convenience only and do not in any way limit or affect the terms and provisions hereof.

(b) Unenforceability. If any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the remainder of such provision or any other provisions hereof.

(c) Gender. Wherever appropriate in this Agreement, the singular shall be deemed to refer to the plural and the plural to the singular, and pronouns of certain genders shall be deemed to include either or both of the other genders.

(d) Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Washington.

(e) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but which when taken together shall constitute one and the same instrument.

17. Entire Agreement. This Agreement constitutes the entire agreement among the parties with respect to the subject matter hereof and supersedes all prior agreements, oral or written, express or implied, and all negotiations or discussions of the parties, whether oral or written, and there are no warranties, representations or agreements among the parties in connection with the subject matter hereof except as set forth herein.



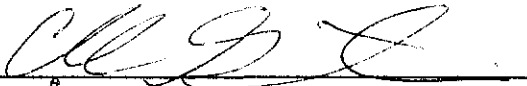
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IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

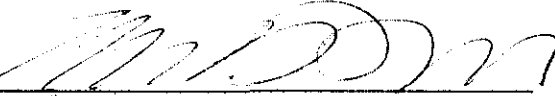
425

425 EAST COLLEGE WAY LLC

By 
Its Owner/Manager

NWCC

NWCC INVESTMENTS INC.

By 
Its PRESIDENT



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STATE OF WASHINGTON)

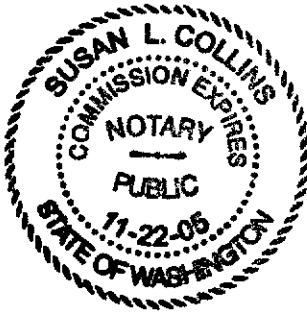
) ss.

COUNTY OF KING)

On this 20th day of July, 2004, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn personally appeared CHARLES GRINSTEIN, known to me to be the MANAGING MEMBER of 425 EAST COLLEGE WAY LLC, the limited liability company that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said limited liability company, for the purposes therein mentioned, and on oath stated that he/she was authorized to execute said instrument.

I certify that I know or have satisfactory evidence that the person appearing before me and making this acknowledgment is the person whose true signature appears on this document.

WITNESS my hand and official seal hereto affixed the day and year in the certificate above written.



Susan L. Collins
Signature

SUSAN L. COLLINS
Print Name

NOTARY PUBLIC in and for the State of
Washington, residing at SEATTLE
My commission expires 11/22/05



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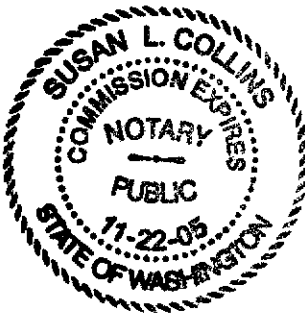
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STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this 20th day of July, 2004, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn personally appeared MARIL S. McDONALD known to me to be the PRESIDENT of **NWCC INVESTMENTS INC.**, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the purposes therein mentioned, and on oath stated that he/she was authorized to execute said instrument.

I certify that I know or have satisfactory evidence that the person appearing before me and making this acknowledgment is the person whose true signature appears on this document.

WITNESS my hand and official seal hereto affixed the day and year in the certificate above written.



Susan L. Collins
Signature

SUSAN L. COLLINS
Print Name

NOTARY PUBLIC in and for the State of
Washington, residing at SEATTLE
My commission expires 11/22/05



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EXHIBIT 1

LEGAL DESCRIPTION

The land referred to herein is situated in the County of Skagit, State of Washington, and is described as follows:

Tracts B and C, City of Mount Vernon Short Plat No. MV-26-76, approved September 10, 1976, recorded September 23, 1976 in Book 1 of Short Plats, page 175, under Auditor's File No. 843161 and being a portion of Tracts 9 and 10, "PLAT OF MOUNT VERNON ACREAGE, SKAGIT COUNTY, WASHINGTON", as per plat recorded in Volume 3 of Plats, page 102, records of Skagit County, Washington.



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EXHIBIT 2

LEGAL DESCRIPTION

The land referred to herein is situated in the County of Skagit, State of Washington, and is described as follows:

The West 168 feet of Tract 9 of "PLAT OF MOUNT VERNON ACREAGE, SKAGIT COUNTY, WASHINGTON", as per plat recorded in Volume 3 of Plats, page 102, records of Skagit County, and the North 29.5 feet of the East 100 feet of the West 268 feet of said Tract 9 "PLAT OF MOUNT VERNON ACREAGE".

TOGETHER WITH, a non-exclusive easement for ingress and egress over and across the South 29.5 feet of the West 268 feet of Tract 8 of said "PLAT OF MOUNT VERNON ACREAGE".



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EXHIBIT 3



COMMERCIAL

STREET

RIVERSIDE DRIVE

RIVERSIDE

S/P MV-24-76

S/P MV 25-76

S/P MV-26-76

SUBJECT

EAST



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Plat Map