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LAND TITLE OF SKAGIT COUNTY

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| Document Title(s) (for transactions contained therein): | , | |
| 1. | | |
| 2. Easement and Release ag | reement | |
| <u>3.</u> | | |
| 4. | | |
| Reference Number(s) of Documents assigned or release | ed: | |
| (on page of documents(s)) | | |
| 9602020036 | | |
| 9002020036 | | |
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| Grantor(s) | | |
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| 2. Michael V Fohn | | |
| 3. | | |
| 4. | | |
| and the second s | | |
| Additional Names on page of document. | | |
| Grantee(s) | | |
| 1. Channell View Water Ass | юс | |
| 2. | | |
| 3. | | |
| 4. | | |
| | | |
| Additional Names on page of document. | | |
| Legal Description (abbreviated i.e. lot, block, plat or se | ection, township, range) | |
| Lot 1 SP 95- 037 | 11 | |
| 12-35-1 | | |
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| Additional legal is on page of document. | | |
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| Assessor's Property Tax Parcel/Account Number | | |
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| The Auditor/Recorder will rely on information provid | ed on the form. The staff will not read | |
| the document to verify the accuracy or completeness | of the indexing information provided | |
| herein. | | |
| HC VIII. | | |
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EASEMENT AND RELEASE/INDEMNIFICATION AGREEMENT

This Easement and Release/Indemnification Agreement ("Agreement") is entered this 15 day of October, 2004, by and between Channel View, L.L.C. ("Grantor"), and Channel View Water Association ("Grantee").

RECITALS:

WHEREAS, Grantor is the fee simple owner of Lot 1 of Short Plat 95-037 (hereinafter "Property"), which short plat is recorded under Skagit County Auditor's File No. 9602020036 ("Short Plat 95-037"); and

WHEREAS, Grantor and Grantce have entered into a Reserve Well Site Easement Agreement dated June 25, 2002, and recorded under Skagit County Auditor's File No. 200206260002 (incorporated herein); and

WHEREAS, Grantee requires a water line casement for a water line to serve wells expected to be located in the Reserve Well Site Easement; and

WHERAS, Grantee intends to release and indemnify Grantor from any liability associated with operation of said wells or water line; and

WHEREAS, the foregoing recitals are a material part of this Agreement;

NOW THEREFORE, in consideration of mutual covenants, Ten Dollars (\$10.00) and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the following is entered into by the Parties:

I. EASEMENT

The Channel View, L.L.C., ("Grantor") grants and conveys to the Channel View Water Association ("Grantee") a non-exclusive perpetual easement for a water line over and under the following described real property, situated in the County of Skagit, State of Washington:

The Easterly fifteen fect (15') of Lot 1, Short Plat 95-037, as recorded under Skagit County Auditor's File No. 9602020036.

The depiction thereof on the attached Exhibit A is not to scale.

This fifteen foot (15') wide easement shall run north-south adjoining the eastern boundary for the entire length of the Property and shall be for the express purpose of ingress and egress to the Reserve Well Site Easement and for construction,

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installation, maintenance, repair, and replacement of a water utility line to be owned and operated by Grantee for the benefit of the real property served by Grantee (hereafter "Water Line Easement").

11. RELEASE/INDEMNIFICATION

- 2.1 Grantee accepts all risks and responsibilities for the construction, installation, maintenance, repair and replacement of any well or water line Grantee constructs in the Reserve Well Site Easement or Water Line Easement.
- 2.2 Grantee agrees to indemnify and hold Grantor and any future owners of the Property harmless from any causes of action, claims or liability in connection with the construction, installation, maintenance, repair and replacement of said well(s) and water line. In the event Grantor is named in any legal action to which the indemnification provisions in this subsection or subsection 2.4 pertain, Grantee shall appear and defend Grantor in such action at Grantee's sole cost and expense.
- 2.3 Grantce shall withdraw water from the wells located in the Reserve Well Site Easement and from the water line located in the Water Line Easement at its own risk.
- 2.4 Grantee hereby releases and agrees to indemnify and hold harmless Grantor and any future owners of the Property from liability for water quality problems experienced in said wells or water line; except that this release and indemnification shall not extend to water quality problems in said wells resulting from violation of the Reserve Well Site Easement Agreement, recorded under Skagit County Auditor's File No. 200206260002.
- 2.5 Grantee agrees to construct, install, maintain, repair and replace any well or water line located in the Reserve Well Site Easement or Water Line Easement in a timely and orderly fashion. Following any such activity, Grantee shall promptly restore the Property to its prior condition; provided that such restoration shall not affect Grantee's authorized improvements.

III. GENERAL PROVISIONS

- 3.1 Run with the Land. The entire Agreement entered into by the parties herein shall be deemed to touch and concern the land, and shall, therefore, run with the land in perpetuity. All of the rights and obligations of the parties shall inure to the benefit of and be binding upon their heirs, successors and assigns.
- 3.2 Nonwaiver of Breach. Failure of either Party at any time to require performance of any provision of this Agreement shall not limit such Party's right to enforce such provision, nor shall any waiver of any breach of any provision of this

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Agreement constitute a waiver of any succeeding breach of such provision or a waiver of such provision itself.

- 3.3 Expenses and Attorneys fccs. The prevailing party in any action brought to enforce any terms and conditions of this Agreement shall be entitled to the recovery of their reasonable attorney's fees, costs and expenses.
- 3.4 Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. Venue for any lawsuit filed shall lie exclusively in Skagit County Superior Court.
- 3.5 Complete Agreement Modification Must be in Writing. This Agreement constitutes the entire agreement between the parties as to the matters contained herein. No oral or written statements made by either party prior to or following entry of this Agreement shall be considered a part of this Agreement unless expressly incorporated herein in writing. This Agreement may be modified in writing only, upon mutual agreement of the parties.

Signed this 19th day of October

GRANTOR:

Channel View L.L.C.

By: Michael V. Fohn

Its: Managing Member

SKAGIT COUNTY WASHINGTON REAL ESTATE EXTISE TAX

OCT 1 8 2004

GRANTEE:

Channel View Water Association

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| County of Whatcom |) |

I certify that I know or have satisfactory evidence that <u>Michael V. Fohn</u> is the person who appeared before mc, and said person acknowledged that he signed this instrument on oath and stated that he was authorized to execute the instrument and acknowledged it as agents of **Channel View L.L.C.** to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this 15th day of 15ther, 2004.

Sharon R. Gnthony
Name: Sharon R. Anthony
Notary Public in and for the State of Washington

Sharon R. Anthony
Notary Public in and for the State of Washington

Sharon R. Anthony
Notary Public in and for the State of Washington

Sharon R. Anthony
Notary Public in and for the State of Washington

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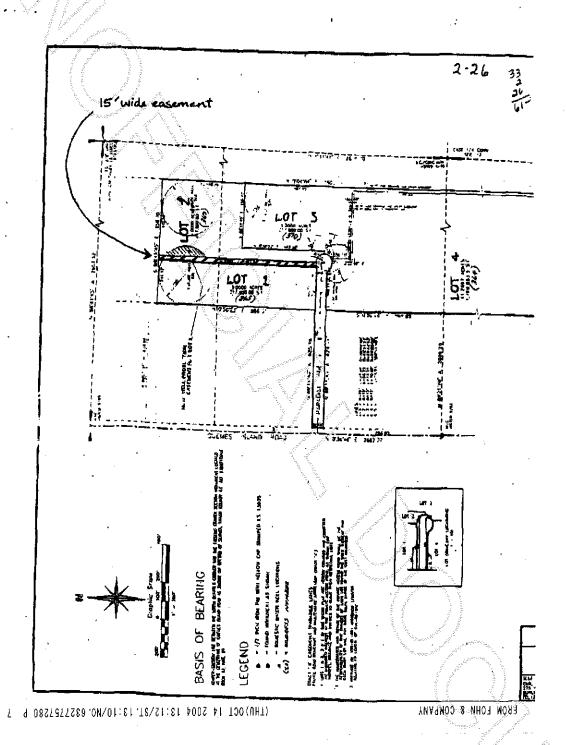
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I certify that I know or have satisfactory evidence that <u>Mark Morecall</u> is the person who appeared before me, and said person acknowledged that he signed this instrument on oath and stated that he was authorized to execute the instrument and acknowledged it as agent of Channel View Water Association to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this 15 TH day of Corosert, 2004.

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