

WHEN RECORDED RETURN TO:

City of Anacortes
P.O. Box 547
Anacortes, WA 98221



200508300145
Skagit County Auditor

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ACCOMODATION RECORDING

Chicago Title Company has placed
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Chicago Title Insurance Company

425 Commercial Street – Mount Vernon, Washington 98273

IQB2700 ✓

DOCUMENT TITLE(s):

1. UTILITY EASEMENT AGREEMENT

REFERENCE NUMBER(s) OF DOCUMENTS ASSIGNED OR RELEASED:

☐ Additional numbers on page _____ of the document

GRANTOR(s):

- FIDALGO COUNTRY INN, LLC**
- COMMODORE MOTOR HOTEL, INC.**

☐ Additional names on page _____ of the document

GRANTEE(s):

- CITY OF ANACORTES**

☐ Additional names on page _____ of the document

ABBREVIATED LEGAL DESCRIPTION:

Ptn Lots 1-4, Short Plat 9-308
Ptn NE SW & Gov't Lot 3, 5-34-2

☐ Complete legal description is on page _____ of the document

ASSESSOR'S PROPERTY TAX PARCEL ACCOUNT NUMBER(s):

P19986
P96104

4719
SKAGIT COUNTY WASHINGTON
Real Estate Excise Tax

AUG 30 2005

Amount Paid \$ 717.00
Skagit County Treasurer
By: Deputy

This cover sheet is for the County Recorder's indexing purposes only.
The Recorder will rely on the information provided on the form and will not read the document to verify the
accuracy or completeness of the indexing information provided herein.

UTILITY EASEMENT AGREEMENT

This Utility Easement Agreement ("Agreement") is made as of this 29th day of July, 2005, between Fidalgo Country Inn, LLC, a Washington limited liability company, as to an undivided 49.58% interest, and Commodore Motor Hotel, Inc., a Washington corporation, as to an undivided 50.42% interest (collectively, "Grantor"), and the City of Anacortes, a Washington municipal corporation ("Grantee").

RECITALS

A. Grantor owns certain real property in Skagit County, Washington, legally described in Exhibit A attached hereto (the "Property").

B. Grantor wishes to grant to Grantee a utility easement over portions of the Grantor Property, subject to the terms and conditions set forth below.

NOW THEREFORE, for good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

AGREEMENT

1. Grant of Easement. Grantor agrees to grant to Grantee a perpetual appurtenant easement over, under and across certain portions of the Property, all as set forth in that certain Utility Easement (the "Easement") dated of even date herewith, a copy of which is attached hereto and is to be recorded in the real property records of Skagit County.
2. Consideration. Grantee agrees to pay to Grantor as consideration for the Easement the total sum of Forty Thousand Dollars (\$40,000), of which amount Grantee acknowledges Thirty-Five Thousand Dollars (\$35,000) has previously been paid. The remaining Five Thousand Dollars (\$5,000) shall be paid to Grantee upon the full execution of this Agreement and the Easement.
3. Binding Effect. The covenants and obligations contained in this Agreement shall run with the land and be binding upon and inure to the benefit of the respective heirs, personal representatives, transferees or successors in interest.
4. Attorneys' Fees. If any suit or other proceeding is instituted by either of the parties to this Agreement arising out of or pertaining to this Agreement, including but not limited to filing suit or requesting an arbitration or other alternative dispute resolution



process, and appeals and collateral actions relative to such suit or proceeding, the substantially prevailing party shall be entitled to recover its reasonable attorneys' fees and all costs and expenses from the substantially nonprevailing party, in addition to such other available relief.

EXECUTED AND EFFECTIVE as of the date first written above.

GRANTOR:

FIDALGO COUNTRY INN, LLC, a
Washington limited liability company, as to
an undivided 49.58% interest

By: [Signature]

Name: RICHARD DESELM

Its: MANAGING MEMBER

COMMODORE MOTOR HOTEL, INC., a
Washington corporation, as to an undivided
50.42% interest

By: [Signature]

Name: MARK RADEN

Its: PRESIDENT

GRANTEE:

CITY OF ANACORTES, a Washington
municipal corporation

By: [Signature]

Name: H. Dean Maxwell

Its: MAYOR



STATE OF WASHINGTON)

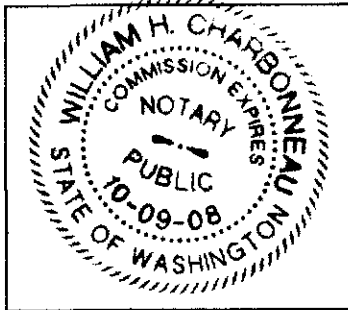
) ss.

COUNTY OF SNOHOMISH)

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

On this 12th day of August, 2005, before me personally appeared Richard D. BESELIN, to me known or have satisfactory evidence, to be the Representative of Fidalgo Country Inn LLC, a Washington limited liability company, that executed the within and 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 the he was authorized to execute said instrument.

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



William H. Charbonneau

Notary Public in and for the State of
Washington, residing at Edmonds, WA
My commission expires: 10-9-08
William H. Charbonneau
[Type or Print Notary Name]



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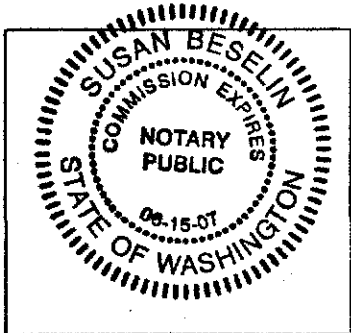
STATE OF WASHINGTON
COUNTY OF SNOHOMISH

)
) ss.
)

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

On this 29th day of July, 2005, before me personally appeared Mark Raden, to me known or have satisfactory evidence, to be the Representative of Commodore Motor Hotel Inc, a Washington Corporation, that executed the within and 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 the he was authorized to execute said instrument.

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



Susan Bevelin
Notary Public in and for the State of
Washington, residing at EDMONDS
My commission expires: 6/15/07
SUSAN BEVELIN
[Type or Print Notary Name]



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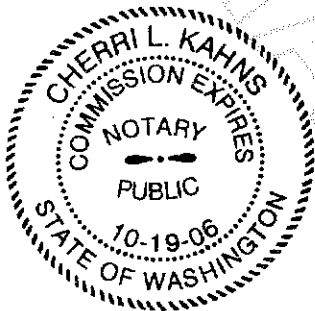
STATE OF WASHINGTON

COUNTY OF Skagit

SS.

I certify that I know or have satisfactory evidence that
H. Dean Maxwell is the person who appeared before me, and said person
acknowledged that said person signed this instrument, on oath stated that said person was
authorized to execute the instrument and acknowledged it as the
Mayor of City of Anacortes, a municipal corporation, to be the
free and voluntary act of such corporation for the uses and purposes mentioned in the
instrument.

Dated this 23rd day of August, 2005



Cherri L. Kahns
(Signature of Notary)

Cherri L. Kahns
(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of
Washington, residing at Mount Vernon

My appointment expires 10-19-06



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EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

LEGAL DESCRIPTION OF LOTS 1, 2, 3 AND 3 BEFORE BOUNDARY LINE
ADJUSTMENT

LOTS 1, 2, 3, & 4, SKAGIT COUNTY SHORT PLAT NO. 90-45, RECORDED
JANUARY 24, 1991, UNDER AUDITORS FILE NO. 9101240023, RECORDS OF
SKAGIT COUNTY, WASHINGTON, ACCORDING TO THE PLAT RECORDED
IN VOLUME 9 OF SHORT PLATS, PAGE 308, BEING A PORTION OF THE
NORTHEAST QUARTER OF THE SOUTHWEST QUARTER AND
GOVERNMENT LOT 3, SECTION 5, TOWNSHIP 34 NORTH, RANGE 2 EAST,
W.M.

SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON.

SOURCE OF LEGAL DESCRIPTION IS LAND TITLE COMPANY SUBDIVISION
GUARANTEE, ORDER NO. 109503-PA, DATED SEPTEMBER 26, 2003 AT
8:00 A.M.

50463476.01

EXHIBIT A



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EXHIBIT B
Easement Area

PERMANENT PIPELINE EASEMENT
FIDALGO COUNTY INN, L.L.C AND COMMODORE MOTOR HOTEL, INC.
Tax Parcel No. 340205-0-040-0005 and 340205-0-040-0500

A PERMANENT EASEMENT OVER, UNDER AND ACROSS THAT PORTION OF LOTS 1 AND 2, SKAGIT COUNTY SHORT PLAT NO. 90-45, RECORDED JANUARY 24, 1991, UNDER AUDITOR'S FILE NO 9101240033, RECORDS OF SKAGIT COUNTY, WASHINGTON, ACCORDING TO THE PLAT RECORDED IN VOLUME 9 OF SHORT PLATS, PAGE 308, SAID EASEMENT BEING A STRIP OF LAND LYING 21.00 FEET WESTERLY FROM THE FOLLOWING DESCRIBED CENTERLINE AND LYING BETWEEN THE FOLLOWING DESCRIBED CENTERLINE AND THE WESTERLY MARGIN OF SR 20:

SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON.

SAID EASEMENT MORE PARTICULARLY DESCRIBED AS FOLLOWS:

AN EASEMENT BEING A STRIP OF LAND 30.00 FEET WIDE, 21.00 FEET ON THE WESTERLY SIDE AND 8.00 FEET, MORE OR LESS, ON THE EASTERLY SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

COMMENCING AT THE FOUND MONUMENT PURPORTEDLY AT THE CENTER OF SAID SECTION, THENCE NORTH 01°38'52" EAST ALONG THE CENTER OF SECTION LINE A DISTANCE OF 240.85 FEET; THENCE NORTH 88°21'08" WEST A DISTANCE OF 50.00 FEET TO THE WEST MARGIN OF SR-20 AND THE EAST LINE OF SAID LOTS 1 AND 2; THENCE CONTINUING NORTH 88°21'08" WEST A DISTANCE OF 7.11 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION; NORTH 01°38'52" EAST A DISTANCE OF 164.68 FEET, MORE OR LESS, TO THE NORTHERLY BOUNDARY OF SAID LOTS 1 AND 2 TO THE TERMINATION OF SAID CENTERLINE AND THE EASEMENT HEREIN DESCRIBED.

TOGETHER WITH AN EASEMENT BEING A STRIP OF LAND 30.00 FEET WIDE, 21.00 FEET ON THE SOUTH AND WESTERLY SIDE AND 8.00 FEET, MORE OR LESS, ON THE NORTH AND EASTERLY SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:



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PERMANENT PIPELINE EASEMENT
FIDALGO COUNTY INN, L.L.C AND COMMODORE MOTOR HOTEL, INC.
Tax Parcel No. 340205-0-040-0005 and 340205-0-040-0500

COMMENCING AT THE FOUND MONUMENT PURPORTEDLY AT THE CENTER OF SAID SECTION, THENCE NORTH 01°38'52" EAST ALONG THE CENTER OF SECTION LINE A DISTANCE OF 433.02 FEET; THENCE NORTH 88°21'08" WEST A DISTANCE OF 73.91 FEET TO THE NORTHERLY LINE OF SAID LOTS 1 AND 2 AND THE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE NORTH 44°59'03" WEST A DISTANCE OF 55.61 FEET; THENCE NORTH 46°24'49" EAST A DISTANCE OF 4.49 FEET, MORE OR LESS TO SAID NORTH LINE OF LOTS 1 AND 2 TO THE TERMINATION OF SAID CENTERLINE AND THE EASEMENT HEREIN DESCRIBED.

THE SIDELINES OF SAID EASEMENT TO BE EXTENDED OR TRIMMED AS NECESSARY TO MEET THE MARGINS OF SR-20 AND THE BOUNDARIES OF SAID LOTS 1 AND 2.



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