

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

John Ellis
The Great American Dream, Inc.
638 Sunset Park Drive, Suite 215
Sedro Woolley, WA 98284



200511100115

Skagit County Auditor

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Reciprocal Easement Agreement

This Reciprocal Easement Agreement is made as of the 2nd day of November, 2005 by and between The Great American Dream, Inc., a Washington corporation ("American") and J. Ellis Properties, LLC, a Washington limited liability company ("Ellis") and are sometimes collectively referred to as the "Owners" and individually as an "Owner":

Parcel Nos.: 350424-1-125-0007 P37510 & 350424-1-091-0007 P37462.

RECITALS

~~NO CONSIDERATION~~

ACCOMMODATION RECORDING ONLY

A. American is the owner of that certain property more particularly described in Exhibits A and B attached hereto (the "American Property") and Ellis is the owner of that certain property more particularly described in Exhibits C and D attached hereto (the "Ellis Property"). The American Property and the Ellis Property are collectively referred to as the "Shopping Center".

B. American and Ellis wish to establish certain easements for the benefit of their respective properties; on the terms and conditions more fully set forth herein.

NOW, THEREFORE, the parties agree as follows:

1. Grant of Easements American hereby grants to Ellis and Ellis hereby grants to American, for the benefit of each such party and their respective tenants, customers, invitees and employees, perpetual, nonexclusive easements for roadways, walkways, ingress and egress, of the portion of each party's respective Property designated as an "Easement Area" on the Site Plans attached hereto as Exhibits B and D (the "Easement Areas").

2. No walls, fences or barriers shall be constructed or maintained on any Easement Area, or any portion thereof, by any Owner which shall prevent or impair the use or exercise of any of the easements granted herein, or free access and movement, including without limitation pedestrian and vehicular traffic through the Easement Area; provided, however, reasonable traffic controls, as may be necessary to guide and control the orderly flow of traffic may be installed. The only exception to this provision shall be (i) for changes to the building areas and parking areas as may be from time to time approved by the Owners, which approval shall not be unreasonably withheld and which approval shall be granted so long as circulation between the American and Ellis Property is maintained, and (ii) for incidental encroachments upon the Easement Areas which may occur as a result of the use of the ladders, scaffolding, storefront barricades, and similar facilities, resulting in a temporary obstruction of the Easement Area all of which are permitted hereunder so long as their use is kept within reasonable requirements of construction work being expeditiously pursued.

3. Subject to existing easements of record, the Easement Area shall be used for roadways, walkways, ingress and egress.

4. The Owners shall cooperate in the granting of appropriate and proper easements for the installation, repair and replacement of storm drains, sewers, utilities, and other property services necessary for the orderly development and operation of the owners' respective properties and the buildings erected thereon. The Owners will use their best efforts to cause the installation of such utility and service lines prior to paving of the Easement Areas, but in all instances will repair or replace any improvements which are damaged as a result of such installation.

5. No sign shall obstruct ingress and egress over any Easement Area.

6. The easements granted herein shall be binding upon the parties hereto and shall attach to and run with the American Property and the Ellis Property, shall be for the benefit of and shall be limitations upon all future Owners of the American Property and the Ellis Property, and shall be appurtenant to the dominant estates.

7. Each Owner, at its sole cost and expense, shall maintain the Easement Area on its Property in good condition and repair. Without limiting the generality of the foregoing, the maintenance shall include the following:

Maintaining and repairing the surfaces in a level, smooth and evenly covered condition with the type of surfacing material and striping originally installed or such substitute therefore as shall in all respects be equal in quality, use and durability;

Removing all paper, debris, filth and refuse and washing or thoroughly sweeping the area to the extent reasonably necessary to keep the area in a neat, clean and orderly condition, and free of snow and ice;

Placing, keeping in repair and replacing any necessary and appropriate directional signs, markers and lines;

Operating, keeping in repair and replacing when necessary, such artificial lighting facilities as shall be reasonably required;

8. Nothing herein contained shall be deemed to be a gift or dedication of any portion of the Easement Area 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 Easement 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 Area 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 Owners. Notwithstanding any other provisions herein to the contrary, the Owners by mutual agreement may periodically restrict ingress and egress from the Easement Area 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 minimum period necessary to prevent the creation of a prescriptive easement and shall occur at such a time as to have a minimum effect on the operation of the Shopping Center.

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

The Great American Dream, Inc.
(a Washington corporation)

J. Ellis Properties, LLC
(A Washington Limited Liability Company)



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by [Signature]
Its President

[Signature]
Its Manager/ President

On this 2nd day of November, 2005, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared John Ellis and to me known to be the president of The Great American Dream, 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 uses and purposes therein mentioned, and on oath stated that he was authorized to execute the said instrument.

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

[Signature]
Notary Public in and for the State of Washington

On this 2nd day of November, 2005, before me, the undersigned a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared John Ellis and to me known to be the manager and president of J. Ellis Properties, 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 uses and purposes therein mentioned, and on oath stated that he was authorized to execute the said instrument.

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

[Signature]
Notary Public in and for the State of Washington

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

NOV 10 2005

Amount Paid \$ 8
Skagit Co. Treasurer
By [Signature] Deputy



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A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS ONLY, OVER
AND UPON THE FOLLOWING DESCRIBED REAL PROPERTY:

EXHIBIT "A"

(Legal description for an Ingress & Egress Easement, describing the westerly 25' of the easterly 89', plus
the westerly 59' of the northerly 30' of the east 89' of the underlying property of Thyme Square Binding
Site Plan)

THOSE PORTIONS OF THE SOUTH 10.00 FEET OF THE NORTH HALF OF THE
EAST THIRD OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER
OF SECTION 24, TOWNSHIP 35 NORTH, RANGE 4 EAST, WILLAMETTE
MERIDIAN, AND THE SOUTH HALF OF THE EAST THIRD OF SAID
NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 24,
TOWNSHIP 35 NORTH, RANGE 4 EAST, WILLAMETTE MERIDIAN, ALL IN THE
COUNTY OF SKAGIT, STATE OF WASHINGTON, MORE PARTICULARLY
DESCRIBED AS FOLLOWS:

THE WEST 25.00 FEET OF THE EAST 89.00 FEET, LYING SOUTH OF THE
NORTH 30.00 FEET OF SAID SUBDIVISION, AND LYING NORTH OF THE
SOUTH 379.00 FEET OF SAID SUBDIVISION.

TOGETHER WITH THE WEST 59.00 FEET OF THE EAST 89.00 FEET OF THE
NORTH 30.00 FEET OF SAID SUBDIVISION.



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A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS ONLY, OVER
AND UPON THE FOLLOWING DESCRIBED REAL PROPERTY:

EXHIBIT "C"

(Legal description for an Ingress & Egress Easement, describing westerly
59' of the northerly 30' of the east 89' of the Outpost)

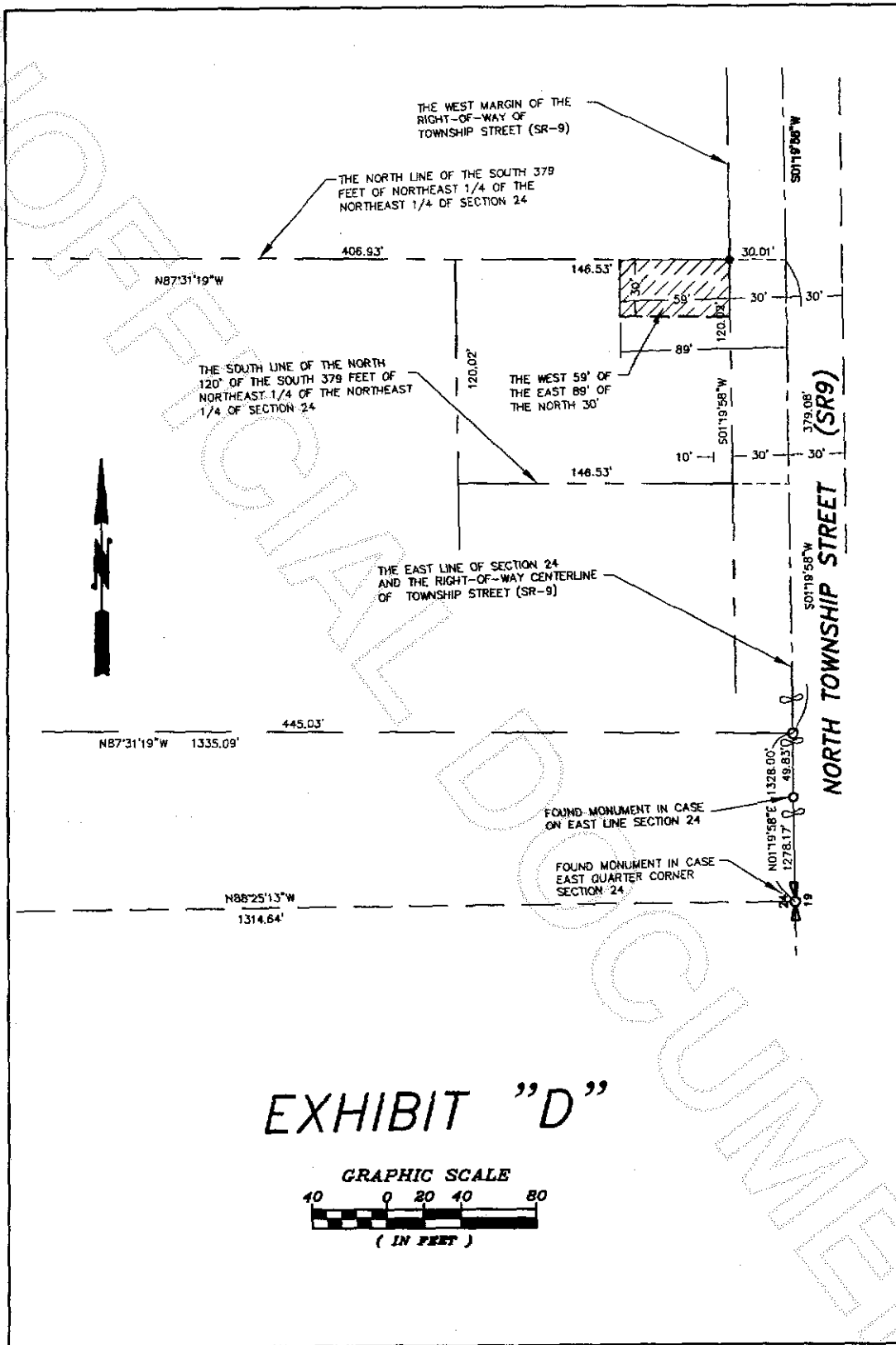
THAT PORTION OF THE NORTHEAST QUARTER OF THE NORTHEAST
QUARTER OF SECTION 24, TOWNSHIP 35 NORTH, RANGE 4 EAST,
WILLAMETTE MERIDIAN, SKAGIT COUNTY, STATE OF WASHINGTON, MORE
PARTICULARLY DESCRIBED AS FOLLOWS:

THE WEST 59.00 FEET OF THE EAST 89.00 FEET OF THE NORTH 30.00 FEET OF
THE SOUTH 379.00 FEET OF SAID SUBDIVISION.



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