

FILED FOR RECORD AT THE  
REQUEST OF/RETURN TO:  
Hidden Meadows Property Owners  
Ingo Lemme  
5856 PARK COURT  
Sedro Woolley, Washington 98284



200605040070  
Skagit County Auditor

5/4/2006 Page 1 of 7 12:43PM

AGREEMENT FOR CONSTRUCTION OF RESIDENCE  
AND GRANT OF EASEMENT AND LIENS

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Grantor (s) HIDDEN MEADOWS PROPERTY OWNERS, a Washington not for profit corporation  
Grantee (s) KEITH JOHNSON, a married man as his separate estate  
Additional Grantor(s) on page(s)  
Additional Grantee(s) on page(s)  
Abbreviated Legal: Lot 3, SP#149-79; & Ptn SE, SE S32, T36N, R4E;  
Additional Legal on page(s)  
Assessor's Tax Parcel No's: P50533; P101525

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This Agreement is made the date set forth below, by and between HIDDEN MEADOWS PROPERTY OWNERS, a Washington not for profit corporation (hereinafter "Hidden Meadows") and KEITH JOHNSON, a married man as his separate estate, (hereinafter "Johnson").

RECITALS

WHEREAS: Johnson is the owner of Skagit County Assessor's parcel numbers P50533 & P101525; and

WHEREAS: Hidden Meadows is the owner of Park Ridge Lane, Skagit County Assessor's parcel number P50516; and

WHEREAS: Hidden Meadows and Johnson have reached an agreement for Johnson's use of Park Ridge Lane, for the benefit of both parcels owned by Johnson, in exchange for certain mutual promises and conditions;

NOW, THEREFORE, in consideration of the mutual promises and covenants herein and for \$10 and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

- 1) **Payment by Johnson.** Johnson and Hidden Meadows hereby agree that the amount of \$12,750 shall immediately be paid by Johnson to Hidden Meadows. Johnson and Hidden Meadows agree that, without further instruction or approval, the \$5,000 held in escrow by First American Title Company shall immediately be released to Hidden Meadows and shall be credited against the \$12,750 to be paid by Johnson.
- 2) **Easement.** Simultaneously with the execution of this agreement, Hidden Meadows shall execute that certain "Easement and Adoption of CC&R's", attached hereto as Exhibit "A" and incorporated herein by this reference. Hidden Meadows shall retain possession of the original and only signed copy of this document and shall record the document at such time as Johnson has substantially completed the construction of the residence, as provided herein. In the event of a default by Johnson under this Agreement, which default is not cured within a reasonable time (no more than ten (10) days) after written notice, Hidden Meadows shall have the right to deny access across Park Ridge Lane to Johnson and Johnson's agents, contractors, licensees and invitees until such time as the default is cured. Johnson shall be bound by the terms of the "Easement and Adoption of CC&R's" as of the date of this Agreement.
- 3) **Construction of Residence.** Johnson shall construct a single family residence substantially similar to that identified in those certain plans identified as W.L. Corey Plan Service, Inc, plan number 8870, as modified by George Deasy, A.I.B.D, by plans dated September 7, 2005, which plans are incorporated into this agreement by this reference. Construction of the residence shall comply with the provision of the CC&R's for Hidden Meadows, as identified in the "Easement and Adoption of CC&R's" attached hereto as Exhibit "A". Construction of the residence shall be substantially completed no later than twelve months from the date this Agreement is recorded. Substantial completion shall be defined as receipt of an occupancy permit from Skagit County, completed painting of the residence, completed landscaping and a completed driveway. Any dispute over whether the project has been substantially completed shall be arbitrated by the parties pursuant to the mandatory rules of arbitration then in effect for the Superior Court of Skagit County. Any damage to Park Ridge Lane that occurs during construction, as a result of such construction, shall be immediately repaired, to the satisfaction of Hidden Meadows, by Johnson.

In the event that Johnson fails to substantially complete the residence, without legal excuse, on or before twelve months from the date this Agreement is recorded, then Hidden Meadows shall have the right to impose a fine in the amount of \$50 per day for each day after twelve months from the date this Agreement is recorded that the residence is not



substantially completed. In no event shall the total fine exceed Ten Thousand and No/100's Dollars. The fine and any other amounts owed by Johnson under this Agreement shall constitute a lien against the property and may be foreclosed in the manner provided for foreclosure of liens in RCW 61.24 et seq.. This lien shall be effective as of the date this Agreement is recorded and shall be subordinate to tax liens on the Property in favor of any assessing or special district and, to the extent permitted by applicable law, shall have priority over all other liens against the Property. Any amounts owed by Johnson under this Agreement shall be the personal obligation of Johnson. However, if Johnson provides Hidden Meadows with a title insurance policy showing that the lien held by Hidden Meadows is superior to any other lien or encumbrance on the Property, then Hidden Meadows agrees to look only to the Property for recovery of any amounts owed by Johnson under this Agreement.

Once the residence is substantially completed and Hidden Meadows is reasonably satisfied that the provisions of this agreement have been met, then Hidden Meadows shall record the "Easement and Adoption of CC&R's" and Johnson shall thereafter have the right to transfer title to the property without any requirement of obtaining consent from Hidden Meadows and Johnson's rights and obligations under this Agreement shall terminate. Notwithstanding anything to the contrary contained herein, Johnson's property shall remain subject to the provisions of the "Easement and Adoption of CC&R's" after termination of this agreement.

- 4) **Drainage Berm.** Johnson acknowledges that Johnson has altered the runoff channeling berm that existed along Park Ridge Lane adjacent to the Johnson property. Therefore, Johnson hereby agrees to indemnify and hold harmless Hidden Meadows, its successors and assigns, from any and all claims, damages, finds, judgments, penalties, costs, liabilities or losses (including, without limitation any and all sums paid for settlement, claims, attorneys' fees, consulting and expert fees) relating to or in connection with damage to Johnson's property or improvements, which damage arises from or relates to drainage or runoff from Park Ridge Lane, other property or other improvements owned by Hidden Meadows.
- 5) **Venue:** In the event any action is brought to enforce this agreement, the parties agree that venue shall lie exclusively in Skagit County, Washington.
- 6) **Modification:** This agreement represents the full and complete agreement of the parties, superseding all previous communications, representations or agreements, whether written or oral, and may not be modified without the written agreement of all parties.
- 7) **Voluntary Execution:** The parties represent, understand and agree that this agreement is made and entered into as their free and voluntary act.



- 8) **Costs and Attorneys' Fees.** If by reason of any breach or default on the part of either party hereto it becomes necessary for the other party hereto to employ an attorney, then the non-breaching party shall have and recover against the other party in addition to costs allowed by law, reasonable attorneys' fees and litigation-related expenses. The non-breaching party shall be entitled to recover reasonable attorneys' fees and costs and expenses, as provided above, regardless of whether litigation is actually commenced.
- 9) **Recording.** Hidden Meadows may record a memorandum of this agreement anytime after its execution. Johnson shall provide copies of this Agreement and the "Easement and Adoption of CC&R's" to any prospective buyer of Johnson's property.
- 10) **Entire Agreement.** This agreement constitutes the entire agreement of the parties and supersedes all prior agreements or understandings between the parties with respect to the subject matter hereof. The recording of the "Easement and Adoption of CC&R's" shall cause that document to supersede and replace this Agreement.
- 11) **Successors / Assignment.** The terms and conditions of this Agreement shall inure to the benefit of, and shall be binding upon and run with the land described in the attached Exhibit "A". This Agreement shall be binding upon the parties hereto, their respective heirs, personal representatives, successors and assigns; provided, however, that this Agreement shall not be assigned or conveyed by Johnson to any person or entity (except to the Estate of Keith Johnson, in the event of Johnson's death) without the prior written consent of Hidden Meadows, which consent may be withheld or granted in Hidden Meadows sole and absolute discretion. In the event of an assignment, the assigning party shall not be relieved of any of its obligations and undertakings contracted for herein.
- 12) **Representation.** Craig E. Cammock, of Skagit Law Group, PLLC has drafted this Agreement and that certain "Easement and Adoption of CC&R's" for Hidden Meadows. Johnson shall be solely responsible for the attorney's fees incurred by Hidden Meadows with respect to preparation of this Agreement and the easement or any default by Johnson. Johnson shall reimburse Hidden Meadows for all attorneys' fees paid directly by Hidden Meadows, if any, simultaneously with the execution of this Agreement. Johnson and Hidden Meadows acknowledge that Craig E. Cammock has previously performed work for both Johnson and Hidden Meadows. Hidden Meadows and Johnson waive any

SKAGIT COUNTY WASHINGTON  
REAL ESTATE EXCISE TAX

#1990  
APR 27 2005

227.50  
Amount Paid \$  
Skagit Co. Treasurer  
By *[Signature]* Deputy



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conflict of interest and hereby agree that Craig E. Cammock will represent only Hidden Meadows with respect to this Agreement.

Dated this 13<sup>th</sup> day of April, 2006.

HIDDEN MEADOWS PROPERTY OWNERS

By: [Signature]  
Its President  
Dated: 4/13/06

[Signature]  
KEITH JOHNSON  
Dated: 4-13-06

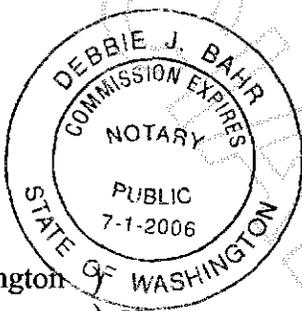


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Skagit County Auditor

State of Washington )  
 ) ss  
County of Skagit )

I certify that I know or have satisfactory evidence that Bill Irving is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the PRESIDENT of HIDDEN MEADOWS PROPERTY OWNERS, a Washington not for profit corporation to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 4-13-06

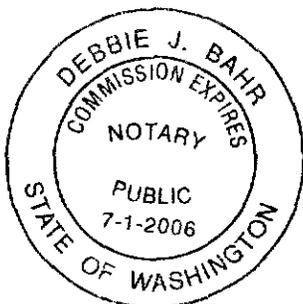


State of Washington )  
 ) ss  
County of Skagit )

Debbie J. Bahr  
NOTARY PUBLIC  
Printed Name: DEBBIE BAHR  
My appointment expires: 07-01-06

I certify that I know or have satisfactory evidence that KEITH JOHNSON is the person who appeared before me and said person acknowledged that he/she signed this instrument and acknowledged it to be his/her free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: 4-13-06



Debbie J. Bahr  
NOTARY PUBLIC  
Printed Name: DEBBIE BAHR  
My appointment expires: 07-01-06



Exhibit A  
Legal Description of Johnson's Property

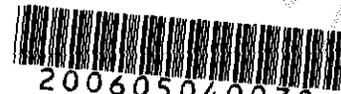
Lot 3 of Short Plat No. 149-79 as approved January 23, 1980 and recorded January 25, 1980 in Volume 4 of Short Plats, page 24, under Auditor's File No. 8001250005, records of Skagit County, Washington; being a portion of the Southeast Quarter of the Southeast Quarter of Section 32, Township 36 North, Range 4 East, W.M.;

TOGETHER WITH

The East 75 feet as measured along the North line of Tract No. 4 as shown on a record of Survey recorded October 11, 1974 in Volume 1 of Surveys, page 95, under Auditor's File No. 808738, records of Skagit County, Washington, being a portion of the Southeast Quarter of the Southeast Quarter of Section 32, Township 36 North, Range 4 East, W.M.

Situate in Skagit County, Washington

EXHIBIT "A"



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