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RETURN TO: Public Utility District No. 1 of Skagit County 1415 Freeway Drive P.O. Box 1436 Mount Vernon, WA 98273-1436

PUD UTILITY EASEMENT

THIS AGREEMENT is made this _______ day of _________, 2007, between SKAGIT CROSSINGS LLC, hereinafter referred to as "Grantor(s)", and PUBLIC UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY, WASHINGTON, a Municipal Corporation, hereinafter referred to as "District". Witnesseth:

WHEREAS, Grantor(s) are the owners of certain lands and premises situated in the County of Skagit, and

WHEREAS, the District wishes to acquire certain rights and privileges along, within, across, under, and upon the said lands and premises.

NOW, THEREFORE, Grantor(s), for and in consideration of mutual benefits and other valuable consideration, receipt of which is hereby acknowledged, conveys and grants to the District, its successors or assigns, the perpetual right, privilege, and authority enabling the District to do all things necessary or proper in the construction and maintenance of a water and communication, lines or other similar public services related facilities, including the right to construct, operate, maintain, inspect, improve, remove, restore, alter, replace, relocate, connect to and locate at any time a pipe or pipes, line or lines or related facilities, along with necessary appurtenances for the transportation and control of water and electronic information on facilities over, across, along, in and under the following described lands and premises in the County of Skagit, State of Washington, to wit:

P23882

That portion of Lot 1 of Burlington Short Plat No. 4-81, approved October 15, 1981 and recorded October 16, 1981 in Book 5 of Short Plats at Page 133 under Auditors File No. 8110160009, lying North of Stevens Road and West of Goldenrod Road and being a portion of the Southwest Quarter of the Southwest Quarter of Section 6, Township 34 North, Range 4 East, WM described as follows:

Commencing at the Northeast corner of said Lot 1; Thence South 0° 34' 55" East, along the East line thereof, 154.97 feet to the TRUE POINT OF BEGINNING; Thence North 88° 32' 19" West 328.39 feet; Thence South 0° 00' 00" East 3.99 feet; Thence South 90° 00' 00" West 64.02 feet; Thence North 0° 37' 38" East 6.61 feet; Thence North 89° 41' 11" West 20.00 feet; Thence South 0° 37' 38" West 6.72 feet; Thence North 89° 59' 17" West 35.72 feet; Thence North 90° 00' 00" West 261.85 feet to the East line of the Southerly extension of Bouslog Road, as shown on the Plat of "Fisher Commercial Park' approved August 17, 1982 and recorded November 11, 1983 under Auditors File No. 8311090025; Thence North 0° 01' 24" West, along said East line, 168.64 feet to the South line of the plat of Fisher Commercial Park as approved August 17, 1982 and recorded November 11, 1983 under Auditors File No. 8311090025, said point also being on the East line of Bouslog Road as shown on said plat; Thence North 88° 32' 19" West, along the South line thereof, 60.02 feet to the West line of said Bouslog Road; Thence South 0° 01' 24" East, along the Southerly extension of said West line, 229 28 feet, Thence North 89° 58' 36" East 60.00 feet to the East line of the Southerly extension of Bouslog Road, as shown on the Plat of "Fisher Commercial Park" approved August 17, 1982 and recorded November 11, 1983 under Auditors File No. 8311090025; Thence North 0° 01' 24' West 14.07 feet; Thence North 90° 00' 00" East 380.46 feet, more or less, to the West line of Lot 2 of said Short Plat No. 4-81, Thence North 0° 34' 55" West 4.00 feet to the Northwest corner of said Lot 2; Thence South 88° 32' 19" East, along the North line of said Lot 2, a distance of 330.00 feet to the Northeast corner thereof; Thence North 0° 34' 55" West, along the East line of said Lot 1, a distance of 45.03 feet to the TRUE POINT OF BEGINNING.

Situate in the County of Skagit, State of Washington.

together with the right of ingress to and egress from said lands across adjacent lands of the Grantor; also, the right to cut and/or trim all timber, trees, brush, or other growth standing or growing upon the lands of the Grantor which, in the opinion of the District, constitutes a menace or danger to said line or to persons or property by reason of proximity to the line. The Grantor agrees that title to all brush, other vegetation or debris trimmed, cut, and removed from the easement pursuant to this Agreement is vested in the District.

Grantors, their heirs, successors, or assigns hereby conveys and agrees not to construct or permit to be constructed structures of any kind on the easement area without written approval of the General Manager of the District. Grantors shall conduct their activities and all other activities on Grantor's property so as not to interfere with, obstruct or endanger the usefulness of any improvements or other facilities, now or hereafter maintained upon the easement or in any way interfere with, obstruct or endanger the District's use of the easement.

The Grantors also agree to and with the District that the Grantors lawfully own the land aforesaid, has a good and lawful right and power to sell and convey same, that same is free and clear of encumbrances except as indicated in the above legal description, and that Grantors will forever warrant and defend the title to said easement and the quiet possession thereof against the lawful claims and demands of all persons whomsoever.

Any mortgage on said land held by a mortgagee is hereby subordinated to the rights herein granted to the District; but in all other respects the mortgage shall remain unimpaired.

In Witness Whereof, the Grantor hereunto sets his hand and seal this 19th day of September, 2007.

JAMES B. POTTER, MANAGER SKACIT CROSSINGS LLC

STATE OF WASHINGTON COUNTY OF

I certify that I know or have satisfactory evidence that JAMES B. POTTER is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the MANAGER of SKAGIT CROSSINGS LLC to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Date: September 19, 2007

KEVINNE WILKINS
NOTARY PUBLIC
STATE OF WASHINGTON
COMMISSION EXPIRES
APRIL 05, 2010

Gerne Wilkins

Notary Public in and for the State of Washington
My appointment expires: April 5, 2010

SKAGIT COUNTY WASHINGTON REAL ESTATE EXCISE TAX

OCT 1 2 2007

Amount Paid & U Skagit Co. Treasurer By Deputy

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