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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 22 day of Jenton ber, 2008, between WILBUR-ELLIS COMPANY, 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, sewer 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, sewer 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:

THE PUD UTILITY EASEMENT WILL CROSS TWO SEPARATE PARCELS: P116989 & P85163 (SEE ATTACHED MAP EXHIBIT "A")

DESCRIPTION OF PARCEL 1 (P116989):

A PARCEL OF LAND SITUATED IN THE N1/2 SE1/4 (GOVERNMENT LOTS 10 AND 11) OF SECTION 7, TOWNSHIP 34 NORTH, RANGE 3 EAST, DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 7; THENCE NORTH ALONG THE EAST LINE OF SAID SECTION 7 A DISTANCE OF 1,613.3 FEET TO THE BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY'S (FORMERLY GREAT NORTHERN RAILWAY COMPANY) MAIN TRACK CENTERLINE, AS NOW LOCATED AND CONSTRUCTED; THENCE NORTHWESTERLY ALONG SAID MAIN CENTERLINE 2,106.1 FEET; THENCE NORTHEASTERLY AT RIGHT ANGLES TO SAID MAIN TRACK CENTERLINE 57.5 FEET; THENCE SOUTHEASTERLY PARALLEL WITH SAID MAIN TRACK CENTERLINE 585.0 FEET TO THE MOST SOUTHERLY CORNER OF THAT CERTAIN PARCEL OF LAND DESCRIBED IN QUIT CLAIM DEED FROM BURLINGTON NORTHERN RAILRÓAD COMPANY TO WILBUR-ELLIS COMPANY DATED NOVEMBER 12, 1996 AND THE TRUE POINT OF BEGINNING OF THE PARCEL OF LAND BEING DESCRIBED; THENCE NORTHEASTERLY AT RIGHT ANGLES TO SAID MAIN TRACK CENTERLINE 60.0 FEET; THENCE SOUTHEASTERLY PARALLEL WITH SAID MAIN TRACK CENTERLINE 50.0 FEET; THENCE NORTHEASTERLY AT RIGHT ANGLES TO SAID MAIN TRACK 42.5 FEET; THENCE SOUTHEASTERLY PARALLEL WITH SAID MAIN TRACK CENTERLINE 110 FEET, MORE OR LESS, TO A POINT 16.0 FEET WEST, AS MEASURED AT RIGHT ANGLES FROM THE EAST LINE OF SAID GOVERNMENT LOT 11; THENCE NORTH PARALLEL WITH SAID EAST LINE 41.22 FEET TO A POINT BEING 200.0 FEET NORTHEASTERLY, AS MEASURED AT RIGHT ANGLES FROM SAID MAIN TRACK CENTERLINE; THENCE SOUTHEASTERLY PARALLEL WITH SAID MAIN TRACT CENTERLINE 30 FEET, MORE OR LESS, TO THE WESTERLY RIGHT OF WAY LINE OF 100.00 FOOT WIDE BAYVIEW-EDISON ROAD IN THE CITY OF WHITNEY, WASHINGTON, ACCORDING TO THE RECORDED PLAT THEREOF; THENCE SOUTHERLY ALONG SAID WESTERLY RIGHT OF WAY LINE A DISTANCE OF 145 FEET, MORE OR LESS, TO THE INTERSECTION WITH A LINE DRAWN PARALLEL WITH AND 57.5 FEET NORMALLY DISTANT NORTHEASTERLY FROM SAID MAIN TRACK CENTERLINE; THENCE NORTHWESTERLY ALONG THE LAST DESCRIBED PARALLEL LINE A DISTANCE OF 155 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING. ALSO EXCEPT A PARCEL OF LAND SITUATED IN THE N 1/2 SE 1/4 (GOVERNMENT LOTS 10 AND 11) OF SECTION 7, TOWNSHIP 34 NORTH, RANGE 3 EAST OF THE WILLAMETTE MERIDIAN, SKAGIT COUNTY,

WASHINGTON, DESCRIBED AS FOLLOWS, TO-WIT: COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 7, AS SAID POINT IS SHOWN ON THAT CERTAIN RECORD OF SURVEY MAP RECORDED UNDER AUDITOR'S FILE NO. 200105020013, RECORDS OF SKAGIT COUNTY, WASHINGTON; THENCE NORTH ALONG THE EAST LINE OF SAID SECTION 7 A DISTANCE OF 1,613.3 FEET TO THE BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY'S (FORMERLY GREAT NORTHERN RAILWAY COMPANY) MAIN TRACK CENTERLINE, AS NOW LOCATED AND CONSTRUCTED, THENCE NORTHWESTERLY ALONG SAID MAIN TRACK CENTERLINE 2,106.1 FEET; THENCE NORTHEASTERLY AT RIGHT ANGLES TO SAID MAIN TRACT CENTERLINE 57.5 FEET; THENCE SOUTHEASTERLY PARALLEL WITH SAID MAIN TRACK CENTERLINE 585.0 FEET TO THE MOST SOUTHERLY CORNER OF THAT CERTAIN PARCEL OF LAND DESCRIBED IN QUIT CLAIM DEED FROM BURLINGTON NORTHERN RAILROAD COMPANY TO WILBUR-ELLIS COMPANY DATED NOVEMBER 12, 1996 AND THE TRUE POINT OF BEGINNING OF THE PARCEL OF LAND BEING DESCRIBED, SAID POINT BEING SHOWN AS THE SOUTHWEST CORNER OF PARCEL "A1" ON SAID RECORD OF SURVEY; THENCE NORTHEASTERLY AT RIGHT ANGLES TO SAID MAIN TRACK CENTERLINE 60.0 FEET; THENCE SOUTHEASTERLY PARALLEL WITH SAID MAIN TRACK CENTERLINE 35.80 FEET; THENCE SOUTHWESTERLY AT RIGHT ANGLES TO SAID MAIN TRACK CENTERLINE 60.0 FEET; THENCE NORTHWESTERLY PARALLEL WITH SAID MAIN TRACK CENTERLINE 35.80 FEET TO THE TRUE POINT OF BEGINNING. ALSO TOGETHER WITH A PARCEL OF LAND SITUATED IN THE N1/2 SE 1/4 (GOVERNMENT LOTS 10 AND 11) OF SECTION 7, TOWNSHIP 34 NORTH, RANGE 3 EAST OF THE WILLAMETTE MERIDIAN, SKAGIT COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS, TO-WIT: COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 7, AS SAID POINT IS SHOWN ON THAT CERTAIN RECORD OF SURVEY MAP RECORDED UNDER AUDITOR'S FILE NO. 200105020013, RECORDS OF SKAGIT COUNTY, WASHINGTON; THENCE NORTH ALONG THE EAST LINE OF SAID SECTION 7 A DISTANCE OF 1,613.3 FEET TO THE BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY'S (FORMERLY GREAT NORTHERN RAILWAY COMPANY) MAIN TRACK CENTERLINE, AS NOW LOCATED AND CONSTRUCTED; THENCE NORTHWESTERLY ALONG SAID MAIN TRACK CENTERLINE 2,106.1 FEET; THENCE NORTHEASTERLY AT RIGHT ANGLES TO SAID MAIN TRACK CENTERLINE 57.5 FEET; THENCE SOUTHEASTERLY PARALLEL WITH SAID MAIN TRACK CENTERLINE 585.0 FEET TO THE MOST SOUTHERLY CORNER OF THAT CERTAIN PARCEL OF LAND DESCRIBED IN QUIT CLAIM DEED FROM BURLINGTON NORTHERN RAILROAD COMPANY TO WILBUR-ELLIS COMPANY DATED NOVEMBER 12, 1996, SAID POINT BEING SHOWN AS THE SOUTHWEST CORNER OF PARCEL "A1" ON SAID RECORD OF SURVEY; THENCE NORTHEASTERLY AT RIGHT ANGLES TO SAID MAIN TRACK CENTERLINE 60.0 FEET; THENCE SOUTHEASTERLY PARALLEL WITH SAID MAIN TRACK CENTERLINE 35.80 FEET TO THE TRUE POINT OF BEGINNING OF THE PARCEL OF LAND BEING DESCRIBED; THENCE NORTHEASTERLY AT RIGHT ANGLES TO SAID MAIN TRACK CENTERLINE 42.5 FEET; THENCE SOUTHEASTERLY PARALLEL WITH SAID MAIN TRACK CENTERLINE 14.20 FEET; THENCE SOUTHWESTERLY AT RIGHT ANGLES TO SAID MAIN TRACK CENTERLINE 42.5 FEET; THENCE NORTHWESTERLY PARALLEL WITH SAID MAIN TRACK CENTERLINE 14.20 FEET TO THE TRUE POINT OF BEGINNING.

EASEMENT IN PARCEL 1:

BEGINNING AT THE NORTHEAST CORNER OF PARCEL 1 DESCRIBED ABOVE AND SHOWN ON THE ATTACHED DRAWING:

THENCE N74°40'20"W, 60.43';

THENCE S0°59'29"W, 41.29';

THENCE N74°40'20"W, 81.97';

THENCE S15°19'40"W, 2.80';

THENCE S72°30'31"E, 110.99' TO THE WESTERLY RIGHT OF WAY LINE OF A 100.00 FOOT WIDE BAYVIEW-EDISON ROAD IN THE CITY OF WHITNEY, WASHINGTON, ACCORDING TO THE RECORDED PLAT THEREOF; THENCE NORTHERLY ALONG SAID WESTERLY RIGHT OF WAY LINE A DISTANCE OF 51.69 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING.

DESCRIPTION OF PARCEL 2 (P85163):

THAT PORTION OF BURLINGTON NORTHERN RAILROAD COMPANY'S (FORMERLY GREAT NORTHERN RAILWAY COMPANY) STATION GROUND PROPERTY AT WHITNEY, WASHINGTON, BEING A PORTION OF THE SAME PARCEL OF LAND DESCRIBED IN DEED FROM JOHN G. JENNE AND ANNA JENNE TO THE SEATTLE & NORTHERN RAILROAD COMPANY DATED AUGUST 20, 1891, AND FILED FOR RECORD AUGUST 27, 1891 IN VOLUME 19 OF DEEDS, ON PAGE 600 OF THE RECORDS OF SKAGIT COUNTY, WASHINGTON, SITUATED IN GOVERNMENT LOT 11 OF SECTION 7, TOWNSHIP 34 NORTH, RANGE 3 EAST OF THE WILLAMETTE MERIDIAN, SKAGIT COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS, TO-WIT: COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 7; THENCE NORTH ALONG THE EAST LINE OF SAID SECTION 7 A DISTANCE OF 1,613.3 FEET TO THE CENTERLINE OF SAID RAILROAD COMPANY'S MAIN TRACT, AS NOW LOCATED AND CONSTRUCTED; THENCE NORTHWESTERLY ALONG SAID MAIN TRACK CENTERLINE 2,106.1 FEET; THENCE NORTHEASTERLY AT RIGHT ANGLES TO SAID MAIN TRACT CENTERLINE 57.5 FEET TO A POINT IN THE WESTERLY LINE OF SAID PARCEL OF LAND DESCRIBED IN DEED FILED FOR RECORD IN VOLUME 19 OF DEEDS, ON PAGE 600 OF THE RECORDS OF SKAGIT COUNTY, WASHINGTON, AND THE TRUE POINT OF BEGINNING; THENCE SOUTHEASTERLY PARALLEL WITH SAID MAIN TRACT CENTERLINE 585.0 FEET; THENCE NORTHEASTERLY AT RIGHT ANGLES TO

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SAID MAIN TRACT CENTERLINE 60.0 FEET: THENCE SOUTHEASTERLY PARALLEL WITH SAID MAIN TRACK CENTERLINE 50.0 FEET; THENCE NORTHEASTERLY AT RIGHT ANGLES TO SAID MAIN TRACT CENTERLINE 42.5 FEET; THENCE SOUTHEASTERLY PARALLEL WITH SAID MAIN TRACT CENTERLINE 110 FEET; MORE OR LESS, TO A POINT BEING 16.0 FEET WEST, AS MEASURED AT RIGHT ANGLES FROM THE EAST LINE OF SAID GOVERNMENT LOT 11; THENCE NORTH PARALLEL WITH SAID EAST LINE 41.22 FEET TO A POINT BEING 200.0 FEET NORTHEASTERLY, AS MEASURED AT RIGHT ANGLES FROM SAID MAIN TRACT CENTERLINE; THENCE NORTHEASTERLY PARALLEL WITH SAID MAIN TRACK CENTERLINE 735 FEET, MORE OR LESS, TO THE MOST NORTHERLY CORNER OF SAID PARCEL OF LAND DESCRIBED IN DEED FILED FOR RECORD IN VOLUME 19 OF DEEDS, ON PAGE 600 OF THE RECORDS OF SKAGIT COUNTY, WASHINGTON; THENCE SOUTHWESTERLY AT RIGHT ANGLES TO SAID MAIN TRACK CENTERLINE AND ALONG THE WESTERLY LINE OF SAID PARCEL OF LAND DESCRIBED IN DEED FILED FOR RECORD IN VOLUME 19 OF DEEDS, ON PAGE 600 OF THE RECORDS OF SKAGIT COUNTY, WASHINGTON, 142.5 FEET TO THE TRUE POINT OF BEGINNING. ALSO EXCEPT A PARCEL OF LAND SITUATED IN THE N 1/2 OF THE SE 1/4 (GOVERNMENT LOTS 10 AND 11) OF SECTION 7, TOWNSHIP 34 NORTH, RANGE 3 EAST OF THE WILLAMETTE MERIDIAN, SKAGIT COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS, TO-WIT: COMMENCING THE SOUTHEAST CORNER OF SAID SECTION 7, AS SAID POINT IS SHOWN ON THAT CERTAIN RECORD OF SURVEY MAP RECORDED UNDER AUDITOR'S FILE NO. 200105020013, RECORDS OF SKAGIT COUNTY, WASHINGTON; THENCE NORTH ALONG THE EAST LINE OF SAID SECTION 7 A DISTANCE OF 1:613.3 FEET TO THE BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY'S (FORMERLY GREAT NORTHERN RAILWAY COMPANY) MAIN TRACK CENTERLINE, AS NOW LOCATED AND CONSTRUCTED; THENCE NORTHWESTERLY ALONG SAID MAIN TRACT CENTERLINE 2,106.1 FEET; THENCE NORTHEASTERLY AT RIGHT ANGLES TO SAID MAIN TRACK CENTERLINE 57.5 FEET; THENCE SOUTHEASTERLY PARALLEL WITH SAID MAIN TRACK CENTERLINE 585.0 FEET TO THE MOST SOUTHERLY CORNER OF THAT CERTAIN PARCEL OF LAND DESCRIBED IN QUIT CLAIM DEED FROM BURLINGTON NORTHERN RAILROAD COMPANY TO WILBUR-ELLIS COMPANY DATED NOVEMBER 12, 1996, SAID POINT BEING SHOWN AS THE SOUTHWEST CORNER OF PARCEL "A1" ON SAID RECORD OF SURVEY; THENCE NORTHEASTERLY AT RIGHT ANGLES TO SAID MAIN TRACK CENTERLINE 60.0 FEET; THENCE SOUTHEASTERLY PARALLEL WITH SAID MAIN TRACK CENTERLINE 35.80 FEET TO THE TRUE POINT OF BEGINNING OF THE PARCEL OF LAND BEING DESCRIBED; THENCE NORTHEASTERLY AT RIGHT ANGLES TO SAID MAIN TRACK CENTERLINE 42.5 FEET; THENCE SOUTHEASTERLY PARALLEL WITH SAID MAIN TRACK CENTERLINE 14.20 FEET; THENCE SOUTHWESTERLY AT RIGHT ANGLES TO SAID MAIN TRACK CENTERLINE 42.5 FEET; THENCE NORTHWESTERLY PARALLEL WITH SAID MAIN TRACK CENTERLINE 14.20 FEET TO THE TRUE POINT OF BEGINNING. ALSO TOGETHER WITH A PARCEL OF LAND SITUATED IN THE N 1/2 SE 1/4 (GOVERNMENT LOTS 10 AND 11) OF SECTION 7, TOWNSHIP 34 NORTH, RANGE 3 EAST OF THE WILLAMETTE MERIDIAN, SKAGIT COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS, TO-WITT: COMMENCING THE SOUTHEAST CORNER OF SAID SECTION 7, AS SAID POINT IS SHOWN ON THAT CERTAIN RECORD OF SURVEY MAP RECORDED UNDER AUDITOR'S FILE NO. 200105020013, RECORDS OF SKAGIT COUNTY, WASHINGTON; THENCE NORTH ALONG THE EAST LINE OF SAID SECTION 7 A DISTANCE OF 1,613.3 FEET TO THE BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY'S (FORMERLY GREAT NORTHERN RAILWAY COMPANY) MAIN TRACK CENTERLINE, AS NOW LOCATED AND CONSTRUCTED; THENCE NORTHWESTERLY ALONG SAID MAIN TRACK CENTERLINE 2,106.1 FEET; THENCE NORTHEASTERLY AT RIGHT ANGLES TO SAID MAIN TRACK CENTERLINE 57.5 FEET; THENCE SOUTHEASTERLY PARALLEL WITH SAID MAIN TRACK CENTERLINE 585.0 FEET TO THE MOST SOUTHERLY CORNER OF THAT CERTAIN PARCEL OF LAND DESCRIBED IN QUIT CLAIM DEED FROM BURLINGTON NORTHERN RAILROAD COMPANY TO WILBUR-ELLIS COMPANY DATED NOVEMBER 12, 1996 AND THE TRUE POINT OF BEGINNING OF THE PARCEL OF LAND BEING DESCRIBED, SAID POINT BEING SHOWN AS THE SOUTHWEST CORNER OF PARCEL "A1" ON SAID RECORD OF SURVEY; THENCE NORTHEASTERLY AT RIGHT ANGLES TO SAID MAIN TRACK CENTERLINE 60.0 FEET; THENCE SOUTHEASTERLY PARALLEL WITH SAID MAIN TRACK CENTERLINE 35.80 FEET; THENCE SOUTHWESTERLY AT RIGHT ANGLES TO SAID MAIN TRACK CENTERLINE 60.0 FEET; THENCE NORTHWESTERLY PARALLEL WITH SAID MAIN TRACK CENTERLINE 35.80 FEET TO THE TRUE POINT OF BEGINNING.

EASEMENT IN PARCEL 2:

BEGINNING AT THE NORTHEAST CORNER OF PARCEL 2 DESCRIBED ABOVE AND SHOWN ON THE ATTACHED DRAWING:

THENCE N74°40'20"W, 174.00';

THENCE S21°10'25"W, 38.99';

THENCE S72°30'31"E, 106.30"

THENCE N15°19'40"E, 2.80';

THENCE S74°40'20"E, 81.97"

THENCE N0°59'29"E, 41.29', TO THE TRUE POINT OF BEGINNING.

together with the right of ingress to and egress from said lands across adjacent lands of the Grantor(s); also, the right to cut and/or trim all timber, trees, brush, or other growth standing or growing upon the lands of the Grantor(s) 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(s) agrees that title to all brush,



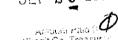
other vegetation or debris trimmed, cut, and removed from the easement pursuant to this Agreement is vested in the District.

Grantor(s), 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. Grantor(s) 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 Grantor(s) also agree to and with the District that the Grantor(s) 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 Grantor(s) 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.

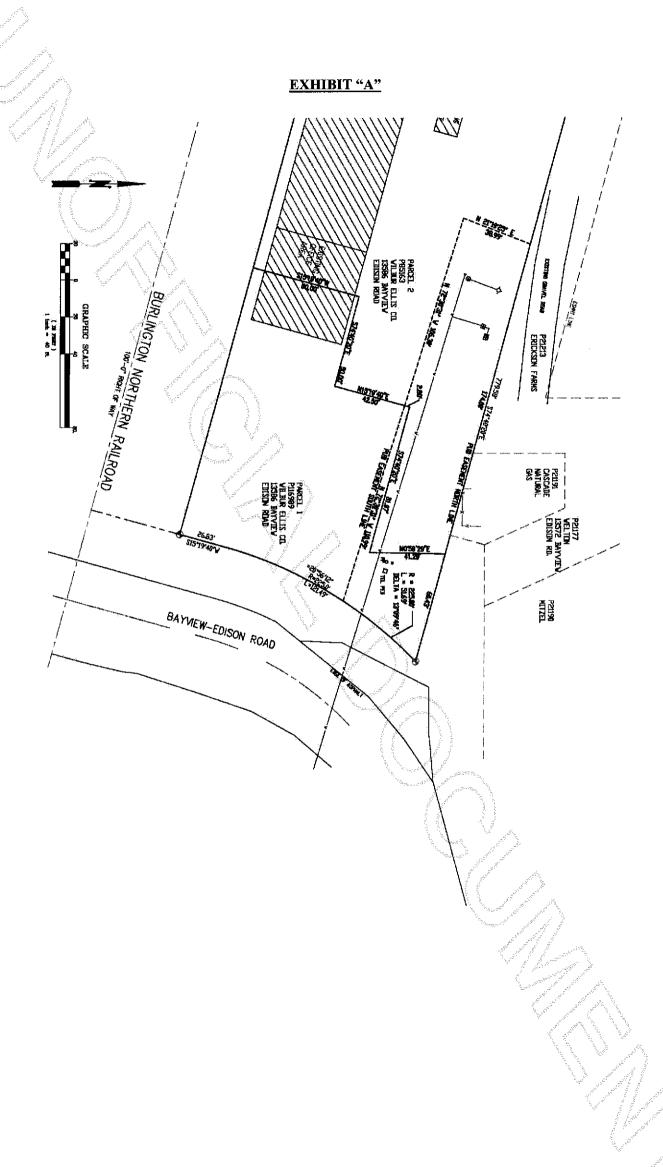
/ InyWitness Whereof, the Grantor(s) hereunto sets his hand and seal this day o
September, 2008.
WILBUR-ELLIS COMPANY
The sular
KEN COWDREY, SSREMANAGER
STATE OF WASHINGTON
COUNTY OF SKACIT
I certify that I know or have satisfactory evidence that KEN COWDREY is the person who appeared
before me, and said person acknowledged that he signed this instrument, on oath stated that he wa
authorized to execute the instrument and acknowledged it as SSRE MANAGER of WILBUR-ELLIS
COMPANY to be the free and voluntary act for the uses and purposes mentioned in the instrument.
Date: 9/22/2008
Date. 1/24/2006
Notary Public in and fat the State of 1 / 2 c hive to
Notary Public in and for the State of Washing tow My appointment expires: 130/20/2
wy appointment expires: 7/30/20/2
SKAGIT COUNTY WASHINGTON
SNAGI COUNT SYCHETAY



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