



201012200187

Skagit County Auditor

After recording, return to:

Joel M. Gordon, Esq.
GordonDerr LLP
2025 First Avenue, Suite 500
Seattle, WA 98121-3140

12/20/2010 Page

1 of

24 4:12PM

WASHINGTON STATE RECORDER'S Cover Sheet (RCW 65.04)**DOCUMENT TITLE(S)** (or transactions contained therein):**Reciprocal Roadway Easement and Maintenance Agreement****REFERENCE NUMBER(S) OF DOCUMENTS ASSIGNED OR RELEASED: N/A**☐ Additional reference #s on page(s) ___ of document(s)**GRANTOR(S)** (Last name first, then first name and initials)

Gull Industries, Inc.
Briar Development Company LLP
Briar Development Burlington LLC

GRANTEE(S) (Last name first, then first name and initials)

Briar Development Company LLP
Briar Development Burlington LLC
Gull Industries, Inc.

LEGAL DESCRIPTION (abbreviated: i.e., lot, block, plat or section, township, range)

SEC. 6, T4N, R4E.

☒ Additional legals are on pages 13 and 14 of document**ASSESSOR'S PROPERTY TAX PARCEL/ACCOUNT NUMBERS**

Gull Property: P23781, 340406-0-150-0016, P23577, 340406-0-001-0207, P130437,
340406-0-001-1207

Briar Property:

**RECIPROCAL ROADWAY EASEMENT
AND MAINTENANCE AGREEMENT**

This RECIPROCAL ROADWAY EASEMENT AND MAINTENANCE AGREEMENT ("Easement") is made as of December 20th 2010 (the "Effective Date") by and between GULL INDUSTRIES, INC., a Washington corporation ("Gull"); BRIAR DEVELOPMENT COMPANY LLP, a Washington limited liability partnership; and BRIAR DEVELOPMENT BURLINGTON LLC, a Washington limited liability company (collectively the "Briar Owners"); Gull, and the Briar Owners may hereafter be referred to as, together, the "Owners" and each, an "Owner."

RECITALS

A. Gull owns the land more particularly described on Exhibit A, attached hereto and made a part hereof (the "Gull Property");

B. The Briar Owners own the land more particularly described on Exhibit B and Exhibit C, attached hereto and made a part hereof (the "Briar Property") The Gull Property and the Briar Property are collectively referred to herein as the "Properties" and each as a "Property";

C. Gull desire to grant to the Briar Owners and the Briar Owners desire to grant to Gull on the terms and provisions set forth herein, a non-exclusive, perpetual easement for ingress and egress over, on, under, and across portions of both the Gull Property and Briar Property, each portions legally described on Exhibit C and is depicted on Exhibit C-1 attached hereto and made a part hereof, (collectively, the "Roadway Easement Area").

D. Gull has constructed an asphalt roadway (the "Roadway") and certain Utilities identified in Section 1 below on, over and under the Roadway Easement Area, which were completed pursuant to that certain Roadway Development, Easement and Maintenance Agreement dated November 24, 2009, and as amended pursuant to an Amendment to Roadway Development, Easement and Maintenance Agreement thereto dated December 20th 2010 (collectively, the "Roadway Development Agreement"); and

E. Gull and Briar desire to establish maintenance provisions for the Roadway.

AGREEMENT

NOW THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, receipt of which are hereby acknowledged, the parties agree as follows:

1. Grant of Roadway Easement. Gull and the Briar Owners, as the Owners of the Properties, each grant to the other a non-exclusive perpetual easement for ingress and egress on, over and across the portion of the Gull Property and the Briar Property comprising the Roadway



Easement Area. The Roadway Easement Area shall be used for the purposes of ingress and egress for vehicular and pedestrian traffic from SR-20 to the Properties and the "Shopping Center" (as defined in that certain Reciprocal Easement Agreement recorded July 16, 2002 under Skagit County Auditor's No. 200207160094 as amended by the First Amendment thereto recorded October 25, 2004, under No. 200410250183, and Second Amendment thereto recorded August 22, 2006 under No. 200608220088 (together the "REA")), over an asphalt Roadway, and for the installation, maintenance and transmission of utilities necessary to the operation of the businesses located on the Properties and the Shopping Center, including, but not limited to, electrical, cable, water, gas, sewer (collectively, the "Utilities").

2. Construction of Access Road. Gull has caused to be constructed the Roadway and the Utilities under the Roadway in accordance with the approved Roadway Plan and all applicable laws, ordinances or codes. Gull and the Briar Owners have satisfied any obligations and have fully paid any sums owing pursuant to the Roadway Development Agreement.

3. Grant of Maintenance Easement. The Briar Owners agree that they shall have the ongoing obligation to repair, clean, maintain, and replace the Roadway and the Utilities at its sole expense, as necessary to keep the Roadway and Utilities in good condition and repair, structurally sound, and in compliance with all applicable laws, rules, regulations and ordinances (the "Maintenance Work"). Maintenance Work authorized under this Section shall not change the basic configuration or location of the Roadway or the Utilities, expand the width of the Roadway, modify the location, alignment, or width of the curb cuts, or change the traffic flow on the Roadway, without the consent of the other benefited Owners; provided, however, that the Briar Owners may install, maintain, repair and replace entrance, exit and directional signs, guard rails or other roadway dividers and lighting along the Roadway at mutually agreeable locations as shall be reasonably required and in accordance with the practices prevailing in the operation of similar shopping center sites. Gull hereby grants and conveys to the Briar Owners an access easement on, over, under and across that portion of the Gull Property necessary for the repair, maintenance and replacement of the Roadway and the Utilities (the "Maintenance Easement Area"). The Briar Owners shall use commercially reasonable efforts to minimize disruption to the business located on the Gull Property in completing Maintenance Work and shall promptly restore any landscaping or improvements in the Maintenance Easement Area to the condition they were in prior to such Maintenance Work.

4. Gull's Rights. In the event Gull determines, in its reasonable discretion, that Maintenance Work is necessary to the Roadway and/or the Utilities, Gull may give the Briar Owners written notice that it believes Maintenance Work to the Roadway and/or the Utilities is required by the Briar Owners under this terms of this Easement. The Briar Owners shall complete such requested Maintenance Work in a timely fashion. In the event of a dispute between Gull and the Briar Owners regarding whether Maintenance Work is necessary, the provisions of Section 9 shall control. In the event Gull determines, in its reasonable discretion, that an emergency exists, then Gull shall be entitled to proceed immediately to effect all necessary maintenance and repairs of the Roadway and/or the Utilities and shall notify the Briar Owners of the nature and scope of the work performed as soon as reasonably possible under all



of the circumstances. The Briar Owners shall reimburse Gull for the cost of such emergency maintenance and repairs of the Roadway within thirty (30) days of receipt of an invoice from Gull.

5. Public Dedication. The Briar Owners may elect at some time in the future to dedicate the Roadway to the City of Burlington as a public road. The Parties agree to in the future without the payment of any additional consideration to execute such further documents as may be reasonably necessary to dedicate the Roadway to the City of Burlington. In the event of such public dedications this Easement shall automatically terminate. The Briar Owners may desire or be required to grant easements for the utilities installed in the Roadway pursuant to this Agreement to utility service providers. The Parties, to the extent they have an ownership interest in the utility easement area within the Roadway, agree without payment of any additional consideration to grant easements in the form requested by utility service providers.

6. Insurance. Gull and the Briar Owners agree to maintain in full force and effect at all times during the term of this Easement the following policies of insurance described in this Section 6.

6.1 Liability Insurance. Both Gull and the Briar Owners shall obtain a commercial general liability policy with coverage of at least \$1,000,000 combined single limit per occurrence and at least \$2,000,000 in the aggregate. Gull and the Briar Owners shall also obtain, if available at commercially reasonable rates, an umbrella policy providing at least \$8,000,000 in additional coverage bringing total liability coverage to not less than \$10,000,000.

6.2 General Requirements for Insurance Policies.

6.2.1 The policies may contain reasonable deductibles that shall be disregarded in determining whether the insurance meets the coverage requirements.

6.2.2 All insurance coverage obtained shall be carried with financially responsible insurance companies authorized to do business in Washington.

6.2.3 All liability insurance policies shall name each Owner of the Gull Property and the Briar Property as an additional named insured.

6.2.4 All liability insurance policies shall include contractual liability insurance insuring Gull's and the Briar Owners indemnity obligations under Section 15 of this Easement.

6.2.5 All insurance policies shall provide for a certificate of insurance to be furnished to the Owner of the Gull Property and the Briar Property. A copy of such certificate shall also be provided under request to any lender having a lien on either the Gull Property or the Briar Property.



6.2.6 The Owners of the Gull Property and the Briar Property shall use reasonable efforts to secure insurance policies with an endorsement providing that the insuring Owners will be given at least thirty (30) days' prior written notice of any cancellation, substantial modification, or nonrenewal.

6.3 Waiver of Subrogation. The Owners hereby waive all rights of recovery and causes of action and releases each other from any liabilities from all losses and damages occasioned to the property and damages are of the type covered under the policies required by this Section 6 and such policies shall provide, to the extent the same is available under the policies or by endorsement, for waivers of any right of subrogation that the insurer of such Owner may acquire against any other Owner to this Easement with respect to any losses.

7. Damage or Destruction. If the Roadway is damaged or destroyed by fire, casualty or any other cause whatsoever during the term of this Easement, The Briar Owners shall promptly rebuild, replace and repair such damaged or destroyed Roadway improvements to substantially the same condition and general appearance as existed immediately prior to such damage or destruction.

8. Condemnation. In the event the Roadway is condemned by the City of Burlington within fifteen (15) years of the date of this Easement, the total condemnation award paid to the Owners from such taking shall be allocated such that Gull shall receive fifty percent (50%) and the Briar Owners shall receive fifty percent (50%), which percentages were determined by taking into consideration the allocated cost paid by Gull and Briar for the initial Roadway and Utility improvements. Thereafter, each Owner shall retain the condemnation award it receives as the Owner of its respective Property.

9. Arbitration Procedures. In the event of a dispute as to the rights and obligations of either party to this Easement, an Owner (the "Instigator") after written notice to the other Owner (the "Recipient") may invoke the arbitration right set forth below, and the impasse shall be resolved by arbitration in accordance with this Section 9. Notwithstanding the foregoing, either Owner shall have the right to seek injunctive relief or any other legal or equitable relief relating to the title to real property. Other third parties may be joined in the arbitration upon notice of either Party and with the consent of such third party. Thereafter, such third parties shall be bound by this arbitration agreement and by the award of the same extent as the original parties to the arbitration.

9.1 Choice of Arbitrator. The Instigator may advise the Recipient in writing of the name and address of its arbitrator. The arbitrator must be an attorney, MAI appraiser, architect or general contractor with at least 10 years of experience with commercial real estate development. Within ten (10) days after receipt of such notice from the Instigator designating its arbitrator, the Recipient shall give notice to Instigator, specifying the name and address of the person designated by Recipient to act as arbitrator on its behalf who shall be similarly qualified. If Recipient fails to notify Instigator of the appointment of its arbitrator, within or by the time above specified, then the arbitrator appointed by Instigator shall be the arbitrator to determine the



issue. The duty of the arbitrators shall be to resolve the impasse using the arbitrators' business judgment. If two arbitrators are so chosen, they shall meet within ten (10) days after the second arbitrator is appointed and attempt to resolve the impasse. The arbitrators selected by each of the parties shall issue their decision in writing stating his or her proposed resolution supported by the reasons therefore with counterpart copies to each party. The arbitrators shall arrange for a simultaneous exchange of such proposed resolution.

9.2 Role of Third Arbitrator. Where the issue cannot be resolved by agreement between the two arbitrators (or settlement between the parties during the course of arbitration) within ten (10) days after such first meeting the two arbitrators, the issue shall be resolved by the three arbitrators. The two arbitrators shall appoint a third arbitrator, who shall be a competent and impartial person with the same qualifications required of the first two arbitrators. If they are unable to agree upon such appointment within five (5) business days after expiration of said ten (10) day period, the third arbitrator shall be selected by the parties themselves, if they can agree thereon, within a further period of ten (10) days. If the parties do not so agree, then either party, on behalf of both, may request appointment of such a qualified person by the then presiding judge of Skagit County Superior Court (the "Judge") acting in his or her private nonjudicial capacity, and the other party shall not raise any question as to such Judge's full power and jurisdiction to entertain the application for and make the appointment, and the parties agree to indemnify and hold the Judge fully and completely harmless from and against all claims arising out of the Judge's appointment of an arbitrator. The role of the third arbitrator shall be to select which of the two proposed resolutions best and most fairly resolves the impasse, and/or to fashion a compromise resolution incorporating aspects of each arbitrator's proposal.

9.3 Failure of Arbitrator to Act. In the event of a failure, refusal or inability of any arbitrator to act, his or her successor shall be appointed by him, but in the case of the third arbitrator, his or her successor shall be appointed in the same manner as provided for appointment of the third arbitrator.

9.4 Costs. Each party to the arbitration shall pay the fee and expenses of the arbitrators, attorneys' and experts retained by them, including, without limitation, contractors, architects and cost estimators, and shall each pay one half of the fee and expense of any third arbitrator.

9.5 Use of Experts. The arbitrators shall have the right to consult experts and competent authorities, but any such consultation shall be made in the presence of both parties with full right on their part to cross-examine. The arbitrators shall not be bound by the rules of evidence or civil procedure, but may consider such writings and oral presentations as reasonable business people would use in the conduct of their day-to-day affairs, and may require the Parties to submit some or all of their case by written declaration or such other manner of presentation as the arbitrators may determine to be appropriate.

9.6 Final and Binding Nature of Arbitration. Any decision of the arbitrator or arbitrators made in accordance with this Section 9 shall be final and binding on the parties. Notwithstanding the foregoing, any party may seek judicial recourse with respect to any decision of the arbitrators which is outside the bounds of the authority delineated herein; provided however, that any such recourse shall be deemed waived if an action is not filed within thirty (30) days of the final arbitration award. The arbitrators shall have no power to render a decision which would effectively amend this Easement, or excuse compliance with their respective provisions. No arbitration shall have the ability to permit the Parties to refuse to comply with any mandatory provision of this Easement (as opposed to permissive provisions). The commencement or pendency of an arbitration shall not act to stay or supersede any judicial action to enforce the provisions of this Easement.

10. Notices. All notices hereunder shall be in writing and shall be considered given either (a) when delivered in person, (b) upon receipt when delivered by a reputable overnight delivery service to the address given below; or (c) upon receipt if sent by mail, registered or certified, return receipt requested, in a sealed envelope or container postage and postal charges prepaid, addressed by name and addressed to the Owner or person intended as follows:

Notice to Gull:

Gull Industries, Inc.
3404 Fourth Avenue S.
P.O. Box 24687
Seattle, WA 98124
Attn: William Low
Phone: (206) 624-5900
Fax: (206) 624-5412

With a copy to:

Serena S. Carlsen
Stoel Rives LLP
600 University Street, Suite 3600
Seattle, WA 98101
Phone: (206) 386-7515
Fax: (206) 386-7500

Notice to Briar Owners:

Briar Development Company
P. O. Box 489
Bellingham WA 98227
Phone: (360) 733-8720
Fax: (360) 650-8236



With a copy to:

Joel Gordon
GordonDerr LLP
2025 First Avenue, Suite 500
Seattle, WA 98121
Phone: (206) 382-9540
Fax: (206) 626-0675

Each Owner may, by notice given at any time or from time to time, require subsequent notices to be given to another individual person, whether a Owner or an officer or representative, or to a different address, or both.

11. Successors and Assigns. This Easement binds, and inures to the benefit of, the Owners to this Easement the parties to the REA and their respective heirs, executors, administrators, legal representatives, successors, and assigns.

12. Agreement to Grant Easement to Cocusa. Briar and Gull acknowledge the terms and conditions of that certain Loop Road Access Agreement dated November 17, 2003, (the "Loop Road Agreement") under which Cocusa Inc. ("Cocusa") has certain rights, defined therein, to potentially access the Roadway. The Parties agree to in the future execute such further documents for the benefit of Cocusa as may be reasonably necessary to fulfill the obligations set forth in the Loop Road Agreement. The cost to fulfill any and all such obligations shall be borne by Briar at its sole cost and expense.

13. Warranties and Representations. Each Owner represents and warrants to the other that (a) the statements made with respect to each such Owner in the recitals to this Easement are true and correct in all material respects, (b) such Owner is validly existing under the laws of the jurisdiction of its formation or incorporation, as applicable, (c) such Owner has all requisite power and authority to perform its obligations under this Easement, (d) the execution and delivery by such Owner of, and the performance by such Owner of its obligations under this Easement have been duly authorized by all necessary action of the board of directors or other governing body of such Owner, and (e) this Easement is a valid and binding obligation of such Owner, enforceable against such Owner in accordance with its terms. No warranty herein constitutes or shall be construed as a warranty of title.

14. Amendment. No amendment, modification, or alteration of this Easement is binding unless in writing, dated subsequent to the date of this Easement, and duly executed by the Owners.

15. Indemnity. Each Owner (the "Indemnifying Owner") shall indemnify, release, defend and hold the other Owner (the "Indemnified Owner") from any and all liabilities, obligations, losses, damages, claims, judgments, suits or expenses of any kind or nature whatsoever, including, but not limited to, reasonable attorneys, fees, arising out of or in any way connected with the Indemnifying Owner's use of the Roadway Easement Area, including the



Indemnifying Owner's employees, agents, independent contractors or any other persons or entities acting by, under, or through the Indemnifying Owner, and for any liability whatsoever resulting from any actual or alleged injury to any person or for any actual or alleged loss or damage to any property or improvements in the Roadway caused by or resulting from such use of the Roadway Easement Area or the performance of any construction, installation or replacement allowed under this Easement, except to the extent attributable to the concurrent negligence or intentional misconduct of the Indemnified Owner or any person or entity acting by, under or through such Indemnified Owner. The Indemnified Owner shall have the right to choose counsel for such indemnified Owner defense, which counsel shall be acceptable to the Indemnifying Owner in its reasonable discretion; provided that in the event such defense is covered by the Indemnifying Owner's insurance, the counsel chosen by the indemnifying Owner's insurance company shall be deemed acceptable. The Owners agree to use reasonable efforts to cooperate with each other and to mitigate any claims for indemnification under this Easement.

16. Attorneys Fees and Costs. The substantially prevailing Owner in any action or suit (other than in an arbitration proceeding under Section 9 above) to enforce any term or provision of this Easement or to recover damages or obtain equitable relief in connection with any breach or default by any other Owner of any term or provision of this Easement shall be entitled to recover from the other Owner the substantially prevailing Owner's reasonable attorneys' fees and costs incurred in connection with such action or suit.

17. Further Assurances. Each Owner will perform all such acts as reasonably may be necessary to fully effectuate each and all of the purposes and intent of this Easement, (including but not limited to, executing and delivering such instruments and documents, promptly but no later than thirty (30) days from receipt of prior written notice, from time to time and at any reasonable time as reasonably requested by any other Owner).

18. Counterparts. This Easement may be executed in multiple counterparts, each of which will be an original and all of which, when considered together, will constitute one and the same agreement.

19. Covenants Running with the Land. The Owners hereby agree that all of the covenants and agreements contained in this Easement touch and concern the Properties described in this Easement and are expressly intended to, and shall, be covenants running with the land and shall be binding and a burden upon the Shopping Center, the Gull Property and the Briar Property, and each Owner's and the Parties to the REA present or future estate or interest therein, and upon each of the Owners and the Parties to the REA, their respective heirs, administrators, executors, legal representatives, successors and assigns as holders of an estate or interest in the Shopping Center, the Gull Property or the Briar Property (including without limitation, any Lender or other person acquiring title from any such person upon foreclosure or by deed in lieu of foreclosure), and shall benefit the Briar Property and the Gull Property as set forth herein.



20. Consents. Unless stated to the contrary, any consents or approvals required by an Owner shall not be unreasonably withheld, delayed or conditioned.

21. Governing Law. The laws of the State of Washington shall govern the interpretation and enforcement of this Easement and the easements and covenants granted hereunder.

IN WITNESS WHEREOF, Gull, and the Briar Owners have executed this Easement as of the Effective Date first set forth above.

GULL INDUSTRIES, INC., a Washington corporation

By: [Signature]
Name: William Low
Title: SR VP Kent Egate

BRIAR DEVELOPMENT COMPANY LLP, a Washington limited liability partnership

By: [Signature]
Name: Richard R. Haggan
Title: Partner

BRIAR DEVELOPMENT BURLINGTON LLC

By: Briar Management LLC, Manager
By: Briar Development Company, Manager

By: [Signature]
Name: Richard R. Haggan
Title: Partner



ACKNOWLEDGEMENTS

STATE OF WASHINGTON)

)ss

COUNTY OF KING)

On this 10 day of December, 2010, before me personally appeared WILLIAM LOW, to me known to be the authorized agent of **GULL INDUSTRIES, INC.**, a Washington corporation, the corporation that executed the within and foregoing instrument, and acknowledged 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/she is authorized to execute said instrument and that the seal affixed, if any, is the seal of said corporation.

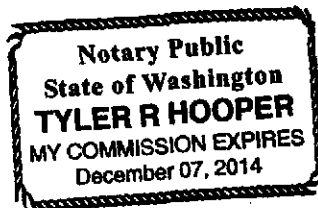
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Signature: 

Name (Print): TYLER HOOPER

NOTARY PUBLIC in and for the State
of Washington, residing at MT. JEROME, WA

My appointment expires: 12/7/14



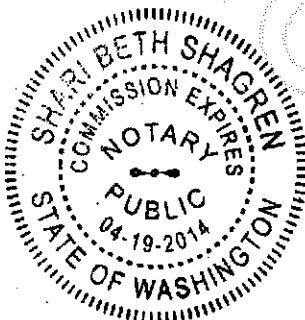
STATE OF WASHINGTON)

)ss

COUNTY OF Whatcom)

On this 20th day of December, 2010, before me personally appeared Richard L. Hagen, to me known to be the Partner of BRIAR DEVELOPMENT COMPANY LLP, a Washington limited liability partnership, the partnership that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said partnership, for the uses and purposes therein mentioned, and on oath stated that he/she is authorized to execute said instrument and that the seal affixed, if any, is the seal of said partnership.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.



Signature: Shari Beth Shagren

Name (Print): Shari Beth Shagren

NOTARY PUBLIC in and for the State
of Washington, residing at Custer
My appointment expires: April 19, 2014

STATE OF WASHINGTON)

)ss

COUNTY OF Whatcom)

On this 20th day of December 2010, before me personally appeared Richard L. Hagen, to me known to be the manager of BRIAR DEVELOPMENT BURLINGTON LLC, a Washington limited liability company, the company that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said company, for the uses and purposes therein mentioned, and on oath stated that he/she is authorized to execute said instrument and that the seal affixed, if any, is the seal of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.



Signature: Shari Beth Shagren

Name (Print): Shari Beth Shagren

NOTARY PUBLIC in and for the State
of Washington, residing at Custer
My appointment expires: April 19, 2014



EXHIBIT A

GULL PROPERTY LEGAL DESCRIPTION

Parcel A

That portion of Government Lot 1, Section 6, Township 34 North, Range 4 East, WM described as follows:

Commencing at the Northeast corner of said Section 6; Thence South 0° 00' 04" East, along the East line of said Section 6 a distance of 326.89 feet to the Southeast corner of the South Half of the North Half of the Northeast Quarter of Government Lot 1 of said Section 6; Thence North 89° 25' 07" West, along the South line thereof, 40.00 feet to the West line of the East 40.00 feet of said Section 6 and the **TRUE POINT OF BEGINNING**; Thence North 0° 00' 04" West, along said line, 255.39 feet to the Southeast corner of that certain parcel as conveyed to the City of Burlington by Deed recorded under Auditors File No. 8810100024, records of Skagit County Washington; Thence North 89° 24' 58" West, along the South line of said parcel, 7.00 feet to an angle point in said parcel; Thence continue along said parcel the following courses, North 0° 00' 04" West 11.82 feet; Thence along a non-tangent curve concave to the Southwest whose radius point bears South 50° 51' 12" West a distance of 49.00 feet through a central angle of 50° 15' 59" an arc distance of 42.99 feet; Thence North 89° 24' 58" West along the South line of said parcel recorded under AFN 8810100024 a distance of 200.50 feet to the West line of that certain parcel as described under document recorded under Auditors file no. 8604010050; Thence South 0° 00' 04" East, along the West line of said parcel and said parcel extended, 284.90 feet to the South line of the South Half of the North Half of the Northeast Quarter of Government Lot 1 of said Section 6; Thence South 89° 25' 07" East, along said line, 245.00 feet to the **TRUE POINT OF BEGINNING**.

Containing 69, 387 square feet, more or less.

Subject to easements, restrictions and reservations of record.

Situate in the County of Skagit, State of Washington

Parcel B

That portion of Government Lot 1, Section 6, Township 34 North, Range 4 East, WM described as follows:

Commencing at the Northeast corner of said Section 6; Thence South 0° 00' 04" East, along the East line of said Section 6 a distance of 326.89 feet to the Southeast corner of the South Half of the North Half of the Northeast Quarter of Government Lot 1 of said Section 6; Thence North



89° 25' 07" West, along the South line thereof, 285.00 feet to the Southerly extension of the West line of that certain parcel described as parcel "D" of document recorded under Auditors File No. 8604010050 and the **TRUE POINT OF BEGINNING**; Thence continue North 89° 25' 07" West 231.01 feet to the East line of "Haggen Drive re-alignment"; Thence Northeasterly along a non-tangent curve, concave to the Southeast, whose radius point bears South 79° 43' 30" East a distance of 442.00 feet, through a central angle of 6° 21' 20" and arc distance of 49.03 feet; Thence along a curve to the left having a radius of 433.00 feet through a central angle of 13° 31' 47" an arc distance of 102.25 feet, more or less to the South line of the North 15.00 feet of the South Half of the North Half of the North Half of said Government Lot 1; Thence South 89° 25' 02" East, along said line, 202.13 feet to the Southwest corner of that certain parcel as described under Auditors File No. 8604010050; Thence South 0° 00' 04" East along the Southerly extension of the West line of that certain parcel as described under Auditors File No. 8604010050, a distance of 148.45 feet to the **TRUE POINT OF BEGINNING**.

Containing 31,809 square feet, more or less.

Subject to easements, restrictions and reservations of record.

Situate in the County of Skagit, State of Washington

Parcel C

That portion of Government Lot 1, Section 6, Township 34 North, Range 4 East, WM described as follows:

Commencing at the Northeast corner of said Section 6; Thence South 0° 00' 04" East, along the East line of said Section 6 a distance of 326.89 feet to the Southeast corner of the South Half of the North Half of the Northeast Quarter of Government Lot 1 of said Section 6; Thence North 89° 25' 07" West, along the South line thereof, 285.00 feet to the Southerly extension of the West line of that certain parcel described as parcel "D" of document described under Auditors File No. 8604010050; Thence continue North 89° 25' 07" West 231.01 feet to the East line of "Haggen Drive re-alignment" and the **TRUE POINT OF BEGINNING**; Thence Northeasterly along a non-tangent curve, concave to the Southeast, whose radius point bears South 79° 43' 30" East a distance of 442.00 feet, through a central angle of 6° 21' 20" and arc distance of 49.03 feet; Thence along a curve to the left having a radius of 433.00 feet through a central angle of 13° 31' 47" and arc distance of 102.25 feet, more or less to the South line of the North 15.00 feet of the South Half of the North Half of the North Half of said Government Lot 1; Thence North 89° 25' 02" West, along said line, 165.12 feet to the West line of the Northeast Quarter of Government Lot 1; Thence South 0° 04' 51" East, along said line, 148.46 feet to the South line of the South Half of the North Half of the Northeast Quarter of Government Lot 1; Thence South 89° 25' 07" East, along said line, 136.03 feet to the **TRUE POINT OF BEGINNING**.

Containing 22,691 square feet, more or less.



Subject to easements, restrictions and reservations of record.

Situate in the County of Skagit, State of Washington

3528058.9 0074357-00024

15



201012200187
Skagit County Auditor

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EXHIBIT B

BRIAR PROPERTY LEGAL DESCRIPTION

See attached

3528058.9 0074357-00024



201012200187
Skagit County Auditor

EXHIBIT B
BRIAR PROPERTY

PARCEL "A":

The East 100 feet of the following described tract:

That portion of the East 1/2 of the West 1/2 of Government Lot 1, Section 6, Township 34 North, Range 4 East, W.M., lying Southerly of the State Highway and Northerly of a line, which is parallel with and 200 feet Southerly of the Southerly line of said State Highway, as conveyed by Deed recorded July 27, 1976, under Auditor's File No. 839826, records of Skagit County, Washington, EXCEPT the East 10 feet thereof; AND EXCEPT that portion conveyed to the State of Washington for roads under Auditor's File No. 200608150173.

PARCEL "B":

The West 81.57 feet of the following described tract:

That portion of Government Lot 1, Section 6, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at the intersection of the West line of the Pacific Highway and the South line of the County Road along the North line of said Government Lot 1; thence West, 470 feet to the true point of beginning; thence West to the West line of the East 1/2 of Government Lot 1; thence South to the South line of the North 1/2 of the North 1/2 of the North 1/2 of Government Lot 1, (said line being the North line of the tract conveyed December 21, 1915, to Anna J. Knutzen by Deed recorded in Volume 102 of Deeds, Page 21); thence East to a point, 470 feet West of the West line of the Pacific Highway; thence North to the true point of beginning.

ALSO, the East 10 feet of that portion of the West 1/2 of Government Lot 1, lying South of the County Road, as conveyed by Deed recorded July 27, 1976, under Auditor's File No. 839826, records of Skagit County, Washington, and North of a line, which is 200 feet South of and parallel with the County Road in Section 6, Township 34 North, Range 4 East, W.M.

AND EXCEPT that portion conveyed to the State of Washington for roads under Auditor's File No. 200608150173.

PARCEL "C":

That portion of Government Lot 1, Section 6, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at the intersection of the South line of the County road along the North line of said subdivision and the West line of the Pacific Highway as conveyed to the State of Washington by Deed recorded February 21, 1927 under Auditor's File No. 201385; thence West along said County road 255 feet to the true point of beginning; thence continuing West along said road 215 feet; thence South to a point 15 feet South of the South line of the North 1/2 of the North 1/2 of

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EXHIBIT B
BRIAR PROPERTY

(Continued)

the North 1/2 of said Government Lot 1; thence East to a point South of the true point of beginning; thence North to the true point of beginning.

AND EXCEPT that portion conveyed to the State of Washington for roads under Auditor's File No. 200608150173.

PARCEL "D":

That portion of Government Lot 1, Section 6, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at the intersection of the West line of the Pacific Highway as conveyed to the State of Washington by Deed recorded February 21, 1927 under Auditor's File No. 201385; and the South line of the County road along the North line of Government Lot 1; thence West 470 feet to the true point of beginning; thence West to the West line of the East 1/2 of Government Lot 1; thence South to the South line of the North 1/2 of the North 1/2 of the North 1/2 of Government Lot 1 (same being the North line of a tract conveyed December 21, 1915 to Anna J. Knutzen by Deed recorded in Volume 102 of Deeds, page 21); thence East to a point 470 feet West of the West line of the Pacific Highway; thence North to the true point of beginning; EXCEPT the West 81.57 feet thereof as conveyed to Floyd Packwood, et ux, by Deed recorded under Auditor's File No. 467381, AND EXCEPT that portion conveyed to the State of Washington for roads under Auditor's File No. 200608150173, records of Skagit County, Washington.

PARCEL "E":

Lot 2 as delineated on Haggen Retail Center Binding Site Plan No. 03-06 as recorded on August 14, 2006 under Auditor's File No. 200608140195.

AND EXCEPT that portion described as follows:

That portion of Lot 2, Haggen Retail Center Binding Site Plan No. 03-06 as recorded on August 14, 2006 under Auditor's File No. 200608140195 lying west and south of the following described line:

Commencing at the southwest corner of said Lot 2, thence South 89°42'18" East along the south line thereof a distance of 264.98 feet to the TRUE POINT OF BEGINNING of the line herein described;

Thence North 00°40'42" East a distance of 179.94 feet;

Thence North 89°13'17" West a distance of 21.04 feet to a point on the northerly line of said Lot 2 and the TERMINUS of the line herein described.



EXHIBIT B
BRIAR PROPERTY

(Continued)

PARCEL "F":

Lot 3 as delineated on Haggen Retail Center Binding Site Plan No. 03-06 as recorded on August 14, 2006 under Auditor's File No. 200608140195

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EXHIBIT C

ROADWAY EASEMENT AREA LEGAL DESCRIPTION

That portion of Government Lot 1, Section 6, Township 34 North, Range 4 East, WM described as follows:

Commencing at the Northeast corner of said Section 6; Thence North $89^{\circ} 24' 58''$ West, along the North line of said Section 6 a distance of 546.91 feet to Highway 20 road station 776+31.84 as shown on SR5-SR20 interchange plans, sheet 8 of 8, dated approved November 20, 2006 and further defined under Warranty Deed recorded under Auditor File No. 200608150173, records of Skagit County Washington; Thence South $0^{\circ} 35' 02''$ West 114.59 feet to an angle point in the right of way of SR20 as defined in document recorded under Auditors File No. 200608150173; Thence South $89^{\circ} 42' 37''$ East, along the right of way defined in said document, 8.33 feet; Thence Southerly along a non-tangent curve, concave to the Southwest whose radius point bears South $77^{\circ} 00' 50''$ West 97.00 feet through a central angle of $13^{\circ} 16' 52''$ an arc distance of 22.48 feet; Thence South $0^{\circ} 17' 42''$ West 55.39 feet; Thence along a curve to the right having a radius of 247.50 feet through a central angle of $15^{\circ} 28' 35''$ an arc distance of 66.85 feet; Thence along a curve to the left having a radius of 520.50 feet through a central angle of $8^{\circ} 55' 50''$ an arc distance of 81.13 feet; Thence along a curve to the left having a radius of 299.26 feet through a central angle of $10^{\circ} 54' 42''$ an arc distance of 56.99 feet; Thence South $4^{\circ} 04' 15''$ East 41.75 feet; Thence along a curve to the left having a radius of 515.00 feet through a central angle of $7^{\circ} 46' 05''$ an arc distance of 69.82 feet to a point hereinafter referred to as Point "A"; Thence South $11^{\circ} 50' 20''$ East 97.93 feet more or less to a point of intersection with the existing ingress, egress road system as shown on that certain Binding Site Plan recorded under Auditors File No. 200207100176, sheet 4 of 8 at the Northerly end of the road having a radius of 125.00 feet, said point being the **TRUE POINT OF BEGINNING**; Thence North $11^{\circ} 50' 20''$ West 97.93 feet more or less to the aforementioned Point "A"; Thence along a curve to the right having a radius of 515.00 feet through a central angle of $7^{\circ} 46' 05''$ an arc distance of 69.82 feet; Thence North $4^{\circ} 04' 15''$ West 41.75 feet; Thence along a curve to the right having a radius of 299.26 feet through a central angle of $10^{\circ} 54' 42''$ an arc distance of 56.99 feet; Thence along a curve to the right having a radius of 520.50 feet through a central angle of $8^{\circ} 55' 50''$ an arc distance of 81.13 feet; Thence along a curve to the left having a radius of 247.50 feet through a central angle of $15^{\circ} 28' 35''$ an arc distance of 66.85 feet; Thence North $0^{\circ} 17' 42''$ East 55.39 feet; Thence along a curve to the left having a radius of 97.00 feet through a central angle of $13^{\circ} 16' 52''$ an arc distance of 22.48 feet to a point on the Southerly margin of SR20 as defined in that certain document recorded under Auditors File No. 200608150173, records of Skagit County; Thence South $89^{\circ} 42' 37''$ East, along said margin, 53.48 feet; Thence South $0^{\circ} 17' 57''$ West 43.00 feet; Thence along a curve to the right having a radius of 433.00 feet through a central angle of $16^{\circ} 19' 53''$ an arc distance of 123.42 feet; Thence along a curve to the left having a radius of 422.00 feet through central angle of $34^{\circ} 05' 45''$ an arc distance of 263.03 feet; Thence South $17^{\circ} 27' 55''$ East 54.00 feet more or less to a point of intersection with the existing ingress, egress road



system as shown on that certain Binding Site Plan recorded under Auditors File No.
200207100176, sheet 4 of 8 at the Northerly end of the road having a radius of 125.00 feet;
Thence South 76° 11' 49" West more or less, along said road system 46.25 feet to the **TRUE
POINT OF BEGINNING.**

Containing 0.5 acres, more or less

Situate in the County of Skagit, State of Washington



EXHIBIT C-1

ROADWAY EASEMENT AREA DEPICTION

See attached



UNZOWE



SCHEDULE 3

**ACCESS ROAD EASEMENT AGREEMENT
(Supersedes Exhibit H of the Agreement)**

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Skagit County Auditor