

FILED FOR RECORD AT THE
REQUEST OF/RETURN TO:

Skagit Law Group, PLLC
P.O. Box 336
Freeway Drive, Suite B
Mount Vernon, WA 98273



201108100069

Skagit County Auditor

8/10/2011 Page 1 of 14 2:34PM

ROAD MAINTENANCE AGREEMENT

Grantor (s) DAHLSTEDT FAMILY PROPERTIES, LLC, a Washington limited liability company;

HUGHES FARMS, INC., a Washington corporation

Grantee (s) DAHLSTEDT FAMILY PROPERTIES, LLC, a Washington limited liability company;

HUGHES FARMS, INC., a Washington corporation

Abbreviated Legal: Ptn Lot 4, SP 14-83; Ptn Lot 1, SP 7-89; Lot 2, SP 7-89

Additional Legal on page(s): See Exhibit "A", "B", "C", "E"

Assessor's Tax Parcel No's: P21278, P21281, P21282, P21276, P21277, P21280, P112650, P112651, P112642

THIS AGREEMENT is entered into by DAHLSTEDT FAMILY PROPERTIES, LLC, a Washington limited liability company, HUGHES FARMS, INC., a Washington corporation, (collectively referred to herein as "Lot Owners").

- 1) DAHLSTEDT FAMILY PROPERTIES, LLC, a Washington limited liability company, is the owner of that certain property in Skagit County, Washington, which is more particularly described in the attached Exhibit "A".
- 2) HUGHES FARMS, INC., a Washington corporation, is the owner of that certain property in Skagit County, Washington, which is more particularly described in the attached Exhibit "B".

In consideration of the mutual promises and covenants herein Lot Owners hereby agree as follows:

I. DESCRIPTION OF AGREEMENT

- 1) This agreement establishes cost sharing for a common access road shared by the Lot

Road Maintenance Agreement

Owners, which access road is contained in that easement area legally described in the attached Exhibit "C" and Exhibit "E" and as depicted by map in the attached Exhibit "D" and Exhibit "F", and as described in that certain Reciprocal Access Easement Agreement, recorded under Skagit County Auditor's File No. 201102160060. The access road may hereinafter be referred to as the "Road".

- 2) The intent of the parties in executing this Agreement is to provide for contribution for maintenance and repair of the Road.

II. AGREEMENT IS APPURTENANT

The Lot Owners agree and declare that all of the above described lands are, and will be, held, sold and conveyed subject to and burdened by the following agreement which is for the purpose of enhancing and protecting the value, desirability and attractiveness of said lands, and that this document shall be binding upon all parties having or acquiring any right, title or interest in the above described lands or any part thereof, and shall inure to the benefit of the owner(s) thereof and shall otherwise in all respects be regarded as covenants running with the land.

III. OBLIGATION FOR COST SHARING FOR ROAD

- 1) Decisions Concerning Maintenance. Any decision to take action to maintain the Road must be approved in writing by unanimous agreement of the Lot Owners. The written record of the vote shall be signed by those persons representing the Lot Owners.
- 2) Allocation of Costs. Any costs incurred in performing properly approved maintenance to the Road shall be divided equally between the Lot Owners, in proportion to the usage of the Road as put by Lot Owners, their tenants, employees, invitees or licensees.
- 3) Subdivision. In the event any Lot Owner or their successors subdivides their property, then, following said subdivision, the owners of the newly created lots shall each enjoy a proportionate liability for the obligations herein, in direct relation to the proportion of the original property described above.
- 4) Damage to Road. In the event that a Lot Owner causes identifiable damage to the Road (for example: through the installation of utilities, other improvements or the use of heavy equipment or abuse of the road), then that Lot Owner shall, as soon as is reasonably possible, immediately restore the Road to as good or better condition as it was in prior to the damage by the Lot Owner. If the damaging Lot Owner does not reasonably comply with the provisions of this Section within ninety (90) days of receipt of a written demand to repair such damage, then the/any other Lot Owner(s), after unanimous approval of the eligible votes (excluding the Lot Owner that caused the damage), shall have the right to



repair the damage and to assess a lien against the Lot Owner's Lot(s) for the full cost of the repair.

IV. ENFORCEMENT

- 1) Authorization of Lien; Personal Obligation. Each Lot Owner and each subsequent owner of any lot within the described subject property, by virtue of this Agreement, or a subsequent acceptance of a deed therefore, whether or not it shall be expressed in such deed, covenants and agrees to participate in the payment of maintenance and repairs to the Road as provided herein by means of the assessments as may be established by the unanimous vote of the eligible Lot Owners. Each assessment, together with interest, costs and reasonable attorney's fees required for any enforcement, shall also be a personal obligation of the person(s) who was/were the owner(s) of such Lot(s) at the time the assessment fell due. In addition, any Lot Owner who is the prevailing party in any litigation against a defaulting Lot Owner, shall have the right to assess a lien against the defaulting Lot Owner for any and all assessments, sums, costs, and attorney's fees incurred by a Lot Owner in enforcing this Agreement.
- 2) Priority of Lien for Assessments. All sums expressed as against any Lot pursuant to this Agreement, together with interest, costs and reasonable attorney's fees, as provided herein, shall be a charge upon the land and shall be a continuing lien upon the subject Lot. The lien shall be for the benefit of the contributing Lot Owners for the repair or maintenance project giving rise to the lien and for the benefit of a Lot Owner who is a prevailing party in any litigation as set forth in section IV(1) above. Such lien shall be superior to all other liens and encumbrances on such lot, except for (a) liens of ad valorem taxes or (b) liens for all sums on an unpaid first mortgage.

All other persons acquiring liens or encumbrances on any Lot after the date this Agreement shall have been recorded shall take subject to this Agreement and such liens or encumbrances shall be inferior to all future liens as provided herein, whether or not consent is specifically set forth in the instruments creating such liens or encumbrances.

- 3) Effect of Non-Payment; Remedies. Any amounts assessed under this Agreement which are not paid when due shall become delinquent. If the assessment(s) are not paid within sixty (60) days, a lien as herein provided shall attach and, in addition, the lien shall include interest from the due date of the assessment at the lesser of: (i) twelve percent (12%); or (ii) the maximum legal rate, on the principal amount due, all costs of collection, reasonable attorney's fees, and all other amounts permitted by law. In the event the assessment remains unpaid after sixty (60) days, any contributing Lot Owner may institute suit to collect such amounts or to foreclose the lien. All payments shall be applied first to costs and attorney's fees, then to interest, then to delinquent assessments. Foreclosure of any lien created by this Agreement shall be by the same process provided for the non-judicial foreclosure of a deed of trust pursuant to R.C.W. 61.24 et seq. and as hereafter



amended.

V. MISCELLANEOUS PROVISIONS.

- 1) This Agreement shall run with the real property described herein and shall be binding upon all parties and persons for a period of twenty (20) years following the date of the recording with the Skagit County Auditor, after which said twenty (20) year period, this Agreement shall be automatically extended for successive five (5) year periods. This Agreement and the covenants, conditions and restrictions may be supplemented, relaxed, revoked or amended, in whole or in part, at any time by any instrument signed by lot owners representing unanimous consent of all of the Lot Owners.
- 2) Those portions of this Agreement that relate solely to maintenance and repair of the Road shall automatically terminate with respect to any portion of the Road that is dedicated to any municipal corporation or other governmental entity that assumes full responsibility for the maintenance and repair of the road following such dedication.
- 3) The term "Lot Owner" as used in this Agreement shall mean the fee title owner unless the property is being sold on real estate contract, in which case it shall be the contract purchaser; or if the property is subject to a deed of trust, it shall mean the grantor.
- 4) This Agreement shall be construed in accordance with the laws of the State of Washington.
- 5) The subject headings of the paragraphs of this document are included for purposes of convenience only and shall not affect the construction or interpretation of any of its provisions.
- 6) 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.
- 7) The failure of the Lot Owners to insist upon strict performance of any of the provisions of this Agreement, or to exercise any option herein conferred in any one or more instances, shall not be construed to be a waiver but the same shall be and remain in full force and effect.
- 8) The invalidity or unenforceability of any provision hereof shall not affect or impair any other provisions hereof.
- 9) This Agreement shall not be deemed to terminate by any merger of the fee ownership of the Lot Owners' properties, unless the Lot Owners unanimously agree otherwise and record evidence of such unanimous agreement with the Skagit County Auditor. The fee



interest in the Lot Owners' properties and this Agreement shall hereafter remain separate and distinct.

- 10) In the event any Lot Owner, title company, potential lender, potential purchaser, realtor or attorney wish to determine whether any liens exist against any Lot, such title company, lender or prospective purchaser may send a request for the lien status of the Lot in question to the then current owner of each Lot identified in the attached Exhibit "A" and "B" (and any new lots created as described in Section III(3) herein), as is then shown on the records of the Skagit County Assessor's Office and which request shall be sent to the current mailing address for the owner(s) of such Lots as is shown by the Skagit County Assessor's Office. Such request must include the following: (i) a reference to and copy of this Section V. of this Agreement; (ii) the legal description and street address for the lot for which the lien status is being requested; (iii) a deadline for mailing of a response, which deadline must be no earlier than fourteen (14) days from the date of mailing of the request; (iv) a copy of any liens (which arose pursuant to this Agreement) against the Lot in question which have previously been filed with the Skagit County Auditor's Office; (v) a statement that the request is being made to determine whether any money is owed by the owner of the Lot in question and whether any valid liens exist against the Lot in question; and (vi) a mailing address and phone number where the person making the request may be contacted. In the event that any person or entity properly making such a request pursuant to this Agreement does not receive any response within five days after the deadline provided in the request, then any and all liens against the Lot in question that may have existed on or prior to the date of the request shall be deemed to have been waived. The person making the request must keep all documentation relating to the request, its mailing and lack of response for a period of ten (10) years from the date of the request in order for the waiver to remain effective. The receipt by the requesting party of any timely response which in any way indicates in the affirmative that a lien exists shall defeat these waiver provisions.

IN WITNESS THEREOF, the parties hereto have executed this agreement dated this 15 day of February, 2011.

DAHLSTEDT FAMILY PROPERTIES, LLC.,
a Washington limited liability company

HUGHES FARMS, INC.,
a Washington corporation

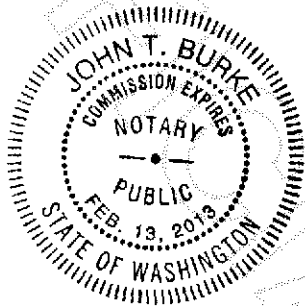
By Norman H. Dahlstedt
NORMAN DAHLSTEDT
Its CEO

By David L. Hughes
DAVID HUGHES
Its President

By Patricia Dahlstedt
PATRICIA DAHLSTEDT
Its CFO

State of Washington)
) ss
County of Skagit)

I certify that I know or have satisfactory evidence that NORMAN DAHLSTEDT 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 CEO of DAHLSTEDT FAMILY PROPERTIES, LLC., a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



Dated: 2/15/2011

[Signature]

(Signature)

NOTARY PUBLIC

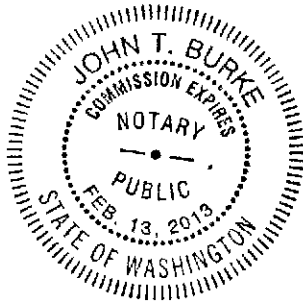
JOHN T. BURKE

Print Name of Notary

My appointment expires: 2/13/2013

State of Washington)
) ss
County of Skagit)

I certify that I know or have satisfactory evidence that PATRICIA DAHLSTEDT is the person who appeared before me and said person acknowledged that she signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as the CFO of DAHLSTEDT FAMILY PROPERTIES, LLC., a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



Dated: 2/15/2011

[Signature]

(Signature)

NOTARY PUBLIC

JOHN T. BURKE

Print Name of Notary

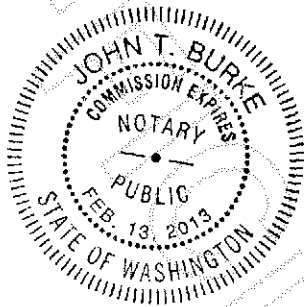
My appointment expires: 2/13/2013

State of Washington)



County of Skagit) ss
)

I certify that I know or have satisfactory evidence that DAVID HUGHES 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 President of HUGHES FARMS, INC., a Washington corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



Dated: 2/15/2011

John T. Burke

(Signature)

NOTARY PUBLIC

JOHN T. BURKE

Print Name of Notary

My appointment expires: 2/13/2013



201108100069

Skagit County Auditor

EXHIBIT A

DESCRIPTION:

DAHLSTEDT PARCEL "B":

Lot 4, Revised Short Plat No. 14-83, approved August 12, 1986, and recorded August 13, 1986, in Volume 7 of Short Plats, pages 108 and 109, under Auditor's File No. 8608130026, records of Skagit County, Washington, being in a portion of the Northwest ¼ of the Northwest ¼ of Section 9, Township 34 North, Range 3 East, W.M.

EXCEPT those portion conveyed to Skagit County for road purposes by deeds recorded April 6, 1988 and June 24 1999 under Auditor's File Nos. 8804060064 and 9906240101, respectively, and

EXCEPT that portion thereof included within Lot 2, Short plat No. 7-89, approved March 1, 1989, and recorded March 2, 1989 in Volume 7 of Short Plats, pages 112 and 113, under Auditor's File No. 8903020017; and

EXCEPT that portion described as follows:

Beginning at the Southwest corner of said Lot 4, Revised Short Plat No. 14-83;
thence North 89°47'05" East 432.69 feet along the South line of said Lot 4 to a corner of Lot 2, Skagit County Short Plat No. 7-89, approved March 1, 1989, and recorded March 2, 1989, in Volume 8 of Short Plats, pages 112-113, under Auditor's File No. 8903020017, records of Skagit County, Washington;
thence North 6°08'13" West 50.27 feet along the Westerly line of said Lot 2, Short Plat No. 7-89 to an angle point of said Lot 2 and being the true point of beginning;
thence continue North 6°08'13" West 101.06 feet along the Northerly projection of said Westerly line to the Southerly line of that certain 30 foot easement for ingress, egress and utilities, recorded under Auditor's File No. 8210270028;
thence South 87°55'35" East 228.31 feet along the South line of said 30 foot easement to the East line of said Lot 4 Revised Short Plat No. 14-83 and also being the Southwest corner of Lot 1 of said Short Plat No. 7-89 (also being a Northwesterly corner of said Lot 2, Short Plat No. 7-89);
thence South 0°08'00" East 91.40 feet along the line common to Lot 4, Revised Short Plat No. 14-83 and Lot 2, Short Plat No. 7-89 to a corner of said Lot 2;
thence South 89°47'05" West 217.57 feet along the North line of said Lot 2 to the true point of beginning.

TOGETHER WITH Lot 3, Short Plat No. 7-89, approved March 1, 1989, and recorded March 2, 1989, in Volume 8 of Short Plats, pages 112-113, under Auditor's File No. 8903020017, records of Skagit County, Washington, being in a portion of the Northwest ¼ of Section 9, Township 34 North, Range 3 East, W.M.,

EXCEPT that portion conveyed to Skagit County by deed recorded June 24, 1999, under Auditor's File No. 9906240101, and

EXCEPT that portion described as follows:

Beginning at the Northeast corner of said Lot 3;
thence South 89°47'05" West 885.06 feet along the North line of said Lot 3, and the North line of



201108100069

Skagit County Auditor

the Southwest ¼ of the Northwest ¼ of said Section 9, to a corner of Lot 2 of said Short Plat No. 7-89;
thence South 6°08'13" East 127.68 feet along the Southerly extension of a Westerly line of said Lot 2, to the South line of the North 127.00 feet of said Southwest ¼ of the Northwest ¼ of Section 9;
thence North 89°47'05" East 871.22 feet along said South line to the East line of said Lot 3, Short Plat No. 7-89;
thence North 0°05'32" East 127.00 feet along said East line to the point of beginning. EXCEPT the East 20.00 feet thereof.

ALSO EXCEPT that portion thereof described as follows:

The South 966.00 feet thereof;

EXCEPT the East 210.00 feet thereof, and

EXCEPT any portion thereof lying Northeasterly of a line drawn parallel with and 25 feet Southwesterly of the Southwesterly bank of the existing drainage ditch maintained by Drainage District No. 19, running along the toe of the hill.

AND TOGETHER WITH Lot 1, Short Plat 7-89, approved March 1, 1989 and recorded March 2, 1989, in Volume 8 of Short Plats, pages 112-113, under Auditor's File No. 8903020017, records of Skagit County, Washington, being in a portion of the Northwest ¼ of Section 9, Township 34 North, Range 3 East, W.M.

All situate in the County of Skagit, State of Washington.



201108100069

Skagit County Auditor

EXHIBIT B

DESCRIPTION:

HUGHES FARMS:

Lot 2, Short Plat No. 7-89, approved March 1, 1989, and recorded March 2, 1989, in Volume 8 of Short Plats, pages 112-113, under Auditor's File No. 8903020017, records of Skagit County, Washington, being in a portion of the Northwest 1/4 of Section 9, Township 34 North, Range 3 East, W.M.,

TOGETHER WITH: Parcels "A", "B" and "C" as shown on Record of Survey recorded April 27, 1998 in Volume 20 of Surveys, pages 110 & 111, under Auditor's File No. 9804270070, records of Skagit County, Washington, being in a portion of the Northwest 1/4 of Section 9, Township 34 North, Range 3 East, W.M.



201108100069

Skagit County Auditor

EXHIBIT C

DAHLSTEDT FAMILY PROPERTIES BINDING SITE PLAN

ACCESS EASEMENT

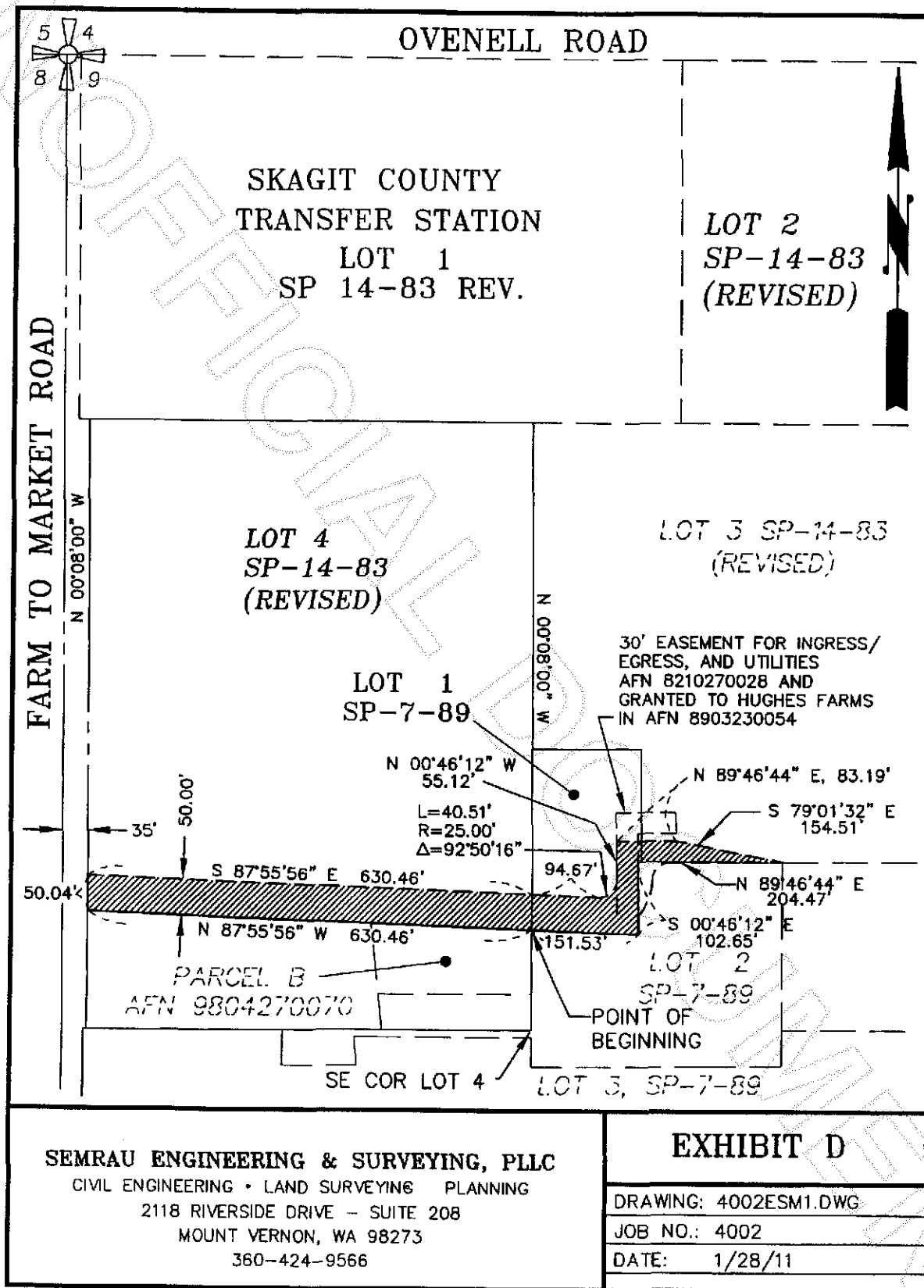
That portion of Lot 4, Revised Short Plat No. 14-83, approved August 12, 1986 and recorded August 13, 1986 in Volume 7 of Short Plats, pages 108 and 109, under Auditor's File No. 8608130026, and a portion of Lot 1 Short Plat No. 7-89, approved March 1, 1989 and recorded March 2, 1989 in Volume 8 of Short Plats, pages 112 and 113, under Auditor's File No. 8903020017, records of Skagit County, Washington; all being in the Northwest $\frac{1}{4}$ of Section 9, Township 34 North, Range 3 East, W.M., said portion being more particularly described as follows:

Beginning at the Southwest corner of said Lot 1, Short Plat No. 7-89;
thence North $87^{\circ}55'56''$ West 630.46 feet along the Westerly extension of the South line of said Lot 1, Short Plat No. 7-89 (shown as North $87^{\circ}55'35''$ West in said Short Plat No. 7-89) to the Easterly margin of Farm to Market Road as described in Quit Claim Deed recorded April 6, 1988 under Auditor's File No. 8804060064, records of Skagit County, Washington;
thence North $00^{\circ}08'00''$ West along said Easterly margin, 50.04 feet, to a point that is 50.00 feet North of the first described course in this description as measured at right angle to said first described course;
thence South $87^{\circ}55'56''$ East 630.46 feet parallel with said first described course to the line common to said Lot 4 and said Lot 1;
thence continuing South $87^{\circ}55'56''$ East 94.67 feet to a point of curvature;
thence Northeasterly along the arc of said curve to the left having a radius of 25.00 feet, through a central angle of $92^{\circ}50'16''$, an arc distance of 40.51 feet to a point of tangency on the Westerly line of that certain 30 foot easement for ingress, egress and utilities, recorded under Auditor's File Nos. 8210270028 and 8903230054;
thence North $00^{\circ}46'12''$ West 55.12 feet along said Westerly line and also parallel with the East line of said Lot 1 to a point on a line that is 30 feet North of and parallel with the North line of Lot 2 of said Short Plat 7-89;
thence North $89^{\circ}46'44''$ East 83.19 feet along said parallel line (shown as North $89^{\circ}47'05''$ East in said Short Plat No. 7-89);
thence South $79^{\circ}01'32''$ East 154.51 feet to the Northeast corner of Lot 2 of said Short Plat 7-89;
thence South $89^{\circ}46'44''$ West 204.47 feet along the North line of said Lot 2 to a corner of said Lots 1 and 2;
thence South $00^{\circ}46'12''$ East 102.65 feet along the line between said Lots 1 and 2 to a corner of said Lots 1 and 2;
thence North $87^{\circ}55'56''$ West 151.53 feet along said South line of Lot 1 to the Point of Beginning.

Situate in the County of Skagit, State of Washington.



EXHIBIT D



201108100069

Skagit County Auditor

EXHIBIT E

DAHLSTEDT FAMILY PROPERTIES BINDING SITE PLAN

ACCESS EASEMENT

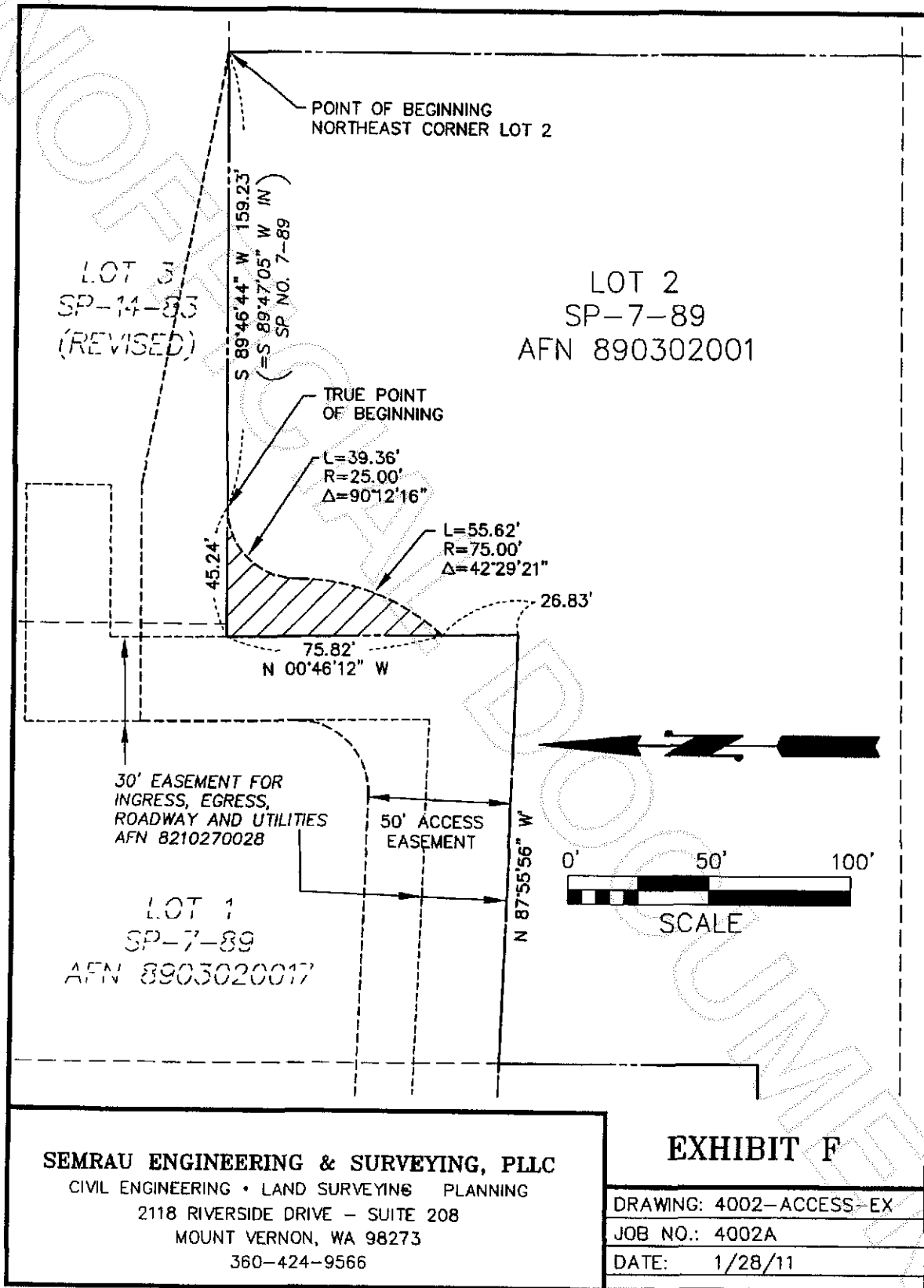
That portion of Lot 2 Short Plat No. 7-89, approved March 1, 1989 and recorded March 2, 1989 in Volume 8 of Short Plats, pages 112 and 113, under Auditor's File No. 8903020017, records of Skagit County, Washington, being in the Northwest 1/4 of Section 9, Township 34 North, Range 3 East, W.M., said portion being more particularly described as follows:

Beginning at the Northeast corner of said Lot 2;
thence South $89^{\circ}46'44''$ West 159.23 feet along the North line of said Lot 2 (shown as South $89^{\circ}47'05''$ West in said Short Plat No. 7-89) to a point of curvature and the TRUE POINT OF BEGINNING;
thence Southwesterly along the arc of said curve to the left having a radius of 25.00 feet, through a central angle of $90^{\circ}12'16''$, an arc distance of 39.36 feet to a point of reverse curvature;
thence Southerly along the arc of said curve to the right having a radius of 75.00 feet, through a central angle of $42^{\circ}29'21''$, an arc distance of 55.62 feet to the west line of said Lot 2;
thence North $00^{\circ}46'12''$ West 75.82 feet along said West line of Lot 2 to the Northwest corner thereof;
thence North $89^{\circ}46'44''$ East 45.24 feet along said North line of Lot 2 to the TRUE POINT OF BEGINNING.

Situate in the County of Skagit, State of Washington.



EXHIBIT F



201108100069

Skagit County Auditor