

RECORDING REQUESTED BY AND WHEN
RECORDED MAIL TO:

Laura Minton Breckenridge
P.O. Box 178
Bow, WA 98232



201204260041

Skagit County Auditor

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THIS SPACE RESERVED FOR RECORDER'S USE

The information contained in this boxed section is for recording purposes only pursuant to RCW 36.18 and RCW 65.04, and is not to be relied upon for any other purpose, and shall not affect the intent of or any warranty contained in the document itself.

Grantor: Leatherwood Trust

Grantee: Leatherwood Trust

Reference Number of Documents Assigned or Released: N/A

Abbreviated Legal Description: Grantor Property: NE1/4 NE1/4 S OF SLO LESS W 5.30AC OPEN SPACE#38 #792933 1975 and Grantee Property: SE1/4 NE1/4 OPEN SPACE #38 #792933 1975

Complete Legal Descriptions set forth in Exhibits A, B and C of Document.

Assessor's Parcel Numbers: Grantor Parcel Number: 350319-1-003-0000 and Grantee Parcel Number: 350319-1-006-0007

EASEMENT AGREEMENT

THIS EASEMENT AGREEMENT ("Agreement") is entered into between LEATHERWOOD TRUST ("Grantor") and LEATHERWOOD TRUST ("Grantee"), as of April 24, 2012 ("Effective Date"). The properties that are the subject of this Agreement are:

<u>Grantor Property</u>	<u>Grantee Property</u>	<u>Easement Area</u>
Property Owner: Leatherwood Trust P.O. Box 178 Bow, WA 98232 Exhibit A	Property Owner: Leatherwood Trust P.O. Box 178 Bow, WA 98232 Exhibit B	Property Owner: Leatherwood Trust P.O. Box 178 Bow, WA 98232 Part of Parcel No: 35019-1-003-0000 P34504 Exhibit C

RECITALS

A. Grantor is the owner of real property more particularly described in **Exhibit A**, attached hereto and incorporated herein by reference ("Grantor Property"). Grantee is the owner of real property more particularly described in **Exhibit B**, attached hereto and incorporated herein by reference ("Grantee Property").

APR 26 2012

Amount Paid \$
Skagit Co. Treasurer
By *vk* Deputy *Ø*

B. Grantee wishes to obtain from Grantor, and Grantor has agreed to grant to Grantee, an easement over the Grantor Property as described in **Exhibit C**, attached hereto and incorporated herein by reference (the "Easement Area"), together with an easement for ingress and egress to the Easement Area, upon the terms and conditions set forth in this Agreement.

NOW, THEREFORE, the parties agree as follows:

AGREEMENT

1. **Grant of Easement.** Grantor, on behalf of itself and its successors and assigns, hereby grants and conveys to Grantee, and its agents, tenants, successors and assigns, a permanent (subject to the provisions of Section 2.6 below) non-exclusive easement over, under, across and through the Easement Area for the following purposes:

(a) to install, construct, operate, maintain, repair, add to, alter or replace present or future irrigation, water, power, cable, sewer and all other utility equipment and systems, including but not limited to, pipe, electrical wiring, conduit, electrical control boxes, wells, well heads, pump heads, pump houses, valves, meters, connections, retention ponds and other appurtenant facilities, for the withdrawal, transmission and distribution of water, power, cable, sewer and all other utilities (collectively, "Equipment"). Grantee, on behalf of itself and its agents, successors and assigns, shall also have the right of ingress and egress to the Easement Area for the purpose of maintaining, accessing, operating, using and replacing the Equipment; and

(b) ingress and egress, for all purposes, to the Grantee Property described in **Exhibit A**.

2. **Conditions of Easement.** This Easement is granted subject to and conditioned upon the following terms, conditions and covenants which the parties, their agents, tenants, successors and assigns, promise to faithfully and fully observe and perform:

2.1 **Rights of Easement.** Grantee, its agents, tenants, successors and assigns, shall have the non-exclusive use of the Easement Area, and right of way to and from the Easement Area, for the purposes identified in Section 1 above, and shall have the right to use abutting land adjoining the Easement Area when necessary.

2.2 **Grantor's Rights.** Grantor reserves the right to itself to make any use of the Easement Area that is not inconsistent with the rights conveyed to Grantee under this Agreement or that does not interfere with the use of the Easement Area by Grantee, including the construction and maintenance of roadways and fencing over the Easement Area. Grantee acknowledges Grantor has a residence, office, garage and other outbuildings on its property described in **Exhibit A** in addition to roadways, fencing, walls, trails and extensive landscaping and nothing in this Agreement shall prevent or preclude Grantee from its use, maintenance, repair or improvement of those existing improvements or undertaking any future improvements. Grantee shall not be liable to Grantor or to Grantor's agents, tenants, successors, assigns,



contractors or users of the Equipment for loss or injury resulting from any damage or destruction of the Equipment, directly or indirectly caused by Grantee.

2.3 Permissible Use. Grantee agrees it will use the Easement Area for purposes consistent with the rights and usage set forth in this Agreement. Grantee, its agents, successors and assigns may not use or permit the use of the Easement Area for any purpose prohibited by any law, ordinance or regulation.

2.4 Equipment and Activities. The following provisions shall apply with respect to the Equipment and Grantee's activities:

2.4.1 Ownership. The Equipment installed in the Easement Area shall be and remain the property of Grantee, its successors and assigns.

2.4.2 Maintenance. The expense of installation, construction, operation, maintenance, repair, replacement and use of the Equipment shall be paid entirely by Grantee.

2.4.3 Approval. From and after the Effective Date, prior to the construction or installation of any Equipment or any other substantial activity by Grantee, its agents, tenants, successors and assigns, on or around the Easement Area, Grantee shall provide to Grantor notice of the proposed activity.

2.4.4 Work Standards. Grantee shall coordinate with Grantor the dates of installation, construction and major repair or maintenance of the Equipment, as well as other major activities. All work to be performed by Grantee in the Easement Area shall be completed in a careful and workmanlike manner, free of claims and liens.

2.4.5 Restoration Obligation. Grantee shall have the right to trim, cut and remove trees, shrubbery, fences, or other facilities in or abutting the Easement Area if they interfere with the efficient installation, operation and maintenance of the Equipment. Grantee, however, shall, at its own expense, restore, as nearly as possibly, to their original condition, all land and facilities within the Easement Area or abutting the Easement Area that are disturbed in any manner by the installation, operation and maintenance of the Equipment. This restoration obligation shall extend to, but shall not be limited to, the backfilling of trenches, the replacement of fences, the reseeding or resodding of lawns or pasture areas, the replacement of shrubbery, trees, and landscaping and the repair and replacement of drainage and roadways and other facilities located within the Easement Area.

2.5 Hazardous Substances and Waste. Both parties, and their successors and assigns, covenant and agree they will not use, store or dispose of any hazardous substances or waste in or around the Easement Area and further covenant and agree they shall strictly comply with any and all governmental laws, regulations and ordinances regarding the handling, transportation and storage of hazardous substances and hazardous wastes.



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2.6 Indemnification.

2.6.1 Right to Indemnification. The parties shall defend, indemnify and hold one another harmless from and against liabilities, claims, actions, damages, demands, costs and expenses of any kind or nature, including but not limited to legal fees and costs and other professional expenses, arising out of or in connection with the other party's acts or omissions. The indemnification rights set forth in this Agreement shall survive the termination date of this Agreement and the termination date of the easement.

2.6.2 Procedure Regarding Indemnification Rights. In the event either party receives notice of a claim or demand against which it is entitled to indemnification pursuant to this Section, it shall immediately give written notice of the claim to the other party. The party obligated to indemnify shall immediately take such measures as may be reasonably required to properly and effectively defend against the claim, and may defend the claim with counsel of its own choosing, approved by the other party provided such approval is not unreasonably withheld or delayed. In the event the party obligated to indemnify fails to properly and effectively defend the claim, then the party entitled to indemnification may defend the claim with counsel of its own choosing at the expense of the party obligated to provide a defense.

2.7 Third Party Rights. Grantor reserves all rights with respect to the Grantor Property, including, without limitation, the right to grant easements, licenses and permits to others subject to the rights granted in this Agreement.

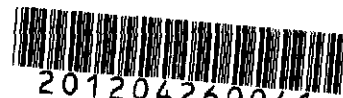
2.8 Assignment and Successors. The rights and obligations of the parties set forth in this Agreement shall inure to the benefit of, and shall be binding upon, their respective successors and assigns.

3. General Provisions. The following general provisions shall apply with respect to this Agreement:

3.1 Successors and Assigns. The rights and obligations created pursuant to this Agreement shall bind all subsequent owners of the Grantor Property, as described in **Exhibit A**, as well as subsequent owners of the Grantee Property, as described in **Exhibit B** and Section 3.3 below.

3.2 Running Covenants. The terms, and conditions, covenants and easements in this Agreement shall be understood to relate to the properties described in **Exhibit A** and **Exhibit B** (and Section 3.3 below), and shall be deemed to be covenants running with the land and shall inure to and be binding upon successors, assigns, heirs and personal representatives of the parties.

3.3 Benefitted Properties. The easement granted by this Agreement is intended for the benefit of all currently owned property of the Grantee, including but not limited to that described in **Exhibit B**, and any additional lands hereafter acquired by the Grantee and the Grantee's successors and assigns. All of these lands, collectively, shall benefit from the grant of this easement.



3.4 Entire Agreement; Modifications. This Agreement represents the entire understanding between the parties with respect to the transactions contemplated herein and all prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged into this Agreement. Neither this Agreement nor any provision in this Agreement may be waived, modified, amended, discharged or terminated, except by an instrument in writing signed by both parties and then, only to the extent set forth in such instrument.

3.5 Notices. Any notice required or permitted to be delivered under this Agreement shall be in writing and shall be validly given and made to another party if delivered either personally or by Federal Express or other overnight delivery service of recognized standing. If such notice is personally delivered, it shall be deemed given and received at the time of such delivery. If such notice is delivered by Federal Express, or other overnight delivery service of recognized standing, it shall be deemed given one (1) business day after the deposit with such delivery service. Each such notice shall be deemed given only if properly addressed to the party to whom such notice is given, as follows:

If to Grantor: Leatherwood Trust
 12708 Leatherwood Lane
 P.O. Box 178
 Bow, WA 98232
 Attention: Co-Trustees Thomas J. Paulus
 and Laura Minton Breckenridge

If to Grantee: Leatherwood Trust
 12708 Leatherwood Lane
 P.O. Box 178
 Bow, WA 98232
 Attention: Co-Trustees Thomas J. Paulus
 and Laura Minton Breckenridge

By giving to the other party at least fifteen (15) days written notice, the parties to this Agreement and their respective successors and assigns shall have the right from time to time and at any time to change their respective address and each shall have the right to specify as its address any other address.

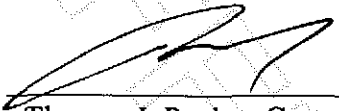
3.5 Attorney's Fees. Should either party employ an attorney or attorneys to enforce any of the provisions in this Agreement or to protect its interest in any manner arising under this Agreement, or to recover damages for any breach under this Agreement, the breaching party agrees to pay the non-breaching party its reasonable costs, damages, and expenses, including attorneys' fees incurred.

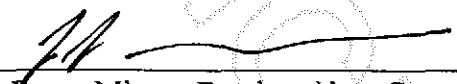
3.6 Severability. If one or more of the provisions of this Agreement, or its application, is determined to be invalid, illegal or unenforceable in any respect, the validity,

legality and enforceability of the remaining provisions or any other application shall in no way be affected or impaired.

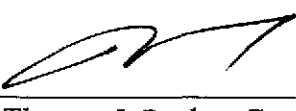
3.7 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

LEATHERWOOD TRUST

By: 
Thomas J. Paulus, Co-trustee

By: 
Laura Minton Breckenridge, Co-trustee

LEATHERWOOD TRUST

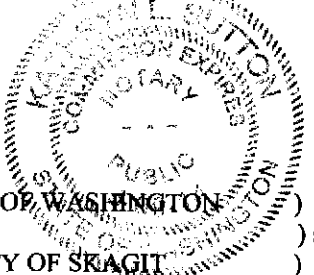
By: 
Thomas J. Paulus, Co-trustee

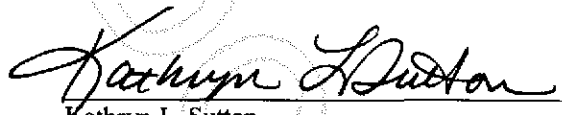
By: 
Laura Minton Breckenridge, Co-trustee

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

On April 24, 2012, before me, the undersigned, a Notary Public in and for above said State, duly commissioned and sworn, personally appeared THOMAS J. PAULUS, to me known to be a Co-trustee of Leatherwood Trust, the company that executed the foregoing instrument, and acknowledged the 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 the company executed it.

WITNESS my hand and official seal.

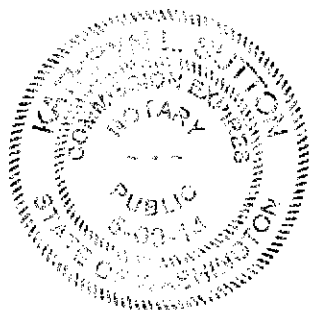


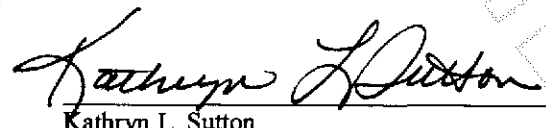

Kathryn L. Sutton
Notary Public in and for the State of Washington
Residing at Sedro Woolley
My Commission Expires: May 9, 2014

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

On April 24, 2012, before me, the undersigned, a Notary Public in and for above said State, duly commissioned and sworn, personally appeared LAURA MINTON BRECKENRIDGE, to me known to be a Co-trustee of Leatherwood Trust, the company that executed the foregoing instrument, and acknowledged the 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 the company executed it.

WITNESS my hand and official seal.




Kathryn L. Sutton
Notary Public in and for the State of Washington
Residing at Sedro Woolley
My Commission Expires: May 9, 2014



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EXHIBIT A

GRANTOR PROPERTY

That portion of the Northeast Quarter of the Northeast Quarter of Section 19, Township 35 North, Range 3 East, W.M., lying Southerly of the Joe Leary Slough, EXCEPT the tract conveyed to William Esary by deed dated January 21, 1909 and recorded January 21, 1909 under Auditor's File No. 71571, described as follows:

"Commencing at the Southwest corner of the Northeast Quarter of the Northeast Quarter of Section 19, Township 35 North, Range 3 East of the W.M.; thence running East on the South line of said forty, 12 rods; thence North, parallel with the West line of said Forty, to the South bank of said Joe Leary Slough; thence in a Northwesterly direction following along said slough, to the West line of said above described forty; thence South along the West line of said forty to the place or beginning; (said tract of land being 12 rods in width and extending from the South line of said forty North to said Joe Leary Slough)."

TOGETHER WITH an Easement for road purposes over the following described tract:

Commencing at the Southwest corner of the Northeast Quarter of the Northeast Quarter of Section 19, Township 35 North, Range 3 East, W.M.; thence running East on South line of said forty, 12 rods; thence running North parallel with the West line of said forty, to South bank of Joe O'Leary's Slough; thence in a westerly and northerly direction following along the said slough to West line of above described forty; thence South following along the west line of said forty to place or beginning. Said tract of land being 12 rods in width and extending from the South line of said forty to Joe O'Leary's Slough.

AND EXCEPT that portion of the Northeast Quarter of the Northeast Quarter of Section 19, Township 35 North, Range 3 East, W.M., lying Northerly of the following described line:

Beginning at a point on the East line of said Section 19, lying South 1 Degrees 10'20" West a distance of 769.81 feet from the Northeast corner of said Section 19; thence North 80 Degrees 40'31" West a distance of 76.82 feet; thence North 80 Degrees 43'02" West a distance of 272.16 feet; thence North 81 Degrees 46'12" West a distance of 126.65 feet; thence North 69 Degrees 07'00" West a distance of 224.38 feet; thence North 71 Degrees 15'18" West a distance of 378.56 feet; thence North 41 Degrees 06'52" West a distance of 113.90 feet to the East line of the West 198.00 feet of said Northeast Quarter of Section 19, being the terminus of said line.

AND ALSO EXCEPT that portion of the Northeast Quarter of the Northeast Quarter of Section 19, Township 35 North, Range 3 East, W.M., described as follows:



Commencing at the Southeast corner of said Northeast Quarter of the Northeast Quarter; thence North 88 Degrees 34'47" West, along the South line of said Northeast Quarter of the Northeast Quarter, a distance of 320.17 feet to the **TRUE POINT OF BEGINNING**; thence continuing North 88 Degrees 34'47" West a distance of 277.26 feet; thence North 01 Degrees 25'13" East a distance of 53.16 feet; thence South 88 Degrees 34'47" East a distance of 277.26 feet; thence South 1 Degree 25'13" West a distance of 53.16 feet to the **TRUE POINT OF BEGINNING**, containing 0.34 acres, more or less.

AND TOGETHER WITH that portion of the Northwest Quarter of the Northwest Quarter of Section 20, Township 35 North, Range 3 East, W.M., described as follows:

Beginning at a point on the West line of said Section 20, lying South 1 Degree 10'20" West a distance of 769.81 feet from the Northwest corner of said Section 20; thence continuing South 1 Degree 10'20" West a distance of 560.71 feet to the Southwest corner of said Northwest Quarter of the Northwest Quarter; thence South 89 Degrees 22'47" East along the South line of said Northwest Quarter of the Northwest Quarter, a distance of 150.00 feet; thence North 1 Degree 10'20" East a distance of 537.78 feet; thence North 80 Degrees 40'31" West a distance of 151.52 feet to the Point of Beginning, containing 1.89 acres, more or less.



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EXHIBIT B

GRANTEE PROPERTY

The Southeast Quarter of the Northeast Quarter of Section 19, Township 35 North, Range 3 East, W.M.,

TOGETHER WITH that portion of the Northeast Quarter of the Northeast Quarter of Section 19, Township 35 North, Range 3 East, W.M., described as follows:

Commencing at the Southeast corner of said Northeast Quarter of the Northeast Quarter; thence North 88 Degrees 34'47" West, along the South line of said Northeast Quarter of the Northeast Quarter, a distance of 320.17 feet to the **TRUE POINT OF BEGINNING**; thence continuing North 88 Degrees 34'47" West a distance of 277.26 feet; thence North 01 Degrees 25'13" East a distance of 53.16 feet; thence South 88 Degrees 34'47" East a distance of 277.26 feet; thence South 1 Degree 25'13" West a distance of 53.16 feet to the **TRUE POINT OF BEGINNING**, containing 0.34 acres, more or less.

AND TOGETHER WITH an Easement for road purposes over the following described tract:

Commencing at the Southwest corner of the Northeast Quarter of the Northeast Quarter of Section 19, Township 35 North, Range 3 East, W.M.; thence running East on South line of said forty, 12 rods; thence running North parallel with the West line of said forty, to South bank of Joe O'Leary's Slough; thence in a westerly and northerly direction following along the said slough to West line of above described forty; thence South following along the west line of said forty to place or beginning. Said tract of land being 12 rods in width and extending from the South line of said Forty to Joe O'Leary's Slough.



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EXHIBIT C

EASEMENT AREA

Access Easement for ingress, egress and utilities over, under and across the following described parcel:

Beginning at a point on the South line of the Northeast Quarter of the Northeast Quarter of Section 19, Township 35 North, Range 3 East, W.M., lying South 88 Degrees 34'47" East a distance of 198.00 feet from the Southwest corner of said Northeast Quarter of the Northeast Quarter; thence North 1 Degree 14'11" East, parallel to the West line of said Northeast Quarter of the Northeast Quarter, a distance of 894.94 feet; thence South 41 Degrees 06'52" East a distance of 113.90 feet; thence North 88 Degrees 45'49" West a distance of 46.73 feet to a point lying 228.00 feet East (as measured perpendicular) of the West line of said Northeast Quarter of the Northeast Quarter; thence South 1 Degree 14'11" West, parallel to the West line of said Northeast Quarter of the Northeast Quarter a distance of 810.87 feet, more or less, to the South line of said Northeast Quarter of the Northeast Quarter; thence North 88 Degrees 34'47" West along the South line of said Northeast Quarter of the Northeast Quarter, a distance of 30 feet to the Point of Beginning.

Situated in the County of Skagit, State of Washington



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Skagit County Auditor

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