

ORIGINAL

FILED FOR AND RECORDED AT REQUEST OF AND RETURN ORIGINAL TO:

Jerry & Lurline Hammer
4404 Mount Baker Highway
Everson, WA 98247

Reciprocal Access + Utility Easement
DOCUMENTS ASSIGNED OR RELEASED: None.

GRANTOR(S):

1. Jerry Hammer
2. Edward G. Bishop
3. The Barbara L. Bishop Special Needs Trust

GRANTEE(S):

1. Mission Holdings, Inc.

2. Jerry Hammer
3. Edward G. Bishop
4. The Barbara L. Bishop Special Needs Trust

LEGAL DESCRIPTION: Full legal descriptions found on pages 10, 11, 12.
Abbreviated:

1. Ptn. West 1/4, SW 1/4, S10, T35N, R4E

2. Plat of Avalon Heights, AF #200708220070

3. Delvan Hill Short Plat, AF#201103110048

4. Ptn. SE 1/4, NW 1/4, S10, T35N, R4E

5. NE 1/4, SW 1/4, S10, T35N, R4E

ASSESSOR'S PARCEL NUMBER(S):

1. P36127

2. P126695

3. P126693

4. P126692

5. P126677

5. P126679

6. P126680

7. P126681

8. P126682

9. P126683

10. P126684

11. P126686

12. P126687

13. P126688

14. P126689

15. P126690

16. P126691

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SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

SEP 18 2014

Amount Paid \$
Skagit Co. Treasurer
By *WMM* Deputy

17.	P126694
18.	P36115
19.	P36116
20.	P36117
21.	P36125
22.	P105176
23.	P131999

RECIPROCAL ACCESS & UTILITY EASEMENT

This RECIPROCAL ACCESS & UTILITY EASEMENT ("Agreement") is made as of this 12th day of September, 2014, by MISSION HOLDINGS, INC., a Washington corporation (hereinafter "Mission"), JERRY HAMMER, a married man (hereinafter "Hammer"), and Edward G. BISHOP, a married man as his separate property, and Edward G. Bishop as Trustee of The Barbara L. Bishop Special Needs Trust (hereinafter "Bishop").

RECITALS

A. Bishop is the owner of certain real property located in Skagit County, Washington, legally described on Exhibit C attached hereto and incorporated herein by this reference (the "Bishop Property") which property includes four (4) tax parcels, and at least one buildable lot with a residence.

B. Hammer is the owner of certain real property located in Skagit County, Washington, legally described on Exhibit D attached hereto and incorporated herein by this reference (the "Hammer Property") which property comprises the entire Plat of Avalon Heights, which includes eleven (11) buildable lots and a large open space parcel and the parcel comprising Avalon Heights Way road.

C. Mission is the owner of certain real property located in Skagit County, Washington, legally described on Exhibit E attached hereto and incorporated herein by this referenced (the "Mission Property") which property includes at least two (2) lots.

D. Bishop and Hammer desire to grant to one another a reciprocal easement for access and utilities over a portion of the Bishop Property and a portion of the Hammer Property for the benefit of the Bishop Property, the Hammer Property and the Mission Property.

E. The parties also desire to clarify various issues associated with the future use and maintenance of the reciprocal easement area.

F. The term "parcel" and "lot" may refer to tax parcels or buildable lots, depending on the context. The parties recognize that all tax parcels are not buildable lots, without compliance with the Skagit County Subdivision Code.



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AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and conditions herein contained, the parties hereby covenant and agree as follows:

Recitals Incorporated.

The recitals set forth above are fully incorporated herein by this reference.

2. Grant of Reciprocal Easement.

Hammer and Bishop do hereby grant, bargain, sell, convey, transfer and deliver over, under, across and through portions of the Hammer Property and the Bishop Property as legally described on Exhibit A attached hereto and incorporated herein by this reference and depicted on Exhibit B attached hereto and incorporated herein by this reference (the "Easement Area"), a non-exclusive easement for the purposes of ingress, egress and utilities for the benefit of the Bishop Property, the Hammer Property and the Mission Property (the "Easement").

3. Duration.

The reciprocal Easement herein granted shall be perpetual in duration.

4. Use of Easement Area.

Each of Bishop, Hammer and Mission shall have the non-exclusive right to use the Easement Area for ingress, egress and utility purposes only. No party shall make any use of the Easement Area that is inconsistent herewith; nor shall any party construct or maintain any buildings, structures or other objects in the Easement Area, without the prior written approval of at least sixty-seven percent (67%) of the then current owners of the Bishop Property, Hammer Property and Mission Property (each owner of a lot within the Bishop Property, Hammer Property and Mission Property shall be entitled to one vote for each lot for purposes of arriving at the 67%). The parties hereby consent to the existing wrought iron gate on Avalon Heights Way and all parties to this Agreement shall be provided access through and use of said gate. No parking shall be allowed within the Easement Area except for emergency purposes on a temporary basis.

5. Construction and Maintenance Costs.

All initial costs of maintaining, repairing, improving or otherwise connected with the Easement and any improvements located thereon (including, but not limited to, the existing gate) as of the date hereof shall be equally shared by each owner of a lot in the Hammer Property and the Mission Property except as set forth in Section 12 hereof.



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Initially, this means that costs shall be allocated as follows (based on the lots as set forth in the recitals):

Bishop	0/14
Hammer	12/14
Mission	2/14

Initially Bishop shall not be required to participate in any of these costs; however, if Bishop ever develops or subdivides the Bishop Property so that the Bishop Property is more than one (1) developed lot, which additional lot uses the easement for ingress and egress (but not otherwise), then Bishop shall be required to participate in construction (for maintenance purposes) and maintenance costs in accordance with the terms of Section 12 hereof. All future costs associated with the Easement shall be agreed to in writing in advance by at least sixty-seven percent (67%) of the owners of lots in the Bishop Property, the Hammer Property and the Mission Property (each lot owner being entitled to one vote), prior to any costs being incurred. In the event of a bona fide emergency requiring immediate work on the Easement Area this requirement of prior agreement shall be waived and all owners shall be liable for their proportion of said costs as set forth herein. Any improvements made by a party or parties without first obtaining the required consent (where no bona fide emergency exists) are made at the sole cost and expense of said party or parties with no right of reimbursement from the other lot owners. In addition, any costs of improvements, upgrades, expansion, or otherwise required to be made to the Easement as a result of future development of a property included in this Agreement shall be paid solely by the party undertaking such development. The ongoing maintenance after the initial improvements are made shall be shared in accordance with Section 5 of this Agreement but the cost of the initial improvements belongs solely to the party whose development activity causes the need for the improvements.

Said costs shall become an enforceable lien against any lot whose owner(s) refuse(s) or fail(s) to participate in the maintenance, repairs or improvements made by the agreement of the other owners in accordance with this Agreement. Such a lien may be non-judicially foreclosed upon in accordance with applicable Washington State laws if not paid within eight (8) months from the date of filing of said lien. This provision shall be construed as a covenant running with the land.

6. Mutual Indemnity.

Each party, their successors and assigns, agents, employees, guests, invitees, licensees, tenants, agents or contractors shall indemnify and hold harmless any other party or parties, his/her/its/their successors and assigns, agents, employees, guests, invitees, licensees, tenants, agents or contractors, from and against all losses, claims, damages, liabilities, costs and expenses (including reasonable attorneys' fees and expenses, whether or not a lawsuit is instituted), arising out of or resulting from any actual or alleged injury to or death of any person, or from any actual or alleged loss of



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or damage to property, caused by any occurrence in or on the Easement Area by the party, his/her/its successors and assigns, agents, employees, guests, invitees, licensees, tenants, agents or contractors, is caused by the negligence or intentional misconduct of the other party or parties, his/her/its/their successors and assigns, agents, employees, guests, invitees, licensees, tenants, agents or contractors.

7. Attorneys' Fees.

If it shall be necessary for any party to this Agreement to employ an attorney to enforce its rights pursuant to this Agreement because of the default of the other party, the defaulting party shall reimburse the non-defaulting party for reasonable attorneys' fees and expenses.

8. Successors and Assigns.

The rights and obligations of this Agreement shall run with the land and shall inure to the benefit of and be binding upon the respective successors and assigns of the parties.

9. Purchase Price/Recording

The Easement granted herein shall be for no consideration other than the promises and agreements set forth herein. This Agreement shall be recorded in the records of Skagit County, Washington.

10. Severability/Inconsistency with Prior Access Easements.

Should any separable part of this Agreement be found void or unenforceable by a court of competent jurisdiction, the remainder shall continue in full force and effect. To the extent that this Agreement is inconsistent with prior access easements for the private road commonly known as "Avalon Heights way" this Agreement shall control.

11. Easement Amendment.

Any amendment to this Agreement must be set forth in writing and agreed to by no less than eighty percent (80%) of the owners of a lot in the Bishop Property, the Hammer Property and the Mission Property; however, notwithstanding the immediately preceding, no lot may have their ability to use the Easement terminated except upon one hundred percent (100%) approval of all owners of a lot in the Bishop Property, the Hammer Property and the Mission Property.



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12. Future Subdivision.

In the event that any of the Bishop Property, the Hammer Property or the Mission Property are legally subdivided in the future creating additional lots that do not exist as of the date hereof, and if said additional lots utilize the Easement in any manner, then said lots shall automatically be subject to the terms and conditions of this Agreement and shall share equally on a per lot basis in all costs related to the Easement as set forth herein. Upon the Bishop Property subdividing in to more than one (1) lot which additional lot uses the easement for ingress and egress and/or utilities (but not otherwise), the original one (1) Bishop lot shall also at that time become subject to contributing to construction (for maintenance purposes) and maintenance costs and will no longer have free use of the Easement. If, as a result of any future subdivision, improvements are required to be made to the Easement Area, the party desiring such subdivision shall be solely and completely responsible for the initial costs of said improvements required to the Easement Area solely for purposes of approving the subdivision; however, thereafter, all future maintenance and repair on the Easement Area shall be shared equally on a per lot basis in accordance with the terms of this Agreement.

13. Relinquishment of Any Rights in Old Roadway.

Prior to the construction of Avalon Heights Way there was an old roadway from around 1980 that was located along approximately the first five hundred (500) feet of what is now Avalon Heights Way. All parties to this Agreement hereby relinquish any claims of right to use of this old roadway and hereby agree that any right of use is terminated and the old roadway is hereby extinguished.

The parties have hereunto set their hands and seals on the day and year first above written.

BISHOP:

Edward G. Bishop
Edward G. Bishop

The Barbara L. Bishop Special Needs Trust

Edward G. Bishop
By: Edward G. Bishop, Trustee



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HAMMER:

Jerry Hammer
Jerry Hammer

MISSION HOLDINGS, INC.:

By: Jerry Hammer, Its: President

By: Lurline Hammer, Its: Secretary

STATE OF WASHINGTON

COUNTY OF SKAGIT

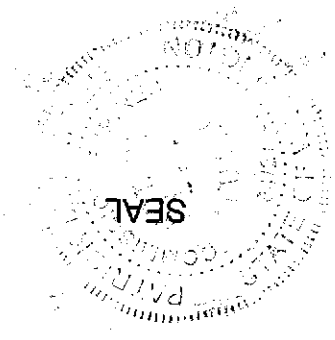
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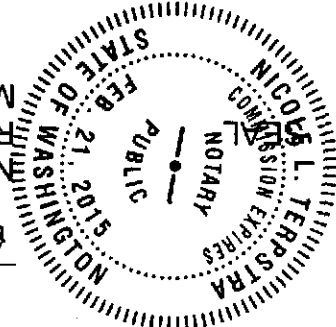
On this 29 day of August, 2014, before me a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared **Edward G. Bishop**, who acknowledged said instrument to be his free and voluntary act and deed for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the day and year first written above.

[Signature]
{Notary Signature}

Notary Public in and for the State of Washington
Residing at: Sedro-Woolley
My commission expires: 4.27.2017





My commission expires: 2-21-15
Residing at: Lyndon
Notary Public in and for the State of Washington

{Notary Signature}

Barbara L. Bishop

WITNESS my hand and official seal hereto affixed the day and year first written above.

On this 5th day of September, 2014, before me a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared **Jerry Hammer**, who acknowledged said instrument to be his free and voluntary act and deed for the uses and purposes therein mentioned.

STATE OF WASHINGTON
COUNTY OF Whatcom

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My commission expires: 4.27.2017
Residing at: Sedro-Woolley
Notary Public in and for the State of Washington

{Notary Signature}

Edward G. Bishop

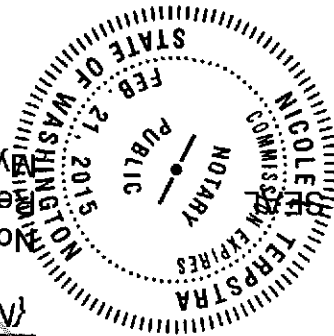
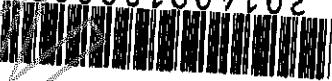
WITNESS my hand and official seal hereto affixed the day and year first written above.

On this 29 day of August, 2014, before me a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared **Edward G. Bishop**, Trustee of The Barbara L. Bishop Special Needs Trust, a testamentary trust, who acknowledged said instrument to be the free and voluntary act and deed of the trust for the uses and purposes therein mentioned.

STATE OF WASHINGTON
COUNTY OF SKAGIT

ss. }

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Notary Public in and for the State of Washington
residing at: Lynden
My commission expires: 2-21-15

{Notary Signature}

Nicole Z. Sengstack

WITNESS my hand and official seal hereto affixed the day and year first written above.

On this 5th day of Sept., 20 , before me a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared **Jerry Hammer, President and Lurline Hammer, Secretary of Mission Holdings, Inc.,** a Washington corporation, who acknowledged said instrument to be the free and voluntary act and deed of the corporation for the uses and purposes therein mentioned.

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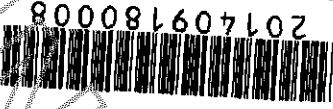
Exhibit A

Legal Description of Easement Area

As depicted on face of Plat of Avalon Heights, Skagit County Long Card Plat No. PL05-0650, approved being a portion of Sec 10, Twp 35 N, Range 4 E, W.M.; Situated in Skagit County, Washington, recorded August 22, 2017 in Skagit County Auditors' File No. 200708220070.

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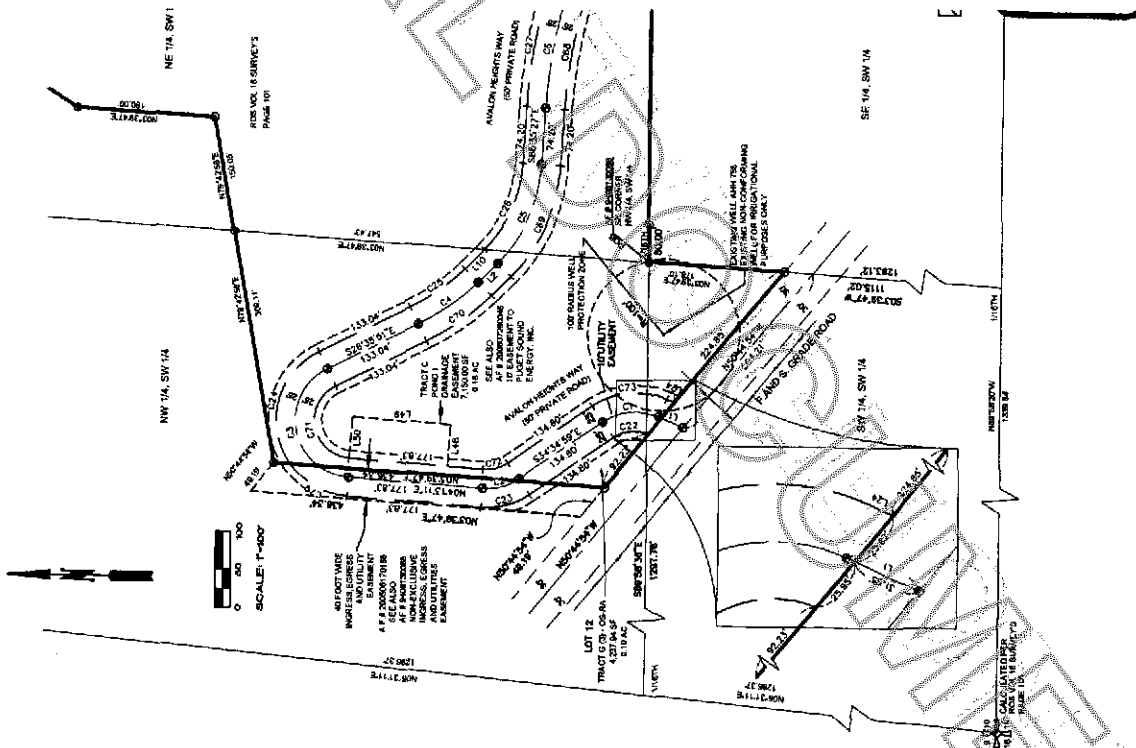
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Exhibit B

Approximate Depiction of Easement Area

PLAT OF AVALON HEIGHT
A PORTION OF SECTION 10, TOWNSHIP 35 NORTH
SITUATE IN THE COUNTY OF SKAGIT, STATE



See Plat of Avalon Heights for complete depiction.



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Exhibit C

Legal Description of Bishop Property

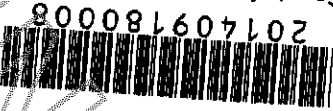
That portion of the West 1/4 of the Southwest 1/4 of Section 10, Township 35 North, Range 4 East, W.M., embraced within the following described boundaries:

Beginning at a point on which lies 600 feet East of the West quarter corner of the said section; thence East a distance of 620 feet; thence South a distance of 1363 feet to the North line of the County Road; thence Northwesterly along said road to a point which lies due South of the point of the beginning; thence North to the point of beginning.

Together with the West 1/4 of the Southwest 1/4, Section 10, Township 35 North, Range 4 East of the W.M., lying North of the County Road (formerly Fairhaven and Southern Railway right-of-way), EXCEPT the West 1220 feet thereof.

Together with that portion of the Southeast Quarter of the Northwest Quarter and the Northeast Quarter of the Southwest Quarter of the Northeast Quarter of W.M., described as follows: Commencing at the Southwest corner of the Northeast Quarter of the Southwest Quarter of said Section 10; thence N 03 degrees 39 minutes 47 seconds E along the West line thereof, a distance of 547.43 feet to the point of beginning of this description, thence N 79 degrees 42 minutes 58 seconds E, a distance of 150.05 feet; thence N 03 degrees 39 minutes 47 seconds E, a distance of 180.00 feet; thence N 31 degrees 33 minutes 22 seconds E, a distance of 244.54 feet; thence N 03 degrees 39 minutes 47 seconds E, a distance of 329.95 feet to the North line of the Northeast Quarter of the Southwest Quarter of said subdivision; thence N 62 degrees 43 minutes 42 seconds W, a distance of 300.98 feet to the West line of the Southeast Quarter of the Northwest Quarter of said section 10; thence S 02 degrees 53 minutes 33 seconds E along said West line, a distance of 138.00 feet to the Northwest corner of the Northeast Quarter of the Southwest Quarter; thence S 03 degrees 39 minutes 47 seconds W along the West line thereof, a distance of 745.68 feet to the point of the beginning.

EXCEPT that portion thereof described as follows:



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Beginning at the Southeast corner of the Northwest ¼ of the Section 10; thence N 03 degrees 39 minutes 47 seconds along the East line of the said subdivision, a distance of 547.43 feet; thence S 79 degrees 42 minutes 58 seconds W, a distance of 309.11 feet; thence S 03 degrees 39 minutes 47 seconds W, a distance of 436.34 feet to the North line of the County road right-of-way (formerly the Fairhaven and Southern Railway right-of-way); thence S 50 degrees 44 minutes 55 seconds E along said right-of-way line, a distance of 368.90 feet to the East line of the West ½ of the Southwest ¼ of the said Section 10; thence N 03 degrees 39 minutes 47 seconds E along the said subdivision line a distance of 178.10 feet to the point of beginning.

Situated in Skagit County, Washington.



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Exhibit D

Legal Description of Hammer Property

Plat of Avalon Heights, recorded under Auditor's File No. 200708220070, on August 22, 2007, being a portion of Section 10, Township 35 North, Range 4 East of W.M., situate in Skagit County, Washington.

Situate in the County of Skagit, State of Washington.

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Exhibit E

Legal Description of Mission Property

Delvan Hill Short Plat, recorded under Skagit County Auditor File No. 201103110048 on March 11, 2001, located in the South $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 10, Township 35 North, Range 4 East of W.M. Situate in the County of Skagit, State of Washington.

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