



201411170137

Skagit County Auditor \$82.00
11/17/2014 Page 1 of 11 1:53PM

WHEN RECORDED, RETURN TO:

Mr. Stanley V. Piha
Stanley Real Estate
2101 4th Avenue, Suite 310
Seattle, WA 98121

**SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX**

NOV 17 2014

LAND TITLE OF SKAGIT COUNTY

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

148127-0

RECIPROCAL AND SUPPLEMENTAL UTILITY EASEMENT AGREEMENT

This Reciprocal and Supplemental Utility Easement Agreement (“Agreement”) is entered into and effective this 5th day of November, 2014 (the “Effective Date”), by Eleanor Place, LLC, a Washington limited liability company (“Declarant”).

RECITALS

WHEREAS, Declarant is the owner of two parcels of real property located in Mt. Vernon, Skagit County, Washington, commonly described as Lots 11 and 12 and more fully described below:

Lot 11, “Plat of REO Family Properties, LLC,” as per plat recorded on July 7, 2006 under Auditor’s File No. 200607070069, records of Skagit County, Washington. **P124763**

Lot 12, “Plat of REO Family Properties, LLC,” as per plat recorded on July 7, 2006 under Auditor’s File No. 200607070069, records of Skagit County, Washington. **P124764**

WHEREAS, the aforementioned Lots 11 and 12 are subject to a number of pre-existing easements for access and/or utilities which are not intended to be subject to this Agreement, and which are expressly excepted from any of the terms and conditions set forth herein.

WHEREAS, the aforementioned Lots 11 and 12 are adjoining properties, and Declarant plans to effect a boundary lot line adjustment between them, conveying the following portion of Lot 11 to Lot 12:

The south 100.00 feet of the west 180.00 feet of Lot 11, "Plat of REO Family Properties, LLC," as per plat recorded on July 7, 2006 under Auditor's File No. 200607070069, records of Skagit County, Washington.

WHEREAS, the amended legal descriptions of the aforementioned Lots 11 and 12 will, upon completion of the boundary lot line adjustment, be as follows:

Lot 11, "Plat of REO Family Properties, LLC," as per plat recorded on July 7, 2006 under Auditor's File No. 200607070069, records of Skagit County, Washington, except the south 100.00 feet of the west 180.00 feet of said Lot 11.

(hereinafter "Parcel A"); and,

Lot 12, "Plat of REO Family Properties, LLC," as per plat recorded on July 7, 2006 under Auditor's File No. 200607070069, records of Skagit County, Washington, together with the south 100.00 feet of the west 180.00 feet of Lot 11 of said "Plat of REO Family Properties, LLC."

(hereinafter "Parcel B").

WHEREAS, Declarant desires to provide reciprocal and supplemental utility easements between Parcels A and B (separate and apart from the pre-existing easements which are not subject to this Agreement). Declarant further wishes to provide for, among other things, maintenance and repair of the reciprocal and supplemental utility easements subject to this Agreement, pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, for and in consideration of the above recitals, which are incorporated herein, and other good and valuable consideration, the receipt, value and sufficiency of which are hereby acknowledged, Declarant, for itself, and for its successors and assigns, does hereby declare, grant, covenant and agree as follows:

AGREEMENT

1. Definitions. In addition to the definitions provided in the Recitals above, which are incorporated by this reference, the following definitions shall apply to this Agreement.

1.1 Benefited Site. The term "Benefited Site" shall mean and refer to the property that is benefited by certain easements and/or rights hereinafter set forth, and consequently constitutes the dominant estate with respect to such easements and/or rights.



1.2 Burdened Site. The term "Burdened Site" shall mean and refer to the property that is burdened by certain easements and/or rights hereinafter set forth, and consequently constitutes the servient estate with respect to such easements and/or rights.

1.3 Owner. The term "Owner" shall refer to Declarant and any successor owners of Parcels A and B, as the context may require. The term "Owners" shall refer collectively to Declarant and any successor owners of Parcels A and B, as the context may require.

2. Easement Benefiting Parcel A. The Owner of Parcel B, as the burdened site, hereby grants and conveys to the Owner of Parcel A, as the benefited site, for the use of Parcel A the non-exclusive utility easements described herein and in Exhibit A hereto over, along, under, and across the easement areas described in Exhibit A, for the benefit of Parcel A, for installation, construction, maintenance, repair, replacement, upkeep, and inspection of electrical power, telephone, cable, water, storm water system, sanitary sewer, gas, telecommunications, and such other utility lines or services as may in the future be desired by the Parcel A Owner. It is the intent of the Owners that although pre-existing utility easements between them are not subject to this Agreement, any relocation, or replacement of any such pre-existing utility easement would be subject to this Agreement.

3. Easement Benefiting Parcel B. The Owner of Parcel A, as the burdened site, hereby grants and conveys to the Owner of Parcel B, as the benefited site, for the use of Parcel B the non-exclusive utility easements described herein and in Exhibit B hereto over, along, under, and across the easement areas described in Exhibit B, for the benefit of Parcel B, for installation, construction, maintenance, repair, replacement, upkeep, and inspection of electrical power, telephone, cable, water, storm water system, sanitary sewer, gas, telecommunications, and such other utility lines or services as may in the future be desired by the Parcel B Owner. It is the intent of the Owners that although pre-existing utility easements between them are not subject to this Agreement, any relocation, or replacement of any such pre-existing utility easement would be subject to this Agreement.

4. Non-Interference. No Burdened Owner shall permit, operate or install any object, or any improvements, on such Burdened Owner's property which in any way unreasonably restricts or interferes with the reciprocal easements granted herein.

5. Nature of Easements and Rights Granted.

5.1 Easements Appurtenant. Each of the easements and rights granted or created herein is an appurtenance to the applicable Benefited Site, and none of such easements or rights may be transferred, assigned or encumbered except as an appurtenance to the applicable Benefited Site.



5.2 Nature and Effect of Easements. All of the easements, covenants, restrictions and provisions contained in this Agreement:

5.2.1 create equitable servitudes upon Parcels A and B properties in favor of the other property;

5.2.2 constitute covenants running with the land and shall be binding upon and run for the benefit of the Owners of Parcels A and B, and all persons claiming by or through them in perpetuity; and

5.2.3 shall bind every person or entity having any fee, leasehold or other interest in any portion of either property at any time or from time to time, to the extent that such portion is affected or bound by the easement, covenant, restriction, or provision in question, or to the extent that such easement, covenant, restriction or provision is to be performed on such portion.

5.3 Transfer of Title. The acceptance of any transfer or conveyance of title from any Owner of all or any part of its interest in its property shall be deemed, without any further action by the grantor or the grantee, to:

5.3.1 require the grantee to agree not to use, occupy or allow any lessee or occupant of such property to use or occupy the property in any manner which would constitute a violation or breach of any of the easements and covenants contained herein; and

5.3.2 require the grantee to assume and agree to perform each and all of the obligations of the conveying party under this Agreement with respect to all (or the applicable portion of) such property which will be conveyed to such grantee.

5.4 Successors. The obligations set forth in this Agreement, including without limitation in Section 5, shall be binding on any successors or assigns of the named parties.

6. Maintenance, Insurance and Taxes. The respective Parcel A and Parcel B Owners shall continue to be responsible for and pay or cause to be paid all maintenance, insurance and taxes, including, without limitation, real estate taxes and special assessments, applicable to such properties, regardless of the easements and interests granted or created by this Agreement.

7. Maintenance. Prior to making any arrangements for installation, construction, maintenance, repair, replacement, upkeep, and inspection of any of the aforementioned utility lines permitted by this Agreement (hereinafter "the Work"), the Benefited Owner herein proposing to undertake the Work shall provide written notice to the other Burdened Owner not less than fifteen (15) days prior to the commencement of the Work. Any notice provided shall include reasonably detailed information concerning the nature



and scope of the proposed Work and the estimated time of completion thereof, and shall request the other Burdened Owner's concurrence in the proposed Work. Should the Burdened Owner receiving the request disagree with the nature and/or scope of the proposed Work, the Burdened Owner to whom such notice is provided may request that the Benefited Owner providing such notice meet and confer to discuss and, if possible, come to an agreement on the nature and scope of the proposed Work. Should the Burdened and Benefited Owners fail to come to an agreement regarding the nature and scope of such Work, the provisions of Section 12.8 shall apply. (In the event that emergency maintenance is required and cannot reasonably be delayed for the fifteen (15) day notice period, the Benefited Owner proposing the emergency maintenance work shall make a reasonable effort to notify the other Burdened Owner of the proposed emergency work and to obtain that Burdened Owner's concurrence prior to the commencement of the emergency work.) The Benefited Owner making any such arrangements shall be solely responsible for payment to any vendor or contractor performing the Work.

8. Damage to Burdened Owner's Property. Each Burdened Owner shall refrain from causing any damage to the utility improvements and the easements described herein and shall immediately repair any such damage caused by the Burdened Owner, at such Burdened Owner's sole cost and expense. If a Burdened Owner fails to perform any such required repairs, the other Benefited Owner, upon ten (10) days' prior written notice to the non-performing Burdened Owner, may cause such repair work to be performed with a right of reimbursement for all sums reasonably necessary and properly expended to remedy such failure. Within ten (10) days after delivery of a statement documenting such reasonable repair costs incurred, the non-performing Burdened Owner shall reimburse the other Benefited Owner. If the non-performing Burdened Owner fails to pay any reimbursement due, the Benefited Owner who has incurred the repair costs shall have the immediate right to record a lien against the non-performing Burdened Owner's property benefited by this Agreement, in addition to all other rights and remedies permitted at law or in equity. The aforesaid lien shall be treated as a construction lien pursuant to Washington State law.

9. Liability Insurance. Each Owner shall maintain a policy of general liability insurance ("Liability Insurance") with adequate single and combined liability limits in force at all times, insuring all activities, conditions, operation and usage on or about either Owner's property which is burdened by an easement pursuant to this Agreement. Such Liability Insurance shall be issued by insurance companies with a reliable general policyholder's rating and financial rating and qualified to do business in the State of Washington. Each Owner shall, upon request of the other, provide evidence to the other Owner of Liability Insurance coverage in accordance with this section.

10. Indemnification. To the extent not covered by the Owners' policies of Liability Insurance: (a) the Parcel A Owner shall defend, indemnify and hold the Parcel B Owner and all of its employees or agents harmless from any and all claims, demands, or liability arising from alleged acts or omissions by the Parcel A Owner or its employees or agents, or the negligent maintenance, construction, or dangerous condition of the Parcel A



Owner's improvements on Parcel B; and (b) the Parcel B Owner shall defend, indemnify and hold the Parcel Owner and all of its employees or agents harmless from any and all claims, demands, or liability arising from alleged acts or omissions by the Parcel B Owner or its employees or agents, or the negligent maintenance, construction or dangerous condition of the Parcel B Owner's improvements on Parcel A.

11. Notices. All notices, requests, demands, and other communications hereunder shall be in writing and shall be delivered in person or sent by registered or certified mail, postage prepaid, commercial overnight courier with written verification of receipt or by telecopy facsimile. A notice shall be deemed given: (a) when delivered by personal delivery (as evidenced by the receipt); (b) two (2) business days after deposit in the mail if sent by registered or certified mail; (c) one (1) business day after having been sent by commercial overnight courier (as evidenced by the written verification of receipt); or (d) on the date of confirmation if telecopied. Notices shall be addressed as set forth below, but any addressee may change its address by written notice in accordance herewith.

NOTICE TO PARCEL A OWNER:

Mr. Stanley V. Piha
Stanley Real Estate
2101 4th Avenue, Suite 310
Seattle, WA 98121

NOTICE TO PARCEL B OWNER:

Mr. Stanley V. Piha
Stanley Real Estate
2101 4th Avenue, Suite 310
Seattle, WA 98121

12. General Provisions.

12.1 Entire Agreement. This Agreement (including Exhibits A and B attached hereto) constitutes the entire agreement and understanding between the parties with respect to the subject matter contained herein, and supersedes any prior agreement and understanding about the subject matter hereof. This Agreement may be modified or amended only by a written instrument executed by the parties hereto.

12.2 Headings. The subject headings of the sections and paragraphs of this Agreement are included for purposes of convenience only and shall not affect the construction or interpretation of any of its provisions.

12.3 Severability. If any term or provision of this Agreement shall, to any extent, be held invalid or unenforceable, the remaining terms and provisions of this



Agreement shall not be affected thereby, but each remaining term and provision shall be valid and enforced to the fullest extent permitted by law.

12.4 Waiver. No waiver of any breach of any of the easements, covenants and/or agreements herein contained shall be construed as, or constitute, a waiver of any other breach or a waiver, acquiescence in or consent to any further or succeeding breach of the same or any other covenant and/or agreement.

12.5 Successors and Assigns. Each covenant and condition contained in this Agreement shall inure to the benefit of and be binding on the parties to this Agreement and their respective heirs, executors, administrators, personal representatives, successors and assigns, except as otherwise provided herein.

12.6 Recording. A fully executed counterpart of this Reciprocal and Supplement Utility Easement Agreement shall be recorded in the Office of the County Recorder of Skagit County, Washington.

12.7 Attorneys' Fees and Costs. If any legal action, arbitration, or any other proceeding is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, or default, in connection with any of the provisions of this Agreement, the successful or prevailing party or parties shall be entitled to recover reasonable attorneys' fees and other costs incurred in that action or proceeding, in addition to any other relief to which it or they may be entitled, including the fees and costs incurred in enforcing any judgment which may be obtained in said action.

12.8 Arbitration.

a. Arbitrable Claims. To the fullest extent permitted by law, all disputes between the Owners relating in any manner whatsoever to this Agreement ("Arbitrable Claims") shall be resolved by arbitration.

b. Procedure. Arbitration of Arbitrable Claims shall be in accordance with the Commercial Arbitration Rules of the American Arbitration Association, as amended from time to time ("AAA Rules"), as augmented in this Agreement. Arbitration shall be initiated as provided by the AAA Rules, although the written notice to the other party initiating arbitration shall also include a statement of the claim(s) asserted and the facts upon which the claim(s) are based. Arbitration shall be final and binding upon the parties and shall be the exclusive remedy for all Arbitrable Claims. Either party may bring an action in court to compel arbitration under this Agreement and to enforce an arbitration award. Otherwise, neither party shall initiate or prosecute any lawsuit or administrative action in any way related to any Arbitrable Claim. Notwithstanding the foregoing, either party may, at its option, seek injunctive relief. THE PARTIES HEREBY WAIVE ANY RIGHTS THEY MAY HAVE TO TRIAL BY JURY IN REGARD TO ARBITRABLE CLAIMS, INCLUDING, WITHOUT LIMITATION, ANY RIGHT TO TRIAL BY JURY AS TO THE MAKING, EXISTENCE, VALIDITY OR ENFORCEABILITY OF THE AGREEMENT TO ARBITRATE.



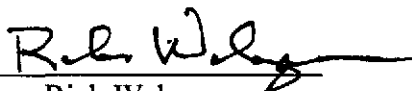
c. Arbitrator Selection and Authority. All disputes involving Arbitrable Claims shall be decided by a single arbitrator. The arbitrator shall be selected by mutual agreement of the parties within thirty (30) days of the effective date of the notice initiating the arbitration. If the parties cannot agree on an arbitrator, then the complaining party shall notify the AAA and request selection of an arbitrator in accordance with the AAA Rules. The arbitrator shall have authority to award equitable relief, damages, costs and attorneys fees to the same extent that, but not greater than, a court would have. The fees of the arbitrator shall be split between both parties equally. The arbitrator shall have exclusive authority to resolve all Arbitrable Claims, including, but not limited to, whether any particular claim is arbitrable and whether all or any part of this Agreement is void or unenforceable. The arbitrator shall be obligated to apply Washington State law.

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

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

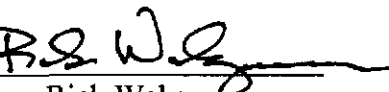
PARCEL A OWNER:

ELEANOR PLACE, LLC, a
Washington limited liability company

By 
Rick Wakazuru
Its General Manager

PARCEL B OWNER:

ELEANOR PLACE, LLC, a
Washington limited liability company

By 
Rick Wakazuru
Its General Manager



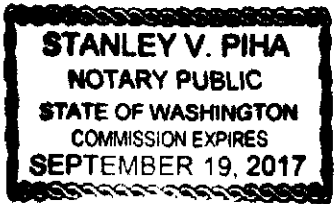
201411170137

Skagit County Auditor \$82.00
11/17/2014 Page 8 of 11 1:53PM

STATE OF WASHINGTON)
) ss:
COUNTY OF KING)

I certify that I know or have satisfactory evidence that Rick Wakazuru 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 General Manager of Eleanor Place, 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: November 5, 2014



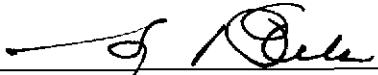

Notary Public in and for the State of
Washington
Printed Name: Stanley V. Piha
My appointment expires: 9-19-17



EXHIBIT A

RECIPROCAL AND SUPPLEMENTAL UTILITY EASEMENT BENEFITING PARCEL A:

It is the intent and understanding of the Owners that there may be multiple utility easement locations and descriptions under this Agreement, to accommodate changes in the Owners' respective parcels, as well as evolving technologies and communications services.

When a new utility easement is deemed necessary for the benefit of Parcel A in the reasonable discretion of the Parcel A Owner (the "New Utility Easement"), the Parcel A Owner shall submit in writing to the Parcel B Owner a request for the New Utility Easement, describing the utility service needed and providing proposed descriptions, specifications, and locations for the same, as applicable. Within fifteen (15) days of receipt of the Parcel A Owner's request for a new Utility Easement, the Parcel B Owner shall respond in writing, either approving the descriptions, specifications and locations for the New Utility Easement, or proposing alternative descriptions, specifications or locations. In all cases, the descriptions, specifications, and locations shall be reasonable and consistent with the purposes and intent of this Agreement and to the fullest extent practicable (and without undue inconvenience to the use and operation of Parcel B) the easement shall run in the most direct and feasible manner to Parcel A to minimize the cost and inconvenience to benefited Parcel A.

In the event of any dispute over the interpretation or enforcement of any existing or proposed utility easements under this Agreement, benefiting Parcel A, or over the descriptions, specifications, or locations of any such utility easements on Parcel B, the matter shall be submitted to binding arbitration under the laws of the State of Washington pursuant to the provisions set forth in the Agreement. It is the intent of the Owners that the Arbitrator shall have full authority to resolve said dispute and fix the appropriate easement locations and descriptions from time to time in a manner reasonable and consistent with the purposes and intent of this agreement, and to ensure the continuing validity and enforceability of the easements and this Agreement.

It is the further intent and understanding of the Owners that not each and every utility easement service, location, or description needs to be reciprocal or identical, and that the Owners of Parcels A and B may have differing needs for utility service and access over the Burdened Owner's property.

On request by either Owner, the Owners shall cooperate in diligently preparing mutually approved as-built plans memorializing the then current reciprocal and supplemental easements under this Agreement, and the locations and descriptions thereof, and shall acknowledge in writing their mutual approval thereof. The costs and fees in preparing the as-built plans shall be shared equally.



EXHIBIT B

RECIPROCAL AND SUPPLEMENTAL UTILITY EASEMENT BENEFITING PARCEL B:

It is the intent and understanding of the Owners that there may be multiple utility easement locations and descriptions under this Agreement, to accommodate changes in the Owners' respective parcels, as well as evolving technologies and communications services

When a new utility easement is deemed necessary for the benefit of Parcel B in the reasonable discretion of the Parcel B Owner (the "New Utility Easement"), the Parcel B Owner shall submit in writing to the Parcel A Owner a request for the New Utility Easement, describing the utility service needed and providing proposed descriptions, specifications, and locations for the same, as applicable. Within fifteen (15) days of receipt of the Parcel B Owner's request for a new Utility Easement, the Parcel A Owner shall respond in writing, either approving the descriptions, specifications and locations for the New Utility Easement, or proposing alternative descriptions, specifications or locations. In all cases, the descriptions, specifications, and locations shall be reasonable and consistent with the purposes and intent of this Agreement, and to the fullest extent practicable (and without undue inconvenience to the use and operation of Parcel A) the easement shall run in the most direct and feasible manner to Parcel B to minimize the cost and inconvenience to benefited Parcel B.

In the event of any dispute over the interpretation or enforcement of any existing or proposed utility easements under this Agreement, benefiting Parcel B, or over the descriptions, specifications, or locations of any such utility easements on Parcel A, the matter shall be submitted to binding arbitration under the laws of the State of Washington pursuant to the provisions set forth in the Agreement. It is the intent of the Owners that the Arbitrator shall have full authority to resolve said dispute and fix the appropriate easement locations and descriptions from time to time in a manner reasonable and consistent with the purposes and intent of this agreement, and to ensure the continuing validity and enforceability of the easements and this Agreement.

It is the further intent and understanding of the Owners that not each and every utility easement service, location, or description needs to be reciprocal or identical, and that the Owners of Parcels A and B may have differing needs for utility service and access over the Burdened Owner's property.

On request by either Owner, the Owners shall cooperate in diligently preparing mutually approved as-built plans memorializing the then current reciprocal and supplemental easements under this Agreement, and the locations and descriptions thereof, and shall acknowledge in writing their mutual approval thereof. The costs and fees in preparing the as-built plans shall be shared equally.



201411170137

Skagit County Auditor

11/17/2014 Page

11 of

11

1:53 PM