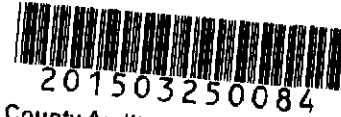


FILED FOR RECORD AT THE
REQUEST OF/RETURN TO:
Gilkey 425, LLC
18419 Peregrine Lane
Mount Vernon, WA 98274



Skagit County Auditor
3/25/2015 Page

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ROAD MAINTENANCE AGREEMENT

Grantor: GILKEY 425, LLC, a Washington limited liability company
Grantee: GILKEY 425, LLC, a Washington Limited Liability Company
Abbreviated Legals: Lots 1-17 Burlington BSP2-14
Assessor's Tax Parcel Nos: P132572, P132555, P132556, P132557, P132558,
P132559, P132560, P132561, P132562, P132563,
P132564, P132565, P132566, P132567, P132568,
P132569, P132570, P132571

THIS AGREEMENT is entered into between, GILKEY 425, LLC, a Washington limited liability company (referred to herein as "Lot Owners"). The Lot Owners are the owners of that certain real property located in the City of Burlington, Skagit County, Washington, which is more particularly described as:

Lots 1-17, Burlington Binding Site Plan No. BSP2-14, approved by the City of Burlington on November 24th, 2014 and recorded under Skagit County Auditor's File Number 201411250124, being a portion of the SE $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 5, Township 34 North, Range 4 East, W.M.

Situate in Skagit County, Washington.

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 common access roads shared by the Lot Owners, which access roads are commonly known as Rose Lane and Lily Lane as shown on the face

of the Binding Site Plan. The access roads may hereinafter be referred to collectively 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 agreements, all of which are 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 by a written, majority of the Eligible Votes, as defined herein. The written record of the vote shall be signed by those persons representing a majority of the Eligible Votes. There shall be a total of seventeen (17) Eligible Votes. One vote shall be allocated to the owner of each Lot in the Binding Site Plan. If a Lot is owned by more than one person, the vote for that Lot shall be cast by them in such manner as they determine among the owners of the Lot. If one person or entity owns more than one lot, then that person or entity shall be entitled to one vote for each Lot owned by that person or entity.
- 2) Allocation of Costs. Any costs incurred in performing properly approved maintenance to the Road shall be divided into seventeen (17) equal shares, with one share being allocated to each Lot in the Binding Site Plan.
- 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 share the vote(s) and costs previously allocated to the original lot and the vote(s) for such newly created lots shall be cast by the owners of the newly created lots in such manner as they determine. If the owners of the newly created lots are unable to reach mutual agreement with respect to how their vote(s) shall be shared, then their vote shall not count. If the owners of the newly created lots are unable to reach mutual agreement with respect to how to share the costs allocated to the original lot, then each owner of a new lot shall be jointly and severally liable for the full share of costs allocated to the original lot.
- 4) Damage to Road. In the event that a Lot Owner causes identifiable damage to the Road (for example: through the installation of utilities or other improvements, or through 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 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 other Lot Owners, after majority approval of the Eligible Votes, 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 therefor, 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 majority vote of the Eligible Votes. 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.
- 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, 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 project giving rise to the lien or for the benefit of a Lot Owner who is a prevailing party in any litigation related to this Agreement. 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 for assessments, 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 be deemed to be delinquent and 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 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 automatically extend 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 holding not less than three-fourths (3/4) of all of the Eligible Votes.
- 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) This Agreement is only intended to provide for the maintenance of the existing roadway, as it existed in March 2015. This Agreement is not intended to alter the size, shape and/or location of any easement on which the existing roadways are situated. Nothing in this Agreement shall require any lot owner to consent to or to contribute to the enlargement of any easement.
- 4) 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.
- 5) This Agreement shall be construed in accordance with the laws of the State of Washington.
- 6) 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.
- 7) 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.
- 8) 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.
- 9) The invalidity or unenforceability of any provision hereof shall not affect or impair any other provisions hereof;
- 10) 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.

IN WITNESS THEREOF, the parties hereto have executed this agreement dated this 23rd day of March, 2015.

LOT OWNERS:
GILKEY 425, LLC
a Washington limited liability company

By: 
Kevin E. Ware, Its: General Manager

STATE OF WASHINGTON

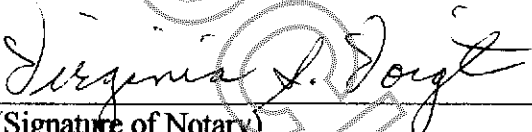
COUNTY OF SKAGIT

) ss.

I certify that I know or have satisfactory evidence that KEVIN E. WARE is the person who appeared before me, and said person acknowledged that he signed this instrument as the General Manager of GILKEY 425, LLC, a Washington Limited Liability Company, and acknowledged it to be the free and voluntary act of said limited partnership for the uses and purposes mentioned in the instrument.

DATED: March 23, 2015




(Signature of Notary)
VIRGINIA S. VOIGT

(Legibly Print or Type Name of Notary)
My appointment expires: 6/1/17