

Return Address:

SAGE HOMES NORTHWEST, LLC
9505 19th Avenue SE, Suite 118
Everett, WA 98208

AMENDED AND RESTATED RECIPROCAL AGREEMENT
Reference Number of Documents Amended: 200103150016
Grantors: NELSEN BURLINGTON LLC, NELSEN BURLINGTON B, LLC, BURLINGTON BUILDING NO. C, LLC, SAGE BURLINGTON 1, LLC
Grantees: NELSEN BURLINGTON LLC, NELSEN BURLINGTON B, LLC, BURLINGTON BUILDING NO. C, LLC, SAGE BURLINGTON 1, LLC
Legal description (abbreviated): Ptn NW / SW; Sec 5-Twn 34 N-Rg.4, (AKA Lots 1-4, Burl BSP No. BURL-BSP-2-00, Auditor's File No. 200110030143 Additional legal description on page 1 of document.
Assessor's Property Tax Parcel/Account Numbers: 8031-000-001-0000, P117980 8031-000-002-0000, P117981 8031-000-003-0000, P117982 8031-000-004-0000, P117983

AMENDED AND RESTATED RECIPROCAL AGREEMENT

THIS AMENDED AND RESTATED RECIPROCAL AGREEMENT ("**Agreement**") is made on July 15, 2020, by and among NELSEN BURLINGTON LLC, a Washington limited liability company ("**Nelsen**"), NELSEN BURLINGTON B, LLC, a Washington limited liability company ("**Nelsen B**"), BURLINGTON BUILDING NO. C, LLC, a Washington limited liability company ("**Burlington**"), and SAGE BURLINGTON 1 LLC, a Washington limited liability company, ("**Sage**"), (collectively, the "**Owners**" and individually an "**Owner**").

WITNESETH

A. The Burlington BSP (defined below) is subject to certain agreements recorded in Reciprocal Agreements, dated March 5, 2001, and recorded March 15, 2001, under Skagit County Auditor's File No. 200103150016. The Owners, as successors in interest to the parties in said document, desire to amend and restate that agreement in its entirety with the terms and conditions set forth in this Agreement.

B. The real property subject to this Agreement is legally described as Lots 1, 2, 3, and 4 of Burlington Revised Binding Site Plan No. BURL-BSP-2-00 ("**Burlington BSP**"), approved October 3, 2001, and recorded October 3, 2001, under Skagit County Auditor's File No. 200110030143, being a portion of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 5, Township 34 North, Range 4 East. Situate in Skagit County, Washington.

C. Nelsen is the Owner of Lot 1, ("**Lot 1**"), Nelsen B is the Owner of Lot 2, ("**Lot 2**"), Burlington is the Owner of Lot 3, ("**Lot 3**") and Sage is the Owner of Lot 4, ("**Lot 4**") and as applicable referred to as "**Property**" or "**Properties**".

D. Nelsen, Nelsen B, and Burlington are the Owners of the **"Retail Parcels"** and the Sage is the Owner of the **"Residential Parcel"**.

NOW, THEREFORE, for good and mutual consideration, the Owners agree as follows:

1. Shared Utilities. Access to water, sewer, storm sewer, including a storm water detention system are located on portions of the Burlington BSP for the benefit of all Lots (the **"Shared Utilities"**). The Owners grant reciprocal easements to each other for the use, maintenance and repair of the Shared Utilities located in Burlington BSP. During development or redevelopment of a Lot, an Owner shall have the right to relocate the Shared Utilities, at the requesting Owner's (or Owners') sole cost and expense. The relocation of a Shared Utility shall be conducted in a manner to minimize the disruption to the other Owners.

2. Reciprocal Access Easements. The Owners hereby grant reciprocal access easements to each other for the purposes of nonexclusive ingress and egress of vehicular and pedestrian traffic (**"Reciprocal Access Easements"**) over and across the Burlington BSP. For purposes of this Agreement, driveways, drive aisles, pedestrian footpaths, walkways, and sidewalks shall be considered Reciprocal Access Easements. The purpose of Reciprocal Access Easements is to allow the Owners, tenants, guests, patrons, employees, licensees, agents, contractors, vendors, permittees and other invitees of the Owners or tenants access to and from the retail establishments, facilities, offices, businesses, residential buildings, and parking located throughout the Burlington BSP development.

During development or redevelopment of a Lot, an Owner shall have the right to relocate a Reciprocal Access Easement, at the requesting Owner's (or Owners') cost and expense. The relocation of a Reciprocal Access Easement shall be conducted in a manner to minimize the disruption to the other Owners.

3. Pylon Sign. A freestanding pylon sign, advertising the businesses operating in the Burlington BSP is located on a portion of Lot 3 ("**Pylon Sign**"). The top panel of the Pylon Sign shall be reserved for the use of the Residential Parcel; the remainder of the Pylon Sign shall be reserved for the use of the Retail Parcels. An easement over, under and across Lot 3 for the purpose of accessing the Pylon Sign for maintenance, repair and panel modification is granted to the other Owners. The Owners shall share in the costs of electricity, maintenance and repairs of the sign, sign can, pylon and associated mechanical and electrical components.

4. Shared Parking. The Parties agree to share a common parking area approximately located in the easterly 46 feet of Lots 2 and 3 and in the westerly 29 feet of the Residential Parcel ("**Shared Parking Area**") as set out in Exhibit A. As part of its development plan for the Residential Parcel, Sage shall reconfigure the existing Shared Parking Area to provide no less than the currently existing number of regular parking stalls for the use of the Retail and Residential Parcels. Sage shall reconfigure, repave, and restripe the Shared Parking Area at its sole cost and expense. As part of Sage's development of the Residential Parcel, Sage agrees to improve the Shared Parking Area adjacent to its residential development with new island planters, connective walkways, and full landscaping ("**Landscaping**").

Following the initial construction of the Shared Parking Area, the costs of maintenance, repair, and replacement of the Shared Parking Area, including the costs of maintenance, repair, and replacement of the Landscaping in the Shared Parking Area shall be allocated between the Residential and Retail Parcels as set out in Section 5.

5. Shared Costs. The costs and maintenance obligations described herein ("**Shared Costs**"). for the Shared Utilities, Reciprocal Access Easements, Pylon Sign, and Shared Parking Area, including Landscaping ("**Easement**" or "**Easements**"), shall be as follows: the Retail Parcels shall be collectively liable for 46% of the Shared Costs; and the Residential Parcel shall be liable for 54% of the Shared Costs. The liability for the Shared Costs shall begin accruing as of the date this Agreement is recorded with the Skagit County Recorder's Office. Notwithstanding anything to the contrary, the liability for the Shared Costs shall accrue whether or not a Lot is improved.

6. Construction and Maintenance Easements. The Owners agree to grant to each other reciprocal access easements over its respective property that may be necessary during times of construction, development, and redevelopment of its Lot, and during times of maintenance, repair, or replacement of the Easements. Any entry onto another Owner's property by or for the benefit of another Owner, including any entry for the purpose of construction, development, redevelopment, maintenance, repair or replacement, shall be designed and conducted to minimize disruption to the other Owners.

7. Easement Rights. Each Owner reserves the right to use the Easements for any purpose not inconsistent with the rights granted herein, provided that no Owner shall construct or maintain any structures, building improvements, fences, gates, or trees in the Easements without prior consent of the other Owners. All Easements which

are granted pursuant to this Agreement are appurtenant to the respective parcels, perpetual and exclusive and shall benefit and/or burden the respective parcels.

8. Insurance. During construction on any Property, the contracting owner shall maintain and/or cause its contractor and subcontractors to maintain liability insurance covering the construction activities on its Property. At the request of a non-contracting Owner, such insurance shall identify the other Owner(s) as additional insured(s).

9. Liens. In the event that a lien is filed against Property owned by the non-contracting Owner as the result of the contracting Owner's activities, the contracting Owner shall promptly take all reasonable steps necessary to remove such lien and to protect the non-contracting Owner(s) against liability resulting from such a lien.

10. Running with the Land. All of the terms and/or conditions of this Agreement shall inure to the benefit of the heirs, successors and/or assigns of the respective Owners.

11. Enforcement. In the event the services of an attorney are incurred to enforce any covenant, condition or term of this agreement or to procure a nonjudicial, an adjudicated, involuntary or voluntary termination of any Owner's rights hereunder; including an action to collect any payment required hereunder, the Owners agree that the nonprevailing party shall pay a reasonable sum as attorney's fees, whether or not suit is commenced, together with all court costs, costs of searching records, and costs of serving any notices required by law. Failure to pay said attorney's fees and costs incurred shall be deemed a substantial breach of this Agreement.

12. Notices. Any notice to be given under this Agreement shall be in writing, shall be addressed to the Owner to be notified at the address set forth below

or at such other address as each Owner may designate for itself from time to time by notice hereunder, and shall be deemed to have been given upon the earlier of (a) the next Business Day after delivery to a regularly scheduled overnight delivery carrier with delivery fees either prepaid or an arrangement, satisfactory with such carrier, made for the payment of such fees, or (b) receipt of notice given by personal delivery, or (c) three (3) Business Days following deposit in U.S. Mail, certified with return receipt requested, addressed as follows:

To Sage:

Sage Burlington 1, LLC
Attn: Alan Boeker
9505 19th Avenue SE, Suite 118
Everett, WA 98208
Alan@sagehomesnow.com

With a courtesy copy to:

Van Ness Feldman LLP
Attn: Ray Liaw
719 Second Avenue, Suite 1150
Seattle, Washington 98104-1728
hrl@vnf.com

To Nelsen Burlington, LLC and
Nelsen Burlington B, LLC:

Nelsen Burlington, LLC
Nelsen Burlington B, LLC
Attn: James Nelsen
305 6th South
Edmonds, WA 98020

With a courtesy copy to:

Ramaley Properties, Inc.
P.O. Box 837
Stanwood, WA 98292

To Burlington Building No. C, LLC: Burlington Building No. C, LLC
Covington Family Dentistry
Attn: Otto Hanssen
17224 SE 272nd St.
Covington, WA 98042

With a courtesy copy to: Burlington Building No. C, LLC
Browne Management Company
PO Box 48005
Seattle, WA 98148

13. Amendments. This Agreement may only be amended by written instrument signed by the Owners or their respective successors and assigns and recorded in the real property records of Skagit County, Washington.

14. Captions. The captions of each Section hereof are inserted only for convenience and are in no way to be construed as defining, limiting, extending or otherwise modifying or adding to the particular Section to which they refer.

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

16. Severability. If any Section, term, or provision of this Agreement shall be or become illegal, null, void or unenforceable for any reason or shall be held by any court of competent jurisdiction to be illegal, null, void or unenforceable, the remaining Sections, terms, and provisions will continue to remain in full force and effect irrespective of the fact that anyone or more of the other Sections, terms or provisions shall become or be illegal, null, void or unenforceable.

17. Counterparts. This Agreement may be executed and acknowledged in multiple counterparts as may be necessary for the convenience of the parties, which

together shall constitute one agreement. The original counterpart signature pages and acknowledgement pages may be detached from counterpart copies and re-attached to a single original copy hereof for purposes of recordation of this Agreement.

[SIGNATURES ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, The Owners have executed and delivered this

Agreement as of the 24 day of July 2020.

OWNER OF LOT 1:
NELSEN BURLINGTON LLC,
a Washington limited liability company

By: [Signature]
Its: MEMBER

OWNER OF LOT 2:
NELSEN BURLINGTON B, LLC,
a Washington limited liability company

By: [Signature]
Its: MEMBER

OWNER OF LOT 3:
BURLINGTON BUILDING NO. C, LLC,
a Washington limited liability company

By: _____
Its: _____

OWNER OF LOT 4:
SAGE BURLINGTON 1, LLC,
a Washington limited liability company

By: Mark J. Baer
Its: President

IN WITNESS WHEREOF, The Owners have executed and delivered this Agreement as of the 24 day of August 2020.

OWNER OF LOT 1:
NELSEN BURLINGTON LLC,
a Washington limited liability company

By: _____
Its: _____

OWNER OF LOT 2:
NELSEN BURLINGTON B, LLC,
a Washington limited liability company

By: _____
Its: _____

OWNER OF LOT 3:
BURLINGTON BUILDING NO. C, LLC,
a Washington limited liability company

By: On Hansen
Its: managing member

OWNER OF LOT 4:
SAGE BURLINGTON 1, LLC,
a Washington limited liability company

By: _____
Its: _____

STATE OF WASHINGTON)
COUNTY OF Kitsap)

This record was acknowledged before me on July 24, 2020 by James A. Nelson, the Member of NELSEN BURLINGTON LLC, a Washington limited liability company.



(Stamp)

Cheryl Close
Signature of Notary Public

Notary Public
Title of Office

My Commission Expires: 4/29/2023

STATE OF WASHINGTON)
COUNTY OF Kitsap)

This record was acknowledged before me on July 24, 2020 by James A. Nelson, the Member of NELSEN BURLINGTON B, LLC, a Washington limited liability company.



(Stamp)

Cheryl Close
Signature of Notary Public

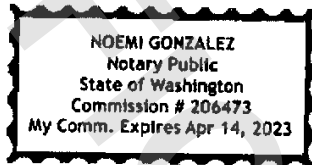
Notary Public
Title of Office

My Commission Expires: 4/29/2023

STATE OF WASHINGTON)

COUNTY OF King)

This record was acknowledged before me on 8/24/2020 by
Otto Hanssen, the Managing Mem. of BURLINGTON BUILDING NO. C, LLC, a
 Washington limited liability company.



(Stamp)

[Signature]
 Signature of Notary Public

Notary Public
 Title of Office

My Commission Expires: April 14, 2023

STATE OF WASHINGTON)

COUNTY OF _____)

This record was acknowledged before me on _____ by
 _____, the _____ of SAGE BURLINGTON 1, LLC, a
 Washington limited liability company.

 Signature of Notary Public

 Title of Office

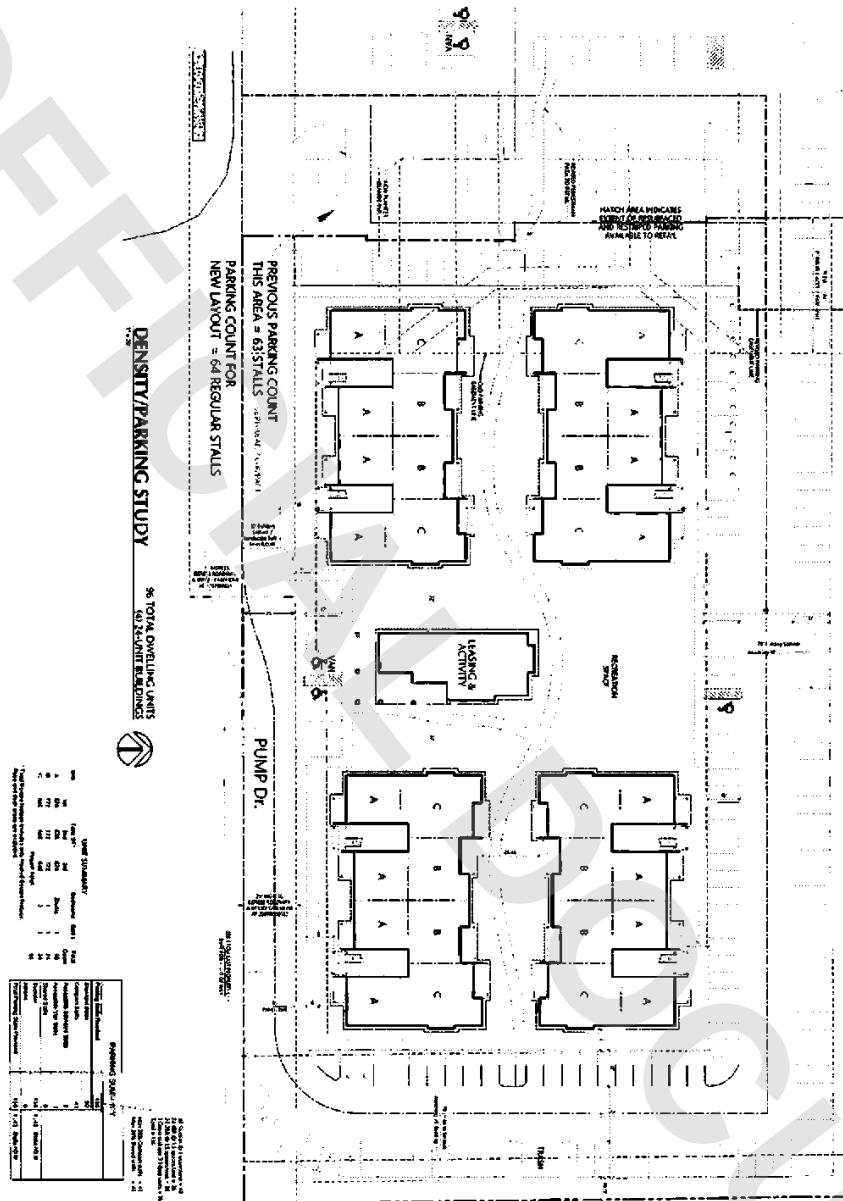
(Stamp)

My Commission Expires: _____

Exhibit A

Depiction of Shared Parking

Exhibit A

[illegible]