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10/01/2021 10:17 AM Pages: 1 of 7 Fees: \$413.00 Skagit County Auditor

WHEN RECORDED RETURN TO:

SCOT S. SWANSON BELCHER SWANSON LAW FIRM, PLLC 900 DUPONT STREET BELLINGHAM, WA 98225

REVIEWED BY SKAGIT COUNTY TREASURER
DEPUTY DHS
DATE 10-1-2021

Document Title: Road Easement and Maintenance Agreement

Grantor: LTK Properties, LLC, a Washington limited liability company, and Scoocum

Holdings, LLC, a Washington limited liability company

Grantee: LTK Properties, LLC, a Washington limited liability company, and Scoocum

Holdings, LLC, a Washington limited liability company

Legal Description: Lots 3 and 4 South Mount Vernon Business Park

Assessor's Tax Parcel ID#: P126617 and P126616

ROAD EASEMENT AND MAINTENANCE AGREEMENT

This ROAD EASEMENT AND MAINTENANCE AGREEMENT ("Agreement") is made this 30th day of 50th day of 2021, by and between LTK Properties, LLC, a Washington limited liability company (hereinafter "LTK") and Scoocum Holdings, LLC, a Washington limited liability company (hereinafter "Scoocum").

RECITALS:

A. LTK is the owner of Skagit County Tax Parcel No. P126617, legally described as follows:

Lot 4 of South Mount Vernon Business Park BSP, Recorded under Skagit County Auditor's File No. 200709100133.

Situate in Skagit County, Washington

(hereinafter referred to as "Lot 4").

B. Scoocum is the owner of Skagit County Tax Parcel No. P126616, legally described as follows:

Lot 3 of South Mount Vernon Business Park BSP, Recorded under Skagit County Auditor's File No. 200709100133.

Situate in Skagit County, Washington

(hereinafter referred to as "Lot 3").

- C. Lot 3 and Lot 4 are adjacent properties located within the South Mount Vernon Business Park Binding Site Plan recorded at Skagit County Auditor's File No. 200709100133 ("SMVBSP"). Certain easements were created on the face of the SMVBSP, including a shared access and utility easement for Lots 3 and 4 that is approximately 40 feet by 60 feet. The easements created herein are located over and within that existing easement and are in addition to the easements located on the face of the SMVBSP.
- Scoocum desires to share an access road straddling the boundary line between both lots, as it will increase the developmental potential.
- E. Both Lot 3 and Lot 4 are vacant parcels and will be developed with commercial uses.
- F. In addition to the road, Lot 3 needs a stormwater easement for water runoff from the road.
 - G. LTK intends on subdividing Lot 4 into two (2) lots.

NOW, THEREFORE, the parties hereto agree as follows:

1. Reciprocal Road Easements.

- LTK Road Easement. LTK hereby grants and conveys to Lot 3 a 20-1.1 foot wide non-exclusive, perpetual easement for ingress and egress over and across the westerly 20 feet of Lot 4.
- 1.2 Scoocum Road Easement. Scoocum hereby grants and conveys to Lot 4 a 20-foot wide non-exclusive, perpetual easement for ingress and egress over and across the easterly 20 feet of Lot 3.
- Joint Easement. It is the intent of LTK and Scoocum that the above-1.3 described easements are combined into a 40-foot wide easement area to be shared by the parties for a roadway for ingress and egress. The 40-foot easement area described above is depicted on Exhibit "A" ("Easement Area"), attached hereto and incorporated herein by this reference, subject to the covenants, terms, and conditions of this Agreement.
- 2. Reasonable Use of Easement. The easements herein granted shall be used and enjoyed by each owner and its tenants or occupants and their respective employees, agents, contractors, customers, invitees, and licensees of the owner or such tenants or occupants in such a manner so as not to reasonably interfere with, obstruct, or delay the conduct and operations of the business of any other owner or its tenants or occupants and their respective employees, agents, contractors, customers, invitees, and licensees at any time conducted on its lot, including, without limitation, public access to and from said business, the receipt or delivery of merchandise or materials in connection therewith, and the delivery of tenant furnishings and possessions to and from any buildings located on the lots. Once the roadway is installed pursuant to the easements granted herein, no permanent building, structures, trees, or other

improvements inconsistent with the use and enjoyment of such easements shall be placed over or permitted to encroach upon the Easement Area.

- 3. <u>Construction of Road</u>. Either lot owner may construct a roadway within the Easement Area. Once commenced, any construction undertaken and reliance upon the easements granted herein shall be diligently prosecuted to completion.
- 4. Maintenance. Once the roadway is constructed within the Easement Area, it shall be maintained equally by the owners of Lot 3 and Lot 4. The maintenance, repair, replacement and improvement costs for that roadway shall be split equally, subject to the subdivision provision below. In that regard, the lot owners will be responsible in equal shares for the costs of said maintenance. Each of the parties agrees to maintain the Easement Area in a neat, clean, and orderly condition, and to use the Easement Area in a manner as to not damage the same. In the event any party damages the roadway or other improvements in the Easement Area, the cost of repairing such damage shall be borne by the person causing the damage.
- 5. Decisions Concerning Maintenance. Any decision to take action to maintain or improve the roadway must be approved by all parties. Approval shall not be unreasonably withheld. Without such approval, the costs of said improvements shall be borne by the individual party making the improvements. The parties hereto covenant and agree to pay (or reimburse) their proportionate share of road and utility maintenance and installation costs pursuant to this Agreement. If any maintenance expense is not paid (or reimbursed) by a property owner as required herein, then said amount (together with interest computed at one percent (1%) per month, or the highest rate allowed by law, whichever is less), shall constitute a lien against that property owner's property in favor of those who paid said obligation. Said lien may be foreclosed as a mechanic's lien and the owner shall be entitled to an award of reasonable attorney's fees and costs. The lien created herein shall be prior and superior to all of the liens encumbering the lot, except that such lien shall not be prior and superior to any mortgages, deeds of trust, or security deeds of record prior to the date that the obligation becomes due and owing.
- 6. Good Faith. The parties agree to exercise their best efforts in good faith to resolve any disputes arising out of the easements or this Agreement. Should the parties be unable or unwilling to amicably resolve any dispute concerning the easement, including the interpretation of this document, or their proportionate share of expenses relating to installation and/or maintenance of the roadway or utilities, then they agree to submit to binding arbitration under the Rules of Mandatory Arbitration of Skagit County, Washington, regardless of the nature of the dispute or the amount in controversy, and the parties agree that the result reached in such arbitration shall be binding and not appealable. The prevailing party or parties shall be entitled to an award of reasonable attorney's fees and costs of suit.
- 7. <u>Successors/Assigns</u>. The benefits, burdens, and covenants created by this document and the easement herein shall be deemed to run with the land and bind Lot 3 and Lot 4, the parties hereto and their respective heirs, successors and assigns, and all persons possessing the property by, through or under, the parties hereto or their respective heirs, successors and assigns.

- 8. <u>Subdivision</u>. Upon the subdivision of Lot 3 or Lot 4, the newly created lots shall be benefited and burdened by the terms of this Agreement and the owners of the newly subdivided lots shall be obligated to contribute for maintenance on a pro rata basis and are subject to the terms of this Agreement. The 50% share of maintenance allocated to each lot will be further divided amongst the lots created by the sudivision.
- 9. Stormwater Easement. LTK hereby grants and conveys a non-exclusive perpetual easement to construct and maintain stormwater facilities over the northwest corner (26 feet by 44 feet) as shown on the attached Exhibit "A" ("Stormwater Easement Area"). The stormwater facilities are for the purpose of collecting the drainage from the roadway to be constructed within the Easement Area above. Scoocum shall be solely responsible for the construction of the stormwater facility within the Stormwater Easement Area, capable of handling all of the stormwater from the roadway. Scoocum shall be solely responsible for the maintenance and costs of maintenance of the stormwater facility located in the Stormwater Easement Area.
- 10. Entire Agreement. The terms of this Agreement shall supersede any and all other easement agreements between the parties hereto or their predecessors, to the extent there are any conflicting provisions. There are no verbal or other agreements which modify or affect this Agreement. This Agreement is an integrated, complete document and constitutes the entire agreement among the parties. Further, the parties agree to execute any and all documents necessary to effectuate the intent of this Agreement.
- 11. <u>Indemnification</u>. Each owner shall defend, indemnify and hold harmless each other owner and their respective employees, agents and contractors, from and against all claims and all costs, expenses and liability (including reasonable attorneys' fees) incurred in connection with all claims, damages, outstanding invoices, including any action or proceedings brought thereon, arising or resulting from the indemnitor's use of the easements herein, except to the extent caused by the gross negligence or willful wrongdoing of the indemnified lot owner or their respective employees, agents or contractors.
- 12. <u>Litigation Costs</u>. In any arbitration/lawsuit arising out of or relating to this Easement, the prevailing party or parties shall be entitled to all litigation expenses and costs, including (but not limited to) reasonable attorney's fees, expert witness fees, deposition and other discovery costs, and the arbitrator's fee.
- 13. <u>Binding Effect</u>. In all respects, the provisions of this Agreement shall be construed and interpreted as covenants which run with and are appurtenant to the land of the parties above described and shall be binding upon and inure to the benefit of the heirs, assigns, successors to and personal representatives of the parties hereto.
- 14. No Waiver. Failure to enforce any provision of this Agreement shall not operate as a waiver of any such provision.

- 15. <u>Severability</u>. Invalidation of any of the provisions of this Agreement by judgment or court order shall in no way affect any of the other provisions, which shall remain in full force and effect.
- **16.** <u>Interpretation</u>. This Agreement shall be construed according to the laws of the State of Washington.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first written above.

LTK Properties, LLC

SCOOCUM HOLDINGS, LLC

Leonard Kargacin, Its Member

James Spane, Its Authorized Agent

STATE OF WASHINGTON) ss.) ss.) On this day of September, 2021, before me personally appeared Leonard Kargacin, to me known to be the Member of LTK Properties, LLC, that executed the within and foregoing instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.
WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written. PROTED NAME PROTED NAME Notary Public in and for the State of Washington, residing at My commission expires: 1/3/23
STATE OF WASHINGTON) ss. COUNTY OF Skagit)
On this <u>30</u> day of September, 2021, before me personally appeared James Spane, to me known to be the Authorized Agent of Scoocum Holdings, LLC, that executed the within and foregoing instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.
IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above

TERESA J. RONNBACK Notary Public State of Washington Commission # 20114713 My Comm. Expires Oct 3, 2024

written.

PRINTED NAME: Tevesa Ronnback

Notary Public in and for the State of Washington, residing at 161 Buck way the Usernon My commission expires: 10-3-2024

