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> REVIEWED BY SKAGIT COUNTY TREASURER DEPUTY Lena Thompson DATE 02/25/2025

EASEMENT, MAINTENANCE, AND WELL SHARING AGREEMENT

Grantors: DAHLSTEDT FAMILY PROPERTIES, L.L.C.

a Washington limited liability company

HUGHES FARMS, INC. a Washington corporation

Grantees: DAHLSTEDT FAMILY PROPERTIES, L.L.C.

a Washington limited liability company

HUGHES FARMS, INC. a Washington corporation

DAHLSTEDT AGRICULTURAL PROPERTIES, L.L.C.

a Washington limited liability company

Abbreviated Legals: Ptns of West ½ of the NW ¼ of Sec. 9, Township 34 N, Range 3 East

W.M. (full legal descriptions on Exhibits "A", "B", and "C" attached

hereto and made a part hereof).

APNs Grantor's P21275; P130699; P130700; P130701; P130702; P130703; P130705;

Property (DFP): and P130706

APNs Grantor's P112642; P21280; P112651; P112650; P21283; P21286; and P130704

Property (Hughes):

APNs Grantee's P130699; P130700; P130705; P21275; P130706; and P130702

Property (DFP):

APNs Grantee's P112642; P21280; P112651; P112650; P21283; P21286; and P130704

Property (Hughes):

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P21139; P21141; P21220; P21219; P21216; P21214; P21204; P21222; P21217; P21218; P21212; P21227; P21224; and P21225 APNs Grantee's Property (DAP):

Reference No.: N/A

EASEMENT, MAINTENANCE, AND WELL SHARING AGREEMENT

This EASEMENT, MAINTENANCE, AND WELL SHARING AGREEMENT (the "Agreement") is made the 27th day of December 2024 by and between DAHLSTEDT FAMILY PROPERTIES, L.L.C., a Washington limited liability company ("DFP"), HUGHES FARMS, INC., a Washington corporation ("Hughes Farms"), and, joining for purposes of Sections 1(c), 1(e), 2(a), 2(b), 2(d), 4 and 5, DAHLSTEDT AGRICULTURAL PROPERTIES, L.L.C., a Washington limited liability company ("DAP") (DFP, Hughes Farms, and DAP also referred to individually as a "party" and collectively as the "parties").

RECITALS

- A. DFP is the owner in receivership of the parcels of real property legally described in Exhibit "A" attached hereto and incorporated herein by this reference, which parcels are hereafter referred to as defined in Exhibit "A" each of which may also be referred to individually as a "DFP Parcel" and collectively as the "DFP Parcels".
- B. Hughes Farms is the owner of the parcels of real property legally described in Exhibit "B" attached hereto and incorporated herein by this reference, which parcels are hereafter referred to as defined in Exhibit "B" each of which may also be referred to individually as a "Hughes Parcel" and collectively as the "Hughes Parcels".
- C. DAP is the owner of the parcels of real property legally described in Exhibit "C" attached hereto and incorporated herein by this reference, which parcels are hereafter referred to as defined in Exhibit "C" each of which may also be referred to individually as a "DAP Parcel" and collectively as the "DAP Parcels".
- D. Each of the DFP Parcels, Hughes Parcels, and DAP Parcels are also referred to individually as a "Parcel" and collectively as the "Parcels".
- E. The DFP Parcels are anticipated to be sold in various assemblages to different buyers and the parties desire to memorialize certain agreements for easements, maintenance, well sharing, and other rights, as set forth in this Agreement.

In consideration of the mutual promises and covenants set forth below, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties acknowledge and agree as follows.

AGREEMENT

1. Easements.

a. <u>Easement for Vehicular and Pedestrian Ingress and Egress and As-Built Utilities affecting DFP Parcel P130702 and DFP Parcel P130700</u> for the Benefit of DFP Parcel P130700. DFP hereby grants and conveys for the benefit of DFP Parcel P130700 a perpetual non-

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exclusive easement for: (i) vehicular and pedestrian ingress and egress over and across DFP Parcel P130702 and DFP Parcel P130703; and (ii) as-built utilities, inclusive of storm water drainage. under and through DFP Parcel P130702 and DFP Parcel P130703, but only to the extent of those portions of DFP Parcel P130702 and DFP Parcel P130703 as legally described and depicted on Exhibit "D" attached hereto and made a part hereof ("Easement Area 1"). DFP Parcel P21275, DFP Parcel P130699, DFP Parcel P130701, DFP Parcel P130702, DFP Parcel P130700, and DFP Parcel P130703 shall share in the commercially reasonable expenses to maintain, repair, and restore Easement Area 1 and the related as-built utilities in proportion to the usage of Easement Area 1 by each of the parcels, their owners, tenants, employees, invitees, licensees, and otherwise; provided, however, to the extent any maintenance, repair, or restoration of Easement Area 1 (or any of the as-built utilities) is due to the damage, negligence, misconduct, or extraordinary use by any of DFP Parcel P21275, DFP Parcel P130699, DFP Parcel P130701, DFP Parcel P130702, DFP Parcel P130700, and/or DFP Parcel P130703 or any owners, tenants, employees, invitees, licensees, and otherwise thereof, the maintenance, repair, and/or restoration expense shall be the responsibility and expense of the respective parcels and owners thereof. In the event any of DFP Parcel P21275, DFP Parcel P130699, DFP Parcel P130701, DFP Parcel P130702, DFP Parcel P130700, and/or DFP Parcel P130703 is subdivided, the owners of the newly created parcels shall each bear a proportionate liability for the obligations hereunder in direct relation to the proportion of the original parcel(s) from which the newly created parcels are derived.

- Easement for Vehicular and Pedestrian Ingress and Egress and Utilities Over DFP Parcel P130700 for the benefit of DFP Parcel P130699, DFP Parcel P130701, and DFP Parcel P130702. DFP hereby grants and conveys for the benefit of DFP Parcel P130699, DFP Parcel P130701, and P130702 a perpetual non-exclusive easement for: (i) vehicular and pedestrian ingress and egress over and across; and (ii) utilities under and across, DFP Parcel P130700, but only to the extent of a portion of DFP Parcel P130700 as legally described and depicted on Exhibit "E" attached hereto and made a part hereof ("Easement Area 2"). DFP Parcel P130699, DFP Parcel P130701, DFP Parcel P130702, and DFP Parcel P130700 shall each share in the commercially reasonable expenses to maintain, repair, and restore Easement Area 2 in proportion to the usage of Easement Area 2 by each of the parcels, their owners, tenants, employees, invitees, licensees, and otherwise; provided, however, to the extent any maintenance, repair, or restoration of Easement Area 2 is due to the damage, negligence, misconduct, or extraordinary use by any of DFP Parcel P130699, DFP Parcel P130701, DFP Parcel P130702, and/or DFP Parcel P130700, or any owners, tenants, employees, invitees, licensees, and otherwise thereof, the maintenance, repair, and/or restoration expense shall be the responsibility and expense of the respective parcels and owners thereof. In the event any of DFP Parcel P130699, DFP Parcel P130701, DFP Parcel P130702, and/or DFP Parcel P130700 is subdivided, the owners of the newly created parcels shall each bear a proportionate liability for the obligations hereunder in direct relation to the proportion of the original parcel(s) from which the newly created parcels are derived.
- c. <u>Easement for As-Built Utilities Across Hughes Parcel East for the benefit of DFP Parcel P130705 and the DAP Parcels</u>. Hughes Farms hereby grants and conveys to DFP and DAP for the benefit of DFP Parcel P130705 and the DAP Parcels respectively a perpetual non-exclusive easement under and through Hughes Parcel East (as defined in Exhibit B") for the maintenance, repair, and replacement of as-built utilities for distribution lines and power to support Well #1 (the "Well #1 Underground Power Services") and Well #2 (defined in Section 2.b. below)

to the extent Well #2 provides water to the DAP Parcels (the "Potential Well #2 Underground Power Services"). The portion of Hughes Parcel East subject to this easement shall be limited to a corridor twenty feet (20') in width the centerline of which is the as-built utilities supporting/connected to Well #1, and if applicable, Well #2 respectively. The owners of any portion of Hughes Parcel East each reserve the right to relocate the portion of Well #1 Underground Power Services and/or Potential Well #2 Underground Power Services on its parcel provided the owner of the parcel effecting any relocation shall: (1) bear all expenses and permitting associated with any relocation and to also avoid any unreasonable interruption to the distribution of water from or supply of power to Well #1 or, if applicable, Well #2; (2) provide a minimum of sixty (60) days' prior written notice to each of the owners of DFP Parcel P130705 and the DAP Parcels from and against any and all claims, losses, liabilities, damages, costs, expenses, fees (including but not limited to reasonable attorneys' fees and costs) arising from or related to such relocation.

- Ball Road Easement and Maintenance Agreement. DFP and Hughes Farms hereby respectively grant and convey for the benefit of DFP Parcel P130705 and DFP Parcel P130706 respectively perpetual non-exclusive easements for: (i) vehicular and pedestrian ingress and egress over and across DFP Parcel P21275, DFP Parcel P130699, DFP Parcel P130700, and Hughes Parcel East, but only to the extent of the easements pursuant to Auditor's File Nos. 8202240060 and 9801220067, records of Skagit County, Washington; and (ii) vehicular and pedestrian ingress and egress over and across, along with the right to maintain/repair/replace underground utilities under and through, DFP Parcel P21275, DFP Parcel P130699, DFP Parcel P130700, and Hughes Parcel East, to the extent within the area legally described and depicted in Exhibit "F" attached hereto and made a part hereof ("Easement Area 3"). Each of DFP Parcel P21275, DFP Parcel P130699, DFP Parcel P130700, DFP Parcel P130705, DFP Parcel P130706, and Hughes Parcel East shall share in the commercially reasonable expenses to maintain, repair, and restore Easement Area 3 in proportion to the usage of Easement Area 3 by each of the parcels, their owners, tenants, employees, invitees, licensees, and otherwise; provided, however, to the extent any maintenance, repair, or restoration of Easement Area 3 is due to the damage, negligence, misconduct, or extraordinary use by any of DFP Parcel P21275, DFP Parcel P130699, DFP Parcel P130700, DFP Parcel P130705, DFP Parcel P130706, and/or Hughes Parcel East, or any owners, tenants, employees, invitees, licensees, and otherwise thereof, the maintenance, repair, and/or restoration expense shall be the responsibility and expense of the respective parcels and owners thereof. In the event any of DFP Parcel P21275, DFP Parcel P130699, DFP Parcel P130700, DFP Parcel P130705, DFP Parcel P130706, and/or Hughes Parcel East is subdivided, the owners of the newly created parcels shall each bear a proportionate liability for the obligations hereunder in direct relation to the proportion of the original parcel(s) from which the newly created parcels are derived.
- e. <u>Drainage Easement</u>. DFP and Hughes Farms hereby respectively grant and convey for the benefit of DAP and all of the DAP Parcels a perpetual non-exclusive fifty-foot (50°) wide easement for drainage over, under, and across DFP Parcel P130702, DFP Parcel P130703, DFP Parcel P130705, DFP Parcel P21284, Hughes Parcel West (as defined in Exhibit "B"), and Hughes Parcel East, and a perpetual non-exclusive twenty-foot (20°) wide easement for drainage through existing culvert under and across DFP Parcel P130706, but only to the extent, and to the

full extent as, depicted on the Dahlstedt Family Properties Binding Site Plan PL07-0187, Page 4 of 4, recorded under Auditor's File No. 201108100067, records of Skagit County, Washington, which shall encompass the entire drainage ditch and culvert, inclusive, as-built as of the date of this Agreement ("Easement Area 4"). The Parties acknowledge and agree that the drainage over Easement Area 4 has historically flowed in a northwesterly direction. Said rights include, without limitation, the right to maintain, repair, and restore drainage in Easement Area 4 along with reasonable access thereto. Each of DFP Parcel P130702, DFP Parcel P130703, DFP Parcel P130705, DFP Parcel P130706, DFP Parcel P21284, Hughes Parcel West, and Hughes Parcel East shall share in the commercially reasonable expenses to maintain, repair, and restore Easement Area 4 in proportion to the length of Easement Area 4 extending across the parcel relative to the entire length of Easement Area 4; provided, however, to the extent any maintenance, repair, or restoration of Easement Area 4 is due to the damage, negligence, misconduct, or extraordinary use by any of DFP Parcel P130702, DFP Parcel P130703, DFP Parcel P130705, DFP Parcel P21284, DFP Parcel P130706, Hughes Parcel West, and/or Hughes Parcel East, or any owners, tenants, employees, invitees, licensees, and otherwise thereof, the maintenance, repair, and/or restoration expense shall be the responsibility and expense of the respective parcels and owners thereof. In the event a section of Easement Area 4 extends across the common boundary line between any of parcels subject to Easement Area 4, the parcel upon which a majority of Easement Area 4 is situated shall be allocated all of the expense as between the parcels. For purposes of this Section 1.e., the length of Easement Area 4 shall be measured along the centerline of Easement Area 4. In the event any of DFP Parcel P130702, DFP Parcel P130703, DFP Parcel P130705, DFP Parcel P21284, DFP Parcel P130706, Hughes Parcel West, and/or Hughes Parcel East is subdivided, the owners of the newly created parcels shall each bear a proportionate liability for the obligations hereunder in direct relation to the proportion of the original parcel(s) from which the newly created parcels are derived.

Easement for As-Built Water Utilities Benefitting DFP Parcel P130703. DFP and Hughes Farms hereby respectively grant and convey for the benefit of DFP Parcel P130703 a temporary a non-exclusive easement over, under, and across Hughes Parcel West, but only to the extent of a corridor twenty feet (20') in width the centerline of which are the as-built utilities necessary to support/distribute potable water from Hughes Parcel West to the existing building on DFP Parcel P130703 (formerly known as the Clutter Cops building) which is currently connected to said services ("Easement Area 5"). Said rights include, without limitation, the reasonable right to use, maintain, repair, and restore the potable water service from Hughes Parcel West. Each of DFP Parcel P130703 and Hughes Parcel West shall share in the commercially reasonable expenses, accruing through the period of connection thereto by DFP Parcel P130703, to maintain, repair, and restore Easement Area 5, and to pay for the actual costs charged by any public utility for water used, in proportion to the usage of Easement Area 5 by each of the parcels, their owners, tenants, employees, invitees, licensees, and otherwise; provided, however, to the extent any maintenance, repair, or restoration of Easement Area 5 is due to the damage, negligence, misconduct, or extraordinary use by any of DFP Parcel P130703 and/or Hughes Parcel West, or any owners, tenants, employees, invitees, licensees, and otherwise thereof, the maintenance, repair, and/or restoration expense shall be the responsibility and expense of the respective parcels and owners thereof. In the event: (i) any of DFP Parcel P130703 and/or Hughes Parcel West is subdivided, the owners of the newly created parcels shall each bear a proportionate liability for the obligations hereunder in direct relation to the proportion of the original parcel(s) from which the newly created parcels are derived; and (ii) the building on DFP Parcel P130703 is destroyed, demolished, or disconnected from said water services, at no fault of Hughes Parcel West (or any owner, invitee, contractor, or other party associated therewith), the easement rights benefitting DFP Parcel P130703 pursuant to this Section 1.f. shall automatically terminate.

2. Well Sharing and Maintenance.

- a. There exists a well situated upon DFP Parcel P130705, together with the associated distribution and electrical facilities (collectively, "Well #1") pursuant to State of Washington Department of Ecology (the "DOE") Permit No. G1-23206 and all supporting and related water rights documents (the "Well #1 Permit") that currently provides domestic, irrigation, and industrial water for DFP Parcel P130705, all of the DAP Parcels, and all of the Hughes Parcels (the "Well #1 Users). It is hereby agreed that Well #1 shall be used and shared by the Well #1 Users, as well as by all future owners and occupants of said parcels, in accordance with the following terms and conditions:
- i. Each of the "Well #1 Users shall respectively be entitled to receive a reasonable supply of domestic, irrigation, and industrial water, consistent with historic uses, from Well #1 and any replacements thereof; provided any and all use shall be in accordance with the Well #1 Permit and adjusted proportionally, as needed, to conform with the Well #1 Permit and be subject to reductions in output due to causes beyond the reasonable control of the owner of DFP Parcel P130705. It is the intent of the parties that each of Well #1 Users shall be entitled to receive a supply of water from Well #1 as historically obtained. The owner of the parcel upon which Well #1 is situated and/or the holder of the Well #1 Permit agrees to not make any change to Well #1 or any of the distribution or other systems thereof, that will materially and negatively affect any of the Well #1 Users in any way, without the prior written consent of all Well #1 Users, which consent shall not be unreasonably withheld.
- Each of the Well #1 Users shall respectively share in the maintenance and operational costs (inclusive of electricity and the Well #1 Underground Power Services) of Well #1 in proportion to the amount of water used on a per parcel basis relative to all parcels comprising the Well #1 Users; provided, however, to the extent any maintenance, repair, or restoration of Well #1 is due to the damage, negligence, misconduct, or extraordinary use by any of the Well #1 Users, the maintenance, repair, and/or restoration expense shall be the responsibility and expense of the respective Well #1 Users. Expenses shall be invoiced no more frequently than on a quarterly basis, and accompanied by documentation reasonably substantiating the expenses incurred, and shall be due within thirty (30) days following demand. In the event any aspect of Well #1 is in need of repair, maintenance, or replacement, and the owner of DFP Parcel P130705 fails to initiate any maintenance/repairs/replacements within thirty (30) days of demand by any Well #1 Users (or immediately if access to water from Well #1 is disrupted), the Well #1 Users giving notice may undertake the repair, maintenance, or replacement on behalf of the Well #1 Users with the expenses therefor shared in accordance with this Agreement. In the event the DOE or other governmental agency with jurisdiction over Well #1 requires that any of the Well #1 Users pay the owner of DFP Parcel P130705 for water obtained from Well #1, in no event shall the Well #1 Users be charged more than the prevailing cost for the same type of water from the local municipality.

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- iii. The Well #1 Users agree to maintain and operate Well #1 to protect and preserve the water supply for Well #1 Users, and to encourage the conservation of water. The owner of DFP Parcel P130705 shall be considered the purveyor of Well #1. The purveyor, either directly or through an approved governmental agency, shall be primarily responsible for the compliance of Well #1, which includes without limitation, the arranging and timely submission of any required water samples, routine and emergency system operations, and being the contact for emergencies such as system shutdown or repair. The purveyor is to be the contact person for governmental agencies with jurisdiction over Well #1.
- iv. In the event there is any dispute over: (a) the amount of water to be allocated to or used by any of the Well #1 Users; or (b) the allocation of costs or expenses associated with Well #1 to be shared by the Well #1 Users, each of the original parcels comprising the Well #1 Users agree to each share in and punctually pay for a prorata share of the reasonable costs for the installation of metering and related systems, to track and allocate water usage and related shared expenses on a per parcel basis relative to all parcels comprising the Well #1 Users. In the event any of the Well #1 Users is subsequently subdivided, the share of water and expenses allocated to the parcel prior to the subdivision shall then be reasonably prorated across the subdivided parcels based on the allocation to the parcel(s) from which the subdivided parcels were derived.
- b. There exists a well situated upon Hughes Parcel East, together with the associated distribution and electrical facilities (collectively, "Well #2") pursuant to State of Washington Department of Ecology (the "DOE") Permit No. G1-23206 and all supporting and related water rights documents (the "Well #2 Permit") that currently provides domestic, irrigation, and industrial water for all of the Hughes Parcels and possibly to some extent the DAP Parcels (collectively, the "Well #2 Users). It is hereby agreed that Well #2 shall be used and shared by the Well #2 Users, as well as by all future owners and occupants of said parcels, in accordance with the following terms and conditions:
- i. Each of the "Well #2 Users shall respectively be entitled to receive a reasonable supply of domestic, irrigation, and industrial water, consistent with historic uses, from Well #2 and any replacements thereof; provided any and all use shall be in accordance with the Well #2 Permit and adjusted proportionally, as needed, to conform with the Well #2 Permit and be subject to reductions in output due to causes beyond the reasonable control of the owner of any of the Hughes Parcels. It is the intent of the parties that each of Well #2 Users shall be entitled to receive a supply of water from Well #2 as historically obtained. The owner of the parcel upon which Well #2 is situated and/or the holder of the Well #2 Permit agrees to not make any change to Well #2 or any of the distribution or other systems thereof, that will materially and negatively affect any of the Well #2 Users in any way, without the prior written consent of all Well #2 Users, which consent shall not be unreasonably withheld.
- ii. Each of the Well #2 Users shall respectively share in the maintenance and operational costs (inclusive of electricity and the Well #2 Underground Power Services) of Well #2 in proportion to the amount of water used on a per parcel basis relative to all parcels comprising the Well #2 Users; provided, however, to the extent any maintenance, repair,

or restoration of Well #2 is due to the damage, negligence, misconduct, or extraordinary use by any of the Well #2 Users, the maintenance, repair, and/or restoration expense shall be the responsibility and expense of the respective Well #2 Users. Expenses shall be invoiced no more frequently than on a quarterly basis, and accompanied by documentation reasonably substantiating the expenses incurred, and shall be due within thirty (30) days following demand. In the event any aspect of Well #2 is in need of repair, maintenance, or replacement, and the owner of Hughes Parcel East fails to initiate any repairs/replacements/maintenance within thirty (30) days of written demand by any Well #2 Users (or immediately if access to water from Well #2 is disrupted for more than forty-eight (48) continuous hours), the Well #2 Users giving notice may undertake the repair, maintenance, or replacement on behalf of the Well #2 Users, and shall have reasonable access thereto, with the expenses therefor shared in accordance with this Agreement. It is the intent of the Well #2 Uses for the owner of the parcel upon which Well #2 is situated to have the primary responsibility for the repair, maintenance, or replacement of Well #2. In the event the DOE or other governmental agency with jurisdiction over Well #2 requires that any of the Well #2 Users pay the owner of Hughes Parcel East for water obtained from Well #2, in no event shall the Well #2 Users be charged more than the prevailing cost for the same type of water from the local municipality.

- iii. The Well #2 Users agree to maintain and operate Well #2 to protect and preserve the water supply for Well #2 Users, and to encourage the conservation of water. The owner of Hughes Parcel East shall be considered the purveyor of Well #2. The purveyor, either directly or through an approved governmental agency, shall be primarily responsible for the compliance of Well #2, which includes without limitation, the arranging and timely submission of any required water samples, routine and emergency system operations, and being the contact for emergencies such as system shutdown or repair. The purveyor is to be the contact person for governmental agencies with jurisdiction over Well #2.
- iv. In the event there is any dispute over: (a) the amount of water to be allocated to or used by any of the Well #2 Users; or (b) the allocation of costs or expenses associated with Well #2 to be shared by the Well #2 Users, each of the original parcels comprising the Well #2 Users agree to each share in and punctually pay for a prorata share of the reasonable costs for the installation of metering and related systems, to track and allocate water usage and related shared expenses on a per parcel basis relative to all parcels comprising the Well #2 Users. In the event any of the Well #2 Users is subsequently subdivided, the share of water and expenses allocated to the parcel prior to the subdivision shall then be reasonably prorated across the subdivided parcels based on the allocation to the parcel(s) from which the subdivided parcels were derived.
- c. There exists a well situated upon DFP Parcel P130700, together with the associated distribution and electrical facilities (collectively, "Well #3") pursuant to State of Washington Department of Ecology (the "DOE") Permit No. 24938 (the "Well #3 Permit") that currently provides domestic, irrigation, and industrial water for DFP Parcel P130699, DFP Parcel P130700, DFP Parcel P130701, and DFP Parcel P21275 (the "Well #3 Users"). It is hereby agreed that Well #3 shall be used and shared by the Well #3 Users as well as by all future owners and occupants of said parcels, in accordance with the following terms and conditions:

- i. Each of the Well #3 Users shall respectively be entitled to receive a reasonable supply of domestic, irrigation, and industrial water, consistent with historic uses, from Well #3 and any replacements thereof; provided any and all use shall be in accordance with the Well #3 Permit and adjusted proportionally, as needed, to conform with the Well #3 Permit. It is the intent of the Well #3 Users that each of Well #3 Users shall be entitled to receive a supply of water from Well #3 as historically obtained. The owner of the parcel upon which Well #3 is situated and/or the holder of the Well #3 Permit agrees to not make any change to Well #3 or any of the distribution or other systems thereof, that will materially and negatively affect any of the Well #3 Users in any way, without the prior written consent of all Well #3 Users, which consent shall not be unreasonably withheld.
- Each of the Well #3 Users shall respectively share in the maintenance and operational costs (inclusive of electricity and the Well #3 Underground Power Services) of Well #3 in proportion to the amount of water used on a per parcel basis relative to all parcels comprising the Well #3 Users; provided, however, to the extent any maintenance, repair, or restoration of Well #3 is due to the damage, negligence, misconduct, or extraordinary use by any of the Well #3 Users, the maintenance, repair, and/or restoration expense shall be the responsibility and expense of the respective Well #3 Users. Expenses shall be invoiced no more frequently than on a quarterly basis, and accompanied by documentation reasonably substantiating the expenses incurred, and shall be due within thirty (30) days following demand. In the event any aspect of Well #3 is in need of repair, maintenance, or replacement, and the owner of DFP Parcel P130700 fails to initiate any repairs/replacements/maintenance within thirty (30) days of demand by any Well #3 Users (or immediately if access to water from Well #3 is disrupted), the Well #3 Users giving notice may undertake the repair, maintenance, or replacement on behalf of the Well #3 Users with the expenses therefor shared in accordance with this Agreement. In the event the DOE or other governmental agency with jurisdiction over Well #3 requires that any of the Well #3 Users pay the owner of DFP Parcel P130700 for water obtained from Well #3, in no event shall the Well #3 Users be charged more than the prevailing cost for the same type of water from the local municipality.
- iii. The Well #3 Users agree to maintain and operate Well #3 to protect and preserve the water supply for Well #3 Users, and to encourage the conservation of water. The owner of DFP Parcel P130705 shall be considered the purveyor of Well #3. The purveyor, either directly or through an approved governmental agency, shall be primarily responsible for the compliance of Well #3, which includes without limitation, the arranging and timely submission of any required water samples, routine and emergency system operations, and being the contact for emergencies such as system shutdown or repair. The purveyor is to be the contact person for governmental agencies with jurisdiction over Well #3.
- iv. In the event there is any dispute over: (a) the amount of water to be allocated to or used by any of the Well #3 Users; or (b) the allocation of costs or expenses associated with Well #3 to be shared by the Well #3 Users, each of the original parcels comprising the Well #3 Users agree to each share in and punctually pay for a prorata share of the reasonable costs for the installation of metering and related systems, to track and allocate water usage and related shared expenses on a per parcel basis relative to all parcels comprising the Well #3 Users. In the event any of the Well #3 Users is subsequently subdivided, the share of water and expenses

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allocated to the parcel prior to the subdivision shall then be reasonably prorated across the subdivided parcels based on the allocation to the parcel(s) from which the subdivided parcels were derived.

No Change to DAP Water Rights. Hughes Farms and DFP acknowledge and agree that the water rights appurtenant to the DAP Parcels associated with any of the following: (i) Well #1 or the Well #1 Permit; (ii) Well #2 or the Well #2 Permit; and (iii) any other water rights any of the DAP Parcels and/or owner(s) of any of the DAP Parcels has historically used and/or claimed or as permitted by applicable law, for water and/or water facilities, wells, distribution systems, drains, drainage ditches, etc. whether located on any of the DFP Parcels and/or Hughes Parcels ("DAP Water Rights") is currently in use and imperative to operations on the DAP Parcels. As such, nothing contained in this Agreement shall be deemed to have materially and detrimentally altered any DAP Water Rights. Each owner of any DFP Parcel and/or Hughes Parcel shall use reasonable efforts to protect any such DAP Water Rights and shall continue to perform all actions reasonably necessary to supply the DAP Parcels with water within the scope of the DAP Water Rights. By way of example only, the parties understand that there are water lines contained within the DFP Parcels and possibly to some extent the Hughes Parcels, respectively, and water is distributed to the DAP Parcels via a drainage ditch that is flooded and the water flows westward and under Farm to Market Road to irrigate the DAP Parcels; provided, each owner of any DFP Parcel and/or Hughes Parcels shall continue its historical practices to enable distribution and flow of the water to the DAP Parcels.

3. <u>Intentionally Omitted</u>.

4. Maintenance, Injunction, and Enforceability. Each owner of a Parcel agrees to act with all due diligence and to appropriately maintain each easement area to which the owner's Parcel is burdened. Any work or repair performed on another's Parcel is to be punctually performed in a good and workmanlike manner free and clear of all liens, claims, and encumbrances, and in accordance with all applicable laws, rules, ordinances, and regulations. Any work or repair shall be prosecuted so as to not unreasonably disturb or interfere with the use by others and shall restore any disturbed areas thereon to substantially the same condition that existed prior to such disturbance (including any improvements, vegetation, other landscaping and groundcover, drainage, retention areas, and/or ditches). The parties acknowledge and agree that any existing or future violation of this Agreement, or the failure to maintain a Parcel in accordance with this Agreement, may cause immediate, actual, substantial, and/or irreparable injury, loss, and/or damage to a Parcel and/or the owner thereof. In such event, the aggrieved party and Parcel owners shall have available to them all remedies at law and in equity and that the use restrictions may be enforced by, but not be limited to, injunctive relief and an action for specific performance.

5. <u>Miscellaneous Provisions</u>.

a. Running with the Land. This Agreement, along with the rights and obligations, shall run with the land and inure to the successive owners of the Parcels and their heirs, successors, and assigns.

- b. <u>Covenants and Conditions</u>. Each provision of this Agreement shall be deemed both a covenant and a condition.
- c. <u>Entire Agreement.</u> No amendment of nor supplement to this Agreement shall be valid or effective unless executed by the parties hereto, or their respective successors and assigns thereof, and recorded in the records of Skagit County, Washington. This Agreement may be executed in any number of counterparts and by different parties in separate counterparts. Each counterpart when so executed shall be deemed to be an original and all of which together shall constitute one and the same agreement.
- d. <u>No Termination Upon Breach or Waiver</u>. No breach or waiver of this Agreement shall entitle any party to cancel, rescind, or otherwise terminate this Agreement, provided, however, that this provision shall not limit or otherwise affect any other right or remedy which a party may have hereunder by reason of any breach of this Agreement.
- e. <u>Documents</u>. Each party to this Agreement shall perform any and all acts and execute and deliver any and all documents as may be reasonably necessary and proper under the circumstances in order to accomplish the intents and purposes of this Agreement and to carry out its provisions.
- f. <u>Choice of Law.</u> This Agreement shall be governed by the laws of the State of Washington. Venue in any action to enforce the terms of this Agreement shall be Skagit County, Washington.
- g. <u>Attorneys' Fees.</u> The prevailing party in any action brought to enforce or interpret the terms of this Agreement shall be entitled to recover its costs and reasonable attorneys' fees incurred in said action, including on appeal, whether or not suit is commenced.
- h. <u>Non-Merger: Effective Date</u>. This Agreement is executed by parties owning all parcels of real property burdened or benefited hereby, who do hereby further declare and acknowledge that no merger is intended and that the easements, covenants, conditions, and restrictions set forth herein shall not be wholly or partially extinguished by the doctrine of merger.
- i. <u>Notice</u>. Any notice provided for in this Agreement shall be in writing and shall be deemed given when delivered by facsimile, personally delivered, delivered by private courier service (such as Federal Express), or three (3) days after being deposited in the United States Mail in registered or certified form, return receipt requested, addressed as follows, or to such other single address and person as either party may communicate to the other by like written notice:

DFP:

Resource Transition Consultants LLC 4100 194th Street S.W., Ste. 208 Lynnwood, WA 98036-4613 Attn: Robert Nall

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And to:

Dahlstedt Family Properties, L.L.C. c/o Patricia Dahlstedt 13048 Farm to Market Road Mount Vernon, WA 98273-8705

DAD.

Dahlstedt Agricultural Properties, L.L.C. c/o Patricia Dahlstedt, Manager 13048 Farm to Market Road Mount Vernon, WA 98273

Hughes Farms: Hughes Farms, Inc. Attn: David L. Hughes 13225 Farm to Market Road, Ste. B Mount Vernon, WA 98273-0000

j. <u>Amendments</u>. Any amendment or modification of this Agreement must be in writing, signed and notarized by all parties and recorded in a timely manner.

[SIGNATURE BLOCKS ON FOLLOWING PAGE]

DAHLSTEDT FAMILY PROPERTIES, L.L.C.
a Washington limited liability company

By: Resource Transition Consultants LLC
Its: General Receiver

HUGHES FARMS:
HUGHES FARMS, INC.
a Washington corporation

By: ______
Its: _____

Joining for purposes of Sections 1(c), 1(e), 2(a), 2(b), 2(d), 4, and 5:

DAP:

DAHLSTEDT AGRICULTURAL PROPERTIES, L.L.C.
a Washington limited liability company

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly signed as of

the day and year first above written.

By: Patricia Dahlstedt

Its: Manager

[NOTARY BLOCKS ON FOLLOWING PAGE]

Page 14 of 27

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly signed as of the day and year first above written.

DFP:

DAHLSTEDT FAMILY PROPERTIES, L.L.C. a Washington limited liability company

By: Resource Transition Consultants LLC

Its: General Receiver

HUGHES FARMS:

HUGHES FARMS, INC. a Washington corporation

By: Daniel L. Hylus Its: Dresident

Joining for purposes of Sections 1(c), 1(e), 2(a), 2(b), 2(d), 4, and 5:

DAP:

DAHLSTEDT AGRICULTURAL PROPERTIES, L.L.C. a Washington limited liability company

By: Patricia Dahlstedt

Its: Manager

[NOTARY BLOCKS ON FOLLOWING PAGE]

Page 14 of 27

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly signed as of

By: Patricia Dahlstedt Its: Manager

DAHLSTEDT AGRICULTURAL PROPERTIES, L.L.C.

a Washington limited liability company

DAP:

[NOTARY BLOCKS ON FOLLOWING PAGE]

I certify that I know or have satisfactory evidence that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the PRPOSE PANAGES of Resource Transition Consultants LLC, as to be the free and voluntary act of said company of the uses and purposes mentioned in the instrument. DATED: Column 20)
I certify that I know or have satisfactory evidence that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the PROPAL PHYNERS OF RESOUNCE TRANSITION OF SATE OF WASHINGTON STATE OF WASHINGTON DATED: County Of October)ss.
appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the PROPEL PROPELS OF Resource Transition Consultants LLC, as the General Receiver for Dahlstedt Family Properties, L.L.C., to be the free and voluntary act of said on the properties of the consultants and purposes mentioned in the instrument. DATED: Consultation of the State of Washington, residing at the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the of Washington, residing at My Commission expires: [printed name]: [printed name]: [printed name]: [printed name]: [printed name] [printed n	COUNTY OF SHOHOMISH)
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of Washington, residing at My Commission expires: STATE OF WASHINGTON) ss. COUNTY OF) I certify that I know or have satisfactory evidence that PATRICIA DAHLSTEDT is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the Manager of Dahlstedt Agricultural Properties, L.L.C., to be the free and voluntary act of said company for the uses and purposes mentioned in the instrument. DATED:	Hughes Farms, Inc., to be the frein the instrument.	ee and voluntary act of said company for the uses and purposes mentioned
My Commission expires:	Hughes Farms, Inc., to be the frein the instrument.	ee and voluntary act of said company for the uses and purposes mentioned (printed name):
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Page 15 of 27

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Page 15 of 27

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ASHING!			

EXHIBIT "A" (Legal Description of DFP Parcels)

13084 Ball Road ("DFP Parcel P21275"):

Lot 2, Short Plat No. 14-83, Revised, approved August 12, 1986, recorded August 13, 1986, in Book 7 of Short Plats, pages 108 and 109, under Auditor's File No. 8608130026, and being a portion of the Northwest 1/4 of the Northwest 1/4 of Section 9, Township 34 North, Range 3 East, W.M.

Situate in the County of Skagit, State of Washington.

Tax Account No./Property ID No.: 340309-2-003-0100/P21275

13122 Ball Road ("DFP Parcel P130699");

Lot 1, BINDING SITE PLAN NO. PL07-0187, "DAHLSTEDT FAMILY PROPERTIES BINDING SITE PLAN", approved August 10, 2011, recorded August 10, 2011 under Auditor's File No. 201108100067, records of Skagit County, Washington; being a portion of West ½ of the Northwest ¼ of Section 9, Township 34 North, Range 3 East W.M.

Situate in the County of Skagit, State of Washington.

Tax Account No./Property ID No.: 8087-000-0001/P130699

13124 Ball Road ("DFP Parcel P130701"):

Lot 3, BINDING SITE PLAN NO. PL07-0187, "DAHLSTEDT FAMILY PROPERTIES BINDING SITE PLAN", approved August 10, 2011, recorded August 10, 2011 under Auditor's File No. 201108100067, records of Skagit County, Washington; being a portion of West ½ of the Northwest ¼ of Section 9, Township 34 North, Range 3 East W.M.

Situate in the County of Skagit, State of Washington.

Tax Account No./Property ID No.: 8087-000-000-0003/P130701

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Address N/A ("DFP Parcel P130702"):

Lot 4, BINDING SITE PLAN NO. PL07-0187, "DAHLSTEDT FAMILY PROPERTIES BINDING SITE PLAN", approved August 10, 2011, recorded August 10, 2011 under Auditor's File No. 201108100067, records of Skagit County, Washington; being a portion of West ½ of the Northwest ½ of Section 9, Township 34 North, Range 3 East W.M.

Situate in the County of Skagit, State of Washington.

Tax Account No./Property ID No.: 8087-000-000-0004/P130702

13221 Farm to Market Road ("DFP Parcel P130700"):

Lot 2, BINDING SITE PLAN NO. PL07-0187, "DAHLSTEDT FAMILY PROPERTIES BINDING SITE PLAN", approved August 10, 2011, recorded August 10, 2011 under Auditor's File No. 201108100067, records of Skagit County, Washington; being a portion of West ½ of the Northwest ½ of Section 9, Township 34 North, Range 3 East W.M.

Situate in the County of Skagit, State of Washington.

Tax Account No./Property ID No.: 8087-000-000-0002/P130700

13213 Farm to Market Road ("DFP Parcel P130703"):

Lot 5, BINDING SITE PLAN NO. PL07-0187, "DAHLSTEDT FAMILY PROPERTIES BINDING SITE PLAN", approved August 10, 2011, recorded August 10, 2011 under Auditor's File No. 201108100067, records of Skagit County, Washington; being a portion of West ½ of the Northwest ½ of Section 9, Township 34 North, Range 3 East W.M.

Situate in the County of Skagit, State of Washington.

Tax Account No./Property ID No.: 8087-000-000-0005/P130703

13260 Ball Road ("DFP Parcel P130705"):

Lot 7, BINDING SITE PLAN NO. PL07-0187, "DAHLSTEDT FAMILY PROPERTIES BINDING SITE PLAN", approved August 10, 2011, recorded August 10, 2011 under Auditor's File No. 201108100067, records of Skagit County, Washington; being a portion of West ½ of the Northwest ¼ of Section 9, Township 34 North, Range 3 East W.M.

Situate in the County of Skagit, State of Washington.

Tax Account No./Property ID No.: 8087-000-000-0007/P130705

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13421 Farm to Market Road ("DFP Parcel P21284"):

The South 966.00 feet of Lot 3, Skagit County Short Plat No. 7-89, approved March 1, 1989, and recorded March 2, 1989 in Volume 8 of Short Plats, pages 112 and 113, records of Skagit County, Washington, being a portion of the Southwest 1/4 of the Northwest 1/4 of Section 9, Township 34 North, Range 3 East, W.M.,

EXCEPT the East 210.00 feet thereof,

AND EXCEPT any portion thereof lying Northeasterly of a line drawn parallel with and 25 feet Southwesterly of the Southwesterly bank of the existing drainage ditch maintained by Drainage District No. 19, running along the toe of the hill,

AND ALSO EXCEPT that portion conveyed to Skagit County for road by deed recorded June 17, 1999, under Auditor's File No. 9906170004.

Situate in the County of Skagit, State of Washington.

Tax Account No./Property ID No.: 340309-2-005-0009/P21284

Address N/A ("DFP Parcel P130706"):

Lot 8, BINDING SITE PLAN NO. PL07-0187, "DAHLSTEDT FAMILY PROPERTIES BINDING SITE PLAN", approved August 10, 2011, recorded August 10, 2011 under Auditor's File No. 201108100067, records of Skagit County, Washington; being a portion of West ½ of the Northwest ½ of Section 9, Township 34 North, Range 3 East W.M.

Situate in the County of Skagit, State of Washington.

Tax Account No./Property ID No.: 8087-000-000-0008/P130706

[END OF EXHIBIT "A"]

EXHIBIT "B" (Legal Description of Hughes Parcels)

("Hughes Parcel P21280"); ("Hughes Parcel P21283"); ("Hughes Parcel P21286"); ("Hughes Parcel P112650"); ("Hughes Parcel P112651"); and ("Hughes Parcel P112642") (collectively, "Hughes Parcel East"):

Lot 2, Short Plat No. 7-89, approved March 1, 1989, and recorded March 2, 1989, in Volume 8 of Short Plats, Pages 112 and 113, under Auditor's File Number 8903020017, records of Skagit County, Washington; being a portion of the Northwest 1/4 of Section 9, Township 34 North, Range 3 East of the Willamette Meridian;

TOGETHER WITH: Parcel "A", Parcel "B", and Parcel "C" as combined or aggregated by boundary line adjustment approved by Skagit County on December 11, 1997 and recorded January 22, 1998 by Warrantee Deed under Auditor's File Number 9801220067, and as also shown as Parcel "A", Parcel "B", and Parcel "C" on Record of Survey recorded April 27, 1998 in Volume 20 of Surveys, pages 110 & 111, under Auditor's File No. 9804270070, records of Skagit County, Washington; being a portion of the Northwest 1/4 of Section 9, Township 34 North, Range 3 East of the Willamette Meridian.

Situate in the County of Skagit, State of Washington.

("Hughes Parcel P130704") OR ("Hughes Parcel West"):

Lot 6, BINDING SITE PLAN NO. PL07-0187, "DAHLSTEDT FAMILY PROPERTIES BINDING SITE PLAN", approved August 10, 2011, recorded August 10, 2011 under Auditor's File No. 201108100067, records of Skagit County, Washington; being a portion of West ½ of the Northwest ¼ of Section 9, Township 34 North, Range 3 East W.M.

Situate in the County of Skagit, State of Washington.

[END OF EXHIBIT "B"]

EXHIBIT "C" (Legal Description of DAP Parcels)

("DAP Parcel P21139"); ("DAP Parcel P21141"); ("DAP Parcel P21220"); ("DAP Parcel P212120"); ("DAP Parcel P21214"); ("DAP Parcel P21204"); ("DAP Parcel P21224"); ("DAP Parcel P212122"); ("DAP Parcel P21217"); ("DAP Parcel P21212"); ("DAP Parcel P21222"); ("DAP Parcel P21224"); and ("DAP Parcel P21225"):

The Northeast 1/4; The Northeast 1/4 of the Northwest 1/4; The Northwest 1/4 of the Northwest 1/4; The Southeast 1/4 of the Northwest 1/4; That portion of the Northwest 1/4 of the Southeast 1/4 lying Northerly of the Railroad right of way; That portion of the Northwest 1/4 of the Southeast 1/4 lying Northerly of the Railroad right of way; Government Lot 1, and that portion of Government Lot 4 lying Northerly of the Railroad right of way, all in Section 8, Township 34 North, Range 3 East W.M.; EXCEPT road and ditch rights of way; AND EXCEPT that portion condemned and taken by the State of Washington in Skagit County Superior Court Case No. 31675; AND EXCEPT the following described parcel:

That portion of the Northeast 1/4 of the Northeast 1/4 of Section 8, Township 34 North, Range 3 East, W.M., EXCEPT the East 20 feet for roads, more particularly described as follows:

Beginning at the Northeast corner of the above described parcel of land, said point also being on the West right of way line of Washington State Highway No. SR 237;

Thence Westerly along the North line of the Northeast 1/4, Northeast 1/4 Section 8, 30.0 feet;

Thence South 0°42'50" West, 107.0 feet;

Thence North 90° West, 10.0 feet;

Thence South 0°42'50" West, 150.0 feet;

Thence South 90° East, 10.0 feet;

Thence South 0°42'50" West, 100.0 feet;

Thence South 90° East, 10.0 feet;

Thence South 0°42'50" West, 50.0 feet;

Thence South 90° East, 5.0 feet;

Thence South 0°42'50" West, 100.0 feet;

Thence North 90° West, 5.0 feet;

Thence South 0°42'50" West, 50.0 feet:

Thence North 90° West, 15.0 feet;

Thence South 0°42'50 West, 150.0 feet;

Thence South 90° East, 5.0 feet;

Thence South 0°42'50" West, 150.0 feet;

Thence South 90° East, 15 feet;

Thence South 0°42'50" West, 150.0 feet;

Thence South 90° East, 5.0 feet;

Thence South 0°42'50" West, 365.0 feet more or less to the South line of the Northeast 1/4, Northeast 1/4, Section 8, Township 34 North, Range 3 East, W.M.,

Thence Easterly along the South line of the Northeast 1/4, Northeast 1/4, Section 8, Township 34 North, Range 3 East, W.M., 10.0 feet to the West right of way line of Washington State Highway No 237;

Thence North 0°42'50" East, along the West right of way line, 1,372 feet, more or less to the point of beginning.

The South 1,118 fect of the Southeast 1/4 of Section 5, Township 34 North, Range 3 East W.M., EXCEPT the West 20 feet thereof conveyed to Skagit County for road purposes by deed recorded July 29, 1930 in Volume 155 of Deeds, page 331, under Auditor's File No. 235876; EXCEPT the North 131 feet of the East 150 feet of that portion thereof lying West of the County road along the East line thereof, AND EXCEPT that portion, if any, lying within the North 200 feet of the South 1/2 of said Southeast 1/4.

Situate in the County of Skagit, State of Washington.

[END OF EXHIBIT "C"]

EXHIBIT "D" (Legal description and depiction of Easement Area 1)

That portion of Lot 2, Lot 4 and Lot 5, BINDING SITE PLAN NO. PL07-0187, "DAHLSTEDT FAMILY PROPERTIES BINDING SITE PLAN", approved August 10, 2011, recorded August 10, 2011 under Auditor's File No. 201108100067, records of Skagit County, Washington; being a portion of the West 1/2 of the Northwest 1/4 of Section 9, Township 34 North, Range 3 East of the Willamette Meridian, described as follows:

Commencing at the Southwest corner of Lot 4;

thence North 2°15'55" East a distance of 50.00 feet along the west line of Lot 4 to an intersection with a line that is 50 feet North of and parallel with the south line of said Lot 4, as measured at right angles, said line also being the intersection with the boundary of the Reciprocal Access Easement Agreement recorded under Auditor File Number 201102160060 and the POINT OF BEGINNING;

Thence North 87°55'56" West a distance of 0.27 feet along said line to a cusp;

Thence along the arc of a curve to the left, concave to the northwest, having a radius of 25.00 feet, through a central angle of 94°13'16", an arc distance of 41.11 feet to a point of tangency;

thence North 2°09'12" West a distance of 55.14 feet to a point of curvature;

thence along the arc of a curve to the left having a radius of 40.00 feet, through a central angle of 12°58'58", an arc distance of 9.06 feet to a point of tangency;

Thence North 15°08'11" West a distance of 221.19 feet;

Thence North 0°13'16" West a distance of 93.92 feet;

Thence North 89°46'44" East a distance of 90.00 feet to a point on the north line of Lot 2 and 10.00 feet perpendicular to the northwest corner thereof;

Thence South 0°13'16" East parallel to the west line of Lot 2 a distance of 237.54 feet;

Thence South 15°08'11" East a distance of 59.24 feet to a point of curvature;

thence along the arc of said curve to the right having a radius of 90.00 feet, through a central angle of 12°58'58", an arc distance of 20.39 feet to a point of tangency;

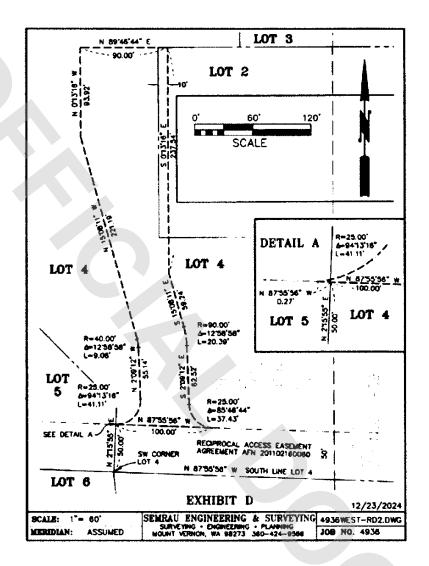
Thence South 2°09'12" East a distance of 62.52 feet to a point of curvature;

Thence along the arc of a curve to the left having a radius of 25.00 feet, through a central angle of 85°46'44", an arc distance of 37.43 feet to a cusp on said boundary of Reciprocal Access Easement;

Thence North 87°55'56" West a distance of 100.00 feet to the POINT OF BEGINNING.

Situate in the County of Skagit, State of Washington.

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[END OF EXHIBIT "D"]

EXHIBIT "E" (Legal description and depiction of Easement Area 2)

That portion of Lot 2, BINDING SITE PLAN NO. PL07-0187, "DAHLSTEDT FAMILY PROPERTIES BINDING SITE PLAN", approved August 10, 2011, recorded August 10, 2011 under Auditor's File No. 201108100067, records of Skagit County, Washington; being a portion of the West 1/2 of the Northwest 1/4 of Section 9, Township 34 North, Range 3 East of the Willamette Meridian, described as follows:

Commencing at the intersection of the south line of said Lot 2 at the northeast corner of Lot 2, Short Plat No. 7-89, recorded under Auditor's File Number 8903020017, said point being South 89°46'44" West, 318.93 feet from the Southeast corner of said Lot 2 of said Binding Site Plan, said point also being the intersection with the boundary of the Reciprocal Access Easement Agreement recorded under Auditor File Number 201102160060;

Thence North 79°01'32" West, 132.77 feet along the north boundary of said Reciprocal Access Easement to the POINT OF BEGINNING.

Thence North 0°08'00" West, 274.25 feet;

Thence North 21°41'47" East, 10.75 feet to a corner point on the north line of said Lot 2 of said Binding Site Plan;

Thence South 89°46'44" West along said north line, 68.94 feet to a corner point of said Lot 2;

Thence North 45°13'16" West along said north line, 28.28 feet to a corner point of said Lot 2;

Thence North 0°13'16" West along said north line, 30.00 feet to a corner point of said Lot 2;

Thence South 89°46'44" West along said north line, 25.00 feet;

Thence South 31°46'17" East, 152.55 feet;

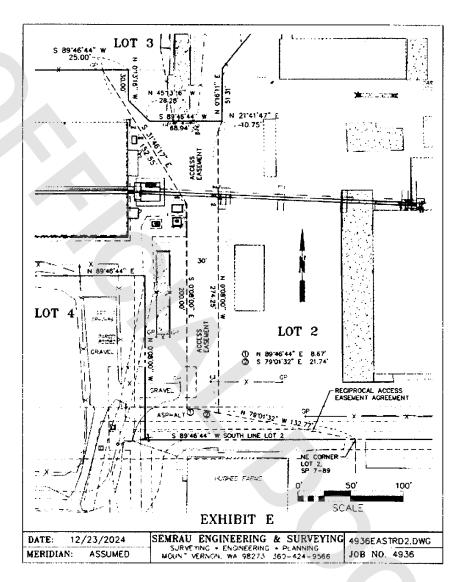
Thence South 0°08'00" East, 200.00 feet; to a point on the north boundary of said Reciprocal Access Easement;

Thence North 89°46'44" East along said north boundary, 8.67 feet to an angle point;

Thence South 79°01'32" East along said north boundary, 21.74 feet to the POINT OF

BEGINNING.

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[END OF EXHIBIT "E"]

EXHIBIT "F" (Legal description and depiction of Easement Area 3)

A portion of Lot 8, BINDING SITE PLAN NO. PL07-0187, "DAHLSTEDT FAMILY PROPERTIES BINDING SITE PLAN" recorded under Auditor's File No. 201108100067, also a portion of Lot 3, SHORT PLAT NO. 7-89 recorded under Auditor's File No. 9804270070, and also a portion of Lot 3, REVISED SHORT PLAT NO 14-83 recorded under Auditor's File No. 8608130026, all records of Skagit County, Washington; being a portion of the West 1/2 of the Northwest 1/4 of Section 9, Township 34 North, Range 3 East of the Willamette Meridian, described as follows:

BEGINNING at the Northeast corner of said Lot 8 and the Southeast corner of said Lot 3, REVISED SHORT PLAT NO 14-83, said point being at the Southeast corner of Parcel G and the Southwest corner of Parcel F of said Binding Site Plan, said point also being the Southeast corner of the Northwest 1/4 of the Northwest 1/4 of said Section 9;

Thence South 89°46'44" West along the north line of said Lot 8, 20.00 feet to the Northwest corner of Lot 8 and the Southwest corner of said Parcel G;

Thence North 0°05'26" East along the west boundary of said Parcel G, 15.00 feet;

Thence South 33°41'06" West, 18.07 feet;

Thence South 4°11'12" West, 70.00 feet;

Thence South 22°35'51" West, 62.06 feet to a point on the north line of Lot 7, of said Binding Site Plan:

Thence North 89°46'44" East along said north line, 28.76 feet to the northeast corner of Lot 7, and a corner point of Lot 8;

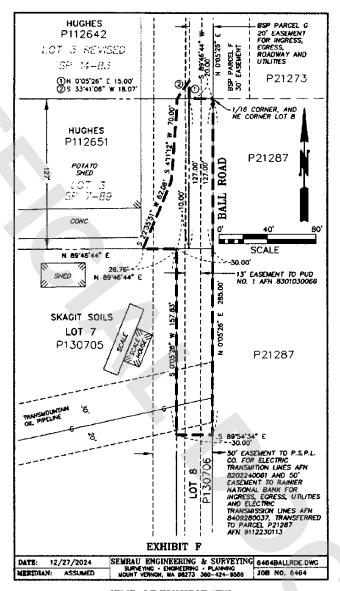
Thence South 0°05'26" West along the west line of Lot 8, 157.83 feet;

Thence South 89°54'34" East, 30.00 feet to a point on the east line of Lot 8;

Thence North 0°05'26" East, along said east line, 285.00 feet to the POINT OF BEGINNING.

Situate in the County of Skagit, State of Washington.

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[END OF EXHIBIT "F"]

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