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Babak Shamsi
Beresford Booth PLLC
145 Third Avenue South, Suite 200
Edmonds, Washington 98020

REVIEWED BY
SKAGIT COUNTY TREASURER
DEPUTY Lena Thompson
DATE 12/23/2025

Document: Easement and Agreement
Grantor: Luke E. Baugh, an individual
Grantee: Cheema Mart III, Inc., a Washington Corporation
Tax Parcel Nos.: P46167; P46171

EASEMENT AND AGREEMENT

This Easement and Agreement (the "Agreement") is being made on the 16 of December, 2025 by and between **Luke E. Baugh**, on behalf of himself and his successors in interest (hereinafter "Grantor"); and **Cheema Mart III, Inc., a Washington Corporation**, on behalf of itself and its successors in interest (hereinafter "Grantee").

RECITALS

A. On November 21, 2025, the parties mutually agreed to enter into a Settlement Agreement and Mutual Release, as subsequently corrected by the Addendum to Settlement Agreement and Mutual Release dated December 16, 2025 (all collectively known as the "Settlement Agreement"), where the parties agreed the Grantor would grant to the Grantee a non-exclusive easement for pedestrian and vehicular ingress and egress, parking, continued use of gas pumps, and access to the planter area.

B. Pursuant to the Settlement Agreement, Grantee also paid to Grantor the amount of \$135,000.00 in consideration for the mutual release of claims between Grantor and Grantee, and to avoid the fees and costs of litigation, pertaining to the boundary issues affecting their respective real properties.

C. Grantor owns certain real property commonly known as commonly known as 60076 State Route 20, Marblemount, Washington, 98267, and legally described as follows:

TRACT 1 OF SKAGIT COUNTY SHORT PLAT NO. 29-76, AS APPROVED JULY 1, 1976 AND RECORDED JULY 6, 1976 IN VOLUME 1 OF SHORT PLATS, PAGE 143, UNDER AUDITOR'S FILE NO. 838496, RECORDS OF SKAGIT COUNTY, WASHINGTON; BEING A PORTION OF GOVERNMENT LOTS 4 AND 5 OF SECTION 18, TOWNSHIP 35 NORTH, RANGE 11 EAST, OF THE WILLAMETTE MERIDIAN.

SITUATED IN SKAGIT COUNTY, WASHINGTON.

PARCEL NO. P46167

(hereinafter the "Burdened Parcel").

C. Grantee owns certain real property commonly known as 60070 State Route 20, Marblemount, Washington, 98267, and legally described as follows:

THE WEST 150 FEET OF THE FOLLOWING DESCRIBED PROPERTY:

THAT PORTION OF GOVERNMENT LOT 5 IN SECTION 18, TOWNSHIP 35 NORTH, RANGE 11 EAST OF THE WILLAMETTE MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID GOVERNMENT LOT 5;
THENCE SOUTH A DISTANCE OF 209 FEET;
THENCE WEST A DISTANCE OF 418 FEET;
THENCE NORTH A DISTANCE OF 209 FEET TO THE SECTION LINE;
THENCE EAST ALONG THE SECTION LINE TO THE POINT OF BEGINNING.

EXCEPT THE NORTH 30 FEET FOR ROAD AS CONVEYED TO SKAGIT COUNTY BY DEED RECORDED JUNE 13, 1928 UNDER AUDITOR'S FILE NO. 214044, RECORDS OF SKAGIT COUNTY, WASHINGTON.

SITUATED IN SKAGIT COUNTY, WASHINGTON.

Parcel No. P46171

(hereinafter the "Benefited Parcel").

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the parties hereby agree as follows:

1. Incorporation of Recitals. The parties hereby incorporate the Recitals and definitions as true and correct substantive provisions of this Agreement.
2. Easement Grant and Easement Area. Grantor hereby grants to Grantee a non-exclusive easement for pedestrian and vehicular ingress and egress, parking, continued use of gas pumps, and access to the planter area, over, under and across that portion of the Burdened Parcel, legally described as follows:

A PORTION OF TRACT 1, SKAGIT COUNTY SHORT PLAT NO. 29-76, APPROVED JULY 1, 1976 AND RECORDED JULY 6, 1976 IN VOLUME 1 OF SHORT PLATS, PAGE 143, UNDER AUDITOR'S FILE NO. 838496, RECORDS OF SKAGIT COUNTY, WASHINGTON; BEING A PORTION OF GOVERNMENT LOTS 4 AND 5 OF SECTION 18, TOWNSHIP 35

NORTH, RANGE 11 EAST, W.M., MORE ACCURATELY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID TRACT 1;
THENCE SOUTH 00°59'33" WEST, ALONG THE WEST LINE OF SAID TRACT 1, A DISTANCE OF 143.73 FEET;
THENCE SOUTH 88°14'15" EAST A DISTANCE OF 60.79 FEET;
THENCE NORTH 05°40'18" EAST A DISTANCE OF 27.30 FEET;
THENCE NORTH 06°49'06" EAST A DISTANCE OF 44.62 FEET;
THENCE NORTH 00°59'46" EAST A DISTANCE OF 72.93 FEET TO THE SOUTHERLY MARGIN OF STATE ROUTE 20;
THENCE NORTH 88°59'30" WEST, ALONG THE SOUTHERLY MARGIN OF STATE ROUTE 20, A DISTANCE OF 67.55 FEET TO THE POINT OF BEGINNING.

SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON.

CONTAINING AN AREA OF 9,484 SF (0.22 ACRES), MORE OR LESS.

(The "Easement Area").

The Easement Area is further depicted by the map attached hereto as Exhibit A. Grantor shall have the same rights of use of the Easement Area as the Grantee. Grantor and Grantee agree not to interfere with the other parties' reasonable use of the Easement Area. Moreover, Grantor and Grantee agree and covenant that neither Grantor nor Grantee can build new structures in the Easement Area without the express written consent of the other.

3. Compliance with Laws and Rules. All rights granted by this Agreement shall at all times be exercised in accordance with the requirements (as from time to time amended) of all applicable statutes, ordinances, rules, regulations and orders of any public authority or court having jurisdiction over the Burdened Parcel and/or the Benefited Parcel.

4. Maintenance and Repair. Grantee shall bear sole responsibility for performing any/all maintenance and repair of the Easement Area at Grantee's expense. This includes, but is not limited to, removing any obstructions on the Easement Area, promptly repairing any damage in the Easement Area, preventing any leakage in the Easement Area, preventing any intrusions from the Easement Area into the Burdened Parcel or into any other properties, and keeping the Easement reasonably clean of debris.

5. Covenants Running With the Land. The easement, rights, restrictions and agreements contained herein shall be deemed appurtenant covenants running with the land and shall benefit and be binding upon the owners of the Burdened Parcel and the Benefited Parcel and their respective heirs, successors and/or assigns without further deed, instrument, conveyance, or express undertaking.

6. Indemnity. Grantee agrees to defend, indemnify, save, protect, and hold harmless Grantor (and Grantor's successors and assigns) from against all causes of action, claims, liabilities, damages, and costs and expenses (including reasonable attorney's fees) arising out of or relating in any way to Grantee's use, or the use by Grantee's members, managers, agents, invitees, customers, guests, or others claiming use through Grantee, of the Easement Area, except to the extent caused by the negligence or willful misconduct of Grantor.

Grantor agrees to similarly defend, indemnify, save, protect, and hold harmless Grantee (and Grantee's successors and assigns) from against all causes of action, claims, liabilities, damages, and costs and expenses (including reasonable attorney's fees) arising out of or relating in any way to Grantor's use, or the use by Grantor's managers, agents, invitees, customers, guests, or others claiming use through Grantor, of the Easement Area, except to the extent caused by the negligence or willful misconduct of Grantee.

In the event of a dispute involving indemnification under this Paragraph 6, the substantially prevailing party shall be entitled to recover their attorney's fees and costs against the substantially non-prevailing party, including those incurred in bankruptcy proceedings, on appeal, and in post-judgment collection.

7. Severability. In case any term of this Agreement shall be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable, in whole or in part, the validity of any of the other terms of this Agreement shall not in any way be affected thereby and this Agreement shall be modified to the least extent possible to eliminate the invalidity, illegality, or unenforceability.

8. Modification. This Agreement cannot be modified except by a writing, executed by the parties hereto, or their successors in interest, that expresses, by its terms, an intention to modify this Agreement.

9. Waiver. No extension of time or waiver of the performance of any obligation due under this Agreement shall be effective unless in writing and signed by all of the parties hereto or their successors in interest. No such waiver shall operate or be construed as a waiver of any subsequent act or omission.

10. Governing Law/Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. Venue of any action to enforce or interpret this Agreement shall be in Snohomish County, Washington.

11. Alternative Dispute Resolution. The Parties agree to submit any disputes related to this Agreement to court to resolve the matter if they cannot resolve the dispute among themselves.

12. Disclaimer of Tax Liability. No party has made any representations regarding the tax consequences of any of the transactions contemplated by this Agreement. Each party has had the opportunity to consult with his, her or its own tax advisors regarding the consequences of the transactions contemplated by this Agreement. Each party is responsible for all of his, her or its own tax liabilities in connection with this Agreement.

13. Independent Counsel. All parties hereby acknowledge that this Agreement is an important instrument with serious legal consequences, and respectively represent and warrant that they have carefully read, reviewed, understood and agreed to every provision of this Agreement and **have had the opportunity to consult with legal counsel of their own choosing concerning this instrument**, and have voluntarily, knowingly and without fraud, reservation, duress, undue influence, or legal or equitable defense, executed this Agreement and consider it to be fair and equitable. This Agreement shall not be construed against any party as the drafter hereof but shall be interpreted reasonably and fairly in accordance with its plain language.

14. Counterparts. This document may be executed in counterparts combined to create a binding document.

STATE OF WASHINGTON)
)
ss.
SKAGIT COUNTY)

I certify that I know or have satisfactory evidence that HARINDER CHEEMA, as President of Cheema Mart III, Inc., a Washington Corporation, is the person who appeared before me, and said person acknowledged that he signed this instrument ; on oath stated that he was authorized to execute the instrument and acknowledged it to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

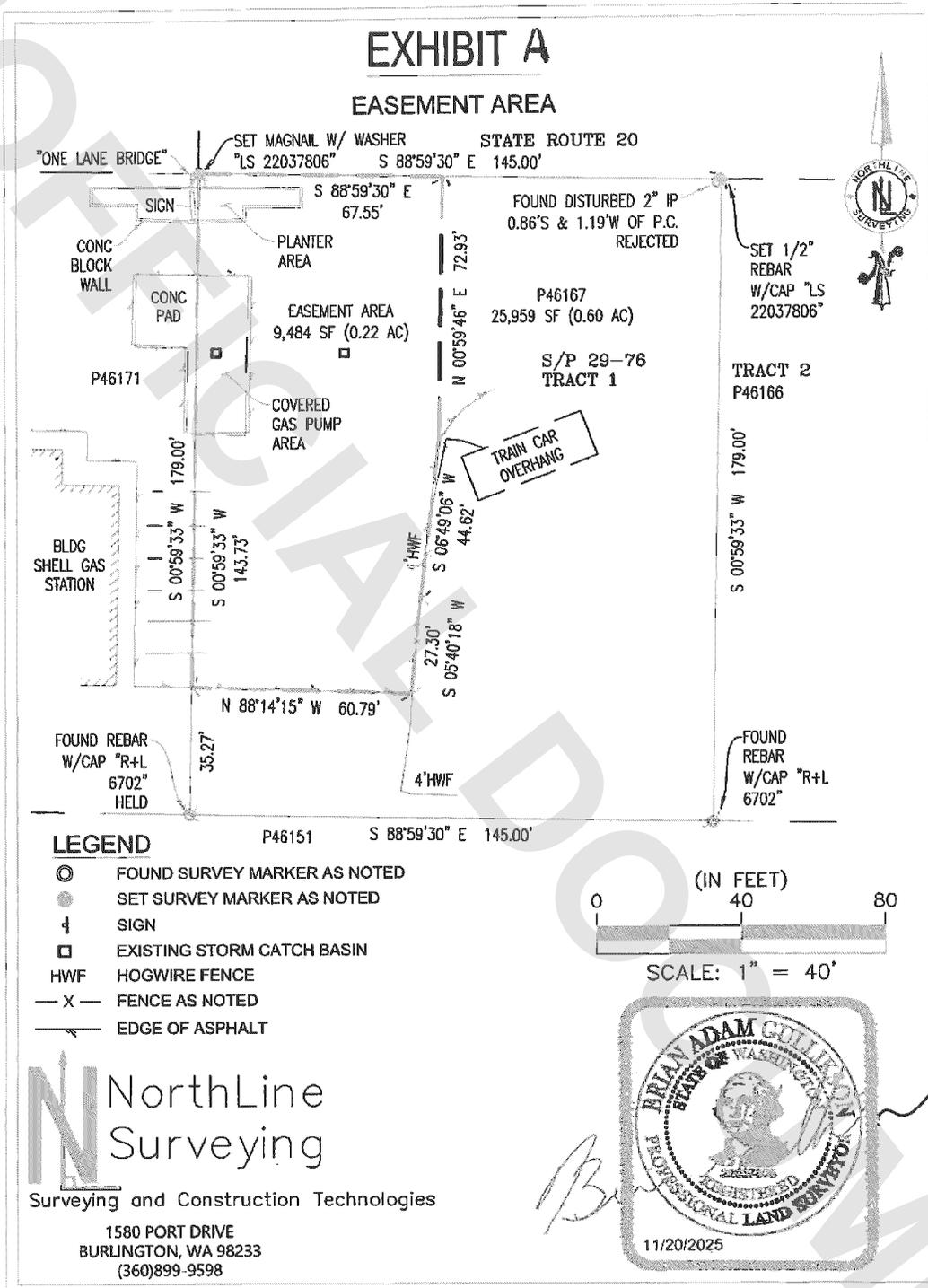
DATED: Dec. 16, 2025.

E.M. Burdette
Printed Name: E.M. Burdette
NOTARY PUBLIC residing at: Burlington
My Appointment Expires: 9-24-2027



EXHIBIT A

EASEMENT AREA



LEGEND

- FOUND SURVEY MARKER AS NOTED
- SET SURVEY MARKER AS NOTED
- ↑ SIGN
- EXISTING STORM CATCH BASIN
- HWF HOGWIRE FENCE
- X — FENCE AS NOTED
- / — EDGE OF ASPHALT

(IN FEET)
0 40 80

SCALE: 1" = 40'

NorthLine Surveying

Surveying and Construction Technologies

1580 PORT DRIVE
BURLINGTON, WA 98233
(360)899-9598

