FILED FOR RECORD AT THE REQUEST OF/RETURN TO:



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UTILITY EASEMENTS AND COST SHARING AGREEMENT

Grantor (s) WILLIAM W. WOODING, a married man, his separate estate; LESTER C. BOOKS & MARCIA BOOKS, husband and wife; E. ROGER NOAR & KATHLEEN F. NOAR, husband and wife

Grantee (s) WILLIAM W. WOODING, a married man, his separate estate; LESTER C. BOOKS & MARCIA BOOKS, husband and wife; E. ROGER NOAR & KATHLEEN F. NOAR, husband and wife

Additional Grantor(s) on page(s)

Additional Grantee(s) on page(s)

Abbreviated Legal: 2-34-1

Additional Legal on page(s)

Assessor's Tax Parcel No's: P68244, P68245, P68246, P107939, P107940, P19057, P68282

THIS AGREEMENT is entered into between, E. ROGER NOAR & KATHLEEN F. NOAR, husband and wife; (hereinafter referred to as "NOAR") and WILLIAM W. WOODING, a married person as to his separate estate; (hereinafter referred to as "WOODING"); and LESTER C. BOOKS & MARCIA BOOKS, husband and wife, (hereinafter referred to as "BOOKS"). NOAR is the owner of the property identified in Exhibit "A", WOODING is the owner of the property identified in Exhibit "B", and BOOKS is the owner of the property identified in Exhibit "C". NOAR, WOODING and BOOKS (hereinafter sometimes referred to collectively as the "Owners") hereby agree as follows:

I. DESCRIPTION OF EASEMENT

This agreement establishes utilities easements and cost sharing provisions for the provision of utilities to all of the properties owned by the respective Owners. NOAR, WOODING and BOOKS, perpetual non-exclusive easements, (hereinafter referred to as the "Easements") as described in Exhibit "D", over, under and across the properties owned by NOAR, WOODING and

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BOOKS.

II. AGREEMENT IS APPURTENANT

This Agreement is to be held by NOAR, WOODING and BOOKS, their heirs and successors and assigns as appurtenant to the lands owned by NOAR, WOODING and BOOKS adjoining to said easements and shall run with the land. This Agreement is for the purposes of benefiting the Owners' properties only.

III. INSTALLATION - OBLIGATIONS OF THE PARTIES

- 1) This agreement is intended to provide for the division of costs related to the installation of approximately 950 feet of individual or common utility services for power, cable, communication, natural gas (or a sleeve/conduit for future installation), and an empty two inch conduit for undetermined future use. This agreement only provides for cost sharing for those utilities identified above that are installed prior to August 1, 2006. No Owner shall be obligated by this Agreement to contribute to the installation cost of any utility not identified above or any utility installed after August 1, 2006.
- 2) All costs related to the installation of utilities pursuant to this agreement shall be divided as follows: fifty percent (50%) to NOAR, twenty five percent (25%) to WOODING and twenty five percent (25%) to BOOKS.
- 3) The Owners have agreed to use Dan Folkers, prior owner of the Books property, to contract for and coordinate installation of the various utilities. Folkers has agreed to perform such duties pursuant to a prior agreement with BOOKS.
- 4) Each Owner shall immediately contribute their allocated share of costs for any installation immediately when such cost(s) become due. If any Owner fails to contribute within fourteen (14) days of notice that such amounts are due, then the property of the non-contributing Owner shall be subject to a lien as provided in this Agreement.
- 5) In the event that the utilities described above are installed outside of the Easement boundaries described in Exhibit "D", the Easements shall be modified to reflect the asbuilt condition of the installation.

IV. MAINTENANCE - OBLIGATIONS OF THE PARTIES

1) Standard of Maintenance. The utilities and all related improvements shall be maintained in a safe, functional and reasonably good condition consistent with all governmental regulations and utility requirements. Such maintenance shall include, without limitation,

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removal of obstructions, root intrusion, clogging, leakage, maintenance and repair of any defects; maintaining any appurtenant utilities, pipes, and conduits; and all other undertakings of any kind or nature whatever required to maintain the utilities in a reasonably serviceable and functional state of repair. The easement area shall be maintained so as to allow free and reasonable access as may be reasonable and necessary in order that all parties may enjoy full and free use of their rights under this easement. However, any utility that serves only one property shall be maintained and repaired at the sole cost and expense of the Owner of that property.

- 2) Proportional Obligations. The owners shall share the maintenance obligations described hereunder and all utility and other operational costs in the same proportions provided above for division of installation costs. If, however, an Owner's Parcel is divided into lots hereafter, the newly divided lots shall share equally in the maintenance obligation of the lot from which they were divided. Such obligation shall be the personal obligation of each owner of a parcel or portion thereof at the time such obligation becomes due and payable, provided, however, that no party having an interest in the property merely as security for the performance of an obligation or payment of a debt shall be personally liable for such obligation and provided further that the above shall not affect the right to impose a lien on the property pursuant to the terms of this Agreement.
- 3) <u>Commencement of Obligation to Contribute to Maintenance Costs.</u> The Owner's obligations under this agreement shall commence immediately.
- 4) Procedure for Initiating Work. In the event that any Owner desires to have maintenance work done at common expense, the Owner may petition the other Owner(s) for the proposed maintenance and repair. The petition shall be carried out by circulating a notice by personal delivery or certified, return receipt requested mail to the other Owners, explaining the maintenance or repair desired and the expected cost. The petition may be mailed to an Owner at the mailing address shown for the Owner's parcel on the then current assessor's records of Skagit County. If, after thirty (30) days from the date of delivery of the petition, no objection to the work has been received in writing by the petitioner, the work may be ordered and each party shall remit its proportionate share of the cost within five days after receipt of an invoice from the contractor performing the work. If any objection is received within thirty (30) days of the date of delivery, then the parties shall submit to binding arbitration of the dispute in accordance with this Agreement. In the event of an emergency relating to a loss of function of any utility, an owner who reasonably believes that the situation requires immediate action may take all such actions as are reasonably necessary to resolve the emergency and the other Owner(s) shall be obligated to pay their share of the reasonable costs incurred.

SKAGIT COUNTY WASHINGTON REAL ESTATE EXCISE TAX

Amount Paid &

V. OBLIGATION TO PAY.

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Any amount that a party is obligated to pay pursuant to this Agreement shall constitute a lien on that portion of the property owned by such party, which may be foreclosed in the same manner as a lien, and the foreclosing Owners shall be entitled to recover reasonable costs and attorney's fees.

VI. DISPUTE RESOLUTION

The parties agree to exercise their best efforts in good faith to resolve problems associated with the easement. Should the parties be unable and willing to amicably resolve any dispute concerning this agreement, including the interpretation of this agreement, then they agree to submit to binding arbitration under the then current rules for arbitration in the highest court located in Skagit County, if any, regardless of the nature of the dispute or the amount in controversy, and the parties agree that the results reached in such arbitration shall be binding and unappealable. The prevailing party shall be entitled to reasonable costs and attorney's fees.

VII. BENEFITS AND BURDENS

Benefits, burdens and covenants of this Agreement shall be deemed to run with the land and bind the properties owned by NOAR, WOODING and BOOKS, and their respective heirs, successors, and assigns and all persons possessing the properties by, through and under the parties hereto and their respective heirs, successors and assigns.

VI. MISCELLANEOUS PROVISIONS

There are no verbal or other agreements that may modify or affect this Agreement. There are no other agreements between the parties for cost sharing relating to any easements other than those described herein and this Agreement shall not be construed as applying to any easements or costs not specifically described herein. This agreement is an integrated, complete document and constitutes the entire agreement among the parties. This easement agreement shall be construed according to the laws of the State of Washington.

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

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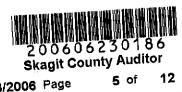
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Dellis Vilabelli	
WILLIAM W. WOODING	
Dotate Dune 2-1 2005	
Dated:	
LESTER C. BOOKS	Marcia Books
LEGIER C. BOOKS	WARCIA BOOKS
Dated: <u>23 June</u> , 200 €	Dated: June 23, 2006
E. ROGER NOAR	Kathleen F. Noar
E. ROGER NØAR	KATHLEEN F. NOAR
Dated: June 21 200 2006	Dated: fine 21, 2006

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State of Washington)	
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County of Skagit)	

I certify that I know or have satisfactory evidence that WILLIAM WOODING is the person who appeared before me and said person acknowledged that he she signed this instrument and acknowledged it to be his her free and voluntary act for the uses and purposes mentioned in the instrument.



Dated:

(Signature)

NOTARY PUBLIC

Lours L. Iles

Print Name of Notary

My appointment expires: 2-17-07

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State of Washington)	
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County of Skagit)	

I certify that I know or have satisfactory evidence that LESTER C. BOOKS is the person who appeared before me and said person acknowledged that he/she signed this instrument and acknowledged it to be his/her free and voluntary act for the uses and purposes mentioned in the instrument.



Dated: June 23rd 2006

Llennowwellow

(Signature)

NOTARY PUBLIC

EVIDED LIVER (1987)

Print Name of Notary
My appointment expires: 4/1/10

State of Washington)	
)	SS
County of Skagit)	

I certify that I know or have satisfactory evidence that MARCIA BOOKS is the person who appeared before me and said person acknowledged that he/she signed this instrument and acknowledged it to be his/her free and voluntary act for the uses and purposes mentioned in the instrument.



Dated: June 23 d 2006

Lunnwulluser

(Signature)

NOTARY PUBLIC

Ennn De Welliver

Print Name of Notary

My appointment expires: 4/1/10

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State of Washington)	
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County of Skagit)	

I certify that I know or have satisfactory evidence that E. ROGER NOAR is the person who appeared before me and said person acknowledged that he she signed this instrument and acknowledged it to be his/her free and voluntary act for the uses and purposes mentioned in the instrument.



Dated: (Signature)

NOTARY PUBLIC

Print Name of Notary

My appointment expires: 2-17-07

State of Washington)	
)	SS
County of Skagit)	

I certify that I know or have satisfactory evidence that KATHLEEN F. NOAR is the person who appeared before me and said person acknowledged that he/she signed this instrument and acknowledged it to be his/her free and voluntary act for the uses and purposes mentioned in the instrument.



Dated: (Signature)

NOTARY PUBLIC

Kinberly Ann Kan Print Name of Notary

My appointment expires

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PARCEL A:

Tract B, RANCHO SAN JUAN DEL MAR, SUBDIVISION NO. 1, according to the plat thereof recorded in Volume 5 of Plats, page 30, records of Skagit County, Washington;

EXCEPT the South 65 feet thereof;

ALSO EXCEPTING that portion thereof conveyed to Del Mar Community Service, Inc., a Washington corporation, by deed recorded January 9, 1963 under Auditor's File No. 630692, described as follows:

Commencing at a point on the center line of the County Road known as Marine Drive lying South 22° East of the Southeast corner of Lot 22, Rancho San Juan Del Mar, Subdivision No. 2; thence South 22° East 385 feet to the true point of beginning of

this description; thence North 68° East 30 feet; thence South 22° East 30 feet; thence South 68° West 60 feet;

thence North 23° West 60 feet; thence North 68° East 30 feet to the point of beginning;

AND FURTHER EXCEPTING all that portion conveyed to Stewart J. Ford, a single person, by deed recorded under Auditor's File No. 8906140041, described as follows.

Beginning at the Southwest corner of Lot 1 of Short plat 17-75. recorded in Volume 1 of Short Plats, page 36, records of Skagit

thence North 0°52'40" West along the Bast line of said Tract B, being the West line of said Lot 1, a distance of 206.13 feet to Southeasterly line of the County Road shown on said Plat of Rancho San Juan Del Mar;

thence South 29°53' West a distance of 154.64 feet to the beginning of a curve to the left having a radius of 686.20 feet; thence along the arc of said curve through a central angle of 26.58' an arc distance of 322.97 feet;

thence South 2*57' West a distance of 202.34 feet to the thence North 18*36'30" East a distance of 195.23 feet to the beginning of a curve to the right having a radius of 1175.92

thence along the arc of said curve through a central angle of 13,37'39" an arc distance of 279.69 feet; thence South 89°07'20" West a distance of 1.11 feet to the point of beginning;

Situated in Skagit County, Washington.

PARCEL BY

The Northeast Quarter: of the Southwest Quarter, and the Southeast Quarter of the Morthwest Quarter of Section 2, Township 34 North, Range 1 Bast of the Willamette Meridian, Skagit County, Washington;

EXCEPTING therefrom said Southeast Quarter of the Northwest Quarter that portion lying within the boundaries of Short Plat 17-75, as recorded in Volume 1 of Short Plats, page 36, Auditor's File No. 817573.

Situate in Skagit County, Washington.

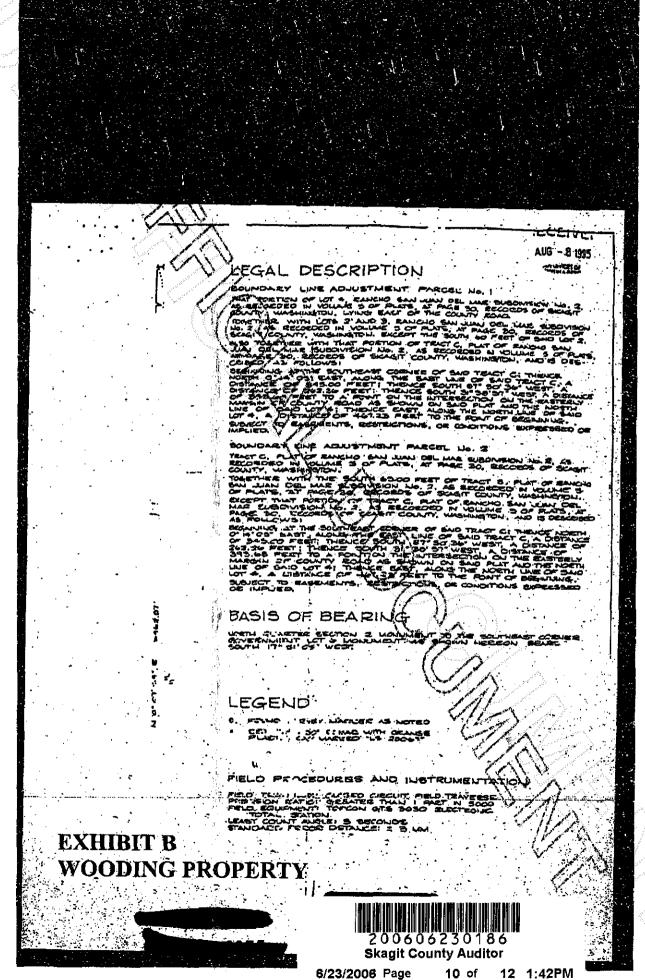
EXHIBIT A NOAR PROPER



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ALB

Chicago Title Company - Island Division

EXHIBIT 'A'

Description:

Order No: AE10572 MM

That portion of Lot 4, RANCHO SAN JUAN DEL MAR SUBDIVISION NO. 2, according to the plat thereof recorded in Volume 5 of Plats, page 30, records of Skagit County, Washington, lying East of the county road;

TOGETHER WITH Lots 2 and 3, RANCHO SAN JUAN DEL MAR SUBDIVISION NO. 2, according to the plat thereof recorded in Volume 6 of Plats, page 30, records of Skaglt County, Washington, EXCEPT the South 60 feet of said Lot 2;

AND TOBETHER WITH that portion of Tract C, PLAT OF RANCHO SAN JUAN DEL MAR SUBDIVISION NO. 2, according to the plat thereof recorded in Volume 5 of Plats, page 30, records of Skagit County, Washington, described as follows:

Beginning at the Southeast corner of said Tract C; thence North 0°14'06" East, along the East line of said Tract C, a distance of 345.00 feet; thence South 87*50 36" West; a distance of 262.26 feet;

thence south 31°38'57" West; a distance of 393.68 feet to a point on the intersection on the Easterly margin of odunty road as shown on said plat and the North line of said Lot 4; thence East along the North tine of said Lot 4, a distance of 487.23 feet to the point of beginning.

Situated in Skagit County, Washington

EXHIBIT C BOOKS PROPERTY





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EXHIBIT "D"

1. An Easement granted by Books for benefit of Wooding and Noar for underground utilities and the maintenance thereof described as follows:

That portion of Lots 2, 3 & 4, RANCHO SAN JUAN DEL MAR SUBDIVISION NO. 2, according to the Plat thereof, recorded in Volume 5 of Plats, page 30, records of Skagit County, Washington, as follows: That portion of said Lots 2 & 3 lying 15 feet West of county road, EXCEPT the South 60 feet of said Lot 2. That portion of said Lots 2 & 3 lying 15 feet East of county road, EXCEPT the South 60 feet of said Lot 2. The South 80 feet of said Lot 2, EXCEPT the South 60 feet of said Lot 2.

The East 10 feet of said Lots 2, 3 & 4, EXCEPT the South 60 feet of said Lot 2.

2. An Easement granted by Books for benefit of Wooding and Noar for underground utilities and the maintenance thereof described as follows:

That portion of Tract C, Plat of RANCHO SAN JUAN DEL MAR SUBDIVISION 2, described as follows: The East 10 feet beginning at the Southeast corner of said Tract C; thence North 0°14′05″ East, along the East line of said Tract C, a distance of 345 feet.

3. An Easement granted by Noar for benefit of Books and Wooding for underground utilities and the maintenance thereof described as follows:

That portion of the Northeast Quarter of the Southwest Quarter, and the Southwest Quarter of the Northwest Quarter of Section 2, Township 34 North, Range 1 East of the Willamette Meridian, Skagit County, Washington described as follows:

A strip of land being 10 feet wide on the East side of the following described line:

Beginning at the Northeast corner of boundary line adjustment Parcel No.1 of survey recorded under A.F. No. 9508150113 in Volume 17 of surveys, page 94, records of Skagit County, Washington:

Thence South 0°13'40"West a distance of 567.00 feet and the termination of said line.

4. An Easement granted by Noar for benefit of Books and Wooding for underground utilities and the maintenance thereof described as follows:

A 20.00 foot wide strip of land being 10 feet on each side of the following described line:

Commencing at the Northeast corner of boundary line adjustment Parcel No.1 of survey recorded under A.F. No. 9508150113 in Volume 17 of surveys, page 94, records of Skagit County, Washington;

Thence South 0°13'40"West along the East line of said Parcel No. 1 a distance of 10.03 feet to the point of beginning;

Thence North 85°33'32"East a distance of 206.45 feet;

Thence North 05°33'54"East a distance of 101.29 feet:

Thence North 88°50'22"West a distance of 169.09 feet and the termination of said line.

5. An Easement granted by Wooding for benefit of Books for underground utilities, ingress and egress, and the maintenance thereof described as follows:

A strip of land being 50 feet wide on the West side of the following described line:

Commencing at the Northeast corner of boundary line adjustment Parcel No.1 of survey recorded under A.F. No. 9508150113 in Volume 17 of surveys, page 94, records of Skagit County, Washington;

Thence North 0°13' 40" East, along the East line of Tract C, a distance of 90 feet and the termination of said line.

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