

Return Address:

Steven C. Liedel
Dykema Gossett PLLC
201 Townsend Street, Suite 900
Lansing, Michigan 48933

ENVIRONMENTAL INSPECTION EASEMENT

Grantor: Mount Vernon Center Associates, LLP

Grantee: Farm Bureau Life Insurance Company of Michigan

Legal Description

PARCEL "A":

ALL THOSE PORTIONS OF THE "PLAT OF MOUNT VERNON ACREAGE",
ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 3 OF PLATS,
PAGE 102, RECORDS OF SKAGIT COUNTY, WASHINGTON, DESCRIBED AS
FOLLOWS:

...

[see schedule 1 for full legal description]

1ST AM

NC-1031191 ⑥

Tax Account Number:

P53856/3746-000-011-0000

REVIEWED BY
SKAGIT COUNTY TREASURER
DEPUTY Bridget Ibarra
DATE 11/30/2020

ENVIRONMENTAL INSPECTION EASEMENT

This environmental inspection easement (the “Easement” or “Instrument”) is dated November 24, 2020, and is granted by MOUNT VERNON CENTER ASSOCIATES, LLP, a Washington professional limited liability partnership with an address of 650 S. Orcas St., Suite 210, Seattle, WA 98108, (the “Grantor” or “Borrower”), to FARM BUREAU LIFE INSURANCE COMPANY OF MICHIGAN, a Michigan insurance corporation with an address of P.O. Box 30400, 7373 West Saginaw Highway, Lansing, Michigan 48909 (the “Grantee” or “Lender”).

Borrower owns the improved fee simple parcel of real property described on schedule 1 (the “Real Property”).

At the request of Borrower, Lender has agreed to make a loan to Borrower (the “Loan”), secured in part by a deed of trust, assignment of rents and leases, security agreement and fixture filing granted by Borrower to Lender and dated the same date as this instrument (the “Deed of Trust”).

Lender is unwilling to extend the Loan to Borrower unless Lender can enter the Real Property to conduct inspections and tests to determine if the ownership, use, and operation of the Real Property complies with applicable environmental laws.

To obtain the Loan, Borrower wants to grant Lender an irrevocable easement permitting Lender to enter upon the Real Property for environmental inspection and testing.

Borrower therefore agrees to and grants the following:

1. **Grant.** (a) Borrower hereby grants and conveys to Lender an irrevocable easement to enter on and upon the Real Property at any time, subject to the rights of a tenant under a lease of the Real Property, for the purpose of making such audit tests, inspections, and examinations, including subsurface exploration and testing as Lender, in its discretion, deems necessary, convenient, or proper to determine whether the ownership, use, and operation of the Real Property and the conduct of the activities engaged in on the Real Property are in compliance with all federal, state, and local environmental laws, rules, and regulations.

(b) Lender, or its designated agents, may upon notice inspect and copy all of Borrower’s records relating to environmental matters and enter all buildings or facilities of Borrower for those purposes. In confirmation of Lender’s right to inspect and copy all of Borrower’s records relating to environmental matters and to secure Borrower’s obligations to Lender in connection with the Loan, and under this instrument, Borrower hereby grants to Lender a continuing security interest in and to all of Borrower’s existing and future records with respect to environmental matters, whether located at the Real Property or elsewhere, whether in the possession of Borrower or another person or entity (including any governmental agency), and whether or not written, photographic, or computerized, and the proceeds and products thereof. Lender, or its designated agent, may after notice interview any or all of Borrower’s agents and employees regarding environmental matters, including any consultants or experts retained by Borrower, all of whom are hereby directed by Borrower to discuss environmental issues fully and openly with Lender or its designated agent and to provide such information as reasonably may be requested.

(c) Borrower shall pay the reasonable costs and expenses incurred by Lender with respect to the audits, tests, inspections, and examinations that Lender may conduct, including the reasonable fees of the engineers, laboratories, and contractors if an Event of Default (as defined in the loan agreement between Borrower and Lender dated the same date as this instrument) exists at the inception of such audit, tests, inspections, and examinations. If no Event of Default exists, Borrower shall pay the costs and expenses incurred by Lender with respect to audits, tests, inspections, and examinations, including those expenses reasonably incurred with respect to subsurface exploration, material collection, sampling, laboratory analysis, and similar tests, only if Lender has a good faith reason to believe that contamination or a change in environmental condition may have occurred on the Real Property. Lender may advance such costs and expenses on behalf of Borrower. Money advanced under this section 1(c) will bear interest at the default rate provided with respect to the Loan.

2. **Duration, Defeasance, and Termination.** The easement granted by this instrument will exist and continue until all money owed by Borrower to Lender in connection with the Loan is repaid in full and the Deed of Trust has been reconveyed or released of record. A reconveyance or release of the Deed of Trust evidences the termination of the easement; provided, however, that all of Borrower's obligations, indemnity, and payment of costs or expenses under this instrument or under any other document executed in conjunction with this instrument will survive the termination of the easement granted by this instrument.

3. **Enforcement.** Borrower acknowledges that no adequate remedy at law exists for a violation of the easement granted by this instrument and hereby authorizes Lender to enforce the easement granted by this instrument by equitable writ or decree, including temporary and preliminary injunctive relief. If Lender is required to enforce its rights under this easement, Borrower shall pay all of Lender's costs and expenses in connection with the enforcement, including reasonable legal fees and expenses incurred by Lender.

4. **Assignability.** The easement granted by this instrument is assignable by Lender and will be deemed assigned to any holder of the indebtedness secured by the Mortgage.

5. **Irrevocability.** The easement granted by this instrument is irrevocable and Borrower shall not revoke the easement, but the easement may be reconveyed or released of record as provided under section 2.

6. **Lender not Lienholder in Possession.** The exercise of rights granted under this easement does not result in Lender being a lienholder in possession with respect to the Real Property.

7. **Lender a Nonparticipant in Management.** Borrower acknowledges that Lender has no decision-making authority or control over Borrower's environmental compliance, notwithstanding the easement granted by this instrument. Lender assumes no responsibility for Borrower's handling or disposal of hazardous substances, environmental compliance practices, or the overall management of Borrower's business.

8. **Intent and Interpretation.** Borrower and Lender intend for the easement created by this instrument to be construed as an interest in the Real Property and as an easement in gross, and not as a personal right of Lender or a mere license.

9. **Binding Nature.** This easement granted by this instrument is binding upon Borrower and its successors and assigns, runs with the land, and benefits Lender and its successors and assigns. This instrument must be recorded with the land records of the county in which the Real Property is located.

10. **Governing Law.** Washington law governs any adversarial proceeding arising out of this instrument or the easement granted by this instrument.

Borrower is signing this instrument on the date indicated in the introductory clause.

[SIGNATURE PAGE FOLLOWS]

MOUNT VERNON CENTER ASSOCIATES, LLP

By: William M. Schreiber
William M. Schreiber
Managing Partner

STATE OF ~~WASHINGTON~~ ^{New York ny})
COUNTY OF Richmond) ss.

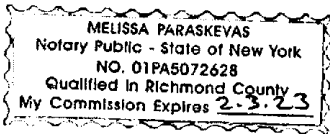
I certify that I know or have satisfactory evidence that William M. Schreiber is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the managing partner of Mount Vernon Center Associates, LLP, a Washington professional limited liability partnership, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 11/24/2020

Melissa Paraskevas
Signature

Notary Public
Title

My commission expires: 2.3.23



SCHEDULE 1
DESCRIPTION OF REAL ESTATE

The Land referred to herein below is situated in the County of Skagit, State of Washington, and is described as follows:

PARCEL "A":

ALL THOSE PORTIONS OF THE "PLAT OF MOUNT VERNON ACREAGE", ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 3 OF PLATS, PAGE 102, RECORDS OF SKAGIT COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

- A. TRACTS 5 AND 6, EXCEPT THE WEST 256.41 FEET THEREOF; AND ALSO EXCEPT THAT PORTION THEREOF CONVEYED TO THE CITY OF MOUNT VERNON BY DEED RECORDED MARCH 26, 2002 AS AUDITOR'S FILE NO. 200203260101.
- B. TRACT 7, EXCEPT THE WEST 179 FEET THEREOF;
- C. ALL OF TRACT 8;
- D. TRACT 9, EXCEPT THE WEST 268 FEET OF THE NORTH 29.5 FEET THEREOF; AND ALSO EXCEPT THE WEST 245 FEET OF THE SOUTH 100 FEET THEREOF;
- E. TRACT 10, EXCEPT THE WEST 245 FEET THEREOF; AND ALSO EXCEPT THE SOUTH 10 FEET OF THE EAST 285 FEET THEREOF;
- F. TRACT 11, EXCEPT THE SOUTH 10 FEET THEREOF.

EXCEPT FROM ALL OF THE ABOVE DESCRIBED PARCEL "A" THOSE PORTIONS THEREOF CONVEYED TO THE CITY OF MOUNT VERNON BY DEED RECORDED AS AUDITOR'S FILE NO. 200806170067.

PARCEL "A-1":

THE WESTERLY 10 FEET OF THAT PORTION OF THE ABANDONED PUGET SOUND AND CASCADE RAILWAY COMPANY RIGHT-OF-WAY IN THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 17, TOWNSHIP 34 NORTH, RANGE 4 EAST, W.M., LYING BETWEEN THE EASTERLY EXTENSION OF THE NORTH LINE OF TRACT 5 AND THE SOUTH LINE OF TRACT 11 OF SAID "PLAT OF MOUNT VERNON ACREAGE";

EXCEPT THE SOUTH 10 FEET THEREOF, AS CONVEYED TO THE STATE OF WASHINGTON FOR STATE SECONDARY HIGHWAY 1-G BY INSTRUMENT DATED MARCH 20 1951, AND RECORDED MAY 4, 1951, UNDER AUDITOR'S FILE NO. 460430, RECORDS OF SKAGIT COUNTY, WASHINGTON;

AND ALSO EXCEPT THAT PORTION THEREOF CONVEYED TO THE CITY OF MOUNT VERNON BY DEED RECORDED MARCH 26, 2002 AS AUDITOR'S FILE NO. 200203260101.

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