

After Recording Return To:

Overlook Crest, LLC
103 N. Township
Sedro Woolley, WA 98284

REVIEWED BY
SKAGIT COUNTY TREASURER
DEPUTY Lena Thompson
DATE 01/24/2023

EASEMENT AGREEMENT

Grantor: OVERLOOK CREST, L.L.C., a Washington limited liability company

Grantee: CARLOS D. HALL and MELBA A. HALL, husband and wife

Abbreviated Legal Description: Ptn SE ¼ NE ¼, Section 36, Township 34 North, Range 4 East W.M.

See Exhibit A and Exhibit B attached hereto for complete legal descriptions.

Assessor's Property Tax Parcel Account Number(s): P29999 & P29955

Recording No. of Related Documents: N/A

EASEMENT AGREEMENT

This Easement Agreement ("Agreement") is entered into this 4th day of May, 2022, by and between OVERLOOK CREST, L.L.C., a Washington limited liability company ("Grantor"), and CARLOS D. HALL and MELBA A. HALL, husband and wife ("Grantee") (each a "Party" and collectively the "Parties"), with respect to the following:

RECITALS

A. Grantor owns the real property located in Skagit County, Washington, consisting of Assessor's Parcel Number P29999, legally described on Exhibit A attached hereto and incorporated herein by reference ("Grantor Property").

B. Grantee owns the real property located in Skagit County, Washington, consisting of Assessor's Parcel Number P29955, and legally described on Exhibit B attached hereto and incorporated herein by reference ("Grantee Property"). The Grantor Property and the Grantee Property are referred to herein individually as a "Property" and collectively as the "Properties."

C. The Grantor Property and the Grantee Property share a common boundary, which is all or a portion of the western boundary of the Grantor Property and a portion of the eastern boundary of the Grantee Property.

D. As shown on Exhibit C attached hereto and incorporated herein by reference, the Grantee's wire fence located along the common boundary separating the Grantor Property and the Grantee Property, is situated approximately 11 feet into the Grantor's property and fails to follow the deeded property boundary and therefore encroaches onto the Grantor Property.

E. In consideration of the terms and conditions of this Agreement, Grantor wishes to grant to Grantee an easement so that Grantee shall have the right to use that portion of the Grantor Property enclosed by the wire fence, as it existed on the date of this Easement, which area is immediately adjacent to and east of the Grantee Property ("Easement Area").

F. Grantee wishes to accept an easement for use of the Easement Area pursuant and subject to the terms and conditions of this Agreement.

AGREEMENTS

NOW THEREFORE, in consideration of the foregoing recitals, which are hereby incorporated into and form a part of this Agreement, and of the covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor and Grantee hereby agree as follows:

1. Grant of Easement. Grantor hereby grants and conveys to Grantee, for the benefit of the Grantee Property, a non-exclusive easement ("Easement") for the use of the Easement Area, subject to (a) the rights of Skagit County and of any other third parties under any covenants, conditions, restrictions, reservations, easements and/or rights of record, (b) rights that Grantor or Grantor's

successors or assigns may grant to third parties pursuant to recorded documents for the installation, maintenance, repair and replacement of any existing or additional utilities in the Easement Area, provided that, following any such installation, maintenance, repair or replacement, the Easement Area shall be restored to substantially the same condition as it was in prior to such activity (such documents, together with the documents described in (a) above being referred to collectively as the "Recorded Documents"), and (c) the right of Grantor, Grantor's successors and assigns, and a homeowners' association of which Grantor or Grantor's successors or assigns are a member to enter the Easement Area upon reasonable notice (except in the event of emergencies in which case no notice need be given) to comply with the requirements of any governmental entity or public or private utility with which Grantee has failed to comply or to fulfill obligations under any of the Recorded Documents.

2. Grantee's Covenants. In consideration of the grant of Easement, Grantee hereby covenants and agrees to (a) maintain the Easement Area in a safe condition, to take all necessary steps to prevent the Easement Area from becoming an attractive nuisance, and refrain from taking any action that would damage or impair the integrity of any walls, fencing or other improvements located along the boundary of the Grantor Property or otherwise immediately adjacent to the Easement Area, (b) comply with all laws, ordinances, rules and regulations applicable to Grantee's use and maintenance of the Easement Area, and (c) keep the Easement Area free and clear of all liens, charges and other monetary encumbrances, solely to the extent such liens, charges and other monetary encumbrances arise out of Grantee's rights or obligations hereunder or the actions or omissions of Grantee.

3. Duration of Easement. The Easement granted herein shall be perpetual unless terminated by the mutual written agreement of the Parties or upon Grantee's acquisition of fee title to the Easement Area as provided in Section 4 below, in which event the Easement and this Agreement shall terminate effective upon the date of such termination by the Parties or on the date of Grantee's acquisition of fee title to the Easement Area. Subject to the foregoing, the Parties acknowledge and agree that this Agreement shall be recorded against the Grantor Property and the Grantee Property, and thus shall run with the respective properties and shall be binding upon and inure to the benefit of the Parties and their respective heirs, legal representatives, successors and assigns.

4. Grantee's Acquisition of Fee Title to Easement Area. The Parties acknowledge that Grantor intends to convey fee title to the Easement Area to Grantee. In connection with the foregoing, Grantee agrees that Grantor may, at any time, execute and record a quitclaim or other deed that conveys fee title to the Easement Area to Grantee. In the alternative, if Grantor determines in its reasonable discretion that fee title to the Easement Area must be conveyed to Grantee in another manner, such as, by way of example and not limitation, a boundary line adjustment, then Grantor shall have the right to convey fee title to the Easement Area to Grantee in such other manner, and Grantee agrees that it will execute such documents and take such actions as are reasonably necessary for Grantor to so convey the Easement Area to Grantee, provided that same shall be at no cost to Grantee. In connection with the conveyance of the Easement Area to Grantee, Grantee agrees to sign a document in recordable form prepared by Grantor that will terminate of record this Agreement and the Easement granted herein, provided that same shall be at no cost to Grantee. If Grantor has not conveyed fee title to the Easement Area to the Grantee within one year of the recording of the final plat of The Reserve at Overlook Crest, Grantee shall have the right to compel Grantor to take all such actions as are commercially reasonable to convey fee title to the Easement Area to Grantee. The Parties agree that the provisions of this Agreement are good and sufficient consideration for the conveyance of fee title to the Easement Area to Grantee.

5. Indemnity. To the maximum extent permitted by law, Grantee agrees to defend, indemnify and hold harmless Grantor and its parents, subsidiaries, directors, officers, employees, agents, representatives, contactors, consultants, insurers, successors and assigns (collectively, "Grantor Parties") against and from any and all claims, losses, damages, liabilities, costs and expenses, including without limitation attorneys' fees (collectively, "Claims"), that arise from or relate to Grantee's rights or obligations hereunder or the actions or omissions of Grantee or his, her or its family members, invitees, agents, heirs, representatives, consultants, contractors or assigns (collectively, "Grantee Parties").

6. Insurance. Grantee agrees to include the Easement Area within the coverage of homeowner's insurance policies maintained with respect to the Grantee Property for liabilities arising out of Grantee's rights or obligations hereunder or the use of the Easement Area by Grantee or any of the Grantee Parties.

7. Recorded Documents. Without limitation of any other provisions of this Agreement, Grantee agrees to fulfill, and to defend, indemnify and hold Grantor and the other Grantor Parties harmless from any Claims that arise from or relate to Grantee's failure to fulfill, all of the obligations of the owner or occupant of the Easement Area under any of the Recorded Documents.

8. AS IS. SUBJECT TO THE TERMS AND CONDITIONS OF THIS AGREEMENT, GRANTEE SHALL HAVE THE RIGHT TO USE THE EASEMENT AREA IN ITS CURRENT AS IS, WHERE IS CONDITION AND WITH ALL FAULTS. GRANTEE ACKNOWLEDGES AND AGREES THAT GRANTOR HAS MADE NO REPRESENTATIONS OR WARRANTIES, AND GRANTOR HEREBY EXPRESSLY DISCLAIMS ANY AND ALL REPRESENTATIONS OR WARRANTIES, IN CONNECTION WITH THE GRANT OF THE EASEMENT HEREUNDER AND GRANTEE'S RIGHT TO USE THE EASEMENT AREA. GRANTEE HEREBY FOREVER WAIVES, RELEASES AND DISCHARGES GRANTOR AND THE OTHER GRANTOR PARTIES FROM ANY AND ALL CLAIMS ARISING FROM OR RELATING TO THE GRANT OF THE EASEMENT HEREUNDER AND/OR GRANTEE'S RIGHT TO USE THE EASEMENT AREA, EXCEPT THAT THE FOREGOING SHALL NOT RELEASE GRANTOR FROM A BREACH OF ANY OF ITS OBLIGATIONS UNDER THIS AGREEMENT OR FOR THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF GRANTOR OR ANY OF THE GRANTOR PARTIES.

9. Covenant to Not Interfere. Grantee acknowledges that Grantor and/or its successors or assigns may develop the Grantor Property into single family homes, and in connection with same, Grantee agrees that (a) Grantee will not claim any fee or other interest in or to any portion of the Grantor Property (including without limitation the Easement Area), by adverse possession or otherwise, except with respect to the rights expressly granted to Grantee in this Agreement; and (b) Grantee will not take any action or fail to take any action that will obstruct or delay Grantor's development of the Grantor Property or the construction, marketing or sale of homes on the Grantor Property.

10. Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, then the legality, validity and enforceability of the remaining provisions of this Agreement shall not be affected thereby; and in lieu of each such illegal, invalid or unenforceable provision, there shall be added automatically as a part of this Agreement a provision as

similar in terms to such illegal, invalid or enforceable provision as may be possible which shall be legal, valid and enforceable.

11. Entire Agreement; No Modifications. This Agreement, together with the attached exhibits, constitutes the entire agreement between the Parties with respect to the matters described herein. Any prior correspondence, memoranda, understandings, offers, negotiations and agreements, oral or written, including, without limitation, any prior letter agreement or easement agreement entered into by Grantee and Grantor or a predecessor in interest to Grantor, are replaced in total by this Agreement. This Agreement may not be modified or amended except in a writing signed by the record owners of the Properties.

12. Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Washington.

13. Headings. Headings of the paragraphs of this Agreement are for convenience and reference only and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction, or meaning of the provisions hereof.

14. Default and Disputes. If either Party fails to perform any obligation under this Agreement, the non-defaulting Party may (a) bring suit to recover its actual damages, (b) bring suit to specifically enforce this Agreement and to recover any incidental damages or (c) pursue any other rights or remedies available at law or in equity. Any disputes arising under or relating to this Agreement or the rights or obligations hereunder shall be resolved by a proceeding or action brought exclusively in Skagit County, Washington.

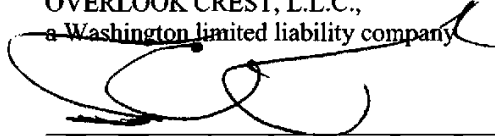
15. Counterparts. This instrument may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument.

16. Attorneys' Fees. In the event either Party brings any action against the other Party to interpret or enforce this Agreement, or for damages for any alleged breach hereof, the prevailing Party in such action shall be entitled to attorneys' fees as awarded by the court, in addition to all other recoverable costs and damages.

[INTENTIONAL PAGE BREAK]

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

Grantor: OVERLOOK CREST, L.L.C.,
a Washington limited liability company



Name: Robert Janicki
Title: Member

Grantee: Carlos D. Hall
CARLOS D. HALL

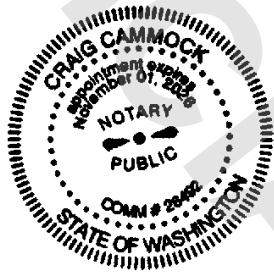
Melba A. Hall
MELBA A. HALL

Acknowledgements follow

STATE OF WASHINGTON)
)ss.
COUNTY OF SKAGIT)

On this 19 day of May, 2022, before me, a Notary Public in and for the State of Washington, personally appeared ROBERT JANICKI, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed this instrument, on oath stated that he was authorized to execute the instrument, and acknowledged it as the Member of OVERLOOK CREST, L.L.C., a Washington limited liability company, to be the free and voluntary act and deed of said company for the uses and purposes mentioned in the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.



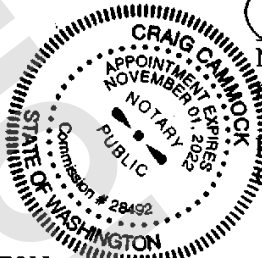
[Handwritten Signature]

NOTARY PUBLIC in and for the State of
Washington, residing at BOW
My appointment expires 11-1-2025
Print Name CRAIG CAMMOCK

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

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

DATED: May 4, 2022.

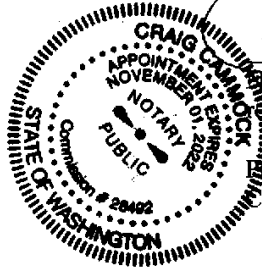


[Signature]
Notary Public in and for State of Washington
Residing at Bellevue (City) WA (State)
Print name: CRAIG CAMMOCK
Commission expires: 11-1-2025

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

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

DATED: May 4, 2022.



[Signature]
Notary Public in and for State of Washington
Residing at Bellevue (City) WA (State)
Print name: CRAIG CAMMOCK
Commission expires: 11-1-2025

Exhibit A
Overlook Crest, L.L.C. Legal Description

Tax Parcel No. P29999:

The Southeast Quarter of the Northeast Quarter of Section 36, Township 34 North, Range 4 East of the Willamette Meridian;

EXCEPT highway right of way.

AND EXCEPT that portion of said property described as follows:

Beginning at the Southeast corner of the Northeast Quarter of said Section 36;
Thence South 89°25'43" West along the South line of said Northeast Quarter a distance of 1,208.46 feet to the true point of beginning of this description;
Thence North 17°05'32" West, a distance of 930.67 feet;
Thence South 74°16'52" West, a distance of 508.04 feet, more or less, to a point on the Easterly right of way line of State Highway 1-A;
Thence in a Southerly direction along the Easterly right of way line of State Highway 1-A on a curve to the right to a point on the South line of said Northeast Quarter of said section;
Thence North 89°25'43" East along said South line of said Northeast Quarter, a distance of 514.21 feet, more or less, to the true point of beginning.

Situated in Skagit County, Washington.

Exhibit "A"

Exhibit B
Hall Legal Description

Tax Parcel Number(s): P29955

That portion of the Southwest quarter (SE ¼) of the Northeast quarter (NE ¼) and of Government Lot Six (6), Section Thirty-six (36), Township Thirty-four (34) North, Range Four (4) East of the Willamette Meridian, described as follows:

Commencing at the Southeast corner of the Northeast quarter (NE ¼) of said Section 36; thence South 89°25'43" West along the South line of said Northeast quarter (NE ¼) a distance of 1208.46 feet to the true point of beginning; thence continue South 89°25'43" West 514.21 feet, more or less, to the Easterly line of State Highway No. 1-A; thence Northerly along said Easterly line 84 feet; thence North 74°16'52" East to a point which lies North 17°05'32" West from the true point of beginning; thence South 17°05'32" East to the true point of beginning.

Situate in Skagit County, Washington.

Exhibit "B"

Exhibit C

Depiction of Encroachment

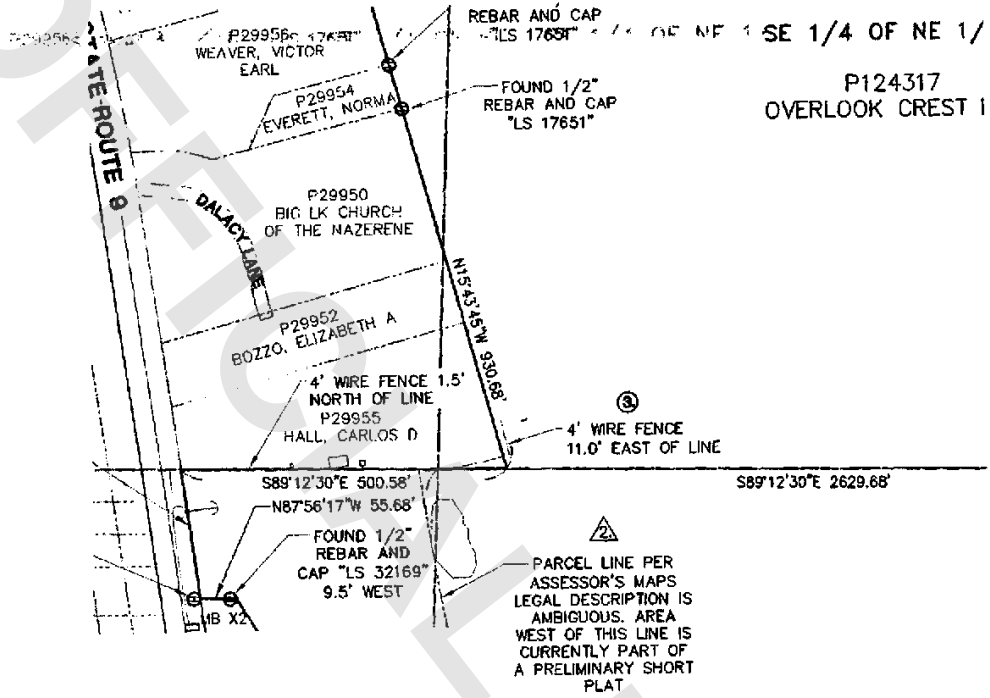


Exhibit "C"