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TRANSACTION TITLE CO ES

52.00 Douglas County

7/11

After recording, return to:
McKean Law Office
704 E. Olive
Moses Lake, WA 98837

20335511-28

ROAD AND UTILITY EASEMENT

RICE LAND LLC, a Washington Limited Liability Company, by
Mel Henkle, Marcia Henkle, and Brett Henkle, Members, hereby grants to
PILOT ROCK RANCH, INC. a Washington Corporation, for the benefit
of the described benefited property an easement for the purpose of road
access and the construction and maintenance of electrical power,
communications and other utilities.

REAL PROPERTY AFFECTED: The easement granted herein lies
within, burdens and runs with the following described property:

Douglas County APN: 25281910001

All of Section 19 lying east of State Highway 17, Township 25 North, Range
28 EWM, Douglas County, Washington, Except the Southeast Quarter of the
Southeast Quarter; and Except the Northeast Quarter of the Northeast
Quarter; and Except that portion deeded to Douglas County for road
purposes in Book 71, Page 635; and Except those portions deeded to the



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State of Washington in Book 282, Book 110, Page 369, Auditor's No.

228216 and Auditor's No. 228217

The easement granted herein benefits and provides road access to and a utility easement for the following property and runs with the land.

Parcel A: Douglas County APN: 25282920000

The Northwest Quarter of Section 29, Township 25 North, Range 28, EWM, Douglas County, Washington.

Parcel B: Douglas County APN: 25282010001

The Northeast Quarter; the Southwest Quarter; the Southeast Quarter of the Northwest Quarter; and the Northwest Quarter of the Southeast Quarter of Section 20, Township 25 North, Range 28 EWM, Douglas County, Washington.

EASEMENT: The Grantor grants to Grantee the following easement:

A 60' feet wide easement for ingress, egress and utilities over, under and across that portion of the South half of section 19 Township 25 North, Range 28 East, W.M. in the County of Douglas, State of Washington, which center line is described as follows;

Commencing at the Southeast corner of said section 19 a found brass cap monument; thence West along the South line of said section 19 to the intersection of the Easterly right of way of State Highway known as SR- 17; said right of way being 100' easterly of centerline at right angles of said highway; thence Northwesterly along the Easterly right of way to a point being 30' feet north of at right angles of said South line of section 19 and the intersection of said right of way being the TRUE POINT OF BEGINNING of the described center line.



Thence North 89°17'23" East a distance of 425.14 feet along an existing access road being not less than 30' feet North of the South line of said section 19 to a curve to the left with a radius of 1000' feet; a delta angle of 2°33'31" an arc length of 44.66 feet; thence North 86°43'52" East a distance of 296.73 feet to a curve to the left with a radius of 1000' feet a delta angle of 2°56'52" an arc length of 51.45 feet; thence North 83°47'00" East a distance of 850.33 feet to a curve to the right with a radius of 500' feet a delta angle of 7°00'31" an arc length of 61.16 feet; thence South 89°12'29" East a distance of 47.04' feet to a curve to the left with a radius of 400' feet a delta angle of 38°37'46" an arc length of 269.68' feet; thence North 52°09'46" West a distance of 374.46' feet to a curve to the left with a radius of 400' feet a delta angle of 9°11'45" and arc length of 64.20' feet; thence North 42°58'00" East a distance of 312.66 feet to a curve to the left with a radius of 400' feet a delta angle of 18°57'45" an arc length of 132.38' feet; thence North 24°00'15" East a distance of 537.62 feet to a curve to the right with a radius of 150' feet a delta angle of 59°36'33" an arc length of 156.06; thence North 83°36'48" East a distance of 353.35 feet to a curve to the right with a radius of 2,000' feet a delta angle of 1°32'46" an arc length of 53.97' feet; thence North 82°04'01" East a distance of 420.94 feet; to a curve to the right with a radius of 800' feet a delta angle of 21°48'17" an arc length of 304.45 feet; thence South 76°07'42" East a distance of 188.05' more or less to a point on the East line of said section 19 and the terminus of said 60' wide easement; said point bearing North 0°49'09" West along the East line of said section 19 a distance of 1371.70 feet from the Southeast corner of section 19;

Side lines of said easement to terminate at the East line of section 19, and the East right of way State Highway known as SR-17.

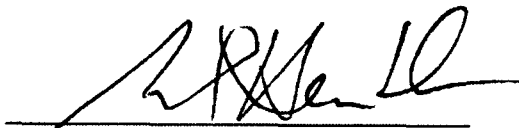
A schematic drawing of said easement is attached as Exhibit A and incorporated herein by this reference.

The easement hereby granted shall be for the mutual and nonexclusive use and enjoyment of Grantors and Grantees, their heirs and assigns.

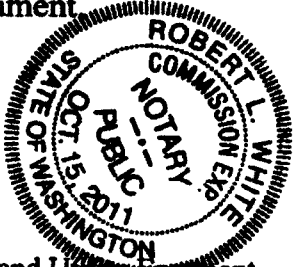
CONSTRUCTION, REPAIRS AND MAINTENANCE: The cost of building the access roadway and the cost of installing utilities from SR 17 to

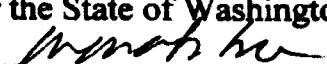


the last one-quarter (1/4) mile of access roadway shall be shared between Grantor and Grantee on an equal 50/50 basis. The Grantee shall pay one hundred percent (100%) of the cost of construction of the road and utilities for the last one-quarter (1/4) mile of access roadway. Total length of the road to be constructed is estimated to approximate one mile from SR 17. After the roadway and utilities are constructed, all improvements, repairs and maintenance shall be the obligation of both parties. Unless otherwise agreed all labor, costs for repair and maintenance shall be divided between the parties in proportion to their benefited lots; that is, 15/43 to Rice Land, LLC, and 28/43 to Pilot Rock Ranch, Inc. The parties further agree to enter into a road maintenance agreement in the form of Road Maintenance Agreement attached hereto as Exhibit B and incorporated herein by this reference.


Mel Henkle, Member of
Rice Land LLC.

On this 19th day of February, 2008, Mel Henkle appeared before me and on oath stated that he was authorized to execute the instrument and acknowledged it as the Member of Rice Land, LLC to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



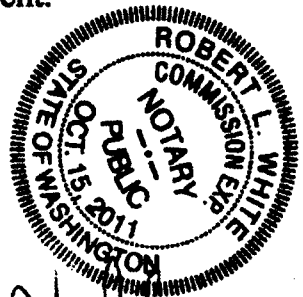
Notary Public for the State of Washington
residing at 
My commission expires 10/15/2011



TRANSACTION TITLE CO ES 52.00

Marcia Henkle
Marcia Henkle, Member of
Rice Land LLC.

On this 18th day of February, 2008, Marcia Henkle appeared before me and on oath stated that she was authorized to execute the instrument and acknowledged it as the Member of Rice Land, LLC to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

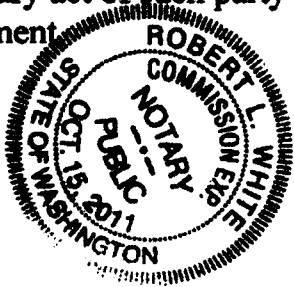


[Signature]

Notary Public for the State of Washington
Residing at [Signature]
My commission expires 10/15/2011

Brett Henkle
Brett Henkle, Member of
Rice Land LLC.

On this 18th day of February, 2008, Brett Henkle appeared before me and on oath stated that he was authorized to execute the instrument and acknowledged it as the Member of Rice Land, LLC to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



[Signature]

Notary Public for the State of Washington
Residing at [Signature]
My commission expires 10/15/2011

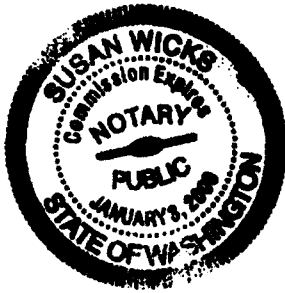


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Pilot Rock Ranch, Inc. by:

Gary Adams
Gary Adams, President and
Sole Shareholder.

On this 25th day of February, 2008, Gary Adams appeared before me and on oath stated that he was authorized to execute the instrument and acknowledged it as the President and Sole Shareholder of Pilot Rock Ranch, Inc. to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



Susan Wicks
Notary Public for the State of Washington
Residing at *Moses Lake*
My commission expires *Jan. 3, 2009*

DAVIS ARNEIL LAW FIRM
BOX 2136
WENATCHEE WA 98807
(509) 662 3551
FAX: (509) 662 9074



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EXHIBIT B

ROAD MAINTENANCE AGREEMENT

This road maintenance and reconstruction agreement applies to the road easement shown generally on the attached Exhibit A. The provisions of these maintenance and reconstruction covenants shall be binding on and for the benefit of the signatories hereto ("lot owners") and all persons, corporations, partnerships, associations or other legal entities owning or holding an interest in any part of the lots legally described in Exhibit B or any property serviced in the future by said road easement, and the successors, heirs, executors, administrators and assigns of all of the above.

In consideration of the mutual covenants and promises set forth herein, the undersigned agree as follows:

1. **Road Maintenance/Reconstruction.** The portion of the easement road referred to above and shown generally on Exhibit A is not a part of the Douglas County road system. Therefore, the following rules and regulations shall apply as covenants burdening all property accessed by said road:

a. **Costs.** The cost of maintenance and reconstruction of the road include, but are not limited to, the cost of the following: snow removal, surface oiling, improvement work, brushing, grading, culvert and ditch cleaning. No maintenance or reconstruction activity costing more than \$_____ shall be authorized or undertaken without the consent of the owners of two-thirds of the lots served by the road. Any party who personally or through invitees causes unreasonable damage to the road will be solely responsible for the repair of such damage.

b. **Road Committee.** A three (3) person committee, to be known as the Road Committee, shall be formed and one of said persons shall serve as chairperson. The



purpose of the committee will be to determine road upkeep and maintenance needs, including making decisions pertaining to surface oiling, snow plowing, etc. The lot owners, as an unincorporated association, authorize the Road Committee to act on their behalf, to perform all tasks designated in these covenants, and to expend up to \$_____ for any specific maintenance or reconstruction activity without prior approval by lot owners (see a. above on vote requirement for expenditures in excess of \$_____). At its discretion, the Road Committee may organize a volunteer work party to carry out any appropriate annual maintenance, or negotiate with an independent contractor to provide said maintenance work (subject to cost limitations set forth herein). All authorized costs and expenses, including the cost of any independent contractor, shall be assessed to each lot owner on a per lot basis, as provided herein.

c. Assessments for Maintenance and Reconstruction. The cost of labor and the purchase of materials in connection with road maintenance, repair and capital improvements shall be equitably shared and paid on a quarterly basis by all owners of property served by the road in the same proportion that the number of lots each party owns bears to the total number of lots served by the road.

d. Delinquent Assessments. If any lot owner fails to make payment of an assessment on or before the 30th day after the due date, there shall accrue a late charge of \$10.00, together with interest at 12% per annum (compounded annually) on such delinquent sum calculated from the date of delinquency to and including the date full payment is received by the Road Committee. If a lot owner is delinquent for a three-month period, the Road Committee shall have the right to issue and record in the office of the Douglas County Auditor a foreclosable lien giving notice of such delinquent sum and other charges and interest due (including the cost of recording such notice and reasonable attorneys' fees, if any). Upon payment of such delinquent sums and charges, or other satisfaction thereof, the Road Committee shall cause to be recorded further notice stating the satisfaction and release of such lien. Such liens and notices shall be signed on behalf of the Road Committee by its chairperson. If legal action is instituted to collect delinquent sums or foreclose on a lien filed pursuant to these covenants, the nondelinquent lot owners, as an unincorporated association acting through the Road Committee, shall be entitled to recover court costs and a reasonable attorney's fee to be fixed by the court, and any judgment entered by the court shall bear interest at the rate of 12% per annum from the date of entry until paid.

e. Annual Meeting and Election of Road Committee. Road Committee members shall serve a one year term and the election of the Road Committee shall take place annually at an annual meeting of the owners of all lots served by the road. Said meeting shall be held in _____ or such other month as the majority of lot owners shall determine. The time and place of the meeting shall be specified by the Road Committee. Reasonable advance notice of the meeting shall be given to all lot owners. Road Committee



members may fill consecutive terms of office. The newly elected Road Committee members shall select amongst themselves who shall serve as chairperson of the Committee.

f. Voting Power. On all matters for which lot owners may vote hereunder, lot owners (regardless of the number of owners) shall have one vote only for each lot they own that is served by said easement. For the purposes of this agreement, each of the parcels described on Exhibit B shall be considered to be one lot. In the event that, subsequent to execution of this agreement, any of the lots are further subdivided in conformity with Douglas County subdivision or short plat ordinances, or in the event the road is extended to serve any additional lots, the owner of such newly created or accessed lot shall be considered a lot owner and shall be entitled to one vote for each lot owned, subject to all rights, liabilities and obligations arising under these mutual covenants.

2. Amendment or Termination of Road Maintenance Covenants. The road maintenance covenants contained herein may be amended or terminated by the lot owners at a duly constituted meeting for such purpose. No amendment or termination shall take effect unless approved by two-thirds of all votes entitled to be cast. No amendment, alteration or change shall be effective until recorded in the office of the Auditor of Douglas County, Washington.

3. Binding Effect. These covenants shall run with the real property and be binding upon the undersigned, their heirs, successors and assigns, and all persons, corporations, partnerships or associations or other legal entities owning or holding any interest in any portion of the above-described property or any property which is served in the future by that portion of the easement shown on Exhibit A.

DATED this 25th day of February, 2008.

RICE LAND, LLC, a Washington limited liability company

By Mel Henkle
Mel Henkle, Member

PILOT ROCK RANCH, ^{Jr}~~LLC~~, a Washington ~~limited liability company~~ CORPORATION.

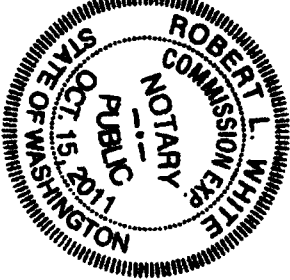
By Doug W. [Signature]
Member PRESIDENT

State of Washington
County of Chelan



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I certify that I know or have satisfactory evidence that Mel Henkle 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 member of Rice Land, LLC to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



Dated 2/19/08

Signature Robert L. White
Notary Public

My Appointment Expires 10/15/2011

State of Washington
County of Grant

I certify that I know or have satisfactory evidence that Gary Adams 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 member of Pilot Rock Ranch, ~~LLC~~ to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



Dated Feb. 25, 2008

Signature Susan Wicks
Notary Public

My Appointment Expires Jan. 3, 2009