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Stoel Rives LLP
760 SW Ninth Avenue, Suite 3000
Portland, OR 97205
Attn: Kenneth P. Childs

SKAMANIA COUNTY RECORDING COVER SHEET

Document Title: **EASEMENT AGREEMENT**

Grantors: **DEREK A. YEAGER, JACE A. YEAGER, KYLE A. YEAGER
ROBERT LEE AND MARCUS LEE**

Grantee: **S.D.S. CO., L.L.C.**

Legal Description: **E1/2SE1/4, Section 25, T3N, R7E, WM;
Lot 1, Yeager Haven Plat; and
Government Lot 10 and west 18.63 acres Government Lot 11,
Cover easement Section 25, T3N, R71/2E, WM**

See exhibits on pages 9, 10 and 11 for complete legal descriptions.

Assessor's Property Tax Parcel Account Number: 03072540010000, 03072540010300 &
03752500090000

After recording, return to:

Kenneth P. Childs
Stoel Rives LLP
760 SW Ninth Ave, Suite 3000
Portland, OR 97205

EASEMENT AGREEMENT

This EASEMENT AGREEMENT (this "Agreement") is entered into effective as of May 15, 2018, by and between S.D.S. Co., L.L.C. (the "SDS"), Derek A. Yeager, Jace A. Yeager, and Kyle A. Yeager (collectively the "Yeagers") and Robert Lee and Marcus Lee (collectively the "Lees"), who are sometimes referred to herein each as a "Party," and collectively as the "Parties."

RECITALS

A. SDS owns the real property in Skamania County, Washington described on attached **Exhibit A** (the "SDS Property"). The Yeagers own the real property in Skamania County, described on attached **Exhibit B** (the "Yeager Property"), and the Lees own the real property in Skamania County described on the attached **Exhibit C** (the "Lee Property").

B. The Yeagers and the Lees desire to grant to SDS the right to build and use a road on the Yeager Property and the Lee Property, and the Lees desire to grant the Yeagers the right to use the road built by SDS on the Lee Property subject to the terms and conditions hereinafter set forth.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. **Grant of Easement.**

(a) The Yeagers hereby grant to SDS and SDS's successors and assigns, a perpetual, nonexclusive easement and right-of-way along, over and across the Yeager Property located approximately as shown on the map attached as **Exhibit D** (the "Yeager Easement"). The Yeager Easement shall include the right of SDS to construct and maintain a road upon the Yeager Easement.

(b) The Lees hereby grant to SDS and SDS's successors and assigns a perpetual, nonexclusive easement and right-of-way along, over and across the Lee Property

located approximately as shown on the map attached hereto as **Exhibit E** (the “Lee Easement”). The Lee Easement shall include the right of SDS to construct and maintain a road upon the Lee Easement.

(c) The Lees hereby grant the Yeagers and the Yeagers’ successors and assigns a perpetual, nonexclusive easement and right-of-way along, over and across the Lee Easement.

(d) The Yeager Easement and the Lee Easement are collectively referred to herein as the “**Easements**” and each individually as an “**Easement**.”

2. **Road Width.** SDS shall construct a road (the “Road”) over the Yeager and the Lee Easements in accordance with Washington Forest Practices standards and regulations regarding drainage and storm water runoff, which shall be up to 16’ wide and have 6” of base rock and 3” of surface rock.

3. **Purposes; Restrictions.** The Easements are granted to SDS for the purposes of: (i) transporting forest products, rock and other valuable materials across the Road; (ii) forest and timber management uses, including access for fire protection and suppression purposes, and (iii) providing access to the SDS Property. The Lee Easement is granted to the Yeagers to provide access to the Yeager Property for residential purposes.

4. **Road Crossing; Reservations.** Each Easement granted herein is non-exclusive and is concurrent with the rights of the Party granting such Easement, and any third-party licensees, contractors or permittees of the granting Party. Each Party granting an Easement herein reserves for itself the right at all times, for any purpose, to cross and recross, at any place on grade or otherwise, the Road on its own lands, and to use the Road in a manner that will not unreasonably interfere with the rights granted the other Party hereunder.

5. **Maintenance.** SDS shall initially be responsible for the cost of constructing and maintaining the Road during and immediately following its logging operations; thereafter, the Parties shall perform that share of the maintenance and resurfacing occasioned by their proportionate use of the Easements. For purposes of this Agreement, “maintenance” is defined as the work normally necessary to preserve and keep the roadway, road structure, and road facilities as nearly as possible in their constructed or improved condition.

6. **Road Damage.** Each Party using the Road shall repair, or cause to be repaired, at its sole cost and expense, any damage to the Road occasioned by such Party, which is in excess of the wear and tear that would result from the normal and prudent use of the Road.

7. **Yeager Extension Road.** In partial consideration for grant of the Yeager Easement, SDS shall construct an extension road (the “**Extension**”) running North-South along the Eastern boundary of the Yeager Property and ending at the Northern boundary of the Yeager Property. The Extension shall be located approximately as shown on the attached **Exhibit F** and shall be constructed in accordance with Washington Forest Practices standards and regulations regarding drainage and storm water runoff, which shall be approximately 12’ wide and have 6” of base rock. After its completion, SDS shall have no responsibility for maintaining or repairing the Extension.

8. **Reservation of Timber.** Each Party hereto reserves to itself all timber now on or hereafter growing within the rights of way of the Road on its own property. If it is necessary for SDS to cut any merchantable timber located upon the Yeager or the Lee Property in order to construct, reconstruct, or maintain the Road, the Parties shall meet and agree upon the disposition of the timber. In the absence of an agreement, the Party owning the timber shall first have the right, for a period of thirty (30) days, to cut and remove such timber. If the Party owning such timber fails to cut and remove the timber within thirty (30) days after notice from SDS of its intent to reconstruct or maintain the Road, SDS may cut such timber, and buck and remove it, in which event, SDS shall not be responsible to the Party from whose land the timber was removed for the value of such cut timber.

9. **Liens.** Each Party shall pay when due all charges and expenses for labor and material incurred by such Party in connection with the construction, reconstruction, or maintenance of the Road, and shall keep the Yeager and Lee Properties free of liens arising out of such charges.

10. **Gates.** If either Party now has, or hereafter places, a gate on the Road on its property that blocks or interferes with another Party's access to or use of the Easements, it shall either provide to the other affected Party or Parties a key, the lock combination, or such other devise or information as is necessary for opening such lock, or permit the other affected Party or Parties to replace the lock with a lock that can independently be used to open such gate.

11. **Appurtenant Easements; Benefitting and Binding on the Land.** This Agreement and all of the rights and obligations hereunder shall run with the lands described herein and shall inure to the benefit of and be binding upon the Parties and the respective successors and assigns of the Parties hereto and successor owners of the lands described herein. The rights of SDS herein are appurtenant to and shall inure to the benefit of the SDS Property, and may be used by SDS and SDS's successors and assigns for the administration, management, and protection of, and harvesting and hauling of forest and other commercial products from the SDS Property and other lands and timber now owned or hereafter acquired by SDS which can logically be accessed from the Road on the Yeager and Lee Properties. The right of the Yeagers herein shall be appurtenant to and shall inure to the benefit of the Yeager Property, and may be used by the Yeagers and Yeagers' successors and assigns for accessing any residence on the Yeager Property.

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

13. **Attorney's Fees.** If suit or action is instituted to interpret or enforce the terms of this Agreement, the prevailing party shall be entitled to recover from the other party such sum as the court may adjudge reasonable as attorneys' fees at trial, on any appeal, on any petition for review, and in any other proceeding, including any bankruptcy case (including any contested matter or adversary proceeding therein and matters peculiar to bankruptcy) or arbitration proceeding, in addition to all other sums provided by law.

14. **Counterparts.** This Agreement may be executed in two or more counterparts and each counterpart shall be deemed to be an original, but all of which together shall constitute

one and the same instrument upon delivery of one such counterpart by each party to this Agreement.

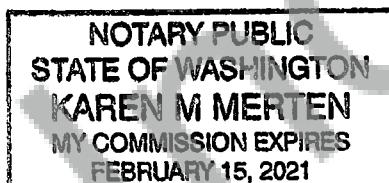
IN WITNESS WHEREOF, the SDS has executed this Easement Agreement with the intent that it be effective as of the day and year first written above.

S.D.S. CO., L.L.C.

By: Craig Ferguson CFO
Name: Craig Ferguson
Title: CFO

STATE OF WASHINGTON)
COUNTY OF Klickitat)ss.

This instrument was acknowledged before me this 14th day of May, 2018, by
Craig Ferguson, as CFO of S.D.S. Co., L.L.C.



Karen M Merten
Notary Public
My commission expires: 02/15/2021
Commission No.:

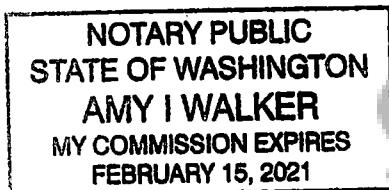
[Signatures and Acknowledgements Follow]

IN WITNESS WHEREOF, Derek A. Yeager has executed this Easement Agreement with the intent that it be effective as of the day and year first written above.

Derek A. Yeager
Derek A. Yeager

STATE OF WASHINGTON)
COUNTY OF Klickitat)ss.

This instrument was acknowledged before me this 11 day of May, 2018, by
Derek A. Yeager.



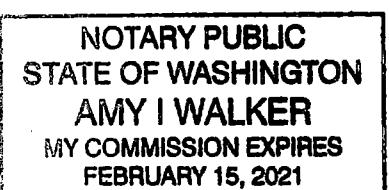
Amy I Walker
Notary Public
My commission expires: 2/15/2021
Commission No.:

IN WITNESS WHEREOF, Kyle A. Yeager has executed this Easement Agreement with the intent that it be effective as of the day and year first written above.

Kyle A. Yeager
Kyle A. Yeager

STATE OF WASHINGTON)
COUNTY OF Klickitat)ss.

This instrument was acknowledged before me this 11 day of May, 2018, by
Kyle A. Yeager.



Amy I Walker
Notary Public
My commission expires: 2/15/2021
Commission No.:

[Signatures and Acknowledgements Follow]

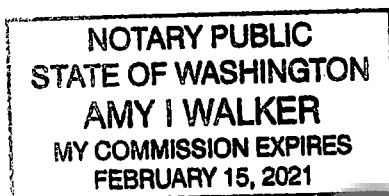
IN WITNESS WHEREOF, Jace A. Yeager has executed this Easement Agreement with the intent that it be effective as of the day and year first written above.



Jace A. Yeager

STATE OF WASHINGTON)
COUNTY OF Klickitat)ss.

This instrument was acknowledged before me this 11 day of May, 2018, by
Jace Yeager.





Amy I Walker
Notary Public
My commission expires: 2/15/2021
Commission No.:

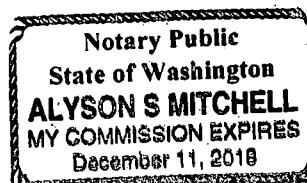
[Signatures and Acknowledgements Follow]

IN WITNESS WHEREOF, Robert Lee has executed this Easement Agreement with the intent that it be effective as of the day and year first written above.

Robert Lee

STATE OF WASHINGTON)
COUNTY OF Whatcom)
ss)

This instrument was acknowledged before me this 18th day of May, 2018, by
Robert Lee.



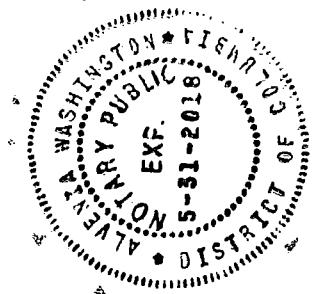
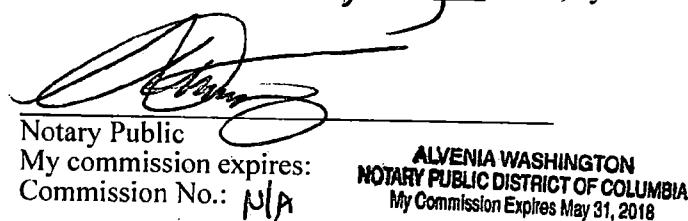
Notary Public
My commission expires: 12/11/2028
Commission No.: 123456789

IN WITNESS WHEREOF, Marcus Lee has executed this Easement Agreement with the intent that it be effective as of the day and year first written above.

Marcus Lee

District of Columbia
STATE OF WASHINGTON
COUNTY OF —

This instrument was acknowledged before me this 14 day of May, 2018, by
Marcus Lee.



**EXHIBIT A
TO
RECIPROCAL EASEMENT AGREEMENT**

Description of SDS Property

Government Lot 10, and the west 18.63 acres of Government Lot 11, of Section 25, Township 3 North, Range 7½ East, W.M., Except that portion thereof which lies within the 300 foot strip of land acquired by the United States of America for the Bonneville Power Administration's electric power transmission lines.

**EXHIBIT B
TO
RECIPROCAL EASEMENT AGREEMENT**

Description of Yeager Property

A tract of land in the East half of the Southeast Quarter of Section 25, Township 3 North, Range 7 East of the Willamette Meridian, in Skamania County, Washington, described as follows:

Beginning at a point on the East Line of said Section 25, which is 990 feet North of the Southeast corner of said Section 25; thence North along said Section line 235.37 feet; thence North $89^{\circ} 08' 41''$ West 220 feet, more or less; thence Southwesterly 271.70 feet along the East line of Lot 1 of the Yeager Haven Plat, as recorded in book "A" of Plats at page 134; records of Skamania County, WA; Subject to and together with easements of record.

**EXHIBIT C
TO
RECIPROCAL EASEMENT AGREEMENT**

Description of Lee Property

Lot 1 of the Yeager Haven Plat, as recorded in book "A" of Plats at page 134; records of Skamania County, State of Washington.

RECIPROCAL EASEMENT AGREEMENT- Exhibit C - Page 1

**EXHIBIT D
TO
RECIPROCAL EASEMENT AGREEMENT**

MAP OF YEAGER EASEMENT

(See attached pages)

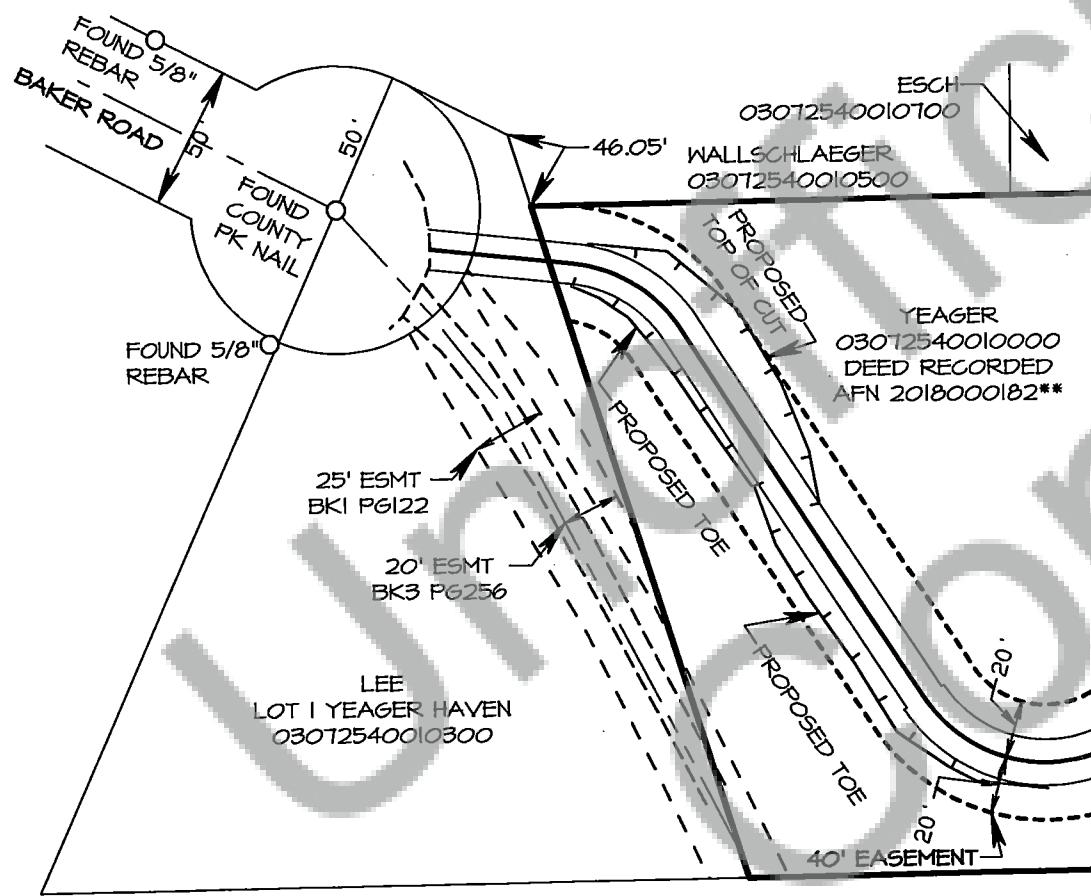
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RECIPROCAL EASEMENT AGREEMENT - Exhibit D

EXHIBIT

PARCEL 03072540010000

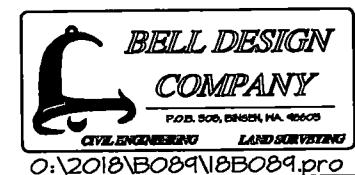
**IN THE S1/2 SECTION 25,
T.3N., R.7-1/2E., W.M.**



FOUND MONUMENT AS NOTED

NOTE

**NUMEROUS INCONSISTENCIES
WITHIN YEAGER DEED WERE
DISCOVERED. THE LEGAL
DESCRIPTION OF THE BOUNDARY
DOES NOT MATHEMATICALLY
CLOSE ON ITSELF.



**EXHIBIT E
TO
RECIPROCAL EASEMENT AGREEMENT**

MAP OF LEE EASEMENT

(See attached pages

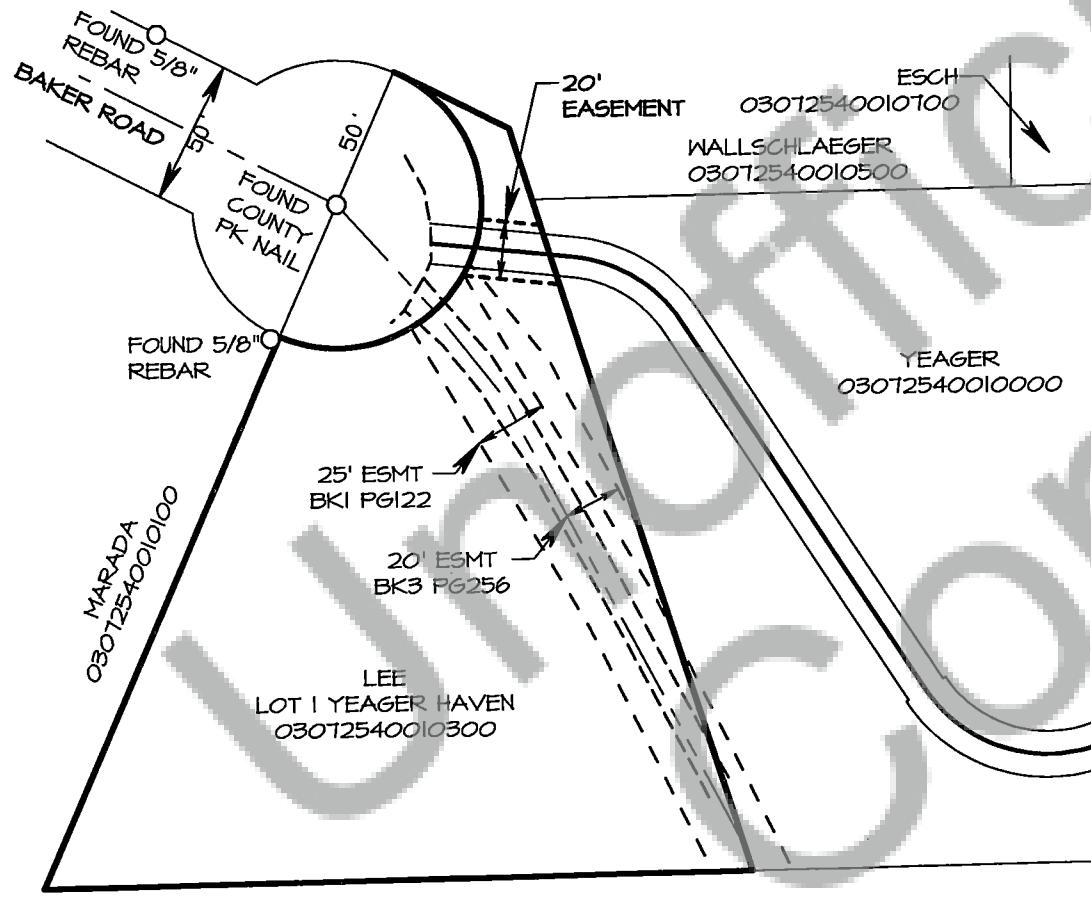
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RECIPROCAL EASEMENT AGREEMENT - Exhibit E

EXHIBIT

PARCEL 03072540010300

IN THE S1/2 SECTION 25,
T.3N., R.7-1/2E., W.M.



SDS COMPANY, LLC
03752500090000

LEGEND

FOUND MONUMENT AS NOTED

SCALE

1"=60'



**EXHIBIT F
TO
RECIPROCAL EASEMENT AGREEMENT**

MAP OF YEAGER EXTENSION ROAD

(See attached page)

*Unofficial
Copy*

RECIPROCAL EASEMENT AGREEMENT - Exhibit F

Yeager Extension Road

