AVISTA FILED BY

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Avista Corporation
Real Estate Department
P.O. Box 3727
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2010 MAY -4 A II: 48

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MARIE SCOTT

BONNER COUNTY RECORDER

DEPUTY

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EASEMENT

MILLTOWN PARK, LLC (hereinafter "Grantor") is the owner of the real property described as follows:

Lot 2 and Lot 3 of Milltown Park, as shown on the Record of Survey recorded at Instrument No. 782454, Records of Bonner County, Idaho, located in the Southeast Quarter of Section 15, Township 57 North, Range 2 West, Boise Meridian, City of Sandpoint, Idaho.

(collectively referred to as the "Property"; individually referred to as Lot 2 and Lot 3).

AVISTA CORPORATION, a Washington corporation (hereinafter "Grantee"), desires perpetual nonexclusive easements over a portion of the Property for the purposes described herein.

Grantor agrees to grant Grantee perpetual nonexclusive easements over a portion of the Property for the purposes described herein.

1. Grant of Easement over Lot 2. For and in consideration of mutual benefits and good consideration, the receipt of which is hereby acknowledged, Grantor hereby grants, conveys and warrants to Grantee a perpetual nonexclusive easement over, under, along and across a portion of Lot 2 described as follows:

Commencing at the northwest corner of Lot 2, Milltown Park, as shown on the Record of Survey recorded at Instrument No. 782454, Records of Bonner County, Idaho, located in the Southeast Quarter of Section 15, Township 57 North, Range 2 West, Boise Meridian, City of Sandpoint, Idaho;

Thence South 00°37'55" West, along the west line of said Lot 2, a distance of 30.00 feet to a point, said point being the TRUE POINT OF BEGINNING of this Easement;

Thence leaving said west line, North 89°39'57" East, a distance of 25.00 feet to a point;

Thence North 00°37'55" East, a distance of 10.00 feet to a point;

Thence South 89°39'57" West, a distance of 25.00 feet to a point on the west line of Said Lot 2;

Thence South 00°37'55" West, a distance of 10.00 feet along said west line to the **POINT OF BEGINNING.**

(hereinafter referred to as the "Lot 2 Easement").

The location of the Lot 2 Easement is shown on Exhibit "A" attached hereto and incorporated herein by this reference.

- 2. <u>Purpose of Lot 2 Easement</u>. Grantee shall have the right to construct, reconstruct, operate, maintain, and repair overhead electric lines, guy wires, poles and anchors together with necessary fixtures and appurtenances to overhead electric lines over, across and under the Lot 2 Easement.
- 3. Grant of Easement over Lot 3. For and in consideration of mutual benefits and good consideration, the receipt of which is hereby acknowledged, Grantor hereby grants, conveys and warrants to Grantee a perpetual nonexclusive easement over, under, along and across a portion of Lot 3 described as follows:

An area located within Lot 3, Milltown Park, as shown on the Record of Survey recorded at Instrument No. 782454, Records of Bonner County, Idaho, located in the Southeast Quarter of Section 15, Township 57 North, Range 2 West, Boise Meridian, City of Sandpoint, Idaho being more particularly described as follows:

Beginning at the northwest corner of Lot 1, Milltown Park as shown on said ROS, said point being the TRUE POINT OF BEGINNING of this Easement;

Thence North 00°37'55" East, along the west line of said Lot 3, a distance of 43.50 feet to a point;

Thence leaving said west line, North 89°39'54" East, a distance of 413.00 feet to a point;

Thence South 00°37'55" West, a distance of 43.50 feet to a point;

Thence South 89°39'54" West, a distance of 413.00 feet to a point on the west line of Said Lot 3 and the POINT OF BEGINNING.

(hereinafter referred to as the "Lot 3 Easement").

The location of the Lot 3 Easement is shown on Exhibit "A" attached hereto and incorporated herein by this reference.

- 4. <u>Purpose of Lot 3 Easement</u>. Grantee shall have the right to construct, reconstruct, operate, maintain, and repair underground electric and high pressure natural gas pipelines, together with necessary fixtures and appurtenances to underground electric and high pressure gas lines, over, across and under the Lot 3 Easement.
- 5. Access and Damage. Grantee shall have the right of access over and across the above described easements for the purposes described herein, provided Grantee repairs damage or compensates the Grantor for any damage to said properties as a result of such access and repair and maintenance. Without limiting the generality of the foregoing, Grantee

EASEMENT - 2 5 1508

shall restore any improvements of areas that may be damaged or disturbed by Grantee substantially to the condition that existed prior to commencing such work at Grantee's sole cost and expense. Such restoration work shall include the backfilling of trenches, the replacement or repair of any parking lots, roadways, pavement, pedestrian walkways, bicycle paths, or driveways in the easement area, the replacement of fences, the resodding of lawns, and the replacement of shrubbery, but not the replacement of structures, trees or other natural obstructions.

- 6. Right of Way Clearing and Maintenance. Grantee shall have the right to cut, trim and remove any and all brush, branches and trees, including danger trees, on the above described easements, that in the opinion of the Grantee, could interfere with the safe and reliable operation of Grantee's facilities as described herein, or that could interfere with the exercise of Grantee's rights as granted herein.
- 7. Grantor's Use of the Property. Grantor reserves the right to the use and enjoyment of the Property, but such use shall not conflict or interfere with the Grantee's rights herein granted and applicable federal, state and local safety and building codes, regulations and laws.
- 8. Indemnity. Grantee will pay and indemnify and save harmless Grantor and its officers, directors or employees from and against all liabilities, losses, damage, costs, expenses (including reasonable attorneys' fees and expenses), causes of action, suits, claims, demands or judgments of any nature arising from: (i) any injury to or death of a person or loss of or damage to property, occurring on the Grantor's Parcel (unless caused by the negligence or tortious acts of the Grantor or any of its agents, employees or permittees), and (ii) any injury to or death of a person or loss or damage to property, whether occurring on the Grantor's Parcel or elsewhere on the Property, caused by the negligence or tortious acts of the Grantee or any of its agents, employees or permittees (unless caused by the negligence or tortious acts of the Grantor or any of its agents, employees or permittees).
 - 9. <u>Successors and Assigns</u>. The rights and obligations of the parties shall be for the benefit of and be binding upon their respective successors, heirs and assigns.
 - 10. Attorney's Fees. If legal action (including, without limitation, litigation and/or arbitration) is required or deemed necessary to enforce or interpret any of the provisions of this easement, the prevailing party shall be entitled to recover its costs of suit, including reasonable attorney's fees, incurred in connection therewith.
 - 11. Waiver. No delay or omission in the exercise of any right or remedy of either party to this easement on any default by the other party shall impair such a right to remedy or be construed as a waiver. Either party's consent to or approval of any act by the other party requiring such consent or approval shall not be deemed to waive or render unnecessary the requirement of consent or approval of any subsequent act by either party.
 - 12. Governing Law, Venue and Jurisdiction. This easement shall be construed and interpreted in accordance with the laws of the State of Idaho. Jurisdiction and venue in any action to interpret or enforce any provisions of this Agreement shall lie, at the option of the party bringing the action, in Bonner County, Idaho.

GRANTOR: MILLTOWN PARK LLC, A DELAWARE LIMITED LIABILITY COMPANY

By: Brownfield Development I, LLC, a Delaware limited liability company, its sole member

y: The Prudential Insurance Company of America, a New Jersey corporation

GRANTEE: AVISTA CORPORATION, A WASHINGTON CORPORATION

By Dinald Malisani Its Real Estate Dept Manager

State of Bergas ss. County y Dokallis ss.	
On	basis
My Commission Expires: 1-31-2014 [SEAL] [SEAL]	
State of Washingtons & SS. County of Spokane & SS.	
On April 23, 2010, before me, the undersigned, a notary public in and for so State, personally appeared Donald T. Malisani, personally known to me proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he she/they executed the satinfus/her/their authorized capacity(ies) and that, by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument	(or ame ent,
My Commission Expires:	
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