

Return Address:
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Real Estate Department
P.O. Box 3727
Spokane, Washington 99220-3727

Instrument # 829754
BONNER COUNTY, SANDPOINT, IDAHO
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MARIE SCOTT Fee: 43.00
Ex-Officio Recorder Deputy
Index to: MISC

GAS LINE AND ELECTRIC EASEMENT

This GAS LINE AND ELECTRIC EASEMENT (this "Easement Agreement" is executed as of July ____, 2012, by and between **MILLTOWN PARK LLC** (hereinafter "Milltown Park"), **MCINTIRE & YOUNG – IDAHO, LLC** ("McIntire & Young") and **AVISTA CORPORATION**, a Washington corporation (hereinafter "Grantee"). Milltown Park and McIntire & Young are sometimes collectively referred to herein as "Grantors".

Milltown Park is the owner of the real property described as follows (collectively, the "Milltown Park Property"):

LOTS 2 AND 4 OF MILLTOWN PARK AS RECORDED WITH BONNER COUNTY IN BOOK 9 OF PLATS AT PAGE 155

AND

LOT 3A OF THE REPLAT OF LOTS 1 AND 3 OF MILLTOWN PARK AS RECORDED WITH BONNER COUNTY IN BOOK 10 OF PLATS AT PAGE 45.

McIntire & Young is the owner of the real property described as follows (the "McIntire & Young Property"):

LOT 1A OF THE REPLAT OF LOTS 1 AND 3 OF MILLTOWN PARK AS RECORDED WITH BONNER COUNTY IN BOOK 10 OF PLATS AT PAGE 45.

The Milltown Park Property and the McIntire & Young Property are sometimes collectively referred to herein as the "Property".

Grantee desires perpetual nonexclusive easements over a portion of the Property for the purposes described herein.

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

1. Grant of Easement Easements. For and in consideration of mutual benefits and good consideration, the receipt of which is hereby acknowledged, (a) Milltown Park hereby grants, conveys and warrants to Grantee a perpetual nonexclusive easement over, under, along and across "Easement A", "Easement C", and "Easement D", all as described on Exhibit "1" attached hereto and incorporated herein by this reference and depicted on

Exhibit "2" attached hereto and incorporated herein by this reference, and (b) Milltown Park and McIntire & Young hereby grant, convey and warrant to Grantee a perpetual nonexclusive easement over, under, along and across "Easement B", as described on Exhibit "1" attached hereto and incorporated herein by this reference and depicted on Exhibit "2" attached hereto and incorporated herein by this reference.

2. Purpose of Easements. Grantee shall have the right to construct, reconstruct, operate, maintain, and repair underground electric and natural gas lines, together with necessary fixtures and appurtenances to underground utilities over, across all of "Easement A", "Easement B", "Easement C", and "Easement D".

3. 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 Grantors for any damage to said properties as a result of such access and repair and maintenance. Without limiting the generality of the foregoing, Grantee shall restore any improvements or 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.

4. 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.

5. Grantors' Use of the Property. Each Grantor reserves the right to the use and enjoyment of the Easement "A", Easement "B", Easement "C" and Easement "D", to the extent owned by such Grantor, 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.

6. Indemnity. Grantee will pay and indemnify and save harmless Grantors and their respective 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 Property (unless caused by the negligence or tortious acts of the applicable 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 Easement "A", Easement "B", Easement "C" and Easement "D" 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 applicable Grantor or any of its agents, employees or permittees).

7. Successors and Assigns. The rights and obligations of the parties shall be for

the benefit of and be binding upon their respective successors, heirs and assigns.

8. 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.

9. 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.

10. 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 Easement Agreement shall lie, at the option of the party bringing the action, in Bonner County, Idaho.

11. Counterparts. This Easement Agreement may be executed in counterparts, each of which shall be an original and all of which counterparts taken together shall constitute one and the same agreement.

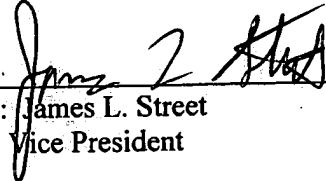
[Section intentionally left blank-signatures on next page]

MILLTOWN PARK:

MILLTOWN PARK LLC, a Delaware limited liability company

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

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

By: 
Name: James L. Street
Title: Vice President

MCINTIRE & YOUNG:

MCINTIRE & YOUNG - IDAHO, LLC

By: Ronald B. McIntire, Managing Member

GRANTEE:

AVISTA CORPORATION, a Washington corporation

By _____
Its _____

MILLTOWN PARK:

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

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

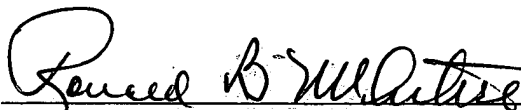
By: _____

Name: James L. Street

Title: Vice President

MCINTIRE & YOUNG:

MCINTIRE & YOUNG – IDAHO, LLC



By: Ronald B. McIntire, Managing Member

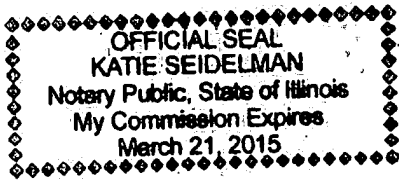
GRANTEE:

AVISTA CORPORATION, a Washington corporation

By _____
Its _____

Illinois)
Cook) : SS.

On July 25 2012, before me, the undersigned, a notary public in and for said State, personally appeared James L. Street, personally known to me (or 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 same in his/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.



Katie Seidelman
Notary Public for the State of Illinois
My Commission Expires: 03/21/15

[SEAL]

State of Idaho
: SS.
County of Kootenai

On July 27, 2012, before me, the undersigned, a notary public in and for said State, personally appeared Ronald B. McIntire, personally known to me (or 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 same in his/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.

Cindy A. Espe
Notary Public for the State of Idaho
My Commission Expires: 12-28-2015



STATE OF WASHINGTON)
) ss.
County of SPOKANE)

On this 25TH day of JULY, 2012, before me, the undersigned, a Notary Public in and for the above named County and State, personally appeared **Donald J. Malisani**, to me known to be the **Real Estate Department Manager** of **AVISTA CORPORATION**, the Corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said Corporation, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument and that the seal affixed (if any) is the corporate seal of said Corporation.

GIVEN under my hand and official seal the day and year last written above.

Signed Randall C. Myhre
printed RANDALL C. MYHRE

Notary Public in and for the State

of WASHINGTON, residing in the city of SPOKANE

My Commission Expires:

9-7-2015

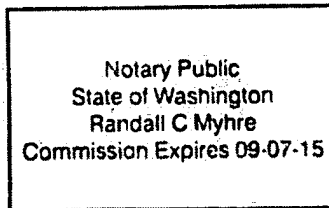


EXHIBIT "1"

Description of Easement Areas

EASEMENT "A"

10 foot wide strip of land located south of and adjoining to the Chestnut Street Right-of-Way, as depicted on Exhibit "2" attached hereto and incorporated herein by this reference;

EASEMENT "B"

10 foot wide strip of land located east of and adjoining to the proposed Sixth Avenue Right-of-Way south of the Chestnut Street Right-of-Way, as depicted on Exhibit "2" attached hereto and incorporated herein by this reference;

EASEMENT "C"

10 foot wide strip of land located west of and adjoining to the proposed Sixth Avenue Right-of-Way north of the Chestnut Street Right-of-Way, as depicted on Exhibit "2" attached hereto and incorporated herein by this reference;

INCLUDING:

10 foot wide strip of land located along the north line of Lot 4 as shown on the Exhibit "2" attached hereto and incorporated herein by this reference;

EASEMENT "D"

10 foot wide strip of land, the centerline of which begins on the north Right-of-Way line for the Chestnut Street, as depicted on Exhibit "2" attached hereto and incorporated herein by this reference, being North 89°44'00" West, 16.0 feet from the Northeast corner of said proposed Right-of-Way; thence from said point-of-beginning North 00°16'00" East, 84.40 feet; thence North 13°24'33" West, 25.65 feet to the point of terminus;

EXHIBIT "2"

Depiction of Easement Areas

[see attached]

