# RECIPROCAL ACCESS, EASEMENT AND COVENANT AGREEMENT (Missoula, Montana)

THIS AGREEMENT is made and entered into as of the 26 day of September, 2002, by and between Mountain South, LLC, a Montana limited liability company of Missoula, Montana ("Mountain South"), REX RADIO AND TELEVISION, INC., an Ohio corporation of Dayton, Ohio ("Rex"), DON BUTLER and LYNN BUTLER of Missoula, Montana (collectively "Butler") and SOUTHGATE MALL ASSOCIATES, LLP, a Montana limited liability partnership of Missoula, Montana ("SMA").

#### **RECITALS**

- A. Mountain South is the owner of Parcels 1 and 3, SOUTHGATE MALL PHASE 4, Amended Plat of Amended Plat of a portion of the Smith Additions Nos. 1, 2, 3 & 4 and Southgate Mall No. 1, a commercial subdivision located in the NE¼ of Section 32, T13N, R19W, P.M.M., Missoula County Montana according to the official plat recorded October 28, 1998 in Book 22 of Plats at Page 54 (individually a "Mountain South Parcel" and collectively the "Mountain South Parcels").
- B. Rex is the owner of Parcel 2, SOUTHGATE MALL PHASE 4, Amended Plat of Amended Plat of a Portion of the Smith Additions Nos. 1, 2, 3 & 4 and Southgate Mall No. 1, a commercial subdivision located in the NE½ of Section 32, T13N, R19W, P.M.M. Missoula County, Montana, according to the official plat recorded October 28, 1998 in Book 22 of Plats at Page 54 (the "Rex Parcel").
- C. Butler is the owner of a parcel of property which is contiguous to Mountain South Parcel 3, which property is described as Lots 21-23 of Block 4, and that part of the vacated alley in Block 4 lying easterly of the westerly line of Lot 21, and westerly of the easterly line of Lot 23, extended, in SMITH ADDITIONS 1, 2, 3 AND 4 in the City of Missoula, Missoula County, Montana, according to the official recorded plat thereof (the "Butler Parcel").
- D. SMA is the owner of a parcel of property which is contiguous to the Butler Parcel, which is described as Lots 24, 25 and 26 of Block 4, and that part of the vacated alley in Block 4 lying easterly of the westerly line of Lot 24, extended, and easterly of the westerly right-of-way line of Garfield Street in SMITH ADDITIONS 1, 2, 3 AND 4, a platted subdivision in Missoula County, Montana, according to the official recorded plat thereof (the "SMA Parcel").

eturn to: Gary B. Chumrau iarlington, Lohn & Robinson, PLLP O. Box 7909, Missoula, MT 59807



- E. SMA, as Mountain South's and Rex's predecessor in interest, executed a Reciprocal Access Easement which was recorded on October 28, 1998 at Book 559, Page 1678, micro records of Missoula County ("REA"). The REA provides for reciprocal vehicular and pedestrian access easements between the Mountain South Parcels and the Rex Parcel, but does not cover the Butler or SMA Parcels.
- F. The Parties to the Agreement wish to terminate the REA and replace it with an expanded agreement by the terms of which each Party grants reciprocal access and parking easements covering each party's respective parcel of property, all on the terms set forth in this Agreement.

#### **TERMS**

NOW, THEREFORE, for and in consideration of the promises and covenants contained herein and for other good and valuable consideration, including the mutual benefit derived by all Parties, the Parties agree as follows:

1. Non-Exclusive Easements for Vehicle and Pedestrian Passage and Parking.

Mountain South, Rex, Butler and SMA each, respectively, hereby grants to the other, for their respective use, and for the use of their respective Permittees (as defined below), in common with all others entitled to the use of the same, non-exclusive easements in, to, over, on and across the roadway, sidewalk (or other designated walkway) and parking portions of their respective parcels (i.e. the Mountain South Parcels, Rex Parcel, the Butler Parcel and the SMA Parcel, respectively), as those roadway, sidewalk and parking portions may exist from time to time, for ingress to and egress from each such respective parcel, for the passage of vehicles, for the passage and accommodation of pedestrians, and to accommodate the parking needs of their respective Permittees. Each Party hereto further reserves to itself the right to (i) grant such easements over the roadway, sidewalk and parking portions of its respective parcel, for the purposes enumerated above, or for any other purposes, to the same or to such other persons or parties as may from time to time be entitled thereto, (ii) eject or cause the ejection from its parcel of any person or persons not authorized, empowered or privileged hereunder or otherwise to use such parcel, and (iii) make such other use of its parcel (including the construction or re-construction of improvements), that is not inconsistent with or does not interfere with the rights granted hereunder. Notwithstanding the foregoing, each Party hereto reserves the right to temporarily close off its parcel for such reasonable period or periods of time as may be legally necessary, in such Party's reasonable opinion, to prevent the acquisition of prescriptive rights; provided, however, that prior to closing off any portion of its parcel, as herein provided, such Party shall give written notice to the other Parties of its intention to do so, shall post any notices required by law, and shall coordinate such closing with the other Parties so such temporary closing shall not unreasonably interfere with the use and operation of any business located on the other Parties' respective parcels.



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As used herein "Permittees" shall mean such Parties' respective agents, guests, contractors, business invitees and customers as well as those of any business operation properly and lawfully located on and using any of the respective parcels, by, through or under the authority of one of the Parties. The reciprocal easements granted hereunder are to be used for business purposes and during usual and customary business hours.

### 2. Construction Easements.

Mountain South, Rex, Butler and SMA each, respectively, hereby also grants to the other, a non-exclusive easement in, to, over, on and across the roadway portions of their respective parcels for the purpose of the development, construction, repair, maintenance and reconstruction of improvements on the other Parties' respective parcels. Each Party covenants and agrees that the exercise by it of the easement contained in this Paragraph 2 shall not result in damage or injury to the real property or improvements of the other Parties and shall not unreasonably interfere with the business or other operations conducted by the other Parties on their respective parcels. Each Party shall make reasonable efforts to provide that any construction activity on such Party's parcel will not result in a closure of access to any Parcel. Each Party agrees to minimize the use of the roadway portions of the other parcels to the extent reasonably possible in connection with such use for the purposes set forth in this Paragraph 2. Each Party covenants to defend and agrees to and does hereby indemnify and hold harmless the other Parties from and against all claims, costs, expenses and liabilities (including reasonable attorneys' fees, costs and disbursements) incurred in connection with all claims, including any action or proceeding arising from or as a result of, the death of or any accident, injury, loss or damage whatsoever caused to any persons, or to the property of any person, as shall occur in, to, over, on and across the other Parties' parcels as a consequence of the exercise of the easement contained in this Paragraph 2, but no Party shall be indemnified with regard to damage caused to another Party's parcel to the extent of the other Party's negligence. Notwithstanding the foregoing, each Party shall be responsible for the maintenance of its parcel and the easement areas located thereon, except to the extent the need for any maintenance or repair is caused solely by another Party by reason of the easement contained in this Paragraph 2, in which event the cost and expense of such maintenance and/or repair shall be the responsibility of the Party causing the need for such repair and/or maintenance.

#### 3. Duration of Easements.

The easements granted by this Agreement shall be perpetual, unless (i) terminated earlier by the mutual agreement of all the Parties, (ii) upon cessation of use by a Party for more than one (1) year unless notice is given during such year of cessation stating (a) the circumstances which resulted in such cessation, and (b) an intention of reassumption and actual reassumption of use by the Party sending such notice within six (6) months of the date of such notice, or (iii) by operation of law. Provided, no notice shall be required if



the cause of cessation of use is due to damage to a Party's improvements by fire or other casualty and such Party commences reconstruction of its improvements within one (1) year of the date of such damage by casualty.

## 4. Indemnity.

The Parties hereto each covenant and agree to defend, indemnify and hold harmless the other Parties and their respective parcels of property against liability, loss, damage, costs or expenses, including reasonable attorneys' fees, on account of claims of lien of laborers, materialmen or suppliers, or others, for work performed or supplies furnished in connection with work performed, by or at the instance of each such Party, respectively, and in the event any parcel shall become subject to any such lien on account of work performed or supplies furnished in connection with any other parcel, then the Party performing such work on such parcel (or the Party on whose authority the work was performed) shall at the request of the Party owning the parcel which is subject to such lien, promptly cause such lien to be released and discharged of record either by paying the indebtedness which gave rise to such lien, or posting such bond or other security as shall be required by law to obtain such release and discharge. In any event, any such lien shall be released and discharged prior to foreclosure. Each Party, respectively, further covenants to defend, and does hereby indemnify and hold harmless the other Parties from and against all claims, damages, causes of action and all costs, expenses and liabilities (including reasonable attorneys' fees) incurred in connection with all claims, including any action or proceedings brought thereon, arising from or as a result of the death of, or any accident, injury, loss or damage whatsoever caused to any natural person, or the property of any person, resulting from, arising out of or attributable in any way to the use of the easements granted by the other Parties to such indemnifying Party by such Party or its Permittees, except those claims caused by the negligent acts or omissions of the indemnified Party, its agents, servants, contractors or employees wherever the same may occur.

# 5. Dominant and Servient Estates; Separate Easements.

- (a) The easements granted in this Agreement are for the benefit of the respective parcels of the respective grantees and each part thereof and such parcels so benefitted shall be the dominant tenements. Such easements shall be for the use and benefit of the grantee thereof in common with the grantor thereof, their respective successors in interest, assigns, Permittees and others entitled to use the same. The respective parcel upon which each of such easement is located shall be the servient tenement.
- (b) The easements granted herein in the aggregate by each Party to the other Parties are being granted solely as to each separate parcel owned by the respective Parties and the effect of any such grant of easement shall be the same as if each such Party had executed a separate instrument with respect to such portion of said easement located within the separate parcel of such Party, for the benefit of each other respective parcel,



with such instrument containing the same terms and provisions as this Agreement for the legal description of the real property covered under such easement.

### 6. Condemnation.

In the event of a condemnation of or affecting any or all parcels (or any portion or portions thereof), the owner or owners of the dominant tenement affected agree (i) to waive and release unto the owner or owners of the servient tenement affected, any award related or attributable to the affected parcel (or any portion or portions thereof), and/or the easement rights granted herein, so condemned, and (ii) if necessary, to join in such condemnation proceeding, at its expense, and to pay over any award unto the owner or owners of such parcel (or any portion or portions thereof) and/or the easement rights granted herein, so condemned.

## 7. Damage or Destruction.

In the event of damage or destruction to all or any portion of the building improvements on a Party's parcel, then such Party shall, within a reasonable time, at such Party's sole option, either restore, repair and rebuild all of said damaged or destroyed improvements, or raze said improvements completely and restore the area under said improvements so that the damage or destruction does not unreasonably interfere with the use of the easements granted hereunder.

### 8. Taxes and Assessments.

Each Party agrees to pay, or cause to be paid, prior to delinquency, all taxes and assessments upon its respective parcel, and the buildings and improvements and personalty thereon owned or leased by such Party, provided that if the taxes or assessments or any part thereof may be paid in installments, any such Party may pay each such installment as and when the same becomes due and payable.

# 9. Recordation/Termination.

Promptly after execution of this Agreement by the Parties, this Agreement shall be recorded in the Office of the Clerk & Recorder in and for the County of Missoula, State of Montana and shall be effective upon its recordation. Upon the recordation of this Agreement, the REA shall terminate and be of no further force and effect.

# 10. Binding on Successors.

Each and all of the provisions of this Agreement on each Party's part to be performed (whether affirmative or negative in nature) shall bind each of the Parties and their respective successors in interest, assigns and transferees at any time and from time to time, and shall inure to the benefit of the other Parties to this Agreement.



11. <u>Notices.</u> Any and all notices authorized or required hereunder shall be delivered by registered mail or certified mail, return receipt requested, postage prepaid, as follows:

To Mountain South:

Mountain South, LLC 1001 South Higgins Ave. Missoula, MT 59801

Attn: George P. Lambros

with a copy to:

Mountain West Financial Corp.

1225 Cedar

Helena, MT 59601 Attn: President

and with a copy to:

Gary B. Chumrau

Garlington, Lohn & Robinson, PLLP

199 West Pine P.O. Box 7909

Missoula, MT 59807-7909

To Rex:

Rex Radio and Television, Inc.

2875 Needmore Road Dayton, OH 45414

with a copy to:

Edward M. Kress, Esq.

Chernesky, Heyman & Kress, P.L.L.

1100 Courthouse Plaza, S.W.

Dayton, OH 45402

To Butler:

Don and Lynn Butler 1420 Woodbine Place Missoula, MT 59803

with a copy to:

Stacey Weldele-Wade Antonioli and Wade, P.C.

P.O. Box 6018

Missoula, MT 59806-6018

To SMA:

Southgate Mall Associates, LLP

1001 South Higgins Ave. Missoula, MT 59801 Attn: George P. Lambros



With a copy to:

Gary B. Chumrau Garlington, Lohn & Robinson, PLLP 199 W. Pine P.O. Box 7909 Missoula, MT 59807-7909

subject to the right of any Party to designate a different address by notice similarly given. Any notice, demand, request, consent, approval, designation, including any duplicate original, or other communication so sent shall be deemed to have been given, made or communicated, as the case may be, on the date the same was properly addressed and deposited in the United States Mail as Registered or Certified, with postage thereon fully prepaid, return receipt requested. A Party shall use its best efforts to notify the other Parties of the name and address of any such Party's successor in interest, assignee or transferee.

#### 12. Miscellaneous.

- 12.01 Excuse for Non-Performance. The Parties shall each be excused from performing any obligation or undertaking provided in this Agreement, except any obligation to pay any sums of money under the applicable provisions hereof, in the event and so long as the performance of any such obligation is prevented or delayed, retarded or hindered by act of God, fire, earthquake, floods, explosion, actions of the elements, war, invasion, insurrection, riot, mob violence, sabotage, inability to procure or general shortage of labor, equipment, facilities, materials or supplies in the open market provided they were timely ordered, failure of transportation, strikes, lockouts, action of labor unions, condemnation, requisition, laws, orders of governmental or civil or military or naval authorities, or any other cause (except for the payment of money), whether similar or dissimilar to the foregoing, not within the respective control of each such Party.
- 12.02 Governing Laws. This Agreement shall be construed in accordance with the laws of the State of Montana.
- 12.03 Not a Public Dedication. Nothing herein contained shall be deemed to be a gift or dedication of any portion of any parcel to the general public or for the general public or for any public purpose whatsoever, it being the intention of the Parties hereto that this Agreement shall be strictly limited to and for the purposes herein expressed.
- 12.04 <u>Breach Shall Not Defeat Mortgage</u>. A breach of any of the covenants or restrictions contained in this Agreement shall not defeat or affect or render invalid the lien of any mortgage or deed of trust made in good faith and for value but such covenant or restriction shall be binding upon and effective against any person who acquires title to said property, or any portion thereof, by foreclosure, trustee's sale, or otherwise.



- 12.05 <u>Breach Shall Not Permit Termination</u>. It is expressly agreed that no breach of this Agreement shall entitle any Party to cancel or rescind or otherwise terminate this Agreement, but such limitation shall not affect, in any manner, any other right or remedies which the Parties may have hereunder by reason of any breach of this Agreement.
- 12.06 Covenants, Easements and Restrictions Run With Land. Each easement, restriction, covenant, and limitation on any parcel shall be appurtenant to and for the benefit of the other respective parcels and each part thereof. Each covenant, restriction, and undertaking as to any parcel shall be a burden thereon for the benefit of the other respective parcels and each part thereof and shall run with the land.
- 12.07 Attorneys' Fees. In the event that at any time any Party hereto shall institute any action or proceeding against any other Party relating to the provisions of this Agreement, then in that event, the unsuccessful Party in such action or proceeding shall reimburse the successful Party for the reasonable expenses of attorneys' fees and all costs and disbursements incurred therein by the successful Party, including without limitation, any such fees, costs or disbursements incurred on any appeal from such action or proceeding. All such fees, costs or disbursements shall be recoverable as items of cost without the necessity of any crossaction by the successful Party.
- 12.08 <u>No Partnership.</u> Neither anything in this Agreement contained nor any acts of the Parties hereto shall be deemed or construed by the Parties hereto, or any of them, or by any third person, to create the relationship of principal and agent, or of partnership, or of joint venture, or of any association between any of the Parties to this Agreement.

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

Mountain South, LLC, a Montana limited liability company

By: Southgate Mall Associates, LLP

Member

By: Lambros Agency, LLP

Managing Partner

George P. Lambros, Authorized

Partner



	Missoula County Vickie M Zeier E Bk-695 Pg-1003
	By: Mountain West Financial Corp. Member
	By: Its President
	Rex Radio and Television, Inc., an Ohio Corporation
	By: (Ilm/hers
	Secretary President
	Din Books
	Don Butler
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	Lynn Butler
	Southgate Mall Associates, LLP, a Montana limited liability partnership
	By: Lambros Agency, LLP Managing Partner
	By: Jong P. Tarobar
	Georgé P. Lambros, Authorized Partner
	<u>ACKNOWLEDGMENTS</u>
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County of Mantagamas-	: ss:
County of Montgomery	)
said State, personally appe me on the basis of satisfact	n, 2002, before me, the undersigned, a Notary Public in and for ared Edward M. Row personally known to me or proved to ory evidence to be the person who executed the within

Secretary

instrument as the President of REX RADIO AND TELEVISION, INC.



WITNESS my hand and official seal.

- Jaren Radu
- Joen Naco-
Typed, stamped or printed name of notary NOTARY PUBLIC FOR THE STATE OF MONTANA
Residing at KAREN R. ADAMS, Attorney at Law
My Commission Expires: Notary Public, State of Ohio
STATE OF MONTANA ) : ss.
County of Missoula )
On
WITNESS my hand and official seal.
my B Cumm
Gary B. Chymian
Typed, stamped or printed name of notary NOTARY PUBLIC FOR THE STATE OF MONTANA
Residing at Mussule
Residing at Mumble My Commission Expires: ply 15 2003
STATE OF MONTANA )
: ss. County of Supply + County A
On 2, 2002, before me, the undersigned, a Notary Public in and for said State, personally appeared 2, 2002, known to me or proved to me to be the President of MOUNTAIN WEST FINANCIAL CORP. who executed the within instrument and known to me to be the person who executed the within instrument.



WITNESS my hand and official seal.

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Para Klarcy K. W. Kerk		
DARCY R. MCLEAN		
Typed, stamped or printed name of notary		
NOTARY PUBLIC FOR THE STATE OF MONTANA		
Residing at //e/enq		
My Commission Expires: 10 10 10 2		
The state of the s		
STATE OF MONTANA )		
: SS.		
County of Missoula )		
On <u>Littles</u> 2, 2002, before me, the undersigned, a Notary Public in and for		
said State, personally appeared DON BUTLER and LYNN BUTLER, known to me or		
proved to me to be the persons who executed the within instrument.		
WITNESS my hand and official seal.		
Community (1)		
and the state of t		
Macy Wildel Wade		
STACEY WELDELE - WADE		
Typed, stamped or printed name of notary		
NOTARY PUBLIC FOR THE STATE OF MONTANA		
Residing at Musicula		
My Commission Expires: fully 3.5, 2003		
STATE OF MONTANA )		
: ss.		
County of Missoula )		
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On Jytula 27, 2002, before me, the undersigned, a Notary Public in and		
for said State, personally appeared GEORGE P. LAMBROS, known to me or proved to		
me to be an authorized partner of LAMBROS AGENCY, LLP, the partnership that		
executed the within instrument and known to me to be the person who executed the		
within instrument on behalf of said partnership, said partnership being known to me to be		
the managing partner of SOUTHGATE MALL ASSOCIATES, LLP, the partnership that		
executed the within instrument, and acknowledged to me that such partnership executed		
the same as such partner and that such partnership executed the same.		

WITNESS my hand and official seal

Land B. Chimm

Only B. Chimma

Typed, stamped or printed name of notary

NOTARY PUBLIC FOR THE STATE OF MONTANA

Residing at Municipal My Commission Expires: My 15 2003

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#### **CONSENT**

The undersigned, First Interstate Bank, is the Beneficiary under the terms of that certain Deed of Trust dated the 15<sup>th</sup> day of November, 1999, wherein Mountain South, LLC is the Grantor and Western Title & Escrow is the Trustee. The Deed of Trust covers the Mountain South Parcels and was recorded on November 16, 1999, in Book 601, Page 1589, Micro Records of Missoula County, Montana. The undersigned hereby consents to the recording of the Reciprocal Access, Easement and Covenant Agreement (the "REA") to which this Consent is attached The undersigned further agrees that its Deed of Trust and the undersigned's interest in the Mountain South Parcels created thereby, are subordinate and inferior to, and the undersigned hereby subordinates the priority and superiority of its Deed of Trust to the REA and any interests created in the Mountain South Parcels by the recording of the REA in the real estate records of Missoula County, Montana. The undersigned consents to such recording.



#### **CONSENT**

The undersigned, First Security Bank of Missoula, is the Beneficiary under the terms of that certain Deed of Trust dated the 14<sup>th</sup> day of March, 2002, wherein Don R. Butler and Lynn M. Butler are the Grantors and First American Title Company of Montana, Inc. is the Trustee. The Deed of Trust covers the Butler Parcel and was recorded on March 15, 2002, in Book 678, Page 1275, Micro Records of Missoula County, Montana. The undersigned hereby consents to the recording of the Reciprocal Access, Easement and Covenant Agreement (the "REA") to which this Consent is attached The undersigned further agrees that its Deed of Trust and the undersigned's interest in the Butler Parcel created thereby, are subordinate and inferior to, and the undersigned hereby subordinates the priority and superiority of its Deed of Trust to the REA and any interests created in the Butler Parcel by the recording of the REA in the real estate records of Missoula County, Montana. The undersigned consents to such recording.

Dated this /7 day of December, 2002.

First Security Bank of Missoula

Bryan Fla

STATE OF MONTANA ) :ss.
County of Missoula )

This instrument was acknowledged before me on the /// day of December, 2002, by Bryan Flaig as Vice President of First Security Bank of Missoula.

Typed, stamped or printed name of notary

NOTARY PUBLIC FOR THE STATE OF MONTANA

Residing at Mussoula

My Commission Expires: Marsh

Missoula County Vickie M Zeier F

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