

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
JOE CREEK RETREAT**

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**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR JOE CREEK RETREAT**

THIS DECLARATION is made and entered this 17th day of May, 2010 by the owner of the property as ("Declarant").

A. Declarant owns that certain real property and improvements thereto commonly known as Joe Creek Retreat located in Chelan County, Washington, legally described in the attached Exhibit A and hereby consents to the terms of this Declaration.

B. For the benefit and protection of the Project, to enhance its value and attractiveness, and as an inducement to lenders and investors to make and purchase loans secured by Lots within the Project, Declarant agrees to provide herein certain methods of use and architectural control within the Project.

NOW, THEREFORE, Declarant hereby declares that the Lots described herein shall be held, conveyed, encumbered, leased, rented, used, occupied and improved subject to the following uniform covenants, conditions, restrictions, reservations, grants of easement, rights, rights-of-way, liens, charges and equitable servitudes.

Any conveyance, transfer, sale, assignment, lease or sublease of a Lot in the Project, shall and hereby is deemed to incorporate by reference all provisions of this Declaration. The provisions of this Declaration shall be enforceable by Declarant, any Lot Owner, the Association, and the first mortgagee of any Lot within the Project.

ARTICLE 1: INTERPRETATION

1.1 **Liberal Construction**. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the successful propagation, operation, maintenance and continuance of the Project however the board shall have the power to construe and interpret any covenant herein that may be vague, indefinite, uncertain, or capable of more than one interpretation.

1.2 **Covenant Running with Land**. It is intended that this Declaration shall be operative as a set of covenants running with the land, or equitable servitudes, as applicable, binding on Declarant, its successors and assigns, all subsequent Owners of the Project or any Lots, together with their grantees, successors, heirs, executors, administrators, devisees or assigns.

1.3 **Declarant is Original Owner**. Declarant is the original Owner of Lots A, B, D, E, F, G, H, I, J, K, L & P and will continue to be deemed the Owner thereof except as conveyances or documents changing such ownership regarding specifically described Lots or portions of the Project are filed of record by Declarant.

1.4 **Captions.** Captions given to the various articles, clauses, provisions and sections herein are for convenience only and are not intended to modify or affect the meaning of any of the substantive provisions hereof.

1.5 **Definitions.**

1.5.1 "ACC" shall mean the Architectural Control Committee provided for in Article 6.

1.5.2 "Association" shall mean the Owners' Association provided for in Article 4 and its successors and assigns.

1.5.3 "Board" shall mean the Board of Directors of the Association provided for in Article 5.

1.5.4 "Bylaws" shall mean the duly adopted bylaws of the Association.

1.5.5 "Common Area" means property owned, or otherwise maintained, repaired or administered by the association.

1.5.6 "Declarant" shall collectively the owner and his successors and assigns if such successors or assigns should acquire more than one Lot from Declarant for future development and by written instrument in recordable form be specifically assigned the rights and duties of Declarant.

1.5.7 "Declarant Control Period" shall mean the period of time from the date of recording of this Declaration until one (1) year after the date upon which all of the Lots and any other portion of the Project (excluding Common Areas) that are subject to this Declaration have been sold, or any earlier period as may be agreed to by Declarant. A partial delegation of authority by Declarant of any of its management duties described in the Declaration shall not terminate the Declarant Control Period.

1.5.8 "Declaration" shall mean this Declaration of Covenants, Conditions and Restrictions of Joe Creek Retreat and any amendments thereto.

1.5.9 "Home" or "Dwelling" shall mean and refer to any structure or portion of a structure, located on a Lot, which structure is designed, intended or feasible for use and occupancy by a single family or which is intended for use in connection with such residence.

1.5.10 "Lot" shall mean and refer to any plot or parcel of land dedicated to the Project including those described herein in Exhibit A as well as any others which may be added by Declarant or the association but excluding Common Areas, or any land now or hereafter owned by the Association or by all of the Lot Owners as tenants in common, not to include any land dedicated to the public or to a governmental entity.

1.5.11 "Mortgage" shall mean a recorded mortgage or deed of trust that creates a lien against a Lot and shall also mean a real estate contract for the sale of a Lot.

1.5.12 "Mortgagee" shall mean the beneficial holder or the designee of the beneficial holder, of an encumbrance on a Lot created by mortgage or deed of trust and shall also mean the vendor, or the designee of a vendor, of a real estate contract for the sale of a Lot.

1.5.13 "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Project, and, except as may be otherwise expressly provided herein, shall, in the case of a Lot which has been sold pursuant to a real estate contract, include any person of record holding a vendee's interest under such real estate contract, to the exclusion of the vendor there under. Any person or entity having such an interest merely as security for the performance of an obligation shall not be considered an Owner.

1.5.14 "Person" shall include natural persons, partnerships, limited liability companies, corporations, associations and personal representatives.

1.5.15 "Project" shall mean the real estate described in Exhibit A and all improvements and structures thereon, plus such additions thereto and any portion of the Additional Lands as may hereafter be brought within the jurisdiction of the Association.

1.5.16 "Plat Map" shall mean the most recent version of the map of the project held by the association which depicts the then current layout of the lots, building areas, roads, drives, trails, landscaping, fences, power lines, water lines, wells, parking areas, common areas and other features within the Project.

1.5.17 "Tract" shall mean any of Tracts as depicted on the Plat Map.

1.6 **Percentage of Mortgagees.** For purposes of determining the percentage of first Mortgagees approving a proposed decision or course of action, a Mortgagee shall be deemed a separate Mortgagee for each Lot on which it holds a mortgage that constitutes a first lien on said Lot.

1.7 **Percentage of Owners.** For purposes of determining the percentage of Owners approving a proposed decision or course of action, an Owner shall be deemed a separate Owner for each Lot owned by such Owner.

ARTICLE 2: OWNERSHIP OF COMMON AREA

2.1 **Ownership of Common Area.** The Common Area(s) if any, will be deemed to be conveyed to the Association upon the recording of an amendment to this Declaration incorporating or allocating such Lands within the Project and will be depicted on a Map recorded in conjunction with such amendment. The Common Area shall exclude those portions of common areas (and improvements thereto) which have been or may hereafter be, dedicated to and owned by the public or a governmental entity. The Common Area shall for all purposes be under the control, management and administration of the Declarant during the Declarant Control Period, and under the control, management and administration of the Association thereafter. The Association (and the Owners who are members thereof) has the responsibility and obligation to maintain, repair and administer the Common Area in a clean, attractive, sanitary and safe condition and in full compliance with applicable, governmental laws, rules and regulations and the provisions of this Declaration.

2.2 **Bonds Affecting Common Areas.** In connection with the improvement and governmental approval of the Project when required, Declarant may from time to time procure one or more maintenance, improvement, performance or other bonds for the benefit of one or more governmental authorities or private parties. Declarant reserves to itself for the duration of the period for which any such bond is required to be maintained (whether during or after the Declarant Control Period), all rights necessary or convenient to allow Declarant, its agents and contractors to take such action with respect to the property and/or improvements covered by any such bond as may be required from time to time (i) to comply with the obligations for which the bond was issued, or (ii) by the governmental entity or private party that is the beneficiary or obligee of such bond. Without limiting the foregoing, Declarant, its agents and contractors shall have the right to enter upon any and all Common Areas or other portion of the Project affected by any such bonds and to abate, correct or remove any circumstance or condition that requires abatement, correction or removal by the beneficiary or obligee of the bond. Declarant, its agents and contractors shall not be deemed guilty of any manner of trespass by any such entry, abatement, correction or removal. The rights reserved under this section with respect to any given bond shall continue through the date on which all obligations required by the governmental entity or private party with respect to such bond are performed, and the bond is surrendered to Declarant. Notwithstanding any term of this Declaration to the contrary, the rights described in this Section 2.2 shall be personal to the undersigned Declarant and shall not transfer to its successors and assigns.

ARTICLE 3: OWNER'S PROPERTY RIGHTS

3.1 **Owner's Rights of Enjoyment.** Every Owner shall have a non-exclusive right and easement, in common with all Owners, of enjoyment in and to the Common Area/s if any, which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

3.1.1 The right of the Association to limit access to those portions of the Common Areas, which in the opinion of the Board are dangerous.

3.1.2 The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon any Common Area.

3.1.3 The right of the Association to suspend the voting rights and right to use the Common Areas by an Owner: (a) for any period during which any assessment against such Owner's Lot remains unpaid; and (b) for a period not to exceed sixty (60) days for any infraction of its published rules and regulations.

3.1.4 The rights of the Association to dedicate or transfer all or any part of the Common Area, including easements across said properties, to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members of the Association. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds (2/3) of the Owners has been recorded and the provisions of Article 12 hereof have been observed; provided, only a majority of Owners will be necessary to approve dedicating a storm retention pond or similar facility, if any, to a governmental entity which shall maintain such ponds or facilities.

3.1.5 The right of the Association to limit the number of guests of any Member.

3.1.6 The right of the Association, in accordance with this Declaration and its Articles of Incorporation and Bylaws, to borrow money for the purpose of improving the Common Area and facilities and in aid thereof to mortgage said property, but the rights of such Mortgagee in said property shall be subordinate to the rights of the Owners hereunder and subject to the provisions of Section 11.5.

3.1.7 The right of the Association to take such steps as are reasonably necessary to protect any property mortgaged in accordance with Section 3.1.6 against foreclosure, including, but not limited to, the right to charge admission and other fees as a condition to continued enjoyment by the Owners and, if necessary, to open the enjoyment of such properties to the public.

3.1.8 The right of the Declarant, at any time during the Declarant Control Period, to reserve to itself rights of entry, licenses, easements, or similar rights to use the Common Areas for the purposes specified in such reservation.

3.1.9 During the Declarant Control Period, the exercise of all of the rights and powers set forth in subsections 3.1.2, 3.1.3, 3.1.4, 3.1.5 and 3.1.6 shall require the prior written approval of Declarant.

3.2 **Delegation of Use.** Any Owner may delegate (in accordance with the Bylaws), his/her right of enjoyment to the Common Area and facilities to the members of his/her family, or his/her tenants or contract purchasers who reside on the Owner's Lot and (subject to regulation by the Association) to his/her temporary guests.

ARTICLE 4: OWNERS' ASSOCIATION

4.1 **Establishment.** Declarant may create an association which shall be called JOE CREEK RETREAT HOMEOWNERS' ASSOCIATION (referred to hereinafter as the "Association").

4.2 **Form of Association.** The Association shall be a nonprofit corporation formed and operated pursuant to Title 24 and Chapter 64.38, Revised Code of Washington. In the event of any conflict between this Declaration and the Articles of Incorporation or Bylaws for such nonprofit corporation, the provisions of this Declaration shall prevail.

4.3 **Membership.**

4.3.1 **Qualification.** Each Owner of a Lot in the Project (including Declarant) shall be a member of the Association and shall be entitled to one membership for each Lot so owned. Ownership of a Lot shall be the sole qualification for membership in the Association.

4.3.2 **Transfer of Membership.** The Association membership of each Owner (including Declarant) shall be appurtenant to the Lot giving rise to such membership, and shall not be assigned, conveyed, pledged or alienated in any way except upon the transfer of title to said Lot and then only to the transferee of title to such Lot. Any attempt to make a prohibited transfer of membership shall be void. Any transfer of title to a Lot shall operate automatically to transfer the membership in the Association appurtenant thereto to the new Owner thereof.

4.4 **Voting.** The total voting power of all Owners shall equal the number of Lots they own at any given time. The total number of votes available shall be one (1) vote for each Lot.

4.5 **Bylaws of Association.** Bylaws for the administration of the Association and the Project and to further the intent of this Declaration, may be adopted or amended by the Owners at a regular or special meeting; provided, that the initial Bylaws shall be adopted by Declarant, and during the Declarant Control Period, Declarant shall have the sole right to amend the Bylaws. In the event of any conflict between this Declaration and any Bylaws, the provisions of this Declaration shall prevail.

4.6 **Declarant Control Period.** During the Declarant Control Period, the Association and the ACC (as defined in Section 6.1 below), together with all Common Areas administered by the Association shall, for all purposes, be under the management and administration of Declarant or its assignees. During the Declarant Control Period, Declarant shall appoint the directors of the Association as provided in the Bylaws. Declarant may appoint any persons Declarant chooses as directors. At the Declarant's sole discretion, Declarant may appoint members of the Association to such committees or positions in the Association, including the ACC, as Declarant deems appropriate, to serve at Declarant's discretion, and Declarant may assign such responsibilities, privileges and duties to the members as Declarant determines, or for such time as Declarant determines. Members appointed by Declarant during the Declarant Control Period may be dismissed at Declarant's discretion. Declarant's control of the Association during the Declarant Control Period is established in order to insure that the Project and the Association will be adequately administered in the initial phases of development and to insure an orderly transition of Association operations. From and after the end of the Declarant Control Period, the Association shall

have the authority and obligation to manage and administer the Common Areas and to enforce this Declaration. Such authority shall include all authority provided for in the Association's articles, Bylaws, rules and regulations and this Declaration, together with other duties that may be assigned to the Association in any easement or in the Joe Creek Retreat project. From and after the end of the Declarant Control Period, the Association shall also have the authority and obligation to manage and administer the activities of the ACC and its responsibilities.

ARTICLE 5: MANAGEMENT OF THE ASSOCIATION

5.1 **Administration of the Development.** The Owners covenant and agree that the administration of the Project shall be in accordance with the provisions of this Declaration and the Bylaws of the Association.

5.2 **Management by Declarant.** The Project shall be managed on behalf of the Association by the Declarant during the Declarant Control Period. Declarant may terminate the Declarant Control Period as to all or a part of the Project by giving prior written notice of Declarant's election to permanently relinquish all of its authority under this Section 5.2 to the Association. Additionally, Declarant shall have the right to record notice of its relinquishment of control of the Project in the Chelan County Recorder's Office. So long as Declarant is managing the Project, Declarant or a managing agent selected by Declarant shall have the exclusive power and authority to exercise all the rights, duties and functions of the Board and the Association set forth or necessarily implied in this Declaration; provided, however, that the Association may not be bound directly or indirectly to any contracts or leases without the right of termination exercisable without cause and without penalty at any time after transfer of control to the Board elected pursuant to Section 5.3, upon not more than ninety (90) days notice to the other party to the contract.

5.3 **Management by Elected Board of Directors.** At the expiration of the Declarant Control Period, the Association shall hold an election to elect the Board of Directors. Power and authority shall vest in the Board of Directors elected from among the Lot Owners. The number of directors shall be specified in the Bylaws and shall be sufficient to adequately handle the affairs of the Association. The Board may delegate all or any portion of its management duties to a managing agent or officer of the Association as provided for in the Bylaws. All Board offices shall be open for election at an organizational meeting. The Board shall elect from among its members a president who shall preside over meetings of the Board and the meetings of the Association.

5.4 **Authority and Duties of the Board.** On behalf of and acting for the Association, the Board (or the Declarant or Declarant's managing agent as provided in Section 5.2 hereof), for the benefit of the Project and the Owners, shall have all powers and authority permitted to the Board under this Declaration and any applicable law, including but not limited to the following:

5.4.1 **Assessments.** Establish and collect regular assessments (and to the extent necessary and permitted hereunder, special assessments) to defray expenses attributable to carrying out its duties hereunder and maintain an adequate reserve fund for the maintenance, repair, improvement and replacement of those portions of the Common Area, other property or facilities which must be maintained, repaired or replaced on a periodic basis, which reserve shall be funded by the above assessments. The Association may impose and collect charges for late payments of assessments

5.4.2 **Service.** Obtain the services of persons or firms as required to properly manage the affairs of the Project to the extent deemed advisable by the Board including legal and accounting services, property management services as well as such other personnel as the Board shall determine are necessary or proper for the operation of the Common Area, whether such personnel are employed directly by the Board or are furnished by the manager or management firm or agent.

5.4.3 **Utilities.** Obtain wells, septic systems, septic cleanout service, garbage collection, electrical, telephone, fiber and any other necessary utility service, including utility easements and street lighting, as required for the Common Area.

5.4.4 **Insurance.** Obtain and pay for policies of insurance or bonds providing Common Area casualty and liability coverage, and for fidelity of Association officers and other employees, the requirements of which are more fully set forth in Article 15.

5.4.5 **Maintenance and Repair of Common Areas.** Pay for the costs of painting, maintenance, repair and all landscaping and gardening work for all Common Area, and improvements located thereon, so as to keep the Project in a good, clean, attractive, sanitary and safe condition and in full compliance with applicable governmental laws, rules and regulations and the provisions of this Declaration. The foregoing shall include: the cost of maintaining storm retention ponds or similar facilities, if any; the cost of maintaining, repairing and replacing mailbox stands that serve more than one (1) Lot; and such replacing and repairing of furnishings and equipment, if any, for the Common Area as the Board shall determine are necessary and proper. Notwithstanding the foregoing, during any period when Declarant

has procured a bond for the benefit of the Project, which bond affects any portion of the property and/or improvements that constitute the Project and/or any required off-site improvements for the Project, neither the Board, the Association or any Owner shall have any right to disturb, modify, maintain, remove, replace, or repair any portion of such property or improvements that are covered by any such bond or to grant to a third party any license, right of entry, or easement over, under or through any portion of the Project covered by any such bond without the prior written approval of Declarant. Notwithstanding any provision of this Declaration to the contrary, the approval rights described in the prior sentence shall be personal to the undersigned Declarant and shall not transfer to its successors and assigns.

5.4.6 Creation and Maintenance of Rights of Way, Etc. To the extent deemed advisable by the Board, pay for the costs of creating easements, maintaining and landscaping rights of way, traffic islands and medians, or other similar areas which are within or adjacent to the Project boundaries, and which are owned by or dedicated to a governmental entity, if said governmental entity fails to do so; provided, the Lot Owner at the Owner's expense (rather than the Association) shall maintain and landscape such areas as are adjacent to such Owner's Lot.

5.4.7 Fences, Landscaping, Etc. To the extent deemed advisable by the Board, pay for the cost of constructing, maintaining, repairing and replacing: perimeter and interior fences, if any; and landscaping and improvements on easements, if any, which are located on or across any Tract or Lot; provided, the Board at its option may require a Lot Owner at the Owner's expense to maintain, repair and replace such fences, landscaping and improvements as are adjacent to such Owner's Lot to Association standards.

5.4.8 Enforce Declaration. Enforce the applicable provisions of the Declaration for the management and control of the Project.

5.4.9 Contracting and Payment for Materials, Services, Etc. Contract and pay for any materials, supplies, labor or services which the Board should determine are necessary or proper for the enforcement of this Declaration, including legal, accounting, management or other services; provided that if for any reason any materials, supplies, labor or services are provided for particular Lots or their Owners, the cost thereof shall be specially charged to the Owners of such Lots.

5.4.10 Attorney-in-Fact. Each Owner, by the mere act of becoming an Owner, shall irrevocably appoint the Association as his/her attorney-in-fact, with full power of substitution, to take such action as reasonably necessary to promptly perform the duties of the Association and Board hereunder, including but not limited to the duties to maintain, repair and improve the Project, to deal with the Project upon damage or destruction, and to secure insurance proceeds.

5.4.11 Borrowing of Funds. In the discharge of its duties and the exercise of its powers as set forth herein, but subject to the limitations set forth herein, the Board may borrow funds on behalf of the Association.

5.4.12 Adoption of Rules and Regulations; Fines. When and to the extent deemed advisable by the Board, to adopt reasonable rules and regulations governing the maintenance and use of the Project and other matters of mutual concern to the Lot Owners, which rules and regulations are not inconsistent with this Declaration and the Bylaws and which treat all Owners fairly and on a non-discriminatory basis. The Board may impose and collect charges for late payments of assessments and, after notice and an opportunity to be heard by the Board or by a representative designated by the Board in accordance with procedures as provided in the Bylaws or rules and regulations adopted by the Board, levy reasonable fines in accordance with a previously established schedule adopted by the Board and furnished to the Owners for violation of the Bylaws, rules and regulations of the Association.

5.4.13 Additional Powers of Association. In addition to the duties and powers of the Association as specified in this Declaration, but subject to the provisions of this Declaration, the Association, acting through its Board, shall have the power to do all other things that it may deem reasonably necessary to carry out its duties and the purposes of this Declaration.

ARTICLE 6: ARCHITECTURAL CONTROL

6.1 Construction and Exterior Alteration or Repair.

6.1.1 All buildings and structures (including, without limitation, concrete or masonry walls, rockeries, fences, sheds, swimming pools, if any, or other structures) to be constructed within the Project, and all exterior alterations and repairs (including, but not limited to, re-roofing or repainting) of any buildings or structures on the Project and visible from any public street, Common Area or other Lot must be approved in writing by the Board, or by an Architectural Control Committee ("ACC") composed of two (2) or more representatives appointed by the Board, at least one (1) of whom shall be Board members; provided, that during the Declarant Control Period, Declarant at its option may exercise all of the rights and powers of the Board under Section 6.1 including without limitation the appointment of

members of the ACC. References in this Article 6 to the ACC shall be deemed to include the ACC, the Board, or the Declarant, as circumstances may dictate. Complete plans and specifications, including colors, of all such proposed buildings, structures, and exterior alterations and repairs, together with detailed plans showing the proposed location of the same on the particular building site and other data requested by the ACC, shall be submitted to the ACC along with a written request for approval signed by the Owner. Any exterior modifications in accordance with plans and specifications developed by the Declarant prior to the time of transfer (pursuant to Article 5.3) shall be deemed approved exterior modifications, provided that such modifications comply with the Design Standards (as defined in Section 6.1.2 below).

6.1.2 The ACC will review all requests for approval of construction, alteration or repair for quality of workmanship and materials planned and for conformity and harmony of the external design with proposed or existing structures on the Lots, and for location of proposed or existing dwellings and other structures with respect to topography, privacy, finish grade elevation and building setback restrictions.

6.1.3 The ACC shall approve or disapprove requests within thirty (30) days after all required plans and specifications have been submitted to it, approvals shall be deemed given by the ACC only upon written notice.

6.1.4 All plans and specifications for approval by the ACC must be submitted in duplicate, at least thirty (30) days prior to the proposed construction or exterior alteration or repair starting date. Construction, alteration or repair shall not be started until written approval thereof is given by the ACC.

6.1.5 The ACC may require that said plans or specifications be prepared by an architect or a competent house designer approved by the ACC. One complete set of said plans and specifications shall in each case be delivered to and permanently retained by the ACC. The ACC shall have the right to refuse to approve any design, plan or color/s for such improvements, construction, or exterior alteration or repair visible from a public street, Common Area or other Lot which is not suitable or desirable, in the ACC's reasonable opinion, aesthetic or otherwise.

6.1.6 The ACC shall have the right to take into consideration and base its decisions on the overall suitability of any proposed building or other structure in all aspects including but not limited to material of which it is to be built, size, exterior color scheme, likely use, impact to the site upon which it is proposed to be erected, the harmony thereof with the surroundings, and the effect or impairment that said structure will have on the view, privacy or outlook from surrounding Lots and common areas, and any and all factors which in the ACC's sole opinion, could affect the desirability or suitability of such proposed structure, improvements, or exterior alteration or repair.

6.1.7 The ACC shall have the right to disapprove the design or installation of a swimming pool or any other recreational structure or equipment, in the ACC's reasonable opinion, aesthetic or otherwise. In so passing upon such design or proposed installation, the ACC shall have the right to take into consideration the visual impact of the structure and the noise impact of the related activities upon all of the properties located in close proximity. Any enclosure or cover used in connection with such a recreational structure or equipment, whether temporary, collapsible, seasonal, or otherwise, shall be treated as a permanent structure for the purposes of these covenants, and shall be subject to all the conditions, restrictions, and requirements as set forth herein for all buildings and structures.

6.1.8 The ACC shall have the right to require, at a Lot Owner's expense, the trimming or topping (or, if deemed necessary by the ACC, removal) of any tree, hedge or shrub on a Lot which the ACC determines is unreasonably interfering with the view or access to sunlight of another Lot.

6.1.9 The ACC shall have the right to specify the size, color and style of mailboxes and/or parcel boxes, and of the post/s or support/s on which affixed, and their location/s within or outside of a common area if at specified group locations as per U.S. Post Office requirements.

6.1.10 Approval by the ACC on any matter is independent of, in addition to, and not to be construed as a representation as to compliance with, any requirements for a permit, license or other approval by Chelan County or other applicable governmental or quasi-governmental entity. The Lot Owner is responsible for obtaining any such governmental approvals.

6.1.11 Declarant (including any successor in interest to Declarant's status as Declarant) shall not be subject to the restrictions of this Section 6.1 as to any Lot owned by Declarant, either during or after the Declarant Control Period.

6.2 **Sales Facilities of Declarant.** Notwithstanding any provision in this Declaration to the contrary, Declarant (and its agents, employees and contractors) shall be permitted to maintain during the period of sale of Lots and/or Homes upon such portion of the Project as Declarant still owns and as Declarant may

choose, such facilities as in the sole opinion of the Declarant may be reasonably required, convenient or incidental to the construction, sale or rental of Lots and Homes, including but not limited to, a business office, storage area, signs, model units, sales office, construction office provided that any such facilities comply with any applicable Design Standards.

6.3 **Variances.** So long as Declarant owns any Lot, the Board may in its reasonable discretion, upon written request of the Declarant, grant a variance from the requirements of Article 7; thereafter, the Board may, upon written request of an Owner, grant a variance from the requirements of Article 7 only in cases where, because of the physical characteristics of the Lot, strict enforcement would result in an unnecessary hardship. Beginning at such time that Declarant owns no Lots, the Board may only grant a variance from the provisions of Sections 7.11 through 7.17, 7.19 through 7.21, 7.23, 7.29, or 7.36 to the extent such variance is not inconsistent with the Design Standards. The Board's authority to grant such a variance shall not be delegated to the ACC. Prior to granting such a variance, the Board shall hold an open hearing at which other Owners may comment. At least fifteen (15) days prior to such hearing, the Board shall give written notice of the nature of the requested variance: to the Owner of each Lot immediately adjacent to the Lot for which the variance is requested; to other Owners that would reasonably be affected by the variance; and by requiring the Owner requesting the variance to post a notice on such Owner's Lot in a form reasonably satisfactory to the Board.

6.4 **Appeals.** Any aggrieved Owner may appeal a decision of the ACC to the Board by written notice within sixty (60) days after the ACC's written decision. The Board will review the ACC decision at the Board's next regularly scheduled meeting (but in any event not later than thirty (30) days after receipt of the notice of appeal). The Board shall give written notice to the appealing Owner of the time and place of such meeting at least five (5) days in advance. During the Declarant Control Period, the Declarant shall perform the role of the Board described in this Section 6.4.

ARTICLE 7: USE AND MAINTENANCE OBLIGATION OF OWNERS

7.1 **Maintenance of Lots.** Each Owner, at said Owner's sole cost and expense, shall promptly and continuously maintain, repair and restore its Lot (including all landscaping and the planting strip located within the right-of-way adjacent to the Owner's respective Lot if any) and Home and other improvements located thereon, and all other areas of Lots as required herein, in a good, clean, attractive, safe and sanitary condition and in full compliance with all applicable governmental laws, rules and regulations and the provisions of this Declaration and the rules and regulations of the Association.

7.2 **Use.** Except as provided in Section 7.6, all Lots and improvements located thereon shall be limited to residential, recreational and/or designated forest land use. The use provisions contained herein are designed to 1) preserve and enhance views of the surrounding landscape, 2) preserve the beauty of the existing landscape while enhancing views and usability of The Project, and 3) create homes, structures and landscapes with respect to the existing features and topography while designing contemporary Northwestern Mountain or Craftsman Style structures, 4) preserve natural habitat for wildlife, 5) maintain a quality forest community appearance, 6) insure compatible development of land and structures, 7) protect/enhance real estate values and 8) to maintain healthy, productive forests.

7.3 **Restriction on Further Subdivision.** No Lot or portion of a Lot shall be divided and sold or resold, nor ownership changed or transferred whereby the ownership of any portion of this Project shall be less than the area required for the use district in which located; provided, the foregoing shall not prohibit deeds of correction, deeds to resolve boundary disputes and similar corrective instruments. Lots may be joined and joined Lots may subsequently be subdivided only into the number of Lots equal to or less than originally allotted at the time of this declaration.

7.4 Rental Lots.

7.4.1 With respect to the leasing, renting, or creating of any kind of tenancy of a Lot and improvements thereon by its Owners, such Owner shall be prohibited from leasing or renting less than the entire Lot with all improvements thereon, or (with the exception of a lender in possession of a Lot and improvements thereon following a default in a first mortgage, a foreclosure proceeding or any deed of trust sale or other arrangement in lieu of a foreclosure) for a term of less than three (3) months; and all leasing or rental agreements shall be in writing, and shall be subject to the Declaration and Bylaws (with a default of the tenant in complying with the Declaration and Bylaws constituting a default under the lease or rental agreement).

7.4.2 If a Lot or Home is rented by its Owner, the Board on behalf of the Association may collect, and the tenant or lessee shall pay over to the Board, so much of the rent for such Lot or Home as is required to pay any amounts due the Association hereunder, plus interest and costs, if the same are in default over thirty (30) days. The renter or lessee shall not have the right to challenge payment over to the Board, and such payment will discharge the lessee's or renter's duty of payment to the Owner for rent, to the extent such rent is paid to the Association, but will not discharge the liability of the Owner or the Lot

under this Declaration for assessments and charges, or operate as an approval of the lease. The Board shall not exercise this power where a receiver has been appointed with respect to the Lot or its Owner, nor in derogation of any rights which a mortgagee of such Lot may have with respect to such rents. Other than as stated in this Article 7 there are no restrictions on the right of any Owner to lease or otherwise rent such Owner's Lot or Home.

7.5 **Zoning Regulations.** Zoning regulations, building regulations, environmental regulations and other similar governmental regulations applicable to the Project shall be observed. In the event of any conflict between any provision of such governmental regulations and the restrictions of this Declaration, the more restrictive or lawful provision shall apply.

7.6 **Business Use.** No business or manufacturing activity of any kind shall be conducted or carried on upon any Lot within The Project with the exception of: (a) a professional business conducted completely from inside a dwelling which does not generate noise, odor or other nuisances of any kind nor traffic exceeding 1 (one) vehicle per day; and (b) business activities related to Declarants' developing and selling of Lots. In addition, no goods, equipment, vehicles, materials or supplies used in connection with any business or commercial activity shall be permitted to be kept, parked, stored, dismantled, or repaired on any Lot or road within The Project, unless stored entirely within a structure permitted by these CC&R's or approved in writing by the ACC, ongoing.

7.7 **Building Setback Requirements.** All buildings and other Lot improvements shall comply with all applicable governmental requirements including without limitation minimum setback requirements.

7.8 **Oil and Mining Operations.** No oil drilling, oil development operations, oil refining or quarrying or mining operations of any kind or equipment related thereto shall be permitted upon or in any Lot.

7.9 **Dwelling Size.** Unless otherwise approved in writing by the ACC, each Lot shall have a maximum of one (1) dwelling structure and any dwelling structure located below an elevation of twenty six hundred (2,600) feet shall be a minimum of twelve hundred (1,200) square feet and any dwelling structure located above an elevation of twenty six hundred (2,600) feet shall be a maximum of fourteen hundred (1,400) square feet. For purposes of this provision, square footages are exclusive of garages, patios, breezeways, detached storage rooms and basements, excepting daylight basements which shall be inclusive whether finished or not. Questionable elevations shall be determined by the ACC by means of using a GPS device with a known accuracy of plus or minus fifty (50 feet).

7.10 **Lot Size.** No residential structure shall be erected or placed on any Lot which has a Lot area of less than that required by the government entity having appropriate jurisdiction over the Project or applicable design standards imposed by such governmental entity.

7.11 **Garages and Barns.** Regardless of whether a Lot has a garage or barn, any vehicle or equipment not operated for thirty (30) days must be stored in a manner which the Board determines is not offensive when viewed from the street or from the ground level of adjacent Lots, roads or Common Areas. Existence, size, location and use of any garage or barn shall be subject to approval of the ACC ongoing.

7.12 **Fire Prevention.** Owners of all Lots are responsible for understanding and following guidelines for keeping The Project safe from fire and maintaining their defensible space (fire safety zone for a perimeter around all improvements as defined by Chelan County or "Firesafe.org) and said spaces shall be kept free of all combustible materials such as plastic items, fuel, firewood, dead vegetation and forest debris.

7.13 **Mobile or Manufactured Housing.** No mobile or manufactured homes shall be allowed. Custom, craftsman style designs shall be strongly encouraged and any use of other designs shall be strongly discouraged and/or prohibited at the discretion of the ACC. The ACC may refuse to approve a plan based on designs or aesthetics indicative to mobile or manufactured homes or repetitive use of a plan, or for failure to meet the approved criteria as set forth. There shall be no mobile or manufactured housing on any Lot within the Project.

7.14 **Driveways and Impervious Surfaces.** All driveways, paths, trails and private roads within the project shall be constructed in compliance with all applicable Design Standards and overlaid with crushed rock, gravel or other dust inhibiting, material approved by the ACC. No ground level surface of any kind shall be overlaid with concrete, asphalt or other material resistant or impervious to saturation of water excepting; garage aprons, steps, walkways, paths and misc pads less than five hundred (500) square feet.

7.15 **Parking.** Unless substantially screened from view from the street or from the ground level of adjacent Lots, roads and Common Areas in a manner reasonably approved by the ACC, no recreational vehicles, commercial vehicles, construction or like equipment, motorcycles, or trailers (utility, dump, boat, camping, horse, or other), shall be allowed to be parked or stored on any Lot or street for a cumulative period in excess of thirty (30) days in any one (1) calendar year. No motor vehicles of any kind shall be parked overnight on any street adjoining any Lot or Common Area; provided that, such

vehicles belonging to guests of a Lot Owner may occasionally be so parked so long as such do not violate any other provision of this Section 7.15. No inoperable motor vehicle/s or equipment of any kind shall be parked or stored outside on any Lot or in any right-of-way or street adjoining any Lot or Common Area for more than seventy-two (72) hours regardless of cause. The Board shall have full authority to determine, in its sole discretion, if any vehicle or equipment is obnoxious or undesirable to other Lot Owners and to enforce this covenant. Pursuant to Article 9 of this Declaration, the Association may levy fines or have vehicles that are parked in violation of this Section towed and impounded at the Owner's expense.

7.16 **Roofs:** All roofs on dwellings, barns and detached garages must have a pitch of at least 4/12 (four on twelve). Under no circumstances are flat roofs allowed. All roofs and roof materials on all structures are subject to ACC approval. Subject to governmental approval, the following roof materials are permitted: metal, tile, slate, or architectural composition (Elk Prestique Plus 30-year or comparable) shingles and any metallic faux representation of the same (Decra Brand or other) comparable roofing materials. Cedar shakes or wood shingles shall not be permitted. Roof coverings placed on all new buildings and on all buildings being re-roofed shall be of fire resistant/retardant materials with no less than a "Class A" rating as defined by the Uniform Building Code Standard No. 32-7, or as otherwise approved in writing with supporting reasons by the Chelan County building inspector/fire marshal.

7.17 **Exterior Finish.** The exterior of each Home shall be designed, built and maintained in such a manner as to blend in with the natural surroundings, existing structures and landscaping of the Project. All exterior designs, materials colors must be approved by the ACC in accordance with the provisions of this Declaration and the Design Standards of the ACC. Exterior trim, fences, doors, railing, decks, eaves, gutters and the exterior finish of garages and other accessory buildings of all kinds shall be designed, built and maintained to be compatible with the exterior of the structures they adjoin. Exterior wall materials shall be natural wood, refined or natural logs, native stone, fiber cement, stucco or masonry. Reflective materials shall not be used. In no event shall T-111 panelized type siding, composite or plywood panels be permitted on any Home or other structure as a siding material.

7.18 **Utilities.** All utilities shall be installed underground. No overhead utilities shall be allowed unless approved in writing by the ACC.

7.19 **Antenna.** No antenna, satellite dish or other device for the transmission or reception of radio, television, satellite signals or other form of signal transmission or reception of any sort (except "mini dishes") shall be openly visible from community roads or the primary building site of any Lot unless otherwise agreed by the then existing Lot owner whose Lot faces said dish/es. In no event shall any satellite dish or similar antenna greater than one (1) meter in diameter be permitted.

7.20 **Fencing, Corrals and Gardens.** Excepting for corrals and gardens, no fence shall be higher than forty two (42) inches from the ground. All fences, corrals and fencing materials visible from other Lots or common areas shall be primarily of wood, stone or wrought iron, wood shall be of earth tones, natural or weathered, and shall be wood rail variety, including three rail, split rail, and similar open style fencing. Iron shall be of black or earth tones and of traditional appearance normal to most wrought iron fencing. No closed board, wire, chain link, electronic, concrete block, plastic or composite fencing is allowed on any Lot. Corrals shall be located so as any animal waste created therein shall not affect the quality of water in any creek, pond, stream or well. No corral, fence or site-screening improvements of any kind may be erected on any Lot without prior written approval from the ACC.

7.21 **Fireplace Chimneys.** Fireplace chimneys must be constructed to meet all governmental safety requirements as well as other requirements as required by the ACC and as otherwise required by this Declaration.

7.22 **Garbage and Refuse.** No part of The Project shall be used or maintained as dumping ground for discarded equipment, rubbish, trash, garbage, or similar material or items no matter how small. Excepting during initial construction of any residence, all garbage and trash shall be kept in covered containers. Any garbage or trash containing foodstuffs shall be kept in bear safe/proof containers or locations at all times. No trash being left out for pick up shall be visible until 8 PM the evening before the day of refuse pick up. All trash must be removed from view by 9 PM the day of pick up.

7.23 **Games and Play Structures.** No deck, platform, dog house, playhouse or structure of a similar kind or nature shall be constructed on any part of a Lot located in front of the rear line of the residence constructed thereon, and any such structure must have prior written approval of the ACC.

7.24 **Construction of Significant Recreation Facilities.** The construction of any significant recreational facilities on any Lot including, but not limited to, such items as swimming pools and tennis, badminton or pickle ball courts, riding or racing tracks, shall require the approval of the ACC and shall be subject to the requirements adopted by the ACC.

7.25 **Animals.** The following pets and/or animals shall be allowed on each Lot provided that they are not kept in numbers or under conditions objectionable to other Owners and are accompanied and/or effectively managed by human caretakers to the extents necessary to meet all the terms and conditions contained herein; Dogs and cats shall be permitted and other animals, specifically, horses, cows and goats can be kept for private use and enjoyment, provided they do not number more than four (4) total and are not bred or maintained for any commercial purpose. No species of swine or poultry are permitted. In no event shall animals of any kind be allowed to create a disturbance or nuisance to other owners, guests or wildlife. All animals must be properly contained or restrained and cared for at all times. Owners shall be responsible for the prompt cleanup of their respective animals' activities on all Lots, roads, trails and common areas. All animal enclosures and dwellings must be kept in a neat, clean, healthy and reasonably odor free condition at all times. The Declarant or Association may at any time require the removal of any pet or animal which numbers exceed the above limits or are inadequately kept or seen as a disturbance to other Owners or wildlife, in the Declarant or Associations' determination and the Declarant or Association may exercise this authority for specific pets or animals even though other pets or animals are permitted to remain. The respective owners of animals shall be responsible for all costs related to enforcing any part of this provision.

7.26 **Landscaping.** Landscaping and/or the area around any structures shall be in compliance with forest fuels management and fire prevention practices published by Chelan County. Landscaping shall be of natural and indigenous materials, draught and/or fire resistant plants to create a transition between the natural environment and any improvements. Natural and existing features including rock outcroppings and vegetation should be used in the landscape design.

7.27 **Signs.** No signs of any kind for any use/s, shall be erected, posted, painted or displayed on any Lot, road, trail or Common Area whatsoever excepting as provided for in part 7.48 herein or for public notices by political divisions of the State or County or as required by law or the ACC. Any builder or the builder's agent may erect and display signs during the period the builder is building and selling property in the Project only with prior approval from ACC. Any Lot Owner or the Lot Owner's agent wishing to sell that Owner's Lot may place one (1) "For Sale" sign on the Lot, provided such sign complies with any rules published by the ACC.

7.28 **Temporary Structures.** No tent, shack, garage, basement only, barn, lean to, prefabricated structure or outbuilding shall be used as a dwelling. RVs as described and allowed for in part 7.49 below may be used as a dwelling on a temporary basis during the course of evident construction of a primary dwelling, but in no case longer than fourteen (14) months after the start of such construction. No mobile homes are permitted on The Project. No building or structure shall be moved on to the Project from any land outside the Project. A trailer or RV may be placed and occupied by the designated subdivision sales agent with the prior written approval of the ACC.

7.29 **Completion of Construction.** Any Dwelling or structure being erected or placed on any Lot shall be completed as to exterior appearance within fourteen (14) months from the date of commencement of construction or the owner will be fined \$2,000.00 (Two Thousand Dollars) for each month after that period until said construction is completed. If after 24 months construction has still not been completed, the Declarant or any party of its choice shall have the right and option to purchase the Lot/s at the appraised value of the Lot without positive consideration for value of improvements at the time of non compliance minus 10%.

7.30 **Easements.** Easements for the installation and maintenance of utilities, drainage and irrigation facilities are reserved as shown on the Plat Map as allowed herein and as described in Article 12. Within these easements no structure, planting or other materials shall be placed or permitted to remain which may damage or interfere with the installation and/or maintenance of such utilities, or which may obstruct, retard or change the directions of flow of water through a drainage channel in the easement. Any easement or portion thereof located on any Lot and all improvements thereon shall be maintained continuously by the Lot Owner.

7.31 **Use During Construction.** Except with the approval of the ACC, no person shall reside in any uncompleted dwelling structure on any Lot until such time as the improvements to be erected thereon in accordance with the plans and specifications approved by the ACC have been completed. Completion shall be considered receipt of a final inspection of the dwelling unit by the Chelan County Building Department or other applicable government official.

7.32 **Excavations.** Except with the permission of the ACC, or except as may be necessary in connection with the construction of any approved improvement, no excavation shall be made nor shall any dirt be removed from or added to any Lot. Except with permission of ACC, no retaining wall of more than four feet (4) in height (exposed height) may be constructed on any Lot.

7.33 **Nuisances.** No noxious, illegal, or offensive activities shall be carried on in any Dwelling, or in any part of The Project, nor shall anything be done thereon which may be or may become an annoyance or a

nuisance to, or which may in any way interfere with, the enjoyment of each of the Owners of his or her respective Lot. Recreational use, occasional controlled social gatherings, or other events, which may from time to time cause an above average level of noise, shall not be considered a Prohibited Nuisance. No Lot within The Project shall be used as a dump for trash or rubbish of any kind, and all garbage or other waste shall be kept in appropriate sanitary containers for proper disposal. No noxious or undesirable thing, or noxious or undesirable use shall be permitted or maintained upon any Lot or upon any other portion of the Project. If the Board determines that a thing or use is undesirable or noxious, that determination shall be conclusive.

7.34 **Clothes Lines, Other Structures.** Clothes lines and other things of similar nature shall be located in a manner to not be visible from any adjacent Lot, road, trail or Common Area.

7.35 **Common Drives.** If any common drives, walks, and/or paths come to exist, no obstructions shall be placed thereon or therein except by express written consent of the Board.

7.36 **Building Height.** Maximum building height shall be dictated by the appropriate governmental authority, in no event shall any building exceed a maximum of three stories.

7.37 **Storm Runoff.** Due diligence shall be exercised by each Lot Owner to prevent adverse impact of downstream storm runoff.

7.38 **Tree Removal.** Mature trees of fifty (50) feet in height or more may only be removed for the following reasons: for the purpose of maintaining views, providing access roads, clearing building sites and defensible zones as described in 7.1.2, or to remove diseased and dangerous trees (as either plainly obvious or as certified diseased or dangerous by a licensed and or accredited arborist or forester.) Tree removal shall be the minimum necessary to accommodate the approved improvements and shall be subject to the reforestation rule, if any, as set forth by the association. This paragraph only applies to areas on Lots not designated as open space, timber or forestland, if any Lot or part thereof is then classified as such, all rules related thereto as required by the applicable governing body/s shall apply.

7.39 **Motorized Vehicles.** Motorcycles, Snowmobiles, All Terrain Vehicles, Helicopters, Bicycles, Horses, and any other recreational vehicles are permitted for ingress and egress to all Lots however, recreational use of motorized vehicles other than ingress and egress on easement roads and designated trails is prohibited.

7.40 **Vehicle & Equipment Storage.** Excepting as provided in 7.4 9, all inoperable, stored, or occasional use vehicles, campers, trailers, boats and equipment must be stored inside of an enclosed building or shall be placed behind the front elevation of the house in a location not directly visible from any other residence, road, trail or common area.

7.41 **Outside Storage.** Storage areas, machinery and equipment shall be prohibited unless obscured from view of any residence by natural vegetation or by an appropriate screen or as otherwise approved in writing by the ACC if acceptable by the Lot Owner/s whose residence/s faces said items.

7.42 **Fires.** No incinerators or other open waste burning fires shall be permitted. Recreational fire pits, controlled burns, burning of yard and forest debris shall be permitted subject to federal, state, county and local laws/rules provided that conditions are optimum and all precautions have been taken to assure safety from spread of fire. The Board may also, at its discretion, ban any and all burning for a temporary period based on extreme fire danger. All outdoor fire and fire pit areas shall be subject to "Firewise" provisions as prescribed by Chelan County. It is the responsibility of Owners to obtain current fire related information from the Chelan County Fire District offices in either Chelan or Manson prior to conducting burns or having fires. Wood burning fireplaces shall not be used during the months of May, June, July, August or September.

7.43 **Tent Camping.** Any Lot may be used for recreational tent camping purposes provided the campers do not pose a nuisance to other Lot owners and act in accordance with all provisions herein. This provision is limited to two (2) tents at any time for a cumulative period not to exceed twelve (12) weeks per calendar year. Tent/s shall not be left unoccupied for more than five (5) consecutive days. Any tent/s which do not conform to this provision shall be subject to removal by the association at the owners expense.

7.44 **Hunting and Firearms.** No discharging of firearms shall be permitted within The Project except for reasons of; i) legal, personal defense during any event/s clearly representative of real and present danger or for; ii) training bears which shall only be done with blanks, rubber slugs, bean bags or other non lethal ammunition or; iii) during scheduled community target shooting events organized by the association. Hunting, trapping, poisoning, harming or killing wildlife in The Project is not allowed unless performed by a governmental entity as required by law or an agent of the association specifically directed to do so by the board.

7.45 **Nature.** Every reasonable consideration shall be afforded to preserve the natural order and biodiversity of indigenous fauna and flora excepting as provided below in 7.46.

7.46 **Weeds, Rodents and Insects.** Owners will make reasonable efforts to responsibly manage noxious weeds, invasive rodents and infestations of insects on their respective Lots by utilizing products and methods which offer the least collateral damage/s to the land and all indigenous fauna and flora thereto. Fertilizers weed killers and insecticides of all kinds used on Lots shall be chosen with the above in mind or as otherwise prescribed by the association on a case by case basis. No poisons shall be used, stored or kept on the Project at any time unless performed by a governmental entity as required by law or an agent of the association specifically directed to do so by the association.

7.47 **Water and Irrigation.** Water shall be used wisely and solely for the purpose of indoor residential use excepting hot tubs, water tanks for animals, child pools, fountains, edible gardens, small flower pots/beds, newly planted trees and occasional outdoor washing of vehicles. Watering of lawns is not permitted. Wells may be shared via recorded agreement/s and easements necessary thereto.

7.48 **No Trespassing/Hunting Warnings.** Owners of Lots abutting public lands shall be required to post and maintain no trespassing or no hunting signs on the parameter of their Lots facing public lands in a frequency of spacing and of conspicuity to assure sighting by would be entrants from said public lands. No interior Lot boundaries shall be posted without the approval of the ACC and all such signs are subject to ongoing review and approval of the ACC.

7.49 **RVs.** Use of One (1) Hard Sided Travel Trailer, Fifth Wheel Trailer, Truck Camper or Class A, B or C Motor home shall be allowed on each Lot only if it is hooked up to an adequate source of running water and discharges all gray and black waste into an approved septic system built per Chelan County Health Department requirements and; the unit is kept clean and in excellent aesthetic and mechanical condition or screened by a structure which complies with all building and design related requirements herein or as otherwise determined by the ACC. Excepting as provided in part 7.28 herein, or upon written approval from the Board, no RV of any kind shall be occupied by people for a cumulative period of time exceeding one hundred twenty (120) days during any twelve (12) month period of time. Any RV/s which do not conform to this provision shall be subject to removal by the association at the owners expense.

7.50 **Designated Forest Land Classification/s.** Any Lot or part thereof classified as Designated Forest Land, Timber Land, Open Space or other similar classification shall be restricted by said classification in all manners necessary for continuance of such classification/s until officially removed from said classification by the Lot owner or appropriate governmental entity. All costs and responsibilities associated with continuance or removal of any such classification/s shall be the sole responsibility of the owner/s of respective Lots.

7.51 **No Warranty of Enforceability.** While Declarant has no reason to believe that any of the restrictive covenants contained in this Declaration are or may be invalid or unenforceable for any reason or to any extent, Declarant makes no warranty or representation as to the present or future validity or enforceability of any such restrictive covenant. Any Owner acquiring a Lot in The Project in reliance on one or more of such restrictive covenants shall assume all risks of the validity and enforceability thereof and, by acquiring the Lot agrees to hold Declarant harmless there from.

7.52 **Trail System.** Common areas or easements may be created by the association, Declarant or the ACC for the purpose of developing roads, or trail systems for use and enjoyment of all members and their guests. Once established, all traffic of all kinds shall be restricted thereto to protect privacy, wildlife and environment. Certain parts of trail systems may be restricted to foot, bicycle and/or horse traffic only while others may accommodate motorcycles, ATVs, snowmobiles ect. No motorized vehicles will be allowed on the trail system during the hours of 9pm to 7am. Any use of the trail system that deteriorates or destroys trail or any covering surface thereon is prohibited. Motorized vehicles are expected to "Tread Lightly" on the trail system and trails on surrounding available lands where such use is legal. Any damage to the trail system by any homeowner or its visitors deemed significant by Association members, Declarant or its agents can be fined to the extent necessary to bring the damaged area back to its original state. Use of any motorized vehicles on the trail system shall be restricted to nominal, to and fro, destination type trips, the trail system is not a racetrack and anyone deemed to be using it as one by the association can be banned from using it. All motorized vehicles used on the trail system shall be equipped with noise reducing mufflers and spark arrestors.

7.53 **Grading.** Grading and drainage improvements to any Lot shall minimize impact to the land by being seeded with wildflower, rye, prairie grass or other similar plants to limit erosion and shall blend with the existing grades when finished. Natural slopes shall be used rather than retaining walls unless a retaining wall is necessary.

7.54 **Construction.** Exterior designs and locations of all homes to be constructed within the Project shall be subject to review of the ACC and shall be built of quality new or indigenous materials, with the exception of "décor" items such as used brick, weathered planking, and similar items. No homes on any Lot shall consist, in whole or part, of a mobile home, nor of "factory built housing" (as that term is defined in RCW 43.22.450 as in effect at the time of execution of this Declaration.)

7.55 **Windows and Doors.** Windows and doors shall be fitted with a minimum of 4 1/4" of trim both vertical and horizontal. Windows and doors shall be wood, vinyl clad, or metal clad and shall be of light to moderate hues and/or earth tones.

7.56 **Outbuildings and Other Structures.** Materials, colors, designs and styles of all Sport Courts, Carports, Gazebos, Verandas, Lookouts, Towers, Poles, Power Producing or Relaying Equipment, Play Structures and other structures or outbuildings not otherwise specifically mentioned herein shall be the same or complementary to the dwelling on any Lot. Approval to construct, place, erect or colorize any such object shall be requested from the ACC 30 days prior to construction, placement or erection.

7.57 **Exterior Colors.** Exterior colors of all structures shall be of moderate to dark hues and/or earth tones and shall be subject to approval from the ACC ongoing.

7.58 **Exterior Lighting.** All exterior lighting shall be designed primarily in the form of down-lighting, and shall be designed in a manner as to minimize the effect of the lighting to any other Lots. Subtle up-lighting for vegetation and the main home accent shall be approved if the impact on neighboring lots is minimal, and the fixtures do not emit stray light. Lighting shall be designed to cut off stray horizontal light.

ARTICLE 8: COMMON EXPENSES AND ASSESSMENTS

8.1 **Creation of the Lien and Personal Obligation of Assessments.** The Declarant, for each Lot owned within the Project, hereby covenants, and each Owner of any Lot by acceptance of a deed thereto, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association any assessment duly levied by the Association as provided herein which shall be established and collected as needed and in manners prescribed by the Board. All assessments, together with interest, costs, late charges and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, late charges and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to successors in title unless the lien for such delinquent assessments had been properly recorded prior to title transfer or unless expressly assumed by them. Provided, however, that in the case of a sale of any Lot which is charged with the payment of an assessment or assessments payable in installments, the person or entity who is the Owner immediately prior to the date of any such sale shall be personally liable only for the amount of the installments due prior to said date. The new Owner shall be personally liable for installments which become due on and after said date.

8.2 **Uniform Rate.** Any assessments which may be levied from time to time pursuant to the authority of the Board as set forth in Section 5.4.1, shall be fixed at a uniform rate for each Lot, except for assessments levied against an Owner for the purpose of reimbursing the Association for costs incurred in bringing the Owner or his/her Home and/or Lot into compliance with the provisions of this Declaration. Declarant shall not be obligated to pay any assessment levied against any Lots owned by it. An assessment against a Lot shall be the joint and several personal obligation of all Owners of that Lot.

8.3 **Initial Assessment Amount.** Upon the sale of any Lot by Declarant for twenty thousand dollars (\$20,000.00) or more (whether to a builder or otherwise), each Lot Owner, at the time of its/his/her purchase of the Lot, shall pay an initial start-up assessment to the Association in the amount of Two Hundred Dollars (\$200.00). Such initial assessment shall be in addition to any annual assessment provided for in this Article 8 and shall be for the purpose of reimbursing the Declarant and/or Association for maintenance and operating expenses of and for roads, trails and Common Areas during the initial development and Lot sales period. Notwithstanding the provisions set forth above, the Declarant shall not be liable for any initial assessments assessed or due so long as Declarant owns any Lot.

8.4 Limitation on Annual Assessment Amount.

8.4.1 **Board Authority.** At any time after the sale of the first Lot by the Declarant (whether to a builder or otherwise), the Board shall have the authority, without obtaining prior approval of the Owners, to levy assessments in a given calendar year. Notwithstanding the provisions set forth above, the Declarant shall not be liable for any fees or assessments assessed or due so long as Declarant owns any Lot.

8.4.2 **Annual Increase in Dollar Limit.** The amount of any annual assessments per Lot (excluding any assessments which are levied against an Owner for reimbursing the Association for costs

incurred in bringing the Owner or his/her Home and/or Lot into compliance with the provisions of this Declaration and; any initial assessments provided for in Sections 8.3 and any assessments provided for in 8.18) shall not be increased by more than fifteen percent (15%) in any subsequent year without the approval of a majority of the Lot Owners voting at a meeting duly called for such purpose.

8.4.3 **Owner Approval Required.** Any assessment to be levied in a given calendar year which would cause the total of all assessments for the year to exceed the sum per Lot permitted by Section 8.4.2 shall require the calling of a meeting of the Association upon notice sent to all members not less than thirty (30) nor more than sixty (60) days in advance of the meeting, and the approval at such meeting of the levy of such assessment by a majority of the Lots represented at such meeting, provided a quorum is present as defined in the Bylaws.

8.5 **Manner and Time of Payment.** Assessments shall be payable by each Owner in such reasonable manner as the Board shall designate. Any assessment or installment thereof which remains unpaid for at least fifteen (15) days after the due date thereof shall bear interest at an annual rate equal to the greater of twelve percent (12%) or the Prime Rate plus three percent (3%), and the Board may also assess a late charge in an amount not exceeding twenty-five (25%) of any unpaid assessment which has been delinquent for more than fifteen (15) days. "Prime Rate" means the prime business lending rate, determined and quoted from time to time by U.S. Bank, Seattle Main Branch (or its successor), as the same may be adjusted from time to time. If U.S. Bank ceases to quote a prime rate or a similar rate, the interest rate shall be based upon such similar prime business lending rate as is determined and quoted from time to time by the Wall Street Journal or, if the Wall Street Journal ceases to quote such rate, by a nationally recognized financial publication selected by the Board. If any such prime rate is determined and quoted as a range of rates, the simple average of the high and low rates of such range shall be used.

8.6 **Accounts.** Any assessments collected by the Association shall be deposited in one or more insured institutional depository accounts established by the Board. The Board shall have exclusive control of such accounts and shall maintain accurate records thereof; provided, however, that the Board may exercise such control through a property manager retained pursuant to Section 5.4.2. No withdrawal shall be made from said accounts except to pay for charges and expenses authorized by this Declaration.

8.7 **Lien.** In the event any assessment or installment thereof remains delinquent for more than thirty (30) days, the Board may, upon fifteen (15) days prior written notice to the Owner of such Lot of the existence of the default, accelerate and demand immediate payment of the entire assessment. The amount of any assessment assessed or charged to any Lot plus interest, costs, late charges and reasonable attorneys' fees, shall be a lien upon such Lot. A claim of lien may be recorded in the office where real estate conveyances are recorded for the county in which this Project is located. Such claim of lien may be filed at any time at least fifteen (15) days following delivery of the notice of default referred to above. The lien for payment of such assessments and charges shall have priority over all other liens and encumbrances, recorded or unrecorded, limited as provided in Section 11.1. Suit to recover a money judgment for unpaid assessments or charges shall be maintainable with or without foreclosure or waiver of the lien securing the same.

8.8 **Waiver of Homestead.** Each Owner hereby waives, to the extent of any liens created pursuant to this Article, the benefit of any homestead or exemption law in effect at the time any assessment or installment thereof becomes delinquent or any lien is imposed pursuant to the terms hereof.

8.9 **Continuing Liability for Assessments.** No Owner may exempt themselves from liability for their Assessment/s by abandonment of any Lot or by waiver of the use or enjoyment of the roads, trails or common areas in the project.

8.10 **Records, Financial Statements.** The Board shall prepare or cause to be prepared, for any calendar year in which the Association levies or collects any assessments, and shall distribute to all Owners, a balance sheet and an operating (income/expense) statement for the Association, which shall include a schedule of assessments received and receivable, identified by the number of the Lot and the name of the Owner so assessed. The Board shall cause detailed and accurate records of the receipts and expenditures of the Association to be kept specifying and itemizing the maintenance, operating, and any other expenses incurred. Such records, copies of this Declaration, the Articles and the Bylaws, and any resolutions authorizing expenditures of Association funds shall be available for examination by any Owner at reasonably convenient hours.

8.11 **Certificate of Assessment.** A certificate executed and acknowledged by the treasurer or the president of the Board, or an authorized agent thereof if neither the president nor treasurer is available, stating the indebtedness for assessments and charges or lack thereof secured by the assessment lien upon any Lot shall be conclusive upon the Association as to the amount of such indebtedness on the date of the certificate, in favor of all persons who rely thereon in good faith. Such a certificate shall be furnished to any Owner or any encumbrancer of a Lot within a reasonable time after request, in recordable form, at a reasonable fee. Unless otherwise prohibited by law, any encumbrancer holding a lien on a Lot may pay

any unpaid assessments or charges with respect to such Lot, and, upon such payment, shall have a lien on such Lot for the amounts paid of the same rank as the lien of his/her encumbrance.

8.12 **Foreclosure of Assessment Lien, Attorneys' Fees and Costs.** The Declarant or Board, on behalf of the Association, may initiate action to foreclose the lien of, or collect, any assessment. In any action to foreclose the lien of, or otherwise collect, delinquent assessments or charges, any judgment rendered in favor of the Association shall include a reasonable sum for attorneys' fees and all costs and expenses reasonably incurred in preparation for or in the prosecution of said action (including in any arbitration, on appeal, and in any bankruptcy proceeding), in addition to taxable costs permitted by law.

8.13 **Curing of Default.** The Board shall prepare and record a satisfaction and release of the lien for which a claim of lien has been filed and recorded in accordance with this Article upon timely payment or other satisfaction of all delinquent assessments set forth in the Notice, and all other assessments which have become due and payable following the date of such recordation with respect to the Lot as to which such claim of lien was recorded, together with all costs, late charges and interest which have accrued thereon. An additional administrative fee of twenty-five dollars (\$25.00) covering the cost of preparation and recordation shall be paid to the Association prior to such action. The satisfaction of the lien created by the claim of lien shall be executed by the president or treasurer of the Association or by any authorized representative of the Board. For the purposes of this paragraph, the term "costs" shall include costs and expenses actually incurred or expended by the Association in connection with the cost of preparation and recordation of the claim of lien and in efforts to collect the delinquent assessments secured by the lien and a reasonable sum for attorneys' fees.

8.14 **Omission of Assessment.** The omission by the Board or the Association to fix the estimate for assessments and charges hereunder for the next year before the expiration of any current year shall not be deemed a waiver or modification in any respect of the provisions of this Declaration, or a release of the Owner from the obligation to pay the assessments and charges, or any installment thereof for that or any subsequent year. The assessment and charge fixed for the preceding year shall continue until a new assessment or charge is fixed.

8.15 **Assessment Deposit.** A Lot Owner may be required, by the Board or by the managing agent, from time to time, to make and maintain a deposit of not more than the total of: one (1) annual assessment; plus either one (1) special assessment if special assessments are payable on an annual basis, or three (3) special assessment installments if special assessments are payable on a monthly or other periodic basis. Such deposit may be collected as are other assessments and charges. Such deposit shall be held in a separate fund, be credited to such Owner, and be for the purpose of establishing a working capital fund for the initial Project operations and a reserve for delinquent assessments. Resort may be had thereto at any time when such Owner is ten (10) days or more delinquent in paying his/her assessments and charges, to meet unforeseen expenditures, to acquire additional equipment or services deemed necessary or desirable by the Board, or as a credit against any annual or special assessments to become due from such Owner. Said deposits shall not be considered as advance payments of annual assessments. All or any portion of such deposit may at any time be refunded to the Owner by the Association in the discretion of the Board, such refund being made as a cash refund or a credit against assessments subsequently to become due or a combination thereof.

8.16 **Exempt Property.** The following property subject to this Declaration shall be exempt from the assessments created herein:

8.16.1 All properties dedicated to and accepted by a governmental entity;

8.16.2 All common areas; and

8.16.3 All properties owned by a charitable or nonprofit organization or an organization exempt from taxation by the laws of the State of Washington. However, the land or improvements, which are referred to in Sections 8.16.1 and 8.16.2 and which are devoted to dwelling use, shall not be exempt from said assessments.

8.17 **Effect of Legal Proceedings.** In any legal proceeding commenced pursuant to Section 9.1.1, and notwithstanding the assessment limitations provided for in this Declaration, the court having jurisdiction over such proceeding shall also have jurisdiction and power to cause assessments to be levied and collected on an equal per Lot basis in such amounts as is reasonably necessary to cause the Project to be properly administered in accordance with the provisions of this Declaration and the Bylaws, or to cause the provisions of this Declaration and the Bylaws to be properly applied and enforced.

8.18 **Extraordinary Assessments.** In addition to the Regular Assessments authorized above, the Board may levy, in any fiscal year, an Extraordinary Assessment applicable to that year only for the purpose of covering the actual cost of any reconstruction, repair, replacement or unusually considerable maintenance of any Easements or common areas due to damage or normal wear-and-tear, or to defray any

unanticipated or underestimated expense not covered by the Regular Assessment such as but not limited to excessive snow removal. Maintenance of the roadways shall include all provisions necessary to provide year-round access to the lowermost areas of parcels I, J, K, D and G and/or a common area if any, to be used for parking during winter months which shall be snowplowed, at a minimum of approximately twelve (12) feet wide, upon approximately nine (9) inches of snowfall. It is the intent of these standards to maintain the lowest roadways passable by four-wheel drive vehicles. It shall be the responsibility of Lot owners to maintain and snowplow their respective driveways and subject to approval by the association, all other roads as deemed necessary.

ARTICLE 9: COMPLIANCE WITH DECLARATION

9.1 Enforcement.

9.1.1 **Compliance of Owner.** Each Owner, Board member and the Association shall comply strictly with the provisions of this Declaration and with the Bylaws and administrative rules and regulations adopted by the Association (as the same may be lawfully amended from time to time). Failure to comply shall be grounds for an action to recover sums due for damages, or injunctive relief, or both, maintainable by the Board (acting through its officers on behalf of the Association and the Owners), or by the aggrieved Owner on his/her own against the party (including an Owner or the Association) failing to comply. In addition, the Association may impose and collect fines as provided in Section 5.4.12 of this Declaration.

9.1.2 **Compliance of Lessee.** Each Owner who rents or leases his/her Lot shall insure that the lease or rental agreement is in writing and subject to the terms of this Declaration, Articles of Incorporation, and Bylaws. Said agreement shall further provide that failure of any lessee to comply with the provisions of said documents shall be a default under the lease.

9.1.3 **Attorneys' Fees.** In any action to enforce the provisions of this Declaration, the Articles of Incorporation or the Bylaws, the prevailing party in such legal action shall be entitled to an award for reasonable attorneys' fees and all costs and expenses reasonably incurred in preparation for or prosecution of said action (including in any arbitration, on appeal, or in any bankruptcy proceeding), in addition to taxable costs permitted by law.

9.2 **No Waiver of Strict Performance.** The failure of the Board, or Declarant or Declarant's managing agent, as applicable, in any one or more instances to insist upon or enforce the strict performance of any of the terms, covenants, conditions or restrictions of this Declaration, or of any Bylaws or administrative rules or regulations, shall not be construed as a waiver or a relinquishment for the future of such term, covenant, condition or restriction, but such term, covenant, condition or restriction shall remain in full force and effect. No waiver by the Board of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Board.

9.3 **Right of Entry.** Violation of any of the provisions hereof shall give to Declarant, its successors, or the Association, the right to enter upon the Lot as to which such violation exists and to abate, correct and remove, at the expense of the Owner thereof, any erection, thing or condition that may be or exists thereon contrary to the provisions hereof. Such entry shall only be made after three (3) days notice is given to Owner and the Association shall not be deemed guilty of any manner of trespass by such entry, abatement or removal.

9.4 **Remedies Cumulative.** The remedies provided are cumulative, and the Board may pursue them concurrently, as well as any other remedies which may be available under law although not expressed herein.

ARTICLE 10: LIMITATION OF LIABILITY

10.1 **No Personal Liability.** So long as a Board member, Association committee member, Association officer, Association agent, or Declarant exercising the powers of the Board, has acted in good faith, without willful or intentional misconduct, upon the basis of such information as may be possessed by such person, no such person shall be personally liable to any Owner, or other party, including the Association, for any damage, loss or prejudice suffered or claimed on account of any act, omission, error, negligence (except gross negligence), any discretionary decision, or failure to make a discretionary decision, by such person in such person's official capacity; PROVIDED, that this section shall not apply where the consequences of such act, omission, error or negligence are covered by insurance or bonds obtained by the Board pursuant to this Declaration.

10.2 **Indemnification of Board Members.** Each Board member or Association committee member, or Association officer, Association agent, or Declarant exercising the powers of the Board, and their respective heirs and successors, shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed in connection with any proceeding

to which he/she may be a party, or in which he/she may become involved, by reason of being or having held such position at the time such expenses or liabilities are incurred, except in such cases wherein such person is adjudged guilty of intentional misconduct or gross negligence or a knowing violation of law in the performance of his/her duties, and except in such cases where such person has participated in a transaction from which said person will personally receive a benefit in money, property, or services to which said person is not legally entitled; PROVIDED, that, in the event of a settlement, the indemnification shall apply only when the Board approves such settlement and reimbursement as being in the best interest of the Association. Nothing contained in this Section 10.2 shall, however, be deemed to obligate the Association to indemnify any Owner of a Lot who is or has been a Board member or officer of the Association with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of the Declaration as an Owner of a Lot covered thereby and not as a Board member or officer of the Association.

ARTICLE 11: MORTGAGEE PROTECTION

11.1 Priority of Mortgagee. Notwithstanding all other provisions hereof, the liens created under this Declaration upon any Lot for assessments shall be subject to tax liens on the Lot in favor of any assessing unit and/or special district and be subject to the rights of the secured party in the case of any indebtedness secured by first lien Mortgages which were made in good faith and for value upon the Lot. Where the Mortgagee of a Lot, or other purchaser of a Lot, obtains possession of a Lot as a result of Mortgage judicial or nonjudicial foreclosure or deed in lieu thereof, such possessor and its successors and assigns shall not be liable for the share of any assessment by the Association chargeable to such Lot which becomes due prior to such possession, but will be liable for any assessment accruing after such possession. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectible from all of the Lot Owners including such possessor, its successor and assigns.

11.2 Effect of Declaration Amendments. No amendment to this Declaration shall be effective to modify, change, limit or alter the rights expressly conferred upon Mortgagees in this instrument with respect to any unsatisfied Mortgage duly recorded unless the amendment shall be consented to in writing by the holder of such Mortgage. Any provision of this Article concerning rights of Mortgagees that is inconsistent with any other provision of this Declaration shall control over such other inconsistent provisions.

11.3 Right of Lien Holder. A breach of any of the provisions, conditions, restrictions, covenants, easements or reservations herein contained shall not affect or impair the lien or charge of any bona fide Mortgage made in good faith and for value on any Lots; provided, however, that any subsequent Owner of the Lot shall be bound by these provisions whether such Owner's title was acquired by foreclosure or trustee's sale or otherwise.

11.4 Change in Manner of Architectural Review and Maintenance Within Project. The Association shall not, without prior written approval of seventy-five percent (75%) of all first Mortgagees (based upon one (1) vote for each first Mortgage owned) and seventy-five percent (75%) of all Owners (other than Declarant) of record by act or omission change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearance of Homes, the exterior maintenance of Homes, maintenance of walkways, fences and driveways, or the upkeep of landscapes and plantings in the development, including the provisions of Articles 4 and 5 hereof.

11.5 Copies of Notices. If the first Mortgagee of any Lot so requests the Association in writing, the Association shall give written notice to such first Mortgagee if an Owner/Mortgagor of a Lot has for more than sixty (60) days failed to meet any obligation under this Declaration.

11.6 Furnishing of Documents. The Association shall make available to prospective purchasers, Mortgagees, insurers, and guarantors, at their request, current copies of the Declaration, Bylaws, and other rules governing the Project, and the most recent balance sheet and income/expense statement for the Association, if any has been prepared.

ARTICLE 12: EASEMENTS

12.1 Association Functions. There is hereby reserved to Declarant and the Association, or their duly authorized agents and representatives, the right to make easements which will be shown on the Plat Map, as necessary to perform the duties and obligations of the Association as are set forth in the Declaration, or in the Bylaws, and rules and regulations adopted by the Association.

12.2 Easements Over Common Areas. The Board, on behalf of the Association and all members thereof or Declarant shall have authority to grant (in accordance with applicable governmental laws and regulations) utility, road and similar easements, licenses and permits, under, through or over common areas and Lots which easements the Board determines are reasonably necessary to the ongoing development and operation of the Project.

12.3 **Intentionally Removed.**

12.4 **Utility Easements.** Non-exclusive easements in existence and those to be reserved will be governed under applicable laws, ordinances and other governmental rules and regulations for utility installation and maintenance, including but not limited to, underground electric power, telephone, water, sewer, drainage, and accessory equipment, together with the right to enter upon the Lots at all times for said purposes ("Utility Easements"). Unless otherwise expressly provided for in this Article 12, maintenance of the Utility Easements shall be the responsibility of individual Owner of such burdened Lot. Any Owner of any Lot subject to a Utility Easement shall not construct any permanent structures or improvements over the easement area, but may otherwise use the surface of the easement area for purposes not inconsistent with the rights reserved in this Declaration.

12.5 **Storm Drainage and Maintenance Easements.** A private perpetual, nonexclusive easement for storm drainage, grading, landscaping and maintenance is hereby granted and conveyed to the Lot Owners and the Association under and upon the exterior five (5) feet adjoining each side and rear boundary line of each Lot and Tract. If the boundary line of any Lot or Tract is altered, the easement shall relocate accordingly. The Association shall have the right of ingress and egress and the right to excavate, construct, operate, maintain, repair and/or rebuild: (i) an enclosed or open channel storm water conveyance system and/or other drainage facilities under, upon or through the drainage easement, provided that each Lot Owner shall have the explicit responsibility for maintaining the portion of the system located on the Owner's Lot; and (ii) landscaping, including retaining walls and similar improvements, fencing, and any regrading that the Association deems reasonable to advance the safety, beautification or value of the Project, provided that each Lot Owner shall have the explicit responsibility for maintaining the portion of any such improvements located on the Owner's Lot.

12.6 **Easements Benefiting Adjacent Parcels.** There is hereby reserved to Declarant, and to any entity under the control of, controlled by, or under common control with Declarant (a "Declarant Affiliate"), and their duly authorized agents and contractors, a nonexclusive easement under, through and over the Lots for underground utilities and for vehicular and pedestrian access, which easement shall benefit any property immediately adjacent to any such easement that is at any time (whether then or in the future) owned by Declarant or any Declarant Affiliate. Any entity shall be deemed to be "controlling" or "controlled" if it owns or is owned by an entity with twenty percent (20%) or more of the beneficial ownership of such entity, either directly or indirectly.

12.7 **Dedication to the Association.** Open Space and Recreation Tracts if any, as shown on the Plat Map shall be dedicated to the Association for landscaping and maintenance purposes. The Association shall maintain the Tracts and shall construct and maintain improvements as required.

12.8 **Intentionally Removed.**

12.9 **Landscaping Along Public Streets.** As further described in the landscaping and street tree plan approved by the City, the Association shall have a private perpetual, nonexclusive easement for planting, removing, replanting, pruning, replacing and maintaining trees within the median strip that is located in the public right of way. As described in Section 7.1, each Owner shall be responsible, at its sole cost and expense, to maintain, including without limitation watering and weeding, the portion of the planting strip that is located in the public right-of-way in front of such Owner's Lot, but shall not have the right to remove any portion of the landscaping thereon.

ARTICLE 13: TERM OF DECLARATION

13.1 **Duration of Covenants.** The covenants contained herein shall run with and bind the land for a term of thirty (30) years from the date this Declaration is recorded, after which time the covenants shall be automatically extended for successive periods of ten (10) years each, unless an instrument executed in accordance with Section 14.1 below shall be recorded, abandoning or terminating this Declaration.

ARTICLE 14: AMENDMENT OF DECLARATION, PLAT MAP

14.1 **Declaration Amendment.** Amendments to the Declaration shall be made by an instrument in writing entitled "Amendment to Declaration" which sets forth the entire amendment. Except as otherwise specifically provided for in this Declaration, any proposed amendment must be approved by a majority of the Board prior to its adoption by the Owners. Amendments may be adopted at a meeting of the Owners if seventy-five percent (75%) of the Owners vote for such amendment, or without any meeting if all Owners have been duly notified and seventy-five percent (75%) of all the Owners consent in writing to such amendment. Notwithstanding the foregoing, any amendment to a provision of the Declaration establishing, providing for, governing or regulating the following shall require the consent of seventy-five percent (75%) of all the Owners and seventy-five percent (75%) of all the Mortgagees and the consent of the Declarant (during the Declarant Control Period): voting; assessments, assessment liens or subordination of such liens; reserves for maintenance, repair and replacements of Common Areas;

insurance or bonds; use of Common Areas; responsibility for maintenance or repairs; expansion or construction of the Project or the addition, annexation or withdrawal of property to or from the Project; boundaries of Lots; converting of Lots into Common Areas or vice versa; leasing of Lots; provisions for the benefit of the Declarant; provisions for benefit of first Mortgagees, or holders, insurers or guarantors of first Mortgages; the interests in Common Areas; or imposition of any right of first refusal or similar restrictions on the right of an Owner to sell, transfer or otherwise convey a Lot; provided, that a Mortgagee who fails to respond in writing within thirty (30) days of a written request to approve an amendment shall be deemed to have approved the request. In all events, the amendment when adopted shall bear the signature of the president of the Association and shall be attested by the secretary, who shall state whether the amendment was properly adopted, and shall be acknowledged by them as officers of the Association. Amendments once properly adopted shall be effective upon recording in the appropriate governmental offices where real estate conveyances are recorded for the county in which the Project is located. It is specifically covenanted and understood that any amendment to this Declaration properly adopted will be completely effective to amend any or all of the covenants, conditions and restrictions contained herein that may be affected and any or all clauses of this Declaration unless otherwise specifically provided in the section being amended or the amendment itself.

14.2 **Plat Map.** Except as otherwise provided herein, to effect an amendment to the Declaration adopted as provided for in Section 14.1, the Plat Map may be amended by revised versions or revised portions thereof, provided that the revised version or revised portions reference the adopted amendment to this Declaration. Copies of any such proposed amendment to the Plat Map shall be made available for the examination of every Owner. Such amendment to the Plat Map shall be effective, once properly adopted, upon recordation in conjunction with the Declaration amendment in the appropriate governmental office where real estate conveyances are recorded for the county in which the Project is located.

14.3 **Amendments to Conform to Construction.** Declarant, upon Declarant's sole signature, and as an attorney-in-fact for all Lot Owners with an irrevocable power coupled with an interest, may at any time, until all Lots have been sold by Declarant, file one or more amendments to this Declaration and to the Plat Map to conform data depicted therein to improvements as actually constructed and to establish, vacate and relocate utility easements and access road easements.

14.4 **Amendments to Conform to Lending Institution Guidelines.** So long as Declarant continues to own one or more Lots, Declarant, upon Declarant's sole signature, and as an attorney-in-fact for all Lot Owners with an irrevocable power coupled with an interest, may at any time, until all Lots have been sold by Declarant, file such amendments to the Declaration and Plat Map as are necessary to meet the then requirements of Federal National Mortgage Association, Veterans Administration, Federal Home Loan Mortgage Corporation, or other agencies, institutions or lenders financing and/or title insuring the purchase of a Lot from the Declarant.

14.5 **Other Amendments.** Declarant, upon Declarant's sole signature, and as an attorney-in-fact for all Lot Owners with an irrevocable power coupled with an interest, may at any time, until all Lots have been sold by Declarant, file amendments to the Declaration and Plat Map as are necessary in the exercise of Declarant's powers.

ARTICLE 15: INSURANCE

15.1 **Insurance.** The Board shall have authority in the exercise of its discretion to obtain and maintain at all times as a common expense a policy or policies and bonds of liability insurance and property insurance covering the ownership, use and operation of all of the Common Area (and Common Area improvements), if any, including common personal property and supplies belonging to the Association; fidelity coverage for Association Board members (including Declarant), officers, employees or agents; and such other insurance as the Board may deem advisable or as may be required by the Federal National Mortgage Association, Federal Home Loan Mortgage Association, Veterans Administration or similar agencies or lending institutions. In the event of damage to or destruction of any part of the Common Area improvements, the Association shall repair or replace the same from the insurance proceeds available. If such insurance proceeds are insufficient to cover the costs of repair or replacement of the property damaged or destroyed, the Association may make a reconstruction assessment against all Lot Owners to cover the additional cost of repair or replacement not covered by the insurance proceeds, in addition to any other common assessments made against such Lot Owners.

ARTICLE 16: NOT USED

ARTICLE 17: MISCELLANEOUS

17.1 **Notices.** Any written notice, or other document as required by this Declaration, may be delivered personally or by mail. If by mail, such notice, unless expressly provided for herein to the contrary with regard to the type of notice being given, shall be deemed to have been delivered and received forty-eight (48) hours after a copy thereof has been deposited in the United States first-class mail, postage prepaid,

properly addressed as follows:

(a) If to an Owner, other than Declarant, to the registered address of such Owner, as filed in writing with the Board pursuant to the requirements of the Bylaws.

(b) If to Declarant, whether in its capacity as an Owner, or in any other capacity, to the address which Declarant shall have advised the Board in writing.

(c) During the Declarant Control Period, notices to the Board shall be addressed to the address set forth in (b) above. Thereafter, notices to the Board shall be addressed either to an address to be posted by the Board at all times in a conspicuous place or to the registered office of the Association. In addition, from and after the expiration of the Declarant's management authority, notice of the address of the Association shall be given by the Board to each Owner, within a reasonable time after the Board has received actual notice of such Owner's purchase of a Lot.

17.2 **Conveyances, Notice Required.** The right of an Owner to sell, transfer, or otherwise convey his/her Lot shall not be subject to any right of approval, disapproval, first refusal, or similar restriction by the Association or the Board or anyone acting on their behalf. An Owner intending to sell a Lot shall deliver a written notice to the Board at least two (2) weeks before closing, specifying: the Lot being sold; the name and address of the purchaser, of the closing agent, and of the title insurance company insuring the purchaser's interest; and the estimated closing date. The failure of an Owner to properly give such notice to the Board shall not invalidate the sale. The Board shall have the right to notify the purchaser, the title insurance company, and the closing agent of the amount of unpaid assessments and charges outstanding against the Lot, whether or not such information is requested.

17.3 **Successor and Assigns.** This Declaration shall be binding upon and shall inure to the benefit of the heirs, personal representatives, successors and assigns of Declarant, and the heirs, personal representatives, grantees, lessees, subleases and assignees of the Owners. In the event Declarant conveys all of its right, title and interest in and to The Project to any partnership, individual or individuals, corporation or corporations, then and in such event, Declarant shall be relieved of the performance of any further duty or obligation hereunder, and such partnership, individual or individuals, corporation or corporations, shall be obligated to perform all such duties and obligations of the Declarant.

17.4 **Joint and Several Liability.** In the case of joint ownership of a Lot, the liability of each of the Owners thereof in connection with the liabilities and obligations of Owners set forth in or imposed by this Declaration shall be joint and several.

17.5 **Mortgagee's Acceptance.**

17.5.1 **Priority of Mortgage.** This Declaration shall not initially be binding upon any Mortgagee of record at the time of recording of this Declaration but rather shall be subject and subordinate to said Mortgage.

17.5.2 **Acceptance Upon First Conveyance.** Declarant shall not consummate the conveyance of title to any Lot until each Mortgagee of record at the time of recording of this Declaration shall have accepted the provisions of this Declaration and made appropriate arrangements for partial release of Lots from the lien of said Mortgage. The issuance and recording of the first such partial release by said Mortgagee shall constitute its acceptance of the provisions of this Declaration and acknowledgment that this Declaration is binding upon all of the Lots remaining subject to its Mortgage; provided that, except as to Lots so released, said Mortgage shall remain in full effect.

17.6 **Severability.** The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion thereof shall not affect the validity or enforceability of any other provision hereof.

17.7 **Effective Date.** The Declaration shall take effect upon recording.

17.8 **Government Right of Access.** Upon proper notification to Lot owners if required by law, governmental entities shall have rights of access and inspection for any open space, designated forest or timber land area..

17.9 **Enforcement.** The Board, any Owner, and any governmental or quasi-governmental agency or municipality having jurisdiction over The Project shall have the right to enforce, by any proceedings at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by this Declaration, and in such action shall be entitled to recover costs and reasonable attorneys' fees as are ordered by the Court. Failure by any such person or entity to enforce any such provision shall in no event be deemed a waiver of the right to do so thereafter.

17.10 **Invalidity of Any Provision.** Should any provision of this Declaration be declared invalid or in conflict with any law of the jurisdiction where The Project is situated, the validity of all other provisions shall remain unaffected and in full force and effect.

17.11 **Conflict of Documents pertaining to The Project.** If there is any conflict among or between Documents pertaining to The Project, priority shall be given to said Documents in the following order: Plat Map; Exhibit B: this Declaration; Articles; bylaws; and rules and regulations of the Association. Notwithstanding the foregoing, any provision in any of the Documents pertaining to The Project, which is for the protection of mortgagees, shall have priority over any inconsistent provision in that document or in any other Document pertaining to The Project.

EXHIBITS

Exhibit "A" - Legal Descriptions

Exhibit "B" - Map of the Project

Exhibit A

PARCEL A DESCRIPTION

Description for a parcel of land in Government Lot 2, and the Southwest Quarter of the Northeast Quarter of Section 6, Township 28 North, Range 22 East, W.M., Chelan County, Washington, said parcel being more particularly described as follows at grid, Washington State Coordinate System, North Zone, NAD 83/07, using a scale factor of 0.999818135:

Commencing at the south quarter corner of said Section 6, a 3" Bureau of Land Management brass cap, from which the southeast corner of said Section 6, also a 3" Bureau of Land Management brass cap, bears North 88°47'05" East a distance of 2634.45 feet; thence North 00° 15' 25" West along the north-south center line of said Section 6 for a distance of 3075.02 feet to a 3" Bureau of Land Management brass cap set as a witness corner for the center of said section; thence continuing North 00° 15' 25" West along said north-south center section line for a distance of 371.59 feet to the TRUE POINT OF BEGINNING FOR THIS DESCRIPTION; thence continuing North 00° 15' 25" West along said north-south center section line for a distance of 1375.97 feet; thence North 87° 42' 22" East leaving said north-south center section line a distance of 973.33 feet; thence South 12° 02' 14" West a distance of 762.07 feet; thence South 50° 19' 55" West a distance of 1048.97 feet to the TRUE POINT OF BEGINNING. Containing 21.05 acres, more or less.

PARCEL B DESCRIPTION

Description for a parcel of land in Government Lots 1 and 2 of Section 6, Township 28 North, Range 22 East, W.M., Chelan County, Washington, said parcel being more particularly described as follows at grid, Washington State Coordinate System, North Zone, NAD 83/07, using a scale factor of 0.999818135:

Commencing at the south quarter corner of said Section 6, a 3" Bureau of Land Management brass cap, from which the southeast corner of said Section 6, also a 3" Bureau of Land Management brass cap, bears North 88°47'05" East a distance of 2634.45 feet; thence North 00° 15' 25" West along the north-south center line of said Section 6 for a distance of 3075.02 feet to a 3" Bureau of Land Management brass cap set as a witness corner for the center of said section; thence continuing North 00° 15' 25" West along said north-south center section line for a distance of 371.59 feet; thence North 50° 19' 55" East leaving said north-south center section line a distance of 1048.97 feet to the TRUE POINT OF BEGINNING FOR THIS DESCRIPTION; thence North 12° 02' 14" East a distance of 762.07 feet; thence North 11° 32' 59" East a distance of 864.92 feet to the north line of said Section 6; thence North 89° 53' 10" East along said section line a distance of 443.10 feet; thence South 10° 34' 15" East leaving said section line a distance of 1075.59 feet; thence South 61° 07' 36" West a distance of 1110.58 feet to the TRUE POINT OF BEGINNING. Containing 21.05 acres, more or less.

PARCEL D
DESCRIPTION

Description for a parcel of land in Government Lot 2, the Southwest Quarter of the Northeast Quarter, and the Northwest Quarter of the Southeast Quarter of Section 6, Township 28 North, Range 22 East, W.M., Chelan County, Washington, said parcel being more particularly described as follows at grid, Washington State Coordinate System, North Zone, NAD 83/07, using a scale factor of 0.999818135: Commencing at the south quarter corner of said Section 6, a 3" Bureau of Land Management brass cap, from which the southeast corner of said Section 6, also a 3" Bureau of Land Management brass cap, bears North 88°47'05" East a distance of 2634.45 feet; thence North 00° 15' 25" West along the north-south center line of said Section 6 for a distance of 3075.02 feet to a 3" Bureau of Land Management brass cap set as a witness corner for the center of said section, said point being the TRUE POINT OF BEGINNING FOR THIS DESCRIPTION; thence continuing North 00° 15' 25" West along said north-south center section line a distance of 371.59 feet; thence North 50° 19' 55" East leaving said north-south center section line a distance of 1048.97 feet; thence South 05° 07' 44" West a distance of 972.66 feet; thence South 13° 12' 38" East a distance of 785.04 feet; thence South 77° 49' 20" West a distance of 218.82 feet; thence North 63° 20' 10" West a distance of 423.75 feet; thence North 29° 09' 29" West a distance of 627.34 feet to the TRUE POINT OF BEGINNING. Containing 21.72 acres, more or less.

PARCEL E
DESCRIPTION

Description for a parcel of land in Government Lots 1 and 2, the Southwest Quarter of the Northeast Quarter, and the Southeast Quarter of the Northeast Quarter of Section 6, Township 28 North, Range 22 East, W.M., Chelan County, Washington, said parcel being more particularly described as follows at grid, Washington State Coordinate System, North Zone, NAD 83/07, using a scale factor of 0.999818135: Commencing at the south quarter corner of said Section 6, a 3" Bureau of Land Management brass cap, from which the southeast corner of said Section 6, also a 3" Bureau of Land Management brass cap, bears North 88°47'05" East a distance of 2634.45 feet; thence North 00° 15' 25" West along the north-south center line of said Section 6 for a distance of 3075.02 feet to a 3" Bureau of Land Management brass cap set as a witness corner for the center of said section; thence continuing North 00° 15' 25" West along said north-south center section line for a distance of 371.59 feet; thence North 50° 19' 55" East leaving said north-south center section line a distance of 1048.97 feet to the TRUE POINT OF BEGINNING FOR THIS DESCRIPTION; thence North 61° 07' 36" East a distance of 1110.58 feet; thence South 09° 28' 17" East a distance of 1139.53 feet; thence North 75° 15' 25" West a distance of 779.65 feet; thence South 40° 23' 33" West a distance of 760.79 feet; thence North 05° 07' 44" East a distance of 972.66 feet to the TRUE POINT OF BEGINNING. Containing 21.05 acres, more or less.

PARCEL F
DESCRIPTION

Description for a parcel of land in Government Lots 1 and the Southeast Quarter of the Northeast Quarter of Section 6, Township 28 North, Range 22 East, W.M., Chelan County, Washington, said parcel being more particularly described as follows at grid, Washington State Coordinate System, North Zone, NAD 83/07, using a scale factor of 0.999818135: Commencing at the south quarter corner of said Section 6, a 3" Bureau of Land Management brass cap, from which the southeast corner of said Section 6, also a 3" Bureau of Land Management brass cap, bears North 88°47'05" East a distance of 2634.45 feet; thence North 00° 15' 25" West along the north-south center line of said Section 6 for a distance of 3075.02 feet to a 3" Bureau of Land Management brass cap set as a witness corner for the center of said section; thence continuing North 00° 15' 25" West along said north-south center section line for a distance of 371.59 feet; thence North 50° 19' 55" East leaving said north-south center section line a distance of 1048.97 feet; thence North 61° 07' 36" East a distance of 1110.58 feet to the TRUE POINT OF BEGINNING FOR THIS DESCRIPTION; thence North 41° 11' 48" East a distance of 285.12 feet; thence South 70° 35' 55" East a distance of 701.78 feet to the east line of said Section 6; thence South 00° 07' 31" East along said east section line a distance of 1050.16 feet; thence South 85° 14' 46" West leaving said section line a distance of 666.79 feet; thence North 09° 28' 17" West a distance of 1139.53 feet to the TRUE POINT OF BEGINNING. Containing 21.07 acres, more or less.

PARCEL G
DESCRIPTION

Description for a parcel of land in the Southwest Quarter of the Northeast Quarter, the Southeast Quarter of the Northeast Quarter, the Northwest Quarter of the Southeast Quarter and the Northeast Quarter of the Southeast Quarter of Section 6, Township 28 North, Range 22 East, W.M., Chelan County, Washington, said parcel being more particularly described as follows at grid, Washington State Coordinate System, North Zone, NAD 83/07, using a scale factor of 0.999818135:

Commencing at the south quarter corner of said Section 6, a 3" Bureau of Land Management brass cap, from which the southeast corner of said Section 6, also a 3" Bureau of Land Management brass cap, bears North 88°47' 05" East a distance of 2634.45 feet; thence North 00° 15' 25" West along the north-south center line of said Section 6 for a distance of 3075.02 feet to a 3" Bureau of Land Management brass cap set as a witness corner for the center of said section; thence continuing North 00° 15' 25" West along said north-south section line for a distance of 371.59 feet; thence North 50° 19' 55" East leaving said north-south center section line a distance of 1048.97 feet; thence South 05° 07' 44" West for a distance of 972.66 feet to the TRUE POINT OF BEGINNING FOR THIS DESCRIPTION; thence North 40° 23' 33" East a distance of 760.79 feet; thence South 75° 15' 25" East a distance of 779.65 feet; thence South 29° 34' 01" West a distance of 1198.63 feet; thence South 77° 49' 20" West a distance of 487.09 feet; thence North 13° 12' 38" West a distance of 785.04 feet to the TRUE POINT OF BEGINNING. Containing 22.86 acres, more or less.

PARCEL H
DESCRIPTION

Description for a parcel of land in the Southeast Quarter of the Northeast Quarter and the Northeast Quarter of the Southeast Quarter of Section 6, Township 28 North, Range 22 East, W.M., Chelan County, Washington, said parcel being more particularly described as follows at grid, Washington State Coordinate System, North Zone, NAD 83/07, using a scale factor of 0.999818135:

Commencing at the south quarter corner of said Section 6, a 3" Bureau of Land Management brass cap, from which the southeast corner of said Section 6, also a 3" Bureau of Land Management brass cap, bears North 88°47' 05" East a distance of 2634.45 feet; thence North 00° 15' 25" West along the north-south center line of said Section 6 for a distance of 3075.02 feet to a 3" Bureau of Land Management brass cap set as a witness corner for the center of said section; thence continuing North 00° 15' 25" West along said north-south section line for a distance of 371.59 feet; thence North 50° 19' 55" East leaving said north-south center section line a distance of 1048.97 feet; thence North 61° 07' 36" East for a distance of 1110.58 feet; thence South 09° 28' 17" East for a distance of 1139.53 feet to the TRUE POINT OF BEGINNING FOR THIS DESCRIPTION; thence North 85° 14' 46" East a distance of 666.79 feet to the east line of said Section 6; thence South 00° 07' 31" East along said section line a distance of 912.25 feet to the east quarter corner of said Section 6, a 3" Bureau of Land Management brass cap; thence South 00° 20' 10" East continuing along said section line a distance of 169.20 feet; thence South 78° 03' 28" West leaving said section line a distance of 384.50 feet; thence North 21° 19' 44" East a distance of 165.25 feet; thence South 84° 29' 56" West a distance of 947.24 feet; thence North 29° 34' 01" East a distance of 1198.63 feet to the TRUE POINT OF BEGINNING. Containing 22.67 acres, more or less.

PARCEL I
DESCRIPTION

Description for a parcel of land in the Southwest Quarter of the Northeast Quarter, the Southwest Quarter of the Southeast Quarter and the Northwest Quarter of the Southeast Quarter of Section 6, Township 28 North, Range 22 East, W.M., Chelan County, Washington, said parcel being more particularly described as follows at grid, Washington State Coordinate System, North Zone, NAD 83/07, using a scale factor of 0.999818135:

Commencing at the south quarter corner of said Section 6, a 3" Bureau of Land Management brass cap, from which the southeast corner of said Section 6, also a 3" Bureau of Land Management brass cap, bears North 88°47' 05" East a distance of 2634.45 feet; thence North 00° 15' 25" West along the north-south center line of said Section 6 for a distance of 1218.65 feet to the TRUE POINT OF BEGINNING FOR THIS DESCRIPTION; thence continuing North 00° 15' 25" West along said north-south center section line a distance of 1856.37 feet to a 3" Bureau of Land Management brass cap set as a witness corner for the center of said section; thence South 29° 09' 29" East leaving said north-south center section line a distance of 627.34 feet; thence South 63° 20' 10" East a distance of 423.75 feet; thence South 01° 16' 13" West a distance of 1202.11 feet; thence North 82° 40' 32" West a distance of 654.70 feet to the TRUE POINT OF BEGINNING. Containing 21.78 acres, more or less.

PARCEL J
DESCRIPTION

Description for a parcel of land in the Northeast Quarter of the Southeast Quarter, the Southwest Quarter of the Southeast Quarter and the Northwest Quarter of the Southeast Quarter of Section 6, Township 28 North, Range 22 East, W.M., Chelan County, Washington, said parcel being more particularly described as follows at grid, Washington State Coordinate System, North Zone, NAD 83/07, using a scale factor of 0.999818135:

Commencing at the south quarter corner of said Section 6, a 3" Bureau of Land Management brass cap, from which the southeast corner of said Section 6, also a 3" Bureau of Land Management brass cap, bears North 88°47' 05" East a distance of 2634.45 feet; thence North 00° 15' 25" West along the north-south center line of said Section 6 for a distance of 1218.65 feet; thence South 82° 40' 32" East leaving said north-south center section line for a distance of 654.70 feet to the TRUE POINT OF BEGINNING FOR THIS DESCRIPTION; thence North 01° 16' 13" East a distance of 1202.11 feet; thence North 77° 49' 20" East a distance of 705.91 feet; thence North 84° 29' 56" East a distance of 227.89 feet; thence South 17° 53' 24" West a distance of 1507.21 feet; thence North 82° 40' 32" West a distance of 484.47 feet to the TRUE POINT OF BEGINNING. Containing 21.05 acres, more or less.

PARCEL K
DESCRIPTION

Description for a parcel of land in the Northeast Quarter of the Southeast Quarter, the Southwest Quarter of the Southeast Quarter and the Northwest Quarter of the Southeast Quarter of Section 6, Township 28 North, Range 22 East, W.M., Chelan County, Washington, said parcel being more particularly described as follows at grid, Washington State Coordinate System, North Zone, NAD 83/07, using a scale factor of 0.999818135:

Commencing at the south quarter corner of said Section 6, a 3" Bureau of Land Management brass cap, from which the southeast corner of said Section 6, also a 3" Bureau of Land Management brass cap, bears North 88°47' 05" East a distance of 2634.45 feet; thence North 00° 15' 25" West along the north-south center line of said Section 6 for a distance of 1218.65 feet; thence South 82° 40' 32" East leaving said north-south center section line for a distance of 1139.17 feet to the TRUE POINT OF BEGINNING FOR THIS DESCRIPTION; thence North 17° 53' 24" East a distance of 1507.21 feet; thence North 84° 29' 56" East a distance of 719.35 feet; thence South 21° 19' 44" West a distance of 165.25 feet; thence South 23° 24' 15" West a distance of 1523.05 feet; thence North 84° 37' 23" West a distance of 516.23 feet to the TRUE POINT OF BEGINNING. Containing 21.05 acres, more or less.

PARCEL L
DESCRIPTION

Description for a parcel of land in the Northeast Quarter of the Southeast Quarter and the Southeast Quarter of the Southeast Quarter of Section 6, Township 28 North, Range 22 East, W.M., Chelan County, Washington, said parcel being more particularly described as follows at grid, Washington State Coordinate System, North Zone, NAD 83/07, using a scale factor of 0.999818135:

Commencing at the south quarter corner of said Section 6, a 3" Bureau of Land Management brass cap, from which the southeast corner of said Section 6, also a 3" Bureau of Land Management brass cap, bears North 88°47' 05" East a distance of 2634.45 feet; thence North 00° 15' 25" West along the north-south center line of said Section 6 for a distance of 1218.65 feet; thence South 82° 40' 32" East leaving said north-south center section line for a distance of 1139.17 feet; thence South 84° 37' 23" East a distance of 516.23 feet to the TRUE POINT OF BEGINNING FOR THIS DESCRIPTION; thence North 23° 24' 15" East a distance of 1523.05 feet; thence North 78° 03' 28" East a distance of 384.50 feet to the east line of said Section 6; thence South 00° 20' 10" East along said section line a distance of 1138.71 feet to the south 1/16 corner of said section, a 3" Bureau of Land Management brass cap; thence continuing South 00° 20' 10" East along said section line a distance of 243.04 feet; thence South 84° 28' 54" West leaving said section line a distance of 993.86 feet to the TRUE POINT OF BEGINNING. Containing 21.18 acres, more or less.

PARCEL P
DESCRIPTION

Description for a parcel of land in Government Lot 2 of Section 6, Township 28 North, Range 22 East, W.M., Chelan County, Washington, said parcel being more particularly described as follows at grid, Washington State Coordinate System, North Zone, NAD 83/07, using a scale factor of 0.999818135: Commencing at the south quarter corner of said Section 6, a 3" Bureau of Land Management brass cap, from which the southeast corner of said Section 6, also a 3" Bureau of Land Management brass cap, bears North 88°47'05" East a distance of 2634.45 feet; thence North 00° 15' 25" West along the north-south center line of said Section 6 for a distance of 3075.02 feet to a 3" Bureau of Land Management brass cap set as a witness corner for the center of said section; thence continuing North 00° 15' 25" West along said north-south center section line for a distance of 1747.56 feet to the TRUE POINT OF BEGINNING FOR THIS DESCRIPTION; thence continuing North 00° 15' 25" West along said north-south center section line for a distance of 884.08 feet to the north quarter corner of said Section 6, a 3" Bureau of Land Management brass cap; thence North 89° 53' 10" East along the north line of said section a distance of 1149.70 feet; thence South 11° 32' 59" West leaving said section line a distance of 864.92 feet; thence South 87° 42' 22" West a distance of 973.33 feet to the TRUE POINT OF BEGINNING. Containing 21.05 acres, more or less.

-End of Exhibit A, Exhibit B is Separate