Declaration of Protective Covenants

THE COVENANTS HEREIN STATED AFFECT THE FOLLOWING LAND:

The South Half of the Northwest Quarter of Section 24, Township 27 North, Range 43 East of the Willamette Meridian;
EXCEPTING THEREFROM the South 440 feet of the West 990 feet of the Southwest Quarter of said Northwest Quarter; EXCEPT Hardesty Road on the West; Situated in the County of Spokane, State of Washington.

The parcel numbers affected and the parcel owners are:

37242.9048    Edward M. Seghers and Patricia D. Seghers

- this list is continued on page 7.

1. PREAMBLE The Owners of more than two-thirds of the seven lots on North Hardesty Ridge Lane do hereby declare and set forth modifications to the prior covenants. The covenants herein stated include said modifications. These covenants affect the lots A, B, C, E, F, G, and H which comprise all of the land described above.

2. AREA OF APPLICATION. All of the covenants set forth hereinafter shall apply in their entirety to the above-described property, and shall run with the land.

3. Two of the several purposes of these covenants are to ensure that on the building lots covered by these covenants:
   a. the dwellings are single-family dwellings, and
   b. vehicular traffic, number of people and noise levels are consistent with quiet residential areas.

4. Blank

5. TERM. These covenants are to run with the land and shall be binding on all parties and all persons claiming under them until December 31, 2013. PROVIDED THAT, during said period, the covenants may be amended by the owners of two-thirds of the parcels above described, by an instrument in writing and duly recorded. Thereafter, these covenants shall be automatically extended for successive periods of ten (10) years, unless an instrument signed by a majority of the then owners of the parcels has been recorded, agreeing to change said covenants in whole or in part.

6. REMOVAL OF HOUSES. No house or structure shall be moved from a point outside said tract to a point within the same.
7. ARCHITECTURAL CONTROL. No building shall be erected, placed or altered on any lot until the construction plans and specifications and a plan showing the location of the structure have been approved by the Architectural Control Committee as to quality or workmanship and materials, harmony of external design with existing structure, and as to location with respect to topography and finish grade elevation. Approval shall be as provided in Paragraph 18. These guidelines are not intended to exclude outbuildings. Homeowner must submit outbuilding plans to the architectural committee for approval. Decisions of the committee must be made by a 60% majority.

8. FUTURE DIVISIONS: No lot may be subdivided into anything smaller than 10 acres.

9. GARAGES. Each residence is required to have garages for no less than two automobiles, boats, trailers or the like, for family use.

10. DURATION OF CONSTRUCTION. Any dwelling or structure erected or placed on any lot in this subdivision shall be completed as to external appearance, including finished painting, within twelve (12) months after the date of commencement of construction.

11. EASEMENTS. Easements for installation and maintenance of utilities are reserved as shown on the recorded plan. Within those easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities.

12. UTILITIES SHALL BE UNDERGROUND. In the interest of public health and safety, and in the interest of avoiding the presence of unsightly poles and structures, all utilities shall be buried in accordance with the best standard practices presently in use for the burying of such utilities and as approved by the Architectural Committee.

13. SIGNS. No signs of any kind shall be displayed to the public view on any lot except one sign of professional quality of not more than one square foot, one sign of not more than five square feet advertising the property for sale or rent, or signs used by a builder to advertise the property during the construction and sale period, and excepting also political cards during an election campaign not to exceed three feet in any dimension.

14. NUISANCES. No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. Open storage of inoperable or abandoned vehicles of any kind is prohibited.

15. TEMPORARY STRUCTURES. No structure of a temporary character, trailer, basement, tent, shack, garage, barn, or other outbuilding shall be used on any lot at any time as a residence either temporarily or permanently.

16. GARBAGE AND REFUSE DISPOSAL. No lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage and disposal of such material shall be kept in a clean and sanitary condition, and shall be concealed from public view except on the day of collection.

17. MEMBERSHIP OF THE ARCHITECTURAL COMMITTEE. The Architectural Control Committee is composed of the lot owners. The voting rights of the members of the committee will be as defined in paragraph 29 below. Neither the members of the committee, nor its designated representative shall be entitled to any compensation for services performed pursuant to this covenant. At any time the record owners of a sixty (60) percent majority of the votes shall have the power through a duly recorded written instrument to change the membership of the committee or to withdraw from the committee or restore to it any of its powers and duties.

LOTS: A B C D E F G H

INITIALS: [Handwritten initials]
18. PROCEDURE OF ARCHITECTURAL COMMITTEE. All plans and specifications and plat plans for original structures and for remodeling or additions and alterations of any lot shall be submitted to the Architectural Committee who shall approve or disapprove the same as to conformity of external design and size with existing topography and finished ground elevation. The committee shall be the sole judge and its approval or disapproval as required in these covenants shall be in writing. In event the committee, or its designated representative, fails to approve or disapprove within thirty (30) days after plans and specifications have been submitted to it, or in any event, if no suit to enjoin the construction has been commenced prior to the completion thereof, the related covenants shall be deemed to have been fully complied with.

19. ENFORCEMENT. Enforcement shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant either to restrain violation or to recover damages. Costs of enforcement (including reasonable attorney's fees) shall be a charge on the land and shall be a continuing lien upon the property against which the enforcement is brought.

20. AMENDMENTS. Any of the terms, covenants, conditions or restrictions herein may be modified, altered, amended or changed by an instrument in writing signed by a 60% majority vote of the lot owners with the voting rights as described in paragraph 29.

21. MINIMUM DWELLING COST. No single dwelling shall be permitted on any lot at an appraised value of less than $220,000.00 exclusive of land, based upon cost levels prevailing on the date these covenants are recorded, it being the intent and purpose of the covenant to assure that all dwellings shall be of quality and workmanship and materials substantially the same or better than that which can be produced on the date these covenants are recorded at the minimum cost stated herein for the minimum permitted dwelling size. The ground floor area of the main structure, exclusive of open porches, and garages, shall not be less than sixteen hundred (1600) square feet for a one-story dwelling, nor less than thirteen hundred (1300) square feet for the ground floor area of a dwelling of more than one story. (For the purpose of this provision, a home with a daylight basement shall be considered a dwelling of more than one story).

22. ROAD MAINTENANCE. The common road will be defined as the portions of North Hardesty Ridge Lane in the area defined in Exhibit 'A' which serve two or more lots. All other portions of the road and all driveways are designated as driveways. The common road shall be maintained in good repair with a graveled or better surface, in a manner to insure ease of travel over said roadway and to prevent the deterioration of said roadway either by manmade or natural causes. The portions of the common road beyond the first 'Y' which is east of the driveway to address 18517 will be maintained at the minimum dimensions required for emergency vehicle use.

23. DRIVEWAY MAINTENANCE. Costs associated with driveways shall be the responsibility of the owner of the lot served by the driveway. Driveways shall be maintained in good repair with a graveled or better surface.

24. PROJECTS. Maintenance projects are those projects which cost $2500 or less. Capital projects are those projects which cost more than $2500. Snow removal is not considered a maintenance project, nor a capital project.

25. SNOW REMOVAL. The costs of snow removal will be shared equally by the lot owners of the lots which contain residences.

26. COSTS OF MAINTENANCE PROJECTS. The costs of maintenance projects will be shared as follows. Lots with residences will pay 1 share for each lot. Lots without residences will pay one fourth share for each lot.

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27. **COSTS OF CAPITAL PROJECTS.** The costs of capital projects will be shared as follows. Lots with residences will pay 1 share for each lot. Lots without residences will pay one fourth share for each lot. Starting on the effective date of these modified covenants, which is October 18, 2003, when construction begins on a residence, the lot owner will pay the share of the capital improvements which were accomplished after October 18, 2003. The share which will be due is the difference between the amount owed by the owner of the lot at the time of the project, and the amount which would have been owed if there had been a residence on the lot as of October 18, 2003.

28. **FUNDING.** Funding for projects which have been approved by the lot owners will come from annual dues paid by the lot owners and from special assessments which will be imposed as required to supplement the funds from the annual dues. Each lot having a residence will pay annual dues of $500. Lots without residences will pay annual dues of $125.00. The annual dues shall be paid semi-annually. The dues will be paid by January 1, and July 1 of each year. Lots with residences will pay $250 per half year. Lots without residences will pay $62.50 per half year.

Amounts due from lot owners which are in arrears for 30 or more days shall bear interest at the rate of 4 percentage points above the prime rate. Each owner and/or contract purchaser of a lot or lots subject to this declaration, and/or a Homeowners Association pertaining to these lots, may bring an action at law against the one personally obligated to pay the same and/or foreclose the lien against the property; and interest, costs, and reasonable attorney’s fees of any such action shall be added to the amount of such assessment, and all such sums shall be included in any judgment or decree entered in such suit. No owner or contract purchaser shall be relieved of liability for the assessments provided for herein by nonuse of the common properties or abandonment of his lot.

All monthly and special assessments, together with such interest thereon and costs of collection thereof, shall be a charge on the land and shall be a continuing lien upon the property against each such assessment is made. Each such assessment together with such interest and costs of collection thereof (including reasonable attorney’s fees) shall also be the personal obligation of the person who was the owner or contract purchaser of such property at the time when the assessment fell due. The personal obligation shall pass to his successors in title unless expressly assumed by them; provided, however, that in the case of a sale or a contract for the sale of (or an assignment of a contract purchaser’s interest in) any lot which is charged with the payment of an assessment or assessments payable in installments, the person or entity who is the owner or contract purchaser immediately prior to the date of any such sale, contract, or assignment shall be personally liable only for the amount of the installments due prior to said date. The new owner or contract purchaser shall be personally liable for installments which become due on and after said date.

The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage (and to the lien of any second mortgage given to secure payment of the purchase price) now or hereafter placed on any lot. Sale or transfer of any lot shall not affect said liens. However, the sale or transfer of any lot which is subject to such first mortgage or purchase money second mortgage pursuant to a decree of foreclosure under such mortgage or in lieu of foreclosure thereof shall extinguish said liens as to payments thereof which became due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof.

29. **VOTING RIGHTS.** Each lot with a residence has 4 votes. Each lot without a residence has 1 vote. Lots which are in arrears on annual dues or special assessments will not have the right to vote. All decisions require a 60% majority of the votes of the lots having the right to vote at that time.

30. **HOME OFFICES.** Home offices are permitted but client visits are limited to 20 per week.

31. **USE OF HARDESTY RIDGE LANE.** North Hardesty Ridge Lane within the land as described in Exhibit A shall not be used to provide access to any properties outside said land except as required to provide the existing access to Hardesty Road.

**LOTS:**

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**INITIALS:**
32. ROAD CLEARANCES. Clearances along Hardesty Ridge Lane shall be maintained in accordance with the clearances required for county roads in Spokane County.

Signed by the Lot Owners in the State of Washington, County of Spokane:

PRINT NAMES             SIGNATURES

Lot A:
On this day personally appeared before me:

______________________________

and ____________________________

to me known to be the individual(s) described in and who executed the within and foregoing instrument and acknowledged to me that ______ signed the same as _____ free and voluntary act and deed for the purposes therein mentioned.

Given under my hand and seal this __________ day of ______________________, 2003

Notary Public in and for the State of Washington, residing at ____________________________

Lot B:
On this day personally appeared before me:

Amy Johnson Colwell    Amy Johnson Colwell

______________________________

and ____________________________

to me known to be the individual(s) described in and who executed the within and foregoing instrument and acknowledged to me that ______ signed the same as their ______ free and voluntary act and deed for the purposes therein mentioned.

Given under my hand and seal this __________ day of ______________________, 2003

Notary Public in and for the State of Washington, residing at ____________________________

Lot C:
On this day personally appeared before me:

______________________________

and ____________________________

to me known to be the individual(s) described in and who executed the within and foregoing instrument and acknowledged to me that ______ signed the same as their ______ free and voluntary act and deed for the purposes therein mentioned.

Given under my hand and seal this __________ day of ______________________, 2003

Notary Public in and for the State of Washington, residing at ____________________________

Lot D:
On this day personally appeared before me:

______________________________

and ____________________________

to me known to be the individual(s) described in and who executed the within and foregoing instrument and acknowledged to me that ______ signed the same as their ______ free and voluntary act and deed for the purposes therein mentioned.

Given under my hand and seal this __________ day of ______________________, 2003

Notary Public in and for the State of Washington, residing at ____________________________

Lot E:
On this day personally appeared before me:

______________________________

and ____________________________

to me known to be the individual(s) described in and who executed the within and foregoing instrument and acknowledged to me that ______ signed the same as their ______ free and voluntary act and deed for the purposes therein mentioned.

Given under my hand and seal this __________ day of ______________________, 2003

Notary Public in and for the State of Washington, residing at ____________________________
Lot F:
On this day personally appeared before me:

[Signature]

and

[Signature]
to me known to be the individual(s) described in and who executed the within and foregoing instrument and acknowledged to me that they signed the same as their free and voluntary act and deed for the purposes therein mentioned.

Given under my hand and seal this __18th__ day of __October__, 2003

Notary Public in and for the State of Washington, residing at __Colbert, WA__.

Lot G:
On this day personally appeared before me:

______________________________

and

______________________________
to me known to be the individual(s) described in and who executed the within and foregoing instrument and acknowledged to me that they signed the same as their free and voluntary act and deed for the purposes therein mentioned.

Given under my hand and seal this ________ day of ____________, 2003

Notary Public in and for the State of Washington, residing at ____________.

Lot H:
On this day personally appeared before me:

______________________________

and

______________________________
to me known to be the individual(s) described in and who executed the within and foregoing instrument and acknowledged to me that they signed the same as their free and voluntary act and deed for the purposes therein mentioned.

Given under my hand and seal this __18th__ day of __October__, 2003

Notary Public in and for the State of Washington, residing at __Colbert, WA__.
This is a continuation (from page 1) of the list of affected parcel numbers and parcel owners

37242.9045  Charles M. Colwell and Amy Johnson Colwell
37242.9046  Foster H. Chase, Jr and Brenda J. Chase
37242.9047  Foster H. Chase, Jr and Brenda J. Chase
37242.9050  Glenn Williams and Katherine K. Williams

37242.9044  Peter Rayner
37242.9049  Harley Douglas