FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND RESERVATION OF EASEMENTS FOR SHADY SLOPE ESTATES

KNOW ALL MEN BY THESE PRESENTS:

That pursuant to Paragraph 10.2 of the Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for Shady Slope Estates (the "Covenants"), for the property described on Exhibit "A" attached hereto and by this reference incorporated herein, which Covenants were recorded on July 19, 1994, under Auditor’s No. 9407190076, and then re-recorded on November 1, 1994, under Auditor’s No. 9411010385, Declarant hereby exercises their power to amend the Covenants as follows:

1. Amendment to Section 1.1. Section 1.1 shall be amended by changing the name of the non-profit corporation to be formed to SHADY SLOPE ESTATES HOMEOWNER’S ASSOCIATION.

2. Amendment to Section 3.1. Section 3.1 shall be amended to read as follows:

3.1 ESTIMATED EXPENSES. Within thirty days prior to the beginning of each calendar year, the Board shall estimate the common expenses to be paid during the ensuing year, shall make provision for creating, funding and maintaining reasonable reserves for contingencies, operations, and repair and maintenance of the private roadways and any common areas or facilities, such as but not limited to the street lights, entry gate, community pump house and access road to the pump house, and shall take into account any expected income and any surplus available from the prior year’s operating funds. If the sum estimated and budgeted at any time proves inadequate for any reason (including nonpayment for any reason of any Owner’s assessment), the Board may, at any time, levy a further assessment which shall be assessed to the Owners as is set forth hereinafter. The budget may be reviewed and revised by the membership of the Association at any annual meeting, or at any special meeting called for such purpose, but if not so reviewed, or
if no change is made, the budget shall be deemed approved.

The Project is served by a common water supply system. Therefore, except as otherwise provided hereinafter regarding Lot E, each Lot shall be subject to a further assessment in the form of a prorata share of the monthly water usage for the Project. Each Lot shall pay an equal portion of the water usage bill for the Project, provided however, that no amount shall be owing or charged to any Lot until a residential unit is completed on said Lot or until the Owner begins to consume water, whichever is earlier.

Due to the fact that Lot E adjoins Shady Slope Road and the Owner thereof will probably not use the common water supply system or the private roadways and entry gate to the Project, the Owner of Lot E shall not pay any assessments for road maintenance, electricity for street lights or community pump house, entry gate maintenance costs or costs related to the common water supply for the Project unless Lot E uses the common water supply or the private roadways for access to said Lot E. Additionally, if any of the Lot in the Project should need a booster pump in order to bring water to said Lot, then said booster pump and all other water lines (other than the main community water line), appurtenances and other utility lines located on such Lot shall be purchased and maintained by the Owner of that Lot.

3. Amendment to Section 6.4. Section 6.4 shall be amended to read as follows:

6.4. Residence Size. No residence shall be permitted on any lot of a size less than 2,500 square feet excluding garages, open porches and carports and the like, for a single story house measured at the exterior foundation walls. Residences consisting of one and a half stories shall not be less than 2,500 square feet total on the first and second floor combined, measured in the same manner; a two story residence shall not be less than 1,500 square feet on the main floor. In the event the residence is constructed as a "Daylight Rancher", then the residence must have a minimum of 1,800 square feet on the main floor and at least 700 square feet of finished basement. Any guest house must be similar in design, construction and appearance, (including roofing and siding of the same material), to the main house, and may not be greater than 1,000 square feet in size.

4. Except as specifically amended herein-above, all remaining portions of Sections 3 and 6, and the remaining provisions of the Covenants shall remain unchanged and in full force and effect.
IN WITNESS WHEREOF, the undersigned, as Declarant, have executed this Amendment this 7th day of November, 1994.

Michael R. Spilker

Susan K. Spilker

STATE OF WASHINGTON )
County of Spokane ) ss.

On this day personally appeared before me Michael R. Spilker and Susan K. Spilker to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 7th day of November, 1994.

Notary Public in and for the State of Washington, Residing at Spokane
My Appointment Expires: 5-17-96

DREW. M. DODKER
STATE OF WASHINGTON
NOTARY PUBLIC
My Commission Expires 5-17-96
PARCEL "A"

A portion of the S.E. 1/4 of Section 33, T.27 N., R.43 E., W.M., in Spokane County, Washington, described as follows:

Beginning at the Southwest corner of said S.E. 1/4 of Section 33; thence N.00°11'44" W., along the West line of said S.E. 1/4 of Section 33, 910.00 feet; thence N.89°40'10" E., 130.00 feet; thence S.14°12'03" E., 332.23 feet; thence S.00°00'12" W., 405.03 feet, to the South line of said S.E. 1/4 of Section 33; thence S. 89°50'30" W., along said South line, 231.30 feet to the Point of Beginning.

Area = 3.00 acres

PARCEL "G"

A portion of the S.E. 1/4 of Section 33, T.27 N., R.43 E., W.M., in Spokane County, Washington, described as follows:

Beginning at the Southwest corner of said S.E. 1/4 of Section 33; thence N. 00°11'44" W., along the West line of said S.E. 1/4 of Section 33, 1193.33 feet; thence E. 89°40'10" E., 358.00 feet, to the True Point of Beginning; thence continue E. 89°40'10" E., 358.00 feet; thence S. 03°31'16" W., 703.33 feet; thence S. 89°14'00" W., 333.33 feet; thence W. 1700'13" W., 721.66 feet, to the True Point of Beginning.

Area = 3.00 acres

PARCEL "B"

A portion of the S.E. 1/4 of Section 33, T.27 N., R.43 E., W.M., in Spokane County, Washington, described as follows:

Beginning at the Southwest corner of said S.E. 1/4 of Section 33; thence N.00°11'44" W., along the West line of said S.E. 1/4 of Section 33, 946.53 feet; thence N. 89°40'10" E., 203.29 feet, to a point on the South right of way line of Shay hill Road, said point being on a curve to the left, the radius of which bears N. 31°21'10" E., a distance of 288.00 feet; thence along said right of way and curve to the left, through a central angle of 20°27'20", an arc distance of 179.15 feet, to a point of tangency; thence S. 64°34'10" E., along said right of way, 257.00 feet, to the beginning of a curve to the right, the radius of which bears S. 28°05'50" E., a distance of 128.00 feet; thence along said right of way and curve to the right, through a central angle of 11°17'05", an arc distance of 128.32 feet, to a point of tangency; thence S. 42°27'16" E., along said right of way, 113.00 feet; thence S. 34°25'50" W., 354.33 feet; thence N. 43°19'13" W., 718.58 feet, to the True Point of Beginning.

Area = 4.54 acres

5.01 acres to Road Centerline
All that certain real property situated in the SE 1/4 of Section 33, T27N, R43E., W.H., Spokane County, Washington, and being particularly described as follows:

COMMENCING at the southwesterly corner of said SE 1/4; thence N0°11'46"W 1193.53 feet; thence N89°40'10"E 738.80 feet to the POINT OF BEGINNING; thence continuing N89°40'10"E 207.73 feet; thence S43°19'13"E 718.58 feet; thence N34°57'50"E 150.00 feet; thence S36°34'40"E 461.57 feet to the northwesterly right-of-way line of Shady Slope Road, a county road 60.00 feet in width; thence along said right-of-way line S16°42'50"W 203.94 feet; thence leaving said right-of-way line S89°50'50"W 259.52 feet; thence S0°09'10"E 228.50 feet to the southerly line of SE 1/4; thence along said southerly line S89°50'50"W 61.71 feet; thence through a non-tangent curve to the left, the center of which bears S58°29'29"W 150.00 feet, through a central angle of 43°49'29" and an arc distance of 114.73 feet; thence tangent to the preceding curve N75°20'00"W 123.32 feet; thence along a tangent curve to the right having a radius of 350.00 feet, through a central angle of 27°41'00" and an arc distance of 72.45 feet; thence tangent to the preceding curve N28°15'00"W 150.43 feet; thence along a tangent curve to the left having a radius of 150.00 feet, through a central angle of 63°31'00" and an arc distance of 166.29 feet; thence N0°37'16"E 703.37 feet to the point of beginning.

All that certain real property situated in the SE 1/4 of Section 33, T27N, R43E, W.H., Spokane County, Washington, and being particularly described as follows:

BEGINNING at a point on the southerly line of said SE 1/4, from which point the southerly corner of said SE 1/4 bears S89°50'50"W 251.50 feet; thence continuing along said southerly line N89°50'50"E 1165.69 feet to a point on a curve, the center of which bears S58°29'29"W 150.00 feet; thence northerly along said curve through a central angle of 43°49'29" and an arc distance of 114.73 feet; thence tangent to the preceding curve N75°20'00"W 123.32 feet; thence along a tangent curve to the right having a radius of 350.00 feet, through a central angle of 19°24'100" and an arc distance of 118.51 feet; thence tangent to the preceding curve N55°56'00"W 141.69 feet; thence along a tangent curve to the right having a radius of 150.00 feet, through a central angle of 27°41'00" and an arc distance of 72.45 feet; thence tangent to the preceding curve N28°15'00"W 150.43 feet; thence along a tangent curve to the left having a radius of 150.00 feet, through a central angle of 63°31'00" and an arc distance of 166.29 feet; thence tangent to the preceding curve S88°14'00"W 295.53 feet; thence along a tangent curve to the left having a radius of 200.00 feet, through a central angle of 51°34'00" and an arc distance of 180.00 feet; thence S03°40'17"W 405.03 feet to the point of beginning.