

**DECLARATION OF PROTECTIVE COVENANTS
FOR DESERT ESTATES III PHASES 8
TOTAL OF 37 LOTS**

THIS DECLARATION is made by the undersigned owners of the real property herein described.

WITNESSETH:

WHEREAS, it is the undersigned's intention that said lots will be developed and sold subject to certain protective covenants, easements, conditions, restrictions, and reservations, as hereinafter set forth:

NOW, THEREFORE, the undersigned hereby declare that all the properties described below shall be held, sold, conveyed, and developed subject to the following easements, restrictions, covenants, and conditions, all of which are for the purpose of enhancing the value and attractiveness of the real property. These easements, covenants, restrictions, and conditions shall run with the real property and shall be binding on all parties now having or hereafter acquiring any right, title or interest in the described properties or any part thereof and shall have to the benefit or each owner thereof.

SECTION ONE

Definitions

A. Owner. The term "Owner" shall mean and refer to the record owner, whether one or more person or entities, of a fee simple title to any Lot or portion of said plat, including contract purchasers, but excluding those having such interest merely as security for the performance of an obligation.

B. Developer. The term "Developer" shall mean and refer to Barton Laser Leveling, Inc.

SECTION TWO

Real Property

A. Desert Estates III. The real property which is and shall be held, transferred, sold, conveyed and occupied subject to the declaration is located in the City of Pasco, County of Franklin, State of Washington, and legally described as follows:

The Plat of Desert Estates III Phases 8, as recorded in city of Pasco, records of Franklin County, Washington. Contains 37 lots.

B. Annexation of Subsequent Phases. Developer may, from time to time annex to Desert Estates III and adjacent real property now owned or hereafter acquired by Developer. The annexation of such additional phases shall be accomplished as follows:

1. The Developer shall record a declaration which shall, among other things, describe the real property to be annexed, establish any additional or different limitations, restrictions, covenants, and conditions which are intended to be applicable to such property, and declare that such property is held and shall be held, conveyed, hypothecated, encumbered, used, occupied, and improved subject to these covenants.

2. The property included by any such annexation shall become a part of these covenants.

3. Declaration with respect to any annexed property may:

a. Establish such new land classification and such limitations, restrictions, covenants and conditions with respect thereto as Developer may deem to be appropriate for the development of such annexed property subject to applicable municipal regulations.

b. With respect to existing land with classifications, establish such additional or different limitations, restrictions, covenants, and conditions with respect thereto as declarants may deem to be appropriate for the development of such annexed property.

SECTION THREE

BUILDING AND DESIGN COMMITTEE

A. Creation of Building and Design Committee. There shall be created a Building and Design Committee, which shall be responsible for reviewing the plans for all proposed new plans and subsequent construction must meet the minimum building requirements set forth in this declaration. The primary purpose of such committee shall be to assist property owners in achieving compliance with such building restrictions. Such committee shall allow the greatest possible latitude and flexibility in the design of homes to be built on the lots in the subdivision and shall not discourage new or innovative design concepts or ideas.

B. Composition of Building and Design Committee. The Building and Design Committee shall consist of three (3) property owners within the real property described above. The election of the property owners shall be determined solely by the developer/builder until at least 85% or rounded to 31 lots have been sold to third parties. Thereafter membership on said committee shall be determined annually at a meeting of property owners at which the committee will be selected by majority vote of those property owners present. In the event an annual meeting of property owners is not held, the previous members of the Building and Design committee will remain the same until a meeting is held.

C. Submission of Plans. Any property owner seeking to construct a new home or other appurtenant structure, or to add to or modify any portion of the exterior of an existing home or structure, shall submit the plans to the Building and Design Committee for review. A modification of the home exterior will include decks, hot tubs, patios, pools, and similar alterations. Construction of new structures includes equipment and material housing, dog runs, gazebos, arbors associated with landscaping, and other similar construction.

D. Approval of Plans. No construction, change, modification, or alteration for which plans are to be submitted to the Building and Design Committee pursuant to Paragraph C., immediately above, shall commence until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing by the Building and Design Committee, approval will be based upon factors set forth in Section IV below, but is not limited to those considerations so long as the committee acts reasonably, uniformly, and consistently in its approval or disapproval. In the event the Building and Design Committee fails to approve or disapprove such design and location plan within sixty (60) days after such plans and specifications have been submitted to it, approval will not be required and full compliance with this section of the declaration will be deemed to have occurred.

E. Liability of Committee and Homeowner Compliance. In spite of the foregoing provisions, the Building and Design Committee shall have no affirmative obligation to be certain that all elements of the design comply with the restrictions contained in the declaration, and no member of the Building and Design Committee shall have any liability, responsibility, or obligation whatsoever, for any decision or lack thereof, in the carrying out of duties as a member of such committee. Such committee and its members shall have only an advisory function, and the sole responsibility for compliance with all of the terms of this declaration shall rest with the homeowner. Each homeowner agrees to save, defend, and hold harmless the Building and Design Committee and each of its' members on account of any activities of the Building and Design Committee relating to such owner's property or buildings to be constructed on his or her property.

SECTION FOUR

BUILDING AND USE RESTRICTIONS

A. Building Restrictions. No Building except a single-family residential building together with such other accessory buildings as may be permitted by local land use or ordinances shall be permitted. Such accessory buildings shall not be used for, or in connection with, multi-family living, and each building site shall be used for no more than one family. No manufacturing or commercial activities shall be permitted on any lot.

B. Dwelling Size Restrictions. No building shall be permitted on any lot if said building has a market value of less than \$160,000.00 exclusive of land, based on price levels prevailing on the date these covenants are recorded. The floor areas of the main structures, exclusive of one-story open porches and garages, shall not be less than 1800 square feet per dwelling.

C. Residence Restrictions. No trailer, tent, garage, barn, or other outbuildings shall at any time be used as a residence, temporarily or permanently, on any building site. No contractor or subcontractor shall live on or near the building site (individual lot) during construction.

D. Building Style. Dwellings to be single story rambler style homes with the exception of lots 12 thru 14 and 21 thru 24 which may accommodate a two story dwelling and lots 7 thru 10, 20, 27 and 28 which have been rough graded for a single story above the street grade and a daylight basement style dwelling

E. Substantial Completion of Construction. Purchasers of any lot or lots must begin construction within six months from date of acquisition. Acquisition shall include purchase under contract. Construction shall be completed as to exterior appearance including finished painting and restoration of lot grade within 10 months from date of commencement of construction. If these requirements are not met, the Developer shall have the option of repurchasing the lot or lots at its original price less 20% for sale costs. Seeding of restored lot to grass, planting, or the equivalent shall be completed within 60 days from the commencement of construction or ground breaking. All landscaping shall be to the general standards of adjoining properties.

F. Erosion Control Restrictions. All lot owners shall provide and maintain proper facilities to control dust and water run-off onto adjacent properties or streets and to insure that sediments do not enter the natural drainage system. Lot owners are liable for dust and erosion control, from the date of reservation and/or subsequent purchase. A fee of \$175.00 per hr for labor and cost plus 50% for equipment will be charged for any cleanup to include but not limited to adjoining lots street gutters, catch basins and storm retention ponds.

G. Compliance with Applicable Building Codes. All building and improvements shall be constructed in compliance with the pertinent zoning and building codes for the city of Pasco, County of Franklin, and any and all other governmental entities that have jurisdiction thereof at the time of improvements. No dwelling house, garage, or their accessory building or part thereof (exclusive of fences and similar structures) shall be placed nearer to the front lot line or nearer to the side lot line or to the rear lot line than the minimum building setback lines, in any, imposed by the city of Pasco, or as shown on the recorded plat of the subdivision, whichever is more restrictive. The purchaser of any lot will be required to install a sidewalk meeting city of Pasco specifications and requirements along all street borders. No fences beyond front of the house.

H. Roofing Material. All roofing material shall be approved by the Building and Design Committee, thirty year roof minimum.

I. Roof Design. Flat roofs are prohibited. Maximum of 6/12 pitch.

J. Exterior. Accents of the exterior surface of the walls including garages shall consist of stucco, dryvit, brick, or masonry. The siding shall be of high quality, No vertical siding may be used without the written approval of the Building and Design Committee. The Building and Design Committee may specify a minimum grade or equivalent laminate roofing material. All structures must be roofed by architectural laminate roofing material or tile roofing with a minimum thirty-year warranty approved in advance by the Building and Design Committee. Colors of the main structure and secondary structures shall be the same or complementary. Exterior colors including roofing must be approved by the Building and Design Committee prior to construction.

K. Wire and Utility Height Restrictions. All lines or wires for telephone, power, cable television, or otherwise shall be placed underground and no such wires shall show on the exterior of any building unless the same shall be underground or in a conduit attached to a building. No television or radio antenna or aerial shall be installed that has a height in excess of twenty (20) feet above ground. For this purpose, the ground level shall be determined by using the same ground level as is used for determining the maximum height restriction for houses to be constructed on the property under the then-prevailing zoning and building restrictions. Such ground level shall apply whether or not the antenna or aerial is located above the roofline of the residence.

L. Exposed Mechanical Equipment. Heat pumps, propane tanks, solar devices, chimney flues, hot tub pumps, swimming pool pumps and filtration systems, satellite dishes, and similarly exposed mechanical equipment, shall be aesthetically concealed from view on all sides and shall be shielded in such a manner as to minimize noise and safety concerns.

M. Driveways and Parking Strips. All driveways and parking bays shall be constructed on concrete, concrete aggregate, brick, or asphalt unless written approval for the use of some material is given by the Building and Design Committee.

N. Restrictions on Construction of Fences. No fences shall be constructed except after approval and review by the Building and Design Committee, and all fences shall be designed and constructed so as to be compatible with the neighborhood. All fences shall be designed and constructed so as not to constitute a nuisance or offensive effect on other persons residing within the subdivision.

O. Nuisance and Use Restrictions. No noxious, illegal, or offensive use of property shall be carried on any lot, nor shall anything be done thereon that may be, or become, an annoyance or nuisance to the neighborhood.

P. Refuse and Maintenance Restrictions. No trash, garbage, ashes, or other refuse, junk, vehicles in disrepair, underbrush, or other unsightly growths or objects, shall be maintained or allowed on any lot. All fences and buildings shall be kept in a state of repair. All residences, garages, and accessory buildings shall be painted or stained, from time to time, so as to maintain a reasonable state of repair. Ready mix trucks shall clean out on the property in which they delivered product to and not on adjoining properties. When grading activities occur, lot owner is responsible for maintaining the edges of their property so as not to affect adjacent lots.

Q. Stored or abandoned Vehicles and Equipment. Any automobile or other vehicle deemed to be in inoperative condition in excess of ten (10) days and which causes an undesirable affect on the area may be removed by suit commenced at the request of any owner. This property shall not be used for storage for construction machinery, rental equipment or farm equipment. No inoperable machinery, including tractors, trucks, or automobiles any be held on the property for more than three months. No used machinery or scrap equipment, implements, automobiles, or conspicuous parts of such equipment which serve no purpose in operation of the estate may be held or accumulated on the property.

R. Livestock Restrictions. Domesticated cats and dogs, not to exceed a total of five (5) or the total amount allowed by Pasco city ordinance are permitted.

S. Vehicle Parking. All vehicle parking will be off street parking. No parking of commercial vehicles of any kind or nature is permitted anywhere on the property. All RV's shall be parked on a RV pad.

T. Refuse. No lot shall be used or maintained as a dumping ground for rubbish, trash, yard debris, garbage, or other waste. Any waste must be kept in sanitary containers until properly disposed of.

U. Easements. Easements shown on the face of the plat of the Real Property shall be maintained by the owners of the lot subject to the easement. No plantings, structures, barriers of any type, or other materials shall be placed upon said easements in a manner which may damage or interfere with the installation and maintenance of utilities, which may hinder the access or use for which the easement was established. Owners of lots must be aware that fences, structures, or barriers of any type that interfere with access to the easement or the use for which the easement was established, may require the removal at the lot owner's cost and expense.

V. Variations. Variations to the Covenants, Conditions, Restrictions, Reservations and Easements may be made in the sole discretion of the Building and Design Committee on a case by case basis to accommodate various circumstances including, but not limited to, lot size, irregularities of lot contour or lot lines, view enhancement or restriction and similar matters.

SECTION FIVE

MISCELLANEOUS AND GENERAL PROVISIONS

A. Modifications of Restrictions. By written consent of seventy-five percent (75%) of all of the lot owners, the association may be given such additional powers as may be described by the association, or otherwise modify or amend this declaration in any manner, provided, so long as Developer continues to own, or have an ownership interest in adjoining properties, these covenants may not be modified or terminated without prior approval and consent of Developer (signature of any one member of Developer group will be sufficient), if being understood that Developer will not unreasonable prohibit modification of these covenants so long as the proposed amendments do not impair the value of the surrounding property owned or retained by Developer.

B. Severability Clause. The association shall, at all time, observe all of the laws, regulations, ordinances, and the like of the city of Pasco, county of Franklin, State of Washington, and the United States of America, and if at any time, any provision of this declaration shall be found to be in conflict therewith, then such parts of the declaration s are in conflict with such law, regulations, ordinances, and the like shall become null and void, but no other part of this declaration not in conflict therewith shall be affected thereby.

C. Termination of Declaration, Covenants, Conditions, and Restrictions. This declaration may be terminated, and all of the real property now or thereafter affected may be released from all or any part of the terms and conditions of this declaration, by the owners of seventy-five percent (75%) of the properties subject hereto at any time it is proposed to terminate this declaration, by executing and acknowledging and appropriate written agreement or agreements for that purpose, and filing at the same with the office of Franklin County Auditor, County of Franklin, State of Washington.

D. Covenants, Conditions, and Restriction Run with the Land. All of the provisions of this declaration shall be deemed to be covenants running with the land, and shall be binding on the inure to the benefit of the owners of the properties described above, their heirs, successors, and assigns, and all parties claiming by, through, or under them shall be taken to hold, agree, and covenant with such owners, their successors in tile, and with each other, to confirm to and observe all of the terms and conditions contained in this declaration.

E. Standing to Enforce Terms of Declaration. Any lot owner, or the Building and Design Committee, on behalf of all owners, may maintain legal proceedings to compel or enforce any of the terms and conditions of this declaration. In addition, so long as the Developer has an interest in any adjoining properties, Developer, acting through one of its representatives, may enforce these covenants. In any such action, the prevailing party shall be entitled to recover its reasonable costs and attorney fees.

IN WITNESS THEREOF, the undersigned have caused this declaration to be executed at Kennewick, WA, on the date indicated below.

DATED this 27th day of Oct., 2010
By: [Signature]
Robert G. Barton
Barton Laser Leveling, Inc.

Corporate Acknowledgement

State of Washington

County of Benton

On this 27th day of October, 2010, before me personally appeared Robert George Barton, to me known to be the President of the corporation that executed the within instrument and acknowledged the said instrument to be the free and voluntary act and deed of said corporation for the used and purposed therein mentioned, and on oath stated that he/she/they is/are authorized to execute said instrument.

In witness whereof, I have hereunto set my hand and affixed my seal the day and year first above written.

[Signature] (signature)

Penny Wilna K. Spier (notary printed name)
Notary Public in and for the state of Washington,
Residing at Kennewick, WA
My commission expires: Jan. 15, 2012

