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Document Title(s) (or transactions contained therein):

- 55097 Pklws
1. DECLARATION OF ANNEXATION/COVENANTS
2.
3.
4.

14.00

Reference Number(s) of Documents:

55097

Grantor(s) (Last name first, then first name and initials)

- 1. HILLSIDE DEVELOPMENT CORP
2.
3.
4.
5. [] Additional names on page of document.

Grantee(s) (Last name first, then first name and initials)

- 1. OCEAN WEST NEVEDA CORP.
2.
3.
4.
5. [] Additional names on page of document.

Legal description (abbreviated: i.e. lot, block, plat or section, township, range)
Lot 2, SHORT PLAT NO. 2422, according to the survey thereof recorded March 25, 1999 under Auditor's File No. 1999-009546, records of Benton County, Washington.

[] Additional legal on page of document.

Assessor's Property Tax Parcel/Account Number

1-0184-401-2422-002

[] Additional on page of document.

The Auditor/Recorder will rely on the information provided on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.

**DECLARATION OF ANNEXATION
INTO
DECLARATION OF CONDITIONS, COVENANTS AND RESTRICTIONS
FOR
MOUNTAINVIEW ESTATES**

This Declaration of Annexation Into Declaration of Conditions, Covenants and Restrictions for Mountainview Estates (the "Annexation Declaration") is made to be effective as of April 1, 2000, by Ocean West Nevada Corporation, a Nevada corporation ("OWNC"), and Hillside Development Corp., a Washington corporation (the "Declarant"). This Declaration is made with reference to the following facts:

RECITALS:

- A. OWNC was the "Declarant" under the Original Declaration (as defined herein);
- B. Under the Original Declaration, OWNC reserved the right to annex additional real property to be included in the real property bound under and governed by the Original Declaration; and
- C. OWNC has assigned and transferred to the Declarant all of OWNC's rights and interests as the "Declarant" under the Original Declaration, and Declarant is the owner of the fee simple title to the Annexed Property (as defined herein); and
- D. Subject to the modifications described herein, Declarant desires to annex the Annexed Property as part of the real property bound by and governed under the Original Declaration.

NOW, THEREFORE, for the purpose of enhancing, maintaining and protecting the value of the Annexed Property and the other real property which is subject to the Original Declaration on the date hereof, the Declarant declares as follows:

- 1. Unless otherwise specified herein, the terms defined in this paragraph 1 shall have the meanings for all purposes of this Declaration as are provided for such terms in this paragraph 1.
 - (a) "Annexed Property" shall mean Lot 1 and Lot 2 under Auditor's File No.1999-0095464, Short Plat No.2422, filed in the Official Records of the County Recorder of Benton County, Washington on March 25, 1999.
 - (b) "Declaration" shall mean this Declaration of Annexation Into Declaration of Conditions, Covenants and Restrictions for Mountainview Estates.

- (c) "Lessee" means the owner or holder of a leasehold interest in all or any part of the Annexed Property.
- (d) "Occupant" means any person or entity who occupies all or any part of the Annexed Property and is not an Owner or Lessee.
- (e) "Original Declaration" shall mean the Declaration of Annexation Into Declaration of Conditions, Covenants and Restrictions for Mountainview Estates dated as of December 1, 1991, and recorded in Volume 552, Pages 478 through 485, inclusive, in the Official Records of the County Recorder of Benton County, Washington.
- (f) "Owner" means any legal or beneficial owner of all or part of the Annexed Property.
- (g) "Parcel" or "Lot" shall mean each legal lot of the Annexed Property as set forth in the subdivision map referenced in paragraph 1(a) above. In the event any Lot or Parcel of the Annexed Property is split or resubdivided, or a line or boundary adjustment of one or more Lots or Parcels, or a merger of two or more Lots or Parcels, is completed in accordance with applicable law and any requirements of this Declaration, then each of the parcels created thereby shall be deemed to be included within the definition of a Parcel or Lot.

2. Subject to the terms and conditions set forth herein, Declarant hereby declares that the Annexed Property and every part thereof is and shall be annexed into and considered a part of the real property bound by and governed under the Original Declaration, and, at all times after the recording of this Declaration, the Annexed Property shall be owned (legally and beneficially), leased, transferred, developed, improved or otherwise used subject to the terms and provisions of this Declaration and the Original Declaration. This Declaration is declared and agreed to be in furtherance of an overall plan by Declarant for the development, improvement, ownership, use and sale of the Annexed Property and the real property which has heretofore been subject to the Original Declaration, and is for the purpose of enhancing and protecting the value, desirability and attractiveness of the Annexed Property and all of such other real property.

3. Declarant declares that the Annexed Property is now held, and shall hereafter be held, conveyed, leased, occupied, operated and used, subject to the easements, restrictions, conditions, covenants and agreements set forth herein and (unless provided to the contrary herein) in the Original Declaration, each and all of which are for, and shall inure to, the benefit of and pass with each and every part of the Annexed Property, and shall apply to and bind the heirs, successors and assigns of any Owner, Lessee, Occupant or other person or entity owning, occupying, developing, improving or otherwise using all or any part of such Annexed Property, and each of which shall constitute covenants running with the land between the respective Owners of such parts, Parcels and Lots and create privity of contract and estate between all grantees of any such part, Parcel or Lot and the heirs, successors and assigns of each and all of them.

4. The following items are exceptions to the application of the Original Declaration to the Annexed Property:

- (a) Notwithstanding the provisions of paragraph 3(A) of the Original Declaration, each of the two (2) separate Parcels constituting a part of the Annexed Property on the date hereof may be further subdivided such that, after such subdivision, each such Parcel constitutes not more than two (2) parcels, with neither of such resulting Parcels being smaller than the smallest Parcel which was subject to the Original Declaration on the date hereof.
- (b) Upon the Lots within the Annexed Property, the landscaping requirement in paragraph 3(G) of the Declaration shall apply only to the portions of each such Lot which are not left in their natural states, including but not limited to the portions thereof used for construction of residential dwellings and yards in connection therewith.
- (c) Notwithstanding anything to the contrary in the Original Declaration, so long as Declarant owns all or part of the Annexed Property, Declarant shall be entitled to adopt such amendments to this Declaration and, insofar as it applies to the Annexed Property, the Original Declaration as are reasonably consistent with the requirements of this Declaration and the Original Declaration, and as are deemed necessary and appropriate by Declarant.

5. In addition to the terms and provisions of the Original Declaration (as modified herein), the following terms and provisions shall apply to the Annexed Property:

- (a) The first Owner to develop a residential dwelling on any Parcel within the Annexed Property shall be responsible for paving and otherwise improving (in accordance with all applicable laws, ordinances, building codes and other requirements of governmental or quasi-governmental authorities), for a distance of not less than two hundred (200) feet from the point at which the Annexed Property adjoins the existing road known as "Mountain View Drive."
- (b) At such time as more than one Owner develops or has developed a residential dwelling on any Parcel within the Annexed Property, all such Owners shall share all costs of ordinary maintenance and upkeep with respect to the private road referred to in paragraph 5(a) above, with such costs to be divided among the Owners of Parcels within the Annexed Property in the same proportion as the number of Parcels of the Annexed Property owned by each such Owner bears to the total number of Parcels within the Annexed Property.
- (c) Each Owner of a Parcel in the Annexed Property shall indemnify and hold harmless all other Owners of Property within the Annexed Property for, from and against any and all liability, loss, cost, damage or expense arising from or related

to (i) any use of the private road referred to herein by the indemnifying Owner or any tenant, contractor, subcontractor, licensee or invitee of the indemnifying Owner, or (ii) any other negligent act or omission of the indemnifying Owner or any such tenant, contractor, subcontractor, licensee or invitee of the indemnifying Owner. All Owners of Parcels within the Annexed Property shall obtain and maintain in effect reasonable and customary liability insurance as necessary to satisfy the indemnity obligations of such Owner under this paragraph.

- (d) Each Owner of all or part of the Annexed Property grants to all other Owners of all or part of the Annexed Property an easement for ingress, egress, access upon, across, over and under the Parcel of the Annexed Property owned by the granting Owner as necessary to permit any Owner of a Parcel within the Annexed Property to perform any construction with respect to the above-referenced private road required under this Declaration.

6. The execution of this instrument by OWNC is for the purpose of acknowledging and confirming that OWNC has assigned and transferred to Declarant all of OWNC's rights and interests as the Declarant under the Original Declaration, with full power to act in OWNC's stead in that capacity for purposes of this Declaration.

7. Each Owner, Lessee or Occupant of all or part of the Annexed Property, by accepting a deed to, lease of or other right to occupy all or part of the Annexed Property shall accept the same subject to each and every provision of this Declaration, and by such acceptance shall, for himself, his heirs, personal representatives, successors and assigns, covenant, consent and agree to and with Declarant, its successors and assigns, and all such other Owners, Lessees and Occupants, to keep, observe, comply with and perform the provisions of this Declaration whether or not any reference to this Declaration is contained in the instrument by which said person obtained any right or interest in such real property.

8. Each Owner, Lessee and Occupant of any Parcel within the Annexed Property agrees that this Declaration and (to the extent applicable to the Annexed Property) the Original Declaration may be enforced by injunctive relief. Specific remedies provided herein are cumulative, and any such specification shall not be deemed to preclude any right of an aggrieved person to resort to any other remedy at law, in equity or under statute.

9. In any legal proceeding to enforce or restrain the violation of any provision of this Declaration and the Original Declaration, the losing party or parties, as determined by the court or other tribunal, shall pay the reasonable attorneys' fees, legal costs and expenses of the prevailing party or parties.

10. No delay or failure on the part of an aggrieved party to invoke any available remedy with respect to a violation of this Declaration or the Original Declaration shall be considered a waiver by that party (or an estoppel of that party to assert) any right available to such party upon the recurrence or continuance of such violation or the occurrence of a different violation.



IN WITNESS WHEREOF, OWNC and Declarant have executed this Declaration as of the day and year set forth above for the purposes set forth herein.

DECLARANT:

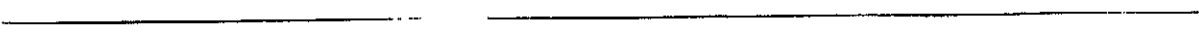
HILLSIDE DEVELOPMENT CORP., a Washington corporation

By: Terry L. Phillips
Terry L. Phillips
Its: President

OWNC:

OCEAN WEST NEVADA CORP., a Nevada corporation

By: Gary D. Phillips
Gary D. Phillips
Its: Secretary



STATE OF ARIZONA)
) ss.
County of Maricopa)

On this, the 3rd day of April, 2000, before me, the undersigned Notary Public, appeared Terry L. Phillips, personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same in his capacity as the President of HILLSIDE DEVELOPMENT CORP., a Washington corporation, and that, by his signature on the instrument, said corporation, on behalf of which he acted, executed the instrument.

Maria D. Paz
Notary Public

My Commission Expires

June 14, 2002



STATE OF ARIZONA)
) ss.
County of Maricopa)

On this, the 3rd day of April, 2000, before me, the undersigned Notary Public, appeared Gary D. Phillips, personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same in his capacity as the Secretary of OCEAN WEST NEVADA CORP., a Nevada corporation, and that, by his signature on the instrument, said corporation, on behalf of which he acted, executed the instrument.

Maria D. Paz
Notary Public

My Commission Expires

June 14, 2002

