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144.00 Benton County

After Recording
Return To:
Mark F. Stoker
The Heurlin Potter Law Firm
P.O. Box 611
Vancouver, WA 98666

EXCISE TAX NOT REQUIRED
BENTON COUNTY EXCISE TAX DIVISION

BY Kymquay DEPUTY

easement
88403

BENTON FRANKLIN TITLE CO.

160

Space Above for Recording Information Only

Tax Parcel Nos.: 1-1689-100-0001-013
Abbr. Legal: lots 1-8 inclusive, SP 3025

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS,
EASEMENTS AND ROAD MAINTENANCE AGREEMENT
FOR THE PLAZA AT SOUTHRIDGE

This Declaration of Covenants, Conditions and Restrictions, Easements and Road Maintenance Agreement for the Plaza at Southridge ("Declaration") is effective this 24th day of JULY, 2007 as declared by Southridge Village, LLC, a Washington limited liability company ("Declarant"), as the owner of that certain real property, the legal description of which is attached hereto as Exhibits A (the "Property") commonly referred to as Southridge Village.

RECITALS

WHEREAS: The Declarant wishes to provide for the reasonable development of the Property consistent with certain restrictions on the construction and operation of the uses of the Property; and

WHEREAS: The Property will be developed in phases, and it is the Declarant's intent that this Declaration will serve as a Declaration encumbering the entire Property, reserving unto Declarant the right to amend the Declaration as to each specific phase;

NOW, THEREFORE, Declarant states the following:

PURPOSE:

The Property is hereby made subject to the conditions, covenants, and restrictions contained in this Declaration, all of which shall be deemed to run with the Property and each and every Lot thereof, to encourage proper use and appropriate development and improvement of the Property so as

DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS - 1



to:

- a. Minimize the risk of improper development and use of Lots as would depreciate the value and use of Lots;
- b. Discourage the erection on the Property of structures constructed of improper or unsuitable materials or with improper quality and methods of construction;
- c. Discourage haphazard development of the Property and promote a quality master planned development;
- d. Provide adequate off-street parking and loading facilities;
- e. Generally promote the welfare and safety of the Owners and Occupants of the Lots;
- f. Provide for reciprocal access and parking.

Section 1. DEFINITIONS

The following words when used in this Declaration shall have the following meaning, unless the context clearly indicates otherwise:

1.1. "Additional Property" shall mean any land, whether or not owned by Declarant, which is made subject to this Declaration as provided in Section 8.3 below.

1.2. "Architectural Review Committee" shall mean a committee composed of not less than three (3) and not more than five (5) of the Owners or owner representatives of the Lots. The ARC shall be formed, if at all, by the written proclamation of Declarant. Members of the ARC shall each be entitled to one vote. The rights, powers, duties and reservations of the ARC, if formed, shall be limited to those rights, powers, duties and reservations available to the Declarant under Section 3, herein.

1.3. "Association" shall refer to the owner's association formed pursuant to Section 3 of this Declaration. Such Association shall be a nonprofit incorporated association composed of all Lot Owners.

1.4. "Building" shall mean and include, but not be limited to, the main portion of a structure built for permanent use and all protections or extensions thereof, including, but not limited to, garages, outside platforms and docks, storage tanks, carports, enclosed malls and porches.

1.5. "Common Areas" shall mean such portions of the Property and/or other real property, and adjacent public rights of way, as the Declarant elects or is obligated to maintain under this

Declaration. The location and use of the Common Areas shall be determined by the Declarant. Declarant shall have the right to limit and/or to regulate access to and/or use of the Common Areas. Once any Lot is improved with a Building, the Common Areas located on the Lot shall not be increased or changed to a different use without the approval of the Owner of that Lot, which approval shall not be unreasonably withheld or delayed. Declarant reserves the right to change the Common Area plans for all unimproved portions of the Property subject only to the approval of the appropriate governmental authorities and provided the changes are consistent with the terms of this Section 1.5. All Common Areas shall be exterior open space areas and shall not include any improvements beyond landscaping, paving, lighting, signage and storm water detention and drainage.

1.6. "City" shall mean the City of Kennewick, County of Benton, State of Washington.

1.7. "Floor Area" shall mean the total number of square feet of floor space in a Building including basement, subterranean, balcony and mezzanine space, irrespective of whether actually occupied. Floor Area shall be measured from the exterior line of the exterior walls and from the center line of any party or common interior walls without deduction for columns, walls or other structural or non-structural components; provided, however, in no event shall an outside sales area be included in such calculations.

1.8. "Improvement" shall mean all structures and appurtenances thereto of every kind, whether above or below the land surface, including but not limited to, Buildings, utility systems, walkways, driveways, parking areas, loading areas, landscaping items, fences, walls, decks, stairs, poles, landscaping vegetation, irrigation systems, signs, exterior fixtures and any other structure of any kind.

1.9. "Laws" shall mean governmental statutes, ordinances, rules, regulations and requirements and judicial decisions.

1.10. "Lot" shall mean any portion of the Property divided or portioned in accordance with applicable Laws.

1.11 "Occupant" shall mean a lessee or licensee of an Owner, or any other Person or entity other than an Owner in lawful possession of a Lot or a portion of a Lot, with the permission of the Owner.

1.12 "Owner" shall mean any Person holding fee simple title of record to all or a portion of the Property, and any Person purchasing all or a portion of the Property under a land sale installment contract. Two or more Persons who own a single Lot shall be deemed to be a single Owner for the purposes of this Declaration.

1.13. "Permanent Access Drives" shall mean the private roads on the Property connecting



the Property to Plaza Way and Hildebrand Blvd as shown on the Site Plan attached hereto as Exhibit "B."

1.14. "Person" shall include individuals, partnerships, firms, corporations, associations, limited liability company, and any other form of business entity.

1.15. "Phase," "Phases," or "Phased" shall mean the platted, partitioned or divided areas of the Property as shown on the Site Plan attached hereto as Exhibit "B" (or as subsequently modified by Declarant prior to final approval(s)), and as legally described in the legal descriptions for the Property attached hereto as Exhibits A.

1.16. "Site Plan" shall mean the site plan for division and improvement of the Property in Phases as set forth in the attached Exhibit "B," (or as modified by Declarant prior to final approval).

1.17. "Utility Lines" shall mean those facilities and systems for the transmission of utility services, including, but not limited to, water drainage systems or structures, water mains, sewers, water sprinkler system lines, telephones, electrical conduits or systems, gas mains, other public or private utilities, drainage and storage of surface water.

Section 2. USE AND MAINTENANCE

2.1. Permitted Uses. Except as otherwise specifically prohibited herein or by any applicable Law, any use allowed under an existing or subsequently amended, revised, adopted, or imposed zoning Law for retail sales and services or office shall be permitted on any Lot, provided that such use conforms to the provisions of this Declaration. No use shall create unreasonable danger of fire, explosion or other physical hazards.

2.1.1. Prohibited Uses. No portion of a Lot shall be used for any of the following purposes without the prior written consent of the Declarant (or ARC if formed) in its sole discretion: A flea market or a business selling so-called "second hand" goods; cemetery; mortuary; bookstore or establishment engaged in the business of selling, exhibiting or delivering pornographic or obscene materials; a so-called "head shop;" video or other type of game room or arcade; off-track betting parlor (except as part of a restaurant/lounge); junk yard; motor vehicle or boat dealership, repair shop; dry-cleaning plant (provided however that a retail dry-cleaners shall be permitted); auditorium, sports or other entertainment viewing facility (whether live, film, audio); discotheque, dance hall, comedy club, bowling alley; skating rink; billiard or pool hall; massage parlor, game parlor; a beauty school, barber college, reading room, place of instruction or any other operation catering primarily to students or trainees and not to customers; industrial, or manufacturing uses; school or house of worship (the "Use Restrictions").

2.2. Parking Restrictions. The parking area on Lots shall contain sufficient ground level



parking spaces in order to comply with the minimum zoning requirements, without reliance on parking spaces located on any other Lot, unless otherwise approved by the Declarant.

2.3. Condition of Property. Each Owner and Occupant of each Lot shall at all times keep it and the associated Improvements in a safe, clean, neat and well-maintained, sanitary condition, and comply, at its own expense, in all respects with all applicable Laws pertaining to health and safety.

2.4. Duty of Maintenance and Repair. Owners and Occupants, shall jointly and severally have the duty and responsibility, at their sole cost and expense, to keep that part of the Lot not otherwise defined as Common Areas so owned or occupied, including Buildings, and Improvements, in a well-maintained, safe, clean and attractive condition and repair at all times. Such maintenance and repair includes, but is not limited to the following:

- a. Removing all litter, trash, refuse and waste promptly;
- b. Complying with all Laws;
- c. Repainting of painted surfaces as needed and maintenance of exterior building surfaces in a clean, neat and orderly manner;
- d. Repairing exterior damage to Improvements;
- e. Lots shall not be used for storage of junk automobiles or any scrap materials;
- f. During construction, keeping all construction sites free of unsightly accumulations of rubbish and scrap materials, and keeping all construction materials, trailers, shacks and the like in a neat and orderly manner;
- g. Maintenance of visual barriers around outside manufacturing related activities, or related outside storage tanks or other outside storage of materials, including, but not limited to, those used for storage of water or propane gas or other fuels or chemicals; except that outside seasonal sales or sidewalk sales shall be permitted.
- h. With the exception of shipping and delivery in the regular course of business, no trailer or other movable structure shall be used for any purpose on any Lot except during construction of a Building.

2.5. Duty of Repair. In the event any Improvements on a Lot are destroyed or damaged, the Owner shall commence the repair or rebuilding of such Improvements within six (6) months of the event causing such damage, or in the event such Owner elects not to rebuild or repair, the remaining damaged Improvements shall be removed from the Lot within ninety (90) days of such



election not to rebuild.

Section 3. OWNER'S ASSOCIATION

3.1. Formation and Authority

(a) **Formation; Release of Declarant.** The Association shall be formed by Declarant at such time as Declarant no longer is an Owner of the Property or any portion thereof or such earlier date as Declarant may elect by written notice of such election to all Owners. Declarant may elect to convey to the Association any or all of the Common Area of which Declarant is the Owner. Until formation of the Association, Declarant shall have the power and authority to act under the Declaration and to enforce the terms and conditions hereof. After formation of the Association, Declarant shall have no further obligations nor liability hereunder and the Association and each Owner, jointly and severally, shall defend Declarant and shall indemnify and hold Declarant harmless to the fullest extent permitted by law for any claim, loss, damage, cost or expense (including attorney's fees) accruing in connection with the Property or this Declaration after the date that Declarant ceases to own any portion of the Property in fee.

(b) **Authority.** Upon formation, the Association shall have the authority and shall assume the responsibility to conduct all business affairs of common interest to all Owners and shall succeed to the management of those affairs (both rights and obligations) which Declarant is authorized or obligated to perform hereunder.

(c) **Successor Declarant.** In the event additional property is subjected to this Declaration, Declarant shall have the right but not the obligation to appoint the purchaser or developer of all or any portion of such additional property to act as Successor Declarant hereunder by recording such an appointment. In the event of such an appointment, the Successor Declarant shall be deemed to be the Declarant hereunder for all purposes.

3.2 Membership

(a) **Qualification.** Upon formation, each Owner shall be a member of the Association. Ownership of a Lot shall be the sole and exclusive qualification for membership in the Association.

(b) **Transfer of Membership.** The Association membership of each Owner shall be appurtenant to the Lot giving rise to such membership, and shall not be assigned, transferred, conveyed, hypothecated or alienated in any way except upon the transfer of title to said Lot or the execution of a land sale contract or assignment of the entire vendee's interest thereof, and then only to the transferee, vendee, or assignee, respectively. Any attempt to make a prohibited transfer of membership in the Association shall be void. Any such transfer or execution of a contract or assignment shall operate automatically to transfer the membership in



the Association appurtenant to the subject Lot to the transferee, vendee, or assignee, as the case may be.

(c) Address of Owners. Each Voting Representative, as defined in Section 3.3(b) below, shall be obligated to provide Declarant, and the Association after its formation, with the current name, address and telephone number of the Owner or Owners of the Lot for which the Voting Representative votes and the name, address and telephone number of the Voting Representative. Said names, addresses and/or telephone numbers may be changed at any time by not less than three (3) days written notice.

(d) Notices. Any notices desired or required to be given an Owner or Voting Representative shall be in writing and shall be given personally or by mail. If given by mail, such notice shall be deemed sufficiently given forty-eight (48) hours after depositing said notice in the United States mail, postage prepaid, certified or registered mail, return receipt requested and addressed to the Owner or Voting Representative who is to receive the same at the address provided most recently by the appropriate Voting Representative.

3.3 Voting

(a) Number of Votes. Each Owner shall have one (1) vote for each Lot owned by an Owner. Except where otherwise specifically provided in this Declaration, any action or other matter requiring a vote, or upon which a vote is desired, shall be approved upon the concurrence of the Owners having not less than fifty-one percent (51%) of the total votes of all Owners. The vote for a Lot must be cast as a unit; no fractional votes shall be allowed.

(b) Voting Representative. There shall be one voting representative (herein the "Voting Representative") of each Lot. The Voting Representative shall be designated by the Owner of each Lot by written notice to the Association. The designation of a Voting Representative by an Owner shall be revocable at any time by notice to the Association. All Owners may be present at any meeting of the Association.

3.4 Meetings and Organization. An organizational meeting of the Association shall be held in the Kennewick, Washington area, at a time and place designated by Declarant such time to be within thirty (30) days of the formation of the Association. Declarant shall call such meeting by written notice to the Owners no less than ten (10) days and no more than fifty (50) days prior to such meeting. If Declarant fails to call such meeting then any Owner may call such meeting. Thereafter, meetings of the Association shall be held as determined by the Association. The Association may elect such officers and adopt such bylaws as it deems appropriate, subject to Law and to this Declaration.



Section 4. COMMON AREA MAINTENANCE AND EXPENSES

4.1 Duty of Maintenance. Unless provided otherwise in this Declaration, the Declarant (and/or the Association after it is formed) shall have the duty and responsibility to keep the Common Areas in a well-maintained, safe, clean and attractive condition at all times. Such maintenance includes, but may not be limited to the following:

a. Keeping stormwater systems, Parking Easement Areas, Access Easement Areas, and Permanent Access Drive in a clean and safe condition and in good repair, including removal of debris and waste material;

b. Performing reasonably necessary landscaping including the trimming, watering and fertilizing of all grass, ground cover, shrubs or trees, and removal of dead or waste material;

c. Keeping exterior lighting, signs and mechanical facilities, if any, in working order, except such facilities as may be the Property of any public utility or governmental body;

4.2 Description of Common Area Expenses. As used herein, the term ("Common Area Expenses") means all sums reasonably expended or to be expended by Declarant (or the Association after its formation) in connection with the improvement, ownership, maintenance, repair and/or replacement of the Common Areas, including, but not limited to, sums paid by Declarant with respect to any Common Areas located outside of the Property.

4.3 Pro Rata Share. Each Owner's "Pro Rata Share" of the Common Area Expenses shall be determined by dividing (a) the total number of square feet of land in such Owner's Lot by (b) the total number of square feet contained in the Property from time to time.

4.4 Obligation to Pay. Each Owner shall pay to Declarant (or the Association after its formation), on the first day of each calendar month, an amount estimated by Declarant (or the Association after its formation) to be one-twelfth (1/12) of such Owner's Pro Rata Share of the annual Common Area Expenses for such calendar year ("Common Area Assessment"), to be remitted monthly without further billing. Such Common Area Assessment may be adjusted by Declarant (or the Association after its formation) on the basis of Declarant's experience and reasonable anticipated costs. No Owner may exempt itself from payment of all or any part of its Common Area Assessment by waiver of the use and enjoyment of the Common Areas. Notwithstanding the foregoing, if an Owner or the Occupant of such Owner's Lot damages a Common Area, Declarant (or the Association after its formation) shall have the right to allocate one hundred percent (100%) of the cost of repair of such damage to such Owner as a Common Area Expense and shall have the right to collect the allocated amount in a single lump sum.

4.5 Annual Recap. Following the end of each calendar year, Declarant (or the Association after its formation) shall furnish each Owner a statement covering the calendar year

just expired, showing the total operating costs, the amount of each Owner's Pro Rata Share of the Common Area Expenses for such calendar year, and the payments made with respect to such period. If an Owner's actual Pro Rata Share of such Common Area Expenses exceeds such Owner's payments so made, such Owner shall pay Declarant (or the Association after its formation) the deficiency within ten (10) business days after receipt of such statement. If said payments previously made exceed an Owner's share of said amount, said Owner shall be entitled to offset any such excess against the Common Area Assessment next due following receipt of such statement. No Owner shall have any other right of offset whatsoever. If Declarant (or the Association after its formation) elects, Common Area Expenses may be billed and shall be payable annually.

4.6 Omission of Assessment. The omission by Declarant (or the Association after its formation) to notify each Owner of the estimate of the Common Area Expenses for any calendar year shall not be deemed a waiver or modification in any respect of the provisions of this Declaration, or a release of any Owner from the obligation to pay its Pro Rata Share of the Common Area Expenses or any installment thereof, for that or any subsequent year; rather, each Owner shall continue to pay the same amount monthly as during the immediate]y preceding year until a new such notice is received.

4.7 Records. Declarant (or the Association after its formation) shall cause to be kept accurate records, specifying and itemizing the actual Common Area Expenses paid and incurred. Upon at least five days advance written notice to Declarant (or the Association after its formation) and during business hours, any Owner or its accountant may examine and audit the Declarant's (or the Association after its formation) financial records to the extent relevant to Common Area Expenses, provided, however, that an Owner shall only be entitled to such an examination once in each Operating Year.

4.8 Failure to Pay; Acceleration; Lien. In the event any Common Area Assessment attributable to a particular Lot remains delinquent for more than thirty (30) days, Declarant (or the Association after its formation), in addition to all other rights and remedies available by Law or provided herein, upon fifteen (15) days written notice to the Owner of such Lot, may accelerate and demand immediate payment of all, or such portion as Declarant (or the Association after its formation) determines, of the Common Area Assessments Declarant (or the Association after its formation) reasonably determines will become due during the next succeeding twelve (12) calendar months with respect to such Lot. Each Common Area Assessment shall be a joint and several personal debt and obligation of the title holders and any contract purchaser of the Lot to which the same relates as of the time the payment first becomes due. The amount of any cumulative unpaid Common Area Assessments, together with interest thereon at the rate of eighteen percent (18%) per annum or the highest rate permitted by law (whichever is lesser) from the date first due until paid in full, and collection costs, including reasonable attorney's fees, shall be a lien upon such Lot. Such lien shall be superior to all other liens, except (a) the liens of all taxes, bonds, assessments, and other levies which by law would



be superior, and (b) the lien or charge of any recorded Mortgage of a First Mortgagee (meaning that such Mortgage has first priority over other Mortgages) made in good faith and for value. Such lien, when delinquent, may be enforced by suit, judgment, and judicial or non-judicial foreclosure, with power of sale. Any such foreclosure and sale shall be conducted in accordance with the Laws of the State of Washington applicable to the exercise of powers of foreclosure and sale of mortgages or deeds of trust (it being understood that no Lot is used principally for agricultural, timber, grazing, or farming purposes), as amended from time to time, the relevant provisions of which are incorporated herein by this reference. Declarant (or the Association after its formation) may bid for the Lot at the foreclosure sale and acquire, hold, lease, mortgage, and convey the Lot. Declarant (or the Association after its formation) may sue for unpaid assessments and other charges authorized hereunder without foreclosing or waiving the lien securing the same.

4.9 Remedies Cumulative. The remedies provided herein are cumulative, and Declarant (or the Association after its formation) may pursue them separately or concurrently. Declarant (or the Association after its formation) may pursue any other remedies which may be available under Law or in equity although not expressed herein. Failure to exercise any such remedy shall not be deemed a waiver of such remedy or of any other remedy.

4.10 Easement Granted to Declarant and Agents. Prior to formation of the Association, Declarant shall have the right to enter upon any portion of the Property for the purpose of maintaining, improving, repairing, inspecting, or otherwise making use of the Common Areas as contemplated herein. Declarant shall have the right to contract with such agents and independent contractors as Declarant deems necessary to maintain, repair, inspect, and improve the Common Areas and such parties shall have the same right of access as does Declarant.

Section 5. CONSTRUCTION

5.1. Architectural Control. Declarant shall have the exclusive right of approval of the architectural construction and design standards as to any Buildings and/or Improvements on any Lot and/or any expansion or alteration thereof. If the rights, powers and duties of the Declarant are vested in or have been assigned to the ARC, at Declarant's sole option, disapproval of plans under paragraph 5.2.3 herein shall require a written concurrence by a majority of the members of the ACC.

5.2. Plan Approval. Before obtaining a building permit to commence site preparation as part of the construction, expansion or alteration of any Improvements on or to any Lot, the Owner or Occupant shall first prepare or cause to be prepared and shall submit one copy of all applicable site plans, landscape plans, building plans, elevations and specifications, and statement of intended use ("Plans") to Declarant for written approval by Declarant. If, at the time a building permit is sought, there is no Declarant nor assignee of Declarant, and no ARC has been formed, no Plan submittal under this Declaration shall be required for the construction project for which the building permit is sought.

5.2.1. Plan Submittal. No Improvement shall be constructed, placed, altered, or permitted to remain on any Lot subject to this Declaration until Plans have been submitted to and approved in advance in writing by Declarant or ACC except as provided in paragraph 5.2 above. Provided, however, that alterations or repairs to Improvements that do not substantially change the external appearance or the existing use thereof shall not require the prior written approval of the Declarant.

5.2.2. Criteria for Approval. Approval may be based upon, but not be limited to, the adequacy of lot dimensions, storm drain considerations, adequacy of structural design, adequacy of external design and reasonable appearances, consistency with the Southridge Sub-Area Plan, City of Kennewick commercial design standards, and US 395 Corridor study, proposed use, relation of topography, grade and finished ground elevation of the Lot being improved, and conformity of the Plans to this Declaration.

Except as otherwise provided herein, the Declarant shall have the right to disapprove any Plans for reasons including, but not limited to, the following:

- a. Failure to comply with any of the terms or conditions of this Declaration;
- b. Failure to include information as may be reasonably requested by the Declarant;
- c. Objection to the exterior design, appearance of materials or type of materials utilized in any proposed Improvement;
- d. Objection to the use proposed for a Lot;
- e. Objection to the location of any proposed Improvement or use;
- f. Objection to the grading and landscaping plan;
- g. Objection to the color scheme, finish, exterior materials, proportions, style of architecture, height, bulk or appropriateness of any Improvement;
- h. Objection to the number or size of parking spaces, or to the design of the parking area;
- i. Any other matter which, in the judgment of the Declarant would render the proposed Improvements or use in violation of this Declaration.



5.2.3. Approvals. The Declarant or ACC shall approve or disapprove Plans in writing. The Declarant or ACC shall have the right to approve or to disapprove any Plans or proposed use of a Lot which the Declarant or ACC may deem to not be in the best interests of the Declarant and/or the Owners or Occupants or prospective Owners or Occupants of other Lots. However, the Declarant or ACC shall not arbitrarily or unreasonably withhold approval of Plans. If the Declarant or ACC fails either to approve or disapprove of Plans in writing within thirty (30) days after the same have been submitted, Declarant or ACC shall be deemed to have approved such Plans. All Plans must at least meet the minimum requirements of the Southridge Sub-Area Plan and the City of Kennewick commercial design standards.

5.2.4. Plan Modification. Improvements shall be constructed in accordance with the Owner's approved Plans. Any material modification to the Plans during construction shall be approved in advance before the modification of the Improvement is begun.

5.2.5. Exculpation. Neither Declarant nor its successors or assigns nor members of the ARC acting in the capacity of a member of the ARC, shall be liable in damages to anyone for any action or failure to act under this Declaration, or to any Owner, Occupant or any other Person by reason of mistake in judgment, negligence or nonfeasance arising out of or in connection with any action or failure to act under these covenants. Except as otherwise provided in this Declaration, every Owner or Occupant of any Lot may bring an action or suit under these covenants against Declarant for injunctive relief, but no Owner or Occupant of any Lot may bring any action or suit under these covenants against Declarant or ACC to recover damages or for any form of equitable relief other than injunctive relief.

5.2.6. Equivalent Replacements. Notwithstanding any other provisions in this Declaration, any Improvement for which Plans were previously approved by Declarant or ACC as provided in this Declaration may be replaced, or reconstructed without further consent by Declarant or ACC, but only if such replacement, or reconstruction is substantially equivalent to the Improvement previously so approved.

Section 6. ADDITIONAL STANDARDS AND RESTRICTIONS

The following restrictions and requirements are imposed on the Property subject to this Declaration:

6.1. Minimum Setback. No Improvements of any kind shall be placed closer to an interior property line than permitted by any applicable Law.

6.2. Loading and Service Areas.

a. Off-Street. Each Lot shall provide sufficient on-site loading and unloading facilities to accommodate Lot activities. All loading or unloading movements, including turn-around



and parking, shall be made off the public right-of-way.

b. Screening. Screening of storage areas, loading or truck circulation areas, shall consist of one or more of each mounding, landscaping, walls, or other equivalent method and at least meet the minimum requirements of the Southridge Sub-Area Plan and the City of Kennewick commercial design standards.

c. Rubbish and Garbage. Rubbish and garbage facilities shall be screened so as to not be visible from any public street or Lot and at least meet the minimum requirements of the Southridge Sub-Area Plan and the City of Kennewick commercial design standards..

d. Parking. No parking shall be permitted on any street or drive or any place other than parking areas located upon Lots and shall at least meet the minimum requirements of the Southridge Sub-Area Plan and the City of Kennewick commercial design standards..

6.3. Landscaping. All developed Lots shall be landscaped and such landscaping shall comply with all applicable Laws. Areas not improved with Buildings, paving or landscaping, shall be graded, planted with indigenous grasses and plantings and maintained in a neat and orderly manner.

6.4. Exterior Materials and Design. A relatively wide variety of architectural design and materials is permitted. Architecturally and aesthetically suitable building materials, shall be applied to or used on all sides of a Building which are visible to public streets or to other properties subject to this Declaration and at least meet the minimum requirements of the Southridge Sub-Area Plan and the City of Kennewick commercial design standards. Corner buildings at the intersections on US 395 should be located as near the street(s) as feasible with minimal parking or drive-thrus between the buildings and the streets.

6.4.1. Concrete Curb. Concrete curbing is required at all public road entrances.

6.4.2. Excavation and Underground Utilities. Upon completion of an improvement, exposed openings in the ground shall be backfilled to an appropriate grade level. All telephone, electrical and other utility lines where visible from public streets shall be installed underground, except that transformer or termination equipment related thereto may be installed above ground, consistent with practices of the relevant utility.

6.5. Signs. No Signs shall be installed or maintained by any Owner or Occupant other than business park identification signs, informational and vehicular control signs, signs identifying the Building or the business of the Owner or Occupant, and temporary real estate and development signs. No free standing pole signs shall be allowed without the prior consent of the Declarant. All Signs shall be subject to the approval of the Declarant and shall be approved by any required

governmental authorities.



6.6. Common Area Improvements. Each Owner, at the sole expense of the Owner, shall improve the Common Areas located on the Owner's Lot, if any, in accordance with the approved Plans for the Lot. Such improvements shall be finished at the same time as the other improvements constructed on the Lot by the Owner.

Section 7. EASEMENTS

7.1. Utility Easements.

(a) Grant of Easements. Each Lot and Owner shall be entitled to and shall grant to each other Lot and Owner appurtenant to each Lot belonging to such Lot Owner, for the benefit of each, as applicable, a non-exclusive and perpetual easement under, through and across the area of the Lot, as applicable (exclusive of any portion within or under a Building), for the installation, operation, maintenance, repair and replacement of Utility Lines. The initial location of any Utility Lines shall be subject to the prior written approval of the grantor, which approval shall not be unreasonably withheld; provided, however, that it shall in all events be reasonable for the grantor to deny its approval if the proposed location is within or under a Building.

(b) Easement Area and Facilities. The easement area shall be no wider than necessary to reasonably satisfy the requirements of a private or public utility, or five (5) feet on each side of the centerline if the easement is granted to a private party. All Utility Lines shall be installed and maintained below ground level, except for (i) ground-mounted electrical transformers and such other facilities as are required to be above ground by the utility providing such service, and (ii) temporary utility service required during construction, maintenance and repair of any buildings or improvements located on the Lots, as applicable.

(c) Installation and Maintenance. The installation, operation, maintenance, repair and replacement of such Utility Lines shall not unreasonably interfere with the use of an improved Lot or with the normal operation of any business on the Property. Any party installing Utility Lines pursuant to the provisions of this Section 7.1 shall pay all costs and expenses with respect thereto, shall cause all work in connection therewith (including general clean-up and proper surface and/or subsurface restoration) to be completed as quickly as possible and in a manner so as to minimize interference with the use of the Common Area, and shall provide the Owner of the other Lot(s), as applicable, with as-built plans for all such facilities, including the location of the easement (as determined by a licensed surveyor), within thirty (30) days after the date of completion of construction. The party installing Utility Lines shall maintain, repair and replace them at its sole cost and expense.

(d) Relocation of Utility Lines. At any time and from time to time, the grantor

shall have the right to relocate any Utility Lines installed on its Lot pursuant to the foregoing grant of easement, provided that such relocation: (i) shall be performed only after sixty (60) days prior written notice of the grantor's intention to undertake the relocation shall have been given to the grantee served by the Utility Lines; (ii) shall not unreasonably interfere with or diminish utility service to the grantee's land served by the Utility Lines; (iii) shall not reduce or unreasonably impair the usefulness or function of the Utility Lines; (iv) shall be performed without cost or expense to the grantee; (v) shall be completed using materials and design standards which equal or exceed those originally used; (vi) shall have been approved by the service provider and any appropriate governmental agencies having jurisdiction thereof; (vii) shall provide for the original and relocated area to be restored to the original specifications; and (viii) shall not interfere with the conduct or operation of the business of any occupant of the grantee's Lot. The grantor performing such relocation shall provide as-built plans for all such relocated utility lines and facilities to the grantee served by such Utility Lines within thirty (30) days after the date of completion of such relocation.

(e) Additional Easements. Each Owner agrees to grant such additional easements as are reasonably required by any public or private utility for the purpose of providing the Utility Lines for the benefit of the other Owners and their Occupants, provided such easements meet the requirements of this Declaration are not otherwise inconsistent with the provisions of this Declaration.

(f) Term. The terms and provisions of this Section 7.1 shall survive the expiration or earlier termination of this Declaration.

7.2. Permanent Access Drives.

(a) Each Lot and Owner shall be entitled to and grants to each other Lot and Owner appurtenant to each Lot belonging to such Lot Owner, its successors and assigns, a perpetual non-exclusive easement for ingress and egress by vehicular and pedestrian traffic upon, over and across the Permanent Access Drives on the Property as shown on Exhibit "B."

(b) Each Lot shall be, and hereby is, both benefited and burdened by a perpetual non-exclusive and reciprocal easement across those portions of each Lot improved for access (the "Access Easement Areas") for the purpose of ingress and egress to and from each Lot to Plaza Way and Hildebrand Blvd. Each Lot and Owner shall pay its pro rata share of all reasonable costs and expenses incurred by for the repair and maintenance of the Access Easement Areas as set forth in Section 4 of the Declaration.

(c) Declarant (and/or the Association when it is formed) shall be the "Responsible Owner" for the purposes of administering this road maintenance agreement and shall be entitled to exclusive decision making authority as to ongoing maintenance and repair of the Permanent Access Drives and shall have the authority to contract for and pay for such work. Each Lot and Owner shall



pay its pro rata share (the "Access Drive Contribution") of all reasonable costs and expenses incurred by for the repair and maintenance of the Permanent Access Drives pursuant to Section 4 above.

7.3. Parking Easement. Each Lot and Owner shall be entitled to and grants to each other Lot and Owner appurtenant to each Lot belonging to such Lot Owner, its successors and assigns, a perpetual and non-exclusive reciprocal easement upon those portions of the respective Lots improved for parking (the "Parking Easement Areas") for the purpose of invitees and guest parking. Employees of the owners of the respective Lots shall park only on the Lot belonging to said Owner. Each Lot and Owner shall pay its pro rata share of all reasonable costs and expenses incurred by for the repair and maintenance of the Parking Easement Areas as set forth in Section 4.

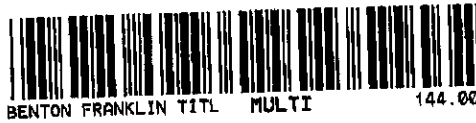
7.4. Drainage Easement. Each Lot and Owner shall be entitled to grants to each other Lot and Owner appurtenant to each Lot belonging to such Lot Owner, its successors and assigns, for the benefit of each, as applicable, a perpetual and non-exclusive easement over and under its Lot for surface water drainage over and through the drainage patterns and storm water drainage systems that are established from time to time among the Lots. Nothing herein shall prevent an Owner from relocating the drainage patterns established upon such Owner's Lot, provided such relocation does not unreasonably interfere with the surface water drainage of other Lots nor interfere with the orderly discharge of surface water from such other Lots and shall have been approved by any appropriate governmental agencies having jurisdiction thereof. Prior to any dedication of the storm water detention system servicing the Property, the Declarant or the ACC when formed shall be responsible for its repair and maintenance. Each Lot and Owner shall pay its pro rata share of all reasonable costs and expenses incurred by for the repair and maintenance of the storm water detention system as set forth in Section 4.

7.5. No Merger. Notwithstanding a Lot Owner's ownership of more than one Lot, the easements granted pursuant to this Declaration shall burden and benefit each Lot individually, without merger as a result of such common ownership, and upon conveyance of a Lot so that such Lot ceases to be under common ownership, neither the owner conveying said Lot nor the owner acquiring said Lot shall need to execute additional documentation to evidence the existence of said easements, and said easements shall relate back to and shall be deemed to have been created as of the date hereof.

Section 8. PHASED DEVELOPMENT

8.1 All Phases Bound. All Phases of development of the Property shall be bound by this Declaration.

8.2 Phase Specific Amendments. This Declaration, or any provision hereof, may be modified or amended, as to the development of any Phase of the Property, or any portion thereof, by



Declarant so long as Declarant owns at least one (1) Lot in said Phase, or with the written consent of the Owners of at least two-thirds (2/3) of the Lots in said Phase (excluding mortgages and the holders of other security devices who are not in possession, lessees or tenants); provided, however, that so long as Declarant owns at least one Lot in a Phase, no such modification or amendment affecting said Phase shall be effective without the written approval of Declarant hereto. Any modification or amendment to this Declaration that is specific to a Phase of the Property shall only bind said Phase as described in the modification or amendment upon the recording of a written modification or amendment against said specifically described Phase in the deed records of Benton County.

8.3 Annexation of Additional Property. Declarant may from time to time and in its sole discretion annex to Southridge Village as "Additional Property" any real property now or hereafter acquired by it, and may also from time to time and in its sole discretion permit other holders of real property to annex the real property owned by them to Southridge Village. The annexation of such Additional Property shall be accomplished as follows:

(a) The owner or owners of such real property shall record a declaration which shall be executed by or bear the approval of Declarant and shall, among other things, describe the real property to be annexed, establish any additional limitations, uses, restrictions, covenants and conditions which are intended to be applicable to such Additional Property, and declare that Additional Property is held and shall be held, conveyed, hypothecated, encumbered, used, occupied and improved subject to this Declaration.

(b) The Additional Property included in any such annexation shall thereby become a part of Southridge Village and this Declaration, and the Declarant and Association shall have and shall accept and exercise administration of this Declaration with respect to such Additional Property.

(c) Notwithstanding any provision to the contrary, a Declaration with respect to any Additional Property may:

(i) establish such new land classifications and such limitations, uses, restrictions, covenants and conditions with respect to such Additional Property as Declarant may deem to be appropriate for the development of Additional Property.

(ii) with respect to existing land classifications, establish additional or different limitations, uses, restrictions, covenants and conditions with respect to such property as Declarant may deem to be appropriate for the development of the Additional Property.

Section 9. GENERAL PROVISIONS

DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS - 17



9.1. Legal Proceedings. Failure to remedy noncompliance of any of the terms of this Declaration by any Owner or Occupant, his guests, employees, invitees or tenants, after written notification of such by an aggrieved Owner or Occupant, or Declarant as provided for below, shall be grounds for relief which may include, without limitation, an action to recover sums due for damages, injunctive relief, foreclosure of lien, or any combination thereof, which relief may be sought by Declarant, or, if appropriate, by an aggrieved Owner or Occupant. After 30 days written notice to the defaulting Owner or Occupant, the Declarant or any Owner or Occupant not in default hereunder, shall be entitled to bring an action for damages against any defaulting Owner or Occupant, and in addition may enjoin any violation of this Declaration. Each remedy provided for in this Declaration or by Law shall be cumulative and not exclusive or exhaustive.

Nothing contained in this Declaration shall preclude an Owner or Occupant from recovering from any Person, other than the Declarant, liable for damages to which such Owner or Occupant might be entitled.

9.2. Abatement and Suit. The Owner of each Lot shall be primarily liable, and the Occupant, if any, secondarily liable for the violation or breach of any term, covenant, condition or restriction contained in this Declaration. Violation or breach of any provision shall give to the Declarant and/or an aggrieved Owner or Occupant, following a 30-day written notice to the Owner or Occupant, except in emergency circumstances, the right, but not the obligation, to enter the Lot where the alleged violation or breach exists and to summarily abate and/or remove without breach of the peace, at the Owner's or Occupant's expense, any Improvements or condition that may exist in violation of this Declaration. The Declarant and/or an aggrieved Owner or Occupant shall have the right to seek any remedy in a court of law against the person in violation or who is attempting to violate any provisions of this Declaration and to enjoin or prevent them from doing so, to cause said violation to be remedied, or to recover damages for said violation. No entry by the Declarant nor its agent shall be deemed a trespass, and neither the Declarant nor its agents shall be subject to liability for entry or any action taken to remedy or remove a violation. The cost of any such remedy or removal shall be the binding personal obligation on any Owner or Occupant in violation of any provision.

9.3. Failure to Enforce. The failure of the Declarant or any Owner or Occupant to enforce the observance or performance by an Owner or Occupant of the terms, covenants, conditions or restrictions imposed by this Declaration on such Owner or Occupant shall in no event be deemed to be a waiver of the right to do so thereafter or in other cases, nor of the right to enforce any of the other provisions of this Declaration.

9.4. Mutuality, Reciprocity; Runs With Land. All covenants, conditions and agreements contained herein are made for the direct, mutual and reciprocal benefit of each and every Lot in favor of every other Lot; shall create reciprocal rights and obligations between all grantees of said parcels, their heirs, successors and assigns, and shall, as to the Owner of each Lot, his heirs, successors and

assigns, operate as covenants running with the land, for the benefit of all other Lots.

9.5. Rights Reserved. The Declarant reserves the right from time to time hereafter to delineate, plan, grant or reserve within the remainder of the Property not otherwise conveyed such private and public streets, roads sidewalks, ways and appurtenances thereto, and such easements for drainage and private and public utilities, as it may deem necessary or desirable for the development of the Property (and from time to time to change the location of the same) subject to these restrictions and covenants and to dedicate the same to public use or to grant the same to the County/City and/or to appropriate public utility corporations.

9.6. Constructive Notice and Acceptance. Every Owner and Occupant who now or hereafter owns or acquires any right or interest in or to any portion of the Property is and shall be conclusively deemed to have consented and agreed to every condition, covenant, and restriction contained in this Declaration whether or not any reference to this Declaration is contained in the instrument by which such Owner or Occupant acquired an interest in the Property.

Section 10. MISCELLANEOUS

10.1. Severability. Invalidation of any provision of this Declaration by any court or other order shall in no way affect or invalidate any other provisions, which shall remain in full force and effect. In the event of any invalidation of any provision of the Declaration, neither Declarant nor any other Owner or Occupant of a Lot(s) shall be held responsible for the consequences of such invalidation.

10.2. Conflicts Between this Declaration and Law. In the event of any conflict between this Declaration and any Law, Declarant shall resolve the conflict in writing using his reasonable discretion to further the general purposes of the Declaration.

10.3. Termination and Modification or Amendment. This Declaration, or any provision hereof, may be terminated, extended, modified or amended, as to the whole of said Property or any portion thereof, by Declarant so long as Declarant owns at least one (1) Lot, or with the written consent of the Owners of at least two-thirds (2/3) of the Lots subject to this Declaration (excluding mortgages and the holders of other security devices who are not in possession, lessees or tenants); provided, however, that so long as Declarant owns at least one Lot, no such termination, extension, modification or amendment shall be effective without the written approval of Declarant hereto. No such termination, extension, modification or amendment shall be effective, until a proper instrument in writing has been executed and acknowledged and recorded in the land records office of Benton County. No such termination, extension, modification or amendment shall affect any plans, specifications or use therefor approved in advance by Declarant under Section 5 hereof or any improvements theretofore or thereafter made pursuant to such approval.

10.4. Notices. Any requirement in this Declaration for giving written notice shall be satisfied as of the time written notice is hand delivered or deposited in the U.S. mails addressed to the last known address, postage prepaid and return receipt requested. All notices and other communications which are required by this Declaration shall be in writing and shall be deemed given when personally delivered or two days after being sent by certified mail, return receipt requested, with postage prepaid. Such notices and communications shall be delivered or sent to the following addresses:

a. If to an Owner or Occupant who maintains an office on the Property, to the mailing address of such Owner or Occupant at the office on the Property;

b. If to an Owner or Occupant who does not maintain an office on the Property, to the mailing address:

(1) Last furnished by such Owner or Occupant to the one sending such notice; or

(2) If clause (1) is not applicable, to the address furnished, if any, by such Owner to Declarant for notice purposes at the time such Owner acquired its interest in Property; or

(3) If clause (1) is not applicable, to the address used by the County Tax Assessor for delivery of property tax bills to such Owner with respect to such Owner's interest in the Property.

If to Declarant:
Southridge Village, LLC
3602 W. 36th Ave.
Kennewick, WA 99337

with copies to:

Mark F. Stoker
Attorney for Declarant
P.O. Box 611
Vancouver, WA 98666

or to such other addresses as Declarant may at any time, or from time to time, set forth as its address and its attorney's address for notices hereunder in an amendment to this Declaration recorded with the office of the County Recorder.

10.5. Computation of Time Periods. When computing any time period prescribed or



allowed by this Declaration, the day of the act or event from which the designated period begins to run shall not be included. The last day of the time period so computed shall be included, unless it is a Saturday, Sunday, or a legal holiday, which event the period runs until the end of the next day which is not a Saturday, Sunday, or a legal holiday.

10.6. Single, Plural and Gender. In construing this Declaration, unless the context clearly requires otherwise, the use of the singular form shall be taken to mean and include the plural, and vice versa, and the use of the masculine form shall be taken to mean and include the feminine and neuter, and vice versa.

10.7. Attorneys' Fees. In the event at any time during the term of this declaration, Declarant or any Owner or Occupant shall institute any action or proceeding against any other Owner or Occupant or Declarant, as the case may be, relating to the provisions of this Declaration, any default hereunder, or for the collection of any amounts due hereunder, then the party not prevailing in such action or proceeding shall reimburse the prevailing party for the latter's reasonable attorneys' fees and costs incurred in instituting and prosecuting such action or proceeding including all appeals provided however, that Declarant shall in no case be liable for the fee of more than one opposing party.

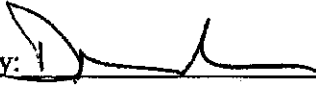
10.8. Captions. The section headings or captions used herein are for convenience only and are not a part of this instrument and do not in any way limit, define or amplify the scope or intent of the terms and provisions hereof.

10.9. Exhibits. The exhibits listed below, are incorporated in this Declaration by this reference as if set forth in full at such point (all terms with initial capitals used in such exhibits shall have the meaning given them in this Declaration):

- Exhibit A - Legal Description of Property and Lots
- Exhibit B - Site Plan

IN WITNESS WHEREOF:

SOUTHRIDGE VILLAGE, LLC

By:  M.M.

By: _____

By: _____



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BENTON FRANKLIN TITL MULTI

144.00 Benton County

By: _____

DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS - 22



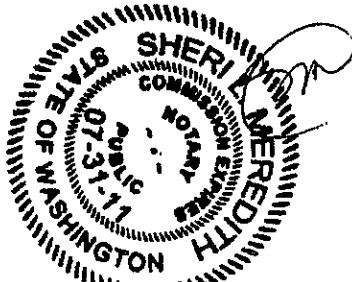
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BENTON FRANKLIN TITL MULTI

STATE OF WASHINGTON)
) ss.
County of Clark)

I certify that I know or have satisfactory evidence that Dennis Wubben is the person who appeared before me and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Managing Member of Southridge Village, LLC, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: 7/20, 2007



Sheri L. Meredith
Notary Public in and for the
State of Washington, residing
at Clark County.
My appointment expires: 7/31/11

STATE OF WASHINGTON)
) ss.
County of Clark)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the _____ of Southridge Village, LLC, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: _____, 2007

Notary Public in and for the
State of Washington, residing
at Clark County.
My appointment expires: _____



2007-024069

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BENTON FRANKLIN TITL MULTI

144.00 Benton County

EXHIBIT A

LOTS 1 THRU 8, INCLUSIVE OF SHORT PLAT 3025, according to the Survey thereof recorded under Auditor's File NO. 2007-022215, records of Benton County, Washington.