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Eltopia, WA 99330



DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

OF

WEST STONE RIDGE SUBDIVISION

DESCRIPTION OF THE LAND

A. Declarant owns certain real property located within the State of Washington, which property and improvements are commonly known as West Stone Ridge Subdivision, and is herein referred to as the "Property," more particularly described in Exhibit A attached and made a part hereof by reference.

B. For the benefit and protection of the Property, to enhance its value and attractiveness, and as an inducement to lenders and investors to make and purchase loans secured by Lots within the Property, Declarant places the following covenants on the above described land.

NOW, THEREFORE, Declarant hereby declares that the Lots described herein shall be held, sold, conveyed, encumbered, leased, rented, used, occupied and improved subject to the following uniform covenants, conditions, restrictions, reservations, grants of easement, rights, rights-of-way, liens, charges and equitable servitudes.

Any conveyance, transfer, sale, assignment, lease or sublease of a Lot in the Property, shall and hereby is deemed to incorporate by reference all provisions of this Declaration. The provisions of this Declaration shall be enforceable by Declarant, any Lot Owner, the Association, and any first mortgagee of any Lot.

ARTICLE 1

INTERPRETATION

1.1 Liberal construction- The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the operation and maintenance of the Property and the irrigation system.

1.2. Covenant Running with Land- It is intended that this Declaration shall be operative as a set of covenants running with the land, or equitable servitudes, binding on Declarant, its servitudes, Declarant's successors and assigns, all subsequent owners of the Property, together with their grantees, successors, heirs, executors, administrators, devisees or assigns.

1.3 Captions- Captions given to the various articles and sections herein are for convenience only and are not intended to modify or affect the meaning of any of the substantive provisions hereof.

1.4 Definitions-

1.4.1 "Association" shall mean the Eltopia West Homeowners Association, a Washington non-profit organization, provided for in Article 3 and its successors and assigns.

1.4.2 "Board" shall mean the Board of Directors of the Association provided for in Article 4.

1.4.3 "Declarant" shall mean the undersigned.

1.4.5 "Declaration" shall mean this declaration and any amendments thereto.

1.4.6 "Home" shall mean and refer to any structure located on a Lot, which structure is designed and intended for use in connection with such residence.

1.4.7 "Lot" shall mean and refer to any plot of land shown upon any recorded Plat Map of the Property.

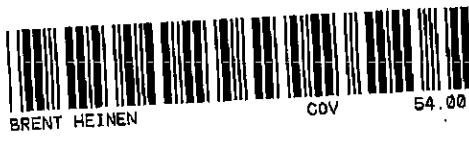
1.4.8 "Mortgage" shall mean a recorded mortgage or deed of trust that creates a lien against a Lot and shall also mean a real estate contract for the sale of a Lot.

1.4.9 "Mortgagee" shall mean the beneficial owner, or the designee of the beneficial owner, of an encumbrance on a Lot created by mortgage or deed of trust and shall also mean the vendor, or the designee of a vendor, of a real estate contract for the sale of a Lot.

1.4.10 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property, and, except as may be otherwise expressly provided herein, shall, in the case of a Lot which has been sold pursuant to a real estate contract, include any person of record holding a vendee's interest under such real estate contract to the exclusion of the vendor thereunder. Any person or entity having such an interest merely as security for the performance of an obligation shall not be considered an owner.

1.4.11 "Person" shall include natural persons, partnerships, corporations, associations and personal representatives.

1.4.12 "Property" shall mean the real estate described herein and all improvements and structures thereon, including such additions thereto as may hereafter be brought within the jurisdiction of the Association.



1.4.13 "Plat Map" shall mean the Plat Maps recorded in conjunction with this Declaration, which Plat Maps depict the layout of the Lots on the Property. The plat of West Ridge Subdivision was recorded on 8/2/2006 at Volume D of Plats, pages 313, Auditor's File No. 1687221 records of Franklin County, Washington. ~~West Stone Ridge Subdivision was recorded on \_\_\_\_\_ at Volume \_\_\_\_\_ of Plats, pages \_\_\_\_\_, Auditor's File No. \_\_\_\_\_ records of Franklin County, Washington.~~

ARTICLE 3

OWNERS' ASSOCIATION

3.1 Establishment. There is hereby created a nonprofit corporation to be called ELTOPIA WEST HOMEOWNERS ASSOCIATION (referred to hereinafter as the "Association").

The purpose for which this association is formed is to enforce these covenants, the covenants of West Ridge Subdivision and to own, operate and maintain irrigation water delivery systems and services for its members, and for any such further purposes as the association may determine are necessary and reasonable. To accomplish this stated purpose, the association will maintain and operate a main pumping station, distribution pipeline or lines from the source of the irrigation water supply and service lines from the main distribution pipeline or lines to the property line of each tract of land located within the boundaries of the Eltopia West Homeowners Association. The Association shall also maintain a cut-off valve in each service line from its main distribution line; such cut-off valve shall be owned by the association and may be placed outside of the associations' right-of-way. The Association shall have the right to use such cut-off valve to turn on and off the water supply. The water will be supplied to the Association pumping station by the South Columbia Basin Irrigation District.

3.2 Form of Association. The Association shall be a nonprofit corporation formed and operated pursuant to title 24, Revised Code of Washington. In the event of any conflict between this Declaration and the Articles of Incorporation for such nonprofit corporation, the provisions of this Declaration shall prevail.

3.3 Membership.

3.3.1 Qualification. Each Owner of a Lot in the Property (including Declarant) and each Owner of a Lot in West Ridge Subdivision shall be a member of the Association and shall be entitled to one membership for each Lot so owned. Ownership of a Lot shall be the sole qualification for membership in the Association.

3.3.2 Transfer of Membership. The Association membership of each Owner (including Declarant) shall be appurtenant to the Lot giving rise to such membership, and shall

not be assigned, conveyed, pledged or alienated in any way except upon the transfer of title to said Lot and then only to the transferee of title to such Lot. Any attempt to make a prohibited transfer shall be void. Any transfer of title to a lot shall operate automatically to transfer the membership in the Association appurtenant thereto to the new Owner thereof.

3.4 Voting.

3.4.1 Classes of Voting Membership. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners except the Declarant. Class A members shall be entitled to one vote for each Lot owned.

Class B. The Class B member shall be the Declarant and the Declarant of West Ridge Subdivision, which shall be entitled to three (3) votes for each Lot owned.

The Class B membership shall cease and be converted to Class A membership when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership.

In determining whether any given proposition shall have been approved by the membership, the total number of Class A and Class B votes shall be combined and the appropriate percentage applied against that combined number.

3.4.2 Number of Votes. Except as provided above, the total voting power of all Owners shall equal the number of Lots at any given time and the total number of votes available to Owners of any one Lot shall be one vote.

3.5 Bylaws of Association. Bylaws for the administration of the Association and the Property, and to further the intent of this Declaration, shall be adopted or amended by the Owners at a regular or special meeting; provided, that the initial Bylaws shall be adopted by the Board of Directors. In the event of any conflict between this Declaration and any Bylaws, the provisions of this Declaration shall prevail.

ARTICLE 4

MANAGEMENT OF THE ASSOCIATION

4.1 Administration of the Property. The Owners covenant and agree that the administration of the Property shall be in accordance with the provisions of this Declaration and the Bylaws of the Association which are made a part hereof. Administrative power and authority shall vest in a Board of Directors selected in accordance with the Bylaws.

4.2 Authority and Duties of the Board. On behalf of and acting for the Association, the Board, for the benefit of the Property and the Owners, shall have all powers and authority



necessary to govern the association, including but not limited to the power and authority to:

4.2.1 Assessments. Levy, collect, and enforce the collection of, assessments, as more particularly set forth in ARTICLE 7 hereof, to defray expenses attributable to carrying out the duties and functions of the Association hereunder.

4.2.2 Fidelity Bonds. Require any officer or employee of the Association handling or responsible for Association funds to furnish adequate fidelity bonds, the premiums on such bonds to be paid by the Association.

4.2.3 Property Management. The Association may enter into agreements with one or more qualified persons which provide for the maintenance and repair of the irrigation system, collection of assessments, sending all required notices to Lot Owners, operation of Association meetings and other regular activities of the Association. Provided that, the Board may not delegate to said persons the duties which it is required by law to perform. The association may enter into contracts with the Bureau of Reclamation.

4.2.4 Contracting and Payment for Materials, services, etc. Contract and pay for any materials, supplies, labor or services which the Board should determine are necessary or proper for carrying out its powers and duties under this Declaration, including legal, accounting, management or other services. The Board may pay the Declarant a reasonable fee for any services it performs on behalf of the Association.

4.2.5 Checks, Drafts, etc. All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or officers, agent or agents, of the Association and in such manner is from time to time determined by the Board.

4.2.6 Attorney-in-Fact. Each Owner, by the mere act of becoming an Owner, shall irrevocably appoint the Association as his attorney-in-fact, with full power of substitution, to take such action as reasonably necessary to promptly perform the duties of the Association and Board hereunder.

4.2.7 Adoption of Rules and Regulation. When and to the extent deemed advisable by the Board, to adopt reasonable rules and regulations governing the maintenance and use of the irrigation system and other matters of mutual concern to the Lot Owners which rules and regulations are not inconsistent with this declaration and the Bylaws.

4.2.8 Additional Powers of Association. In addition to the duties and powers of the Association, as specified herein, and elsewhere in this Declaration, but subject to the provisions of this Declaration, the Association, acting through its Board, shall have the power to do all other things which may be deemed reasonably necessary to carry out its duties and the purposes of this Declaration.

ARTICLE 5



ARCHITECTURAL CONTROL

5.1 Construction and Exterior Alteration or Repair.

(a) General: No structure or building shall be erected, altered, placed or permitted to remain on any Lot other than one detached single-family home for single-family occupancy only, not to exceed two stories, above grade, in height. All homes shall have an attached garage of at least 450 square feet. All homes shall be site built on a concrete foundation, with prefabrication limited to framework, doors, windows, cabinetry, duct work and fixtures. No more than fifty percent (50%) of any construction, including items referenced above, may be performed offsite.

(b) Minimum Square Feet: The living area of the main structure, exclusive of open porches, garages and basements, shall be; not less than 1,600 square feet in the case of one level homes; and not less than 2,000 square feet in the case of two level homes (2-story). Three (3) story homes are not permitted.

(d) All structures on the property including out buildings shall have finished exteriors(painted or finished siding) and shall be properly maintained.

5.2 Sales Facilities of Declarant. Notwithstanding any provision in this Declaration to the contrary, Declarant (its agents, employees and contractors) shall be permitted to maintain during the period of sale of Lots and/or Homes upon such portion of the Property (other than Lots sold by Declarant) as Declarant may choose, such facilities as in the sole opinion of the Declarant may be reasonably required, convenient or incidental to the construction, sale or rental of Lots and Homes, including but not limited to, a business office, storage area, signs, model units, sales office, construction office, and parking areas for all prospective tenants or purchasers of Declarant.

ARTICLE 6

USE AND MAINTENANCE OBLIGATION OF OWNERS

6.5 Nuisances. No nuisance shall be permitted to exist or operate upon any Lot or improvement thereon so as to be detrimental to any other Lot or Property in the vicinity thereof or to its occupants. Barking dogs or other animals that make excessive noise shall be considered a nuisance.

6.6 Restriction on Further Subdivision. No Lot or portion of a Lot in this plat shall be divided and sold or resold.

6.7 Garbage and Trash Removal. No Lot shall be used as a dumping ground for rubbish, trash or garbage. All parcels shall be kept free of visible litter, automobile wreckage, and scrap iron. Vehicles not operating, or in the process of being repaired, shall after 60 days notice by the Association be classified as automotive scrap and be towed away at the owners



expense.

6.8 Animals. Animals shall not be allowed to roam loose, outside the limits of any Lot on which they are kept. No Pit Bulls or Rottweilers shall be allowed. Any dog which bites a human or kills or seriously injures another animal will not be allowed on the premises. Pigs will only be allowed for 4H or FFA projects, with a limit of 4 pigs per lot. No breeding of pigs will be allowed.

6.11 Zoning Regulations. Zoning regulations, building regulations, environmental regulations and other similar governmental regulations applicable to the Properties subject to this Declaration shall be observed. In the event of any conflict between any provision of such governmental regulations and restrictions of this Declaration, the more restrictive provisions shall apply.

6.12 Business Use. Business in the home or a shop or contained fenced area shall be allowed. The area shall be no greater than 30% of the lot area. Commercial auto or equipment repair or sales shall not be allowed. Any member wishing to change the classification of his parcel from the present classification or applying for a special use permit must get prior approval of the Association.

6.13 Temporary Residence. No outbuilding, basement, tent, shack, garage, trailer or shed or temporary building of any kind shall be used as a residence either temporarily or permanently, except for a construction shack used by an Owner's construction contractor during the construction period.

6.18 Completion of Improvements. Any improvements constructed on any Lot in the Property shall be completed as to external appearance, including finish painting, within twelve (12) months from the commencement of construction except for acts of God in which case a longer period may be permitted.

6.19 Fences. Fences shall be well maintained and shall not be made of tires, old irrigation main line or other unsightly materials.

6.20 Hedges and Trees. Hedges will be no taller than 10 feet. Trees will not be planted as hedges. No popular trees will be allowed.

ARTICLE 7

ASSESSMENTS

7.1 Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association any assessment duly levied by the Association as



provided herein. Such assessments, together with interest, costs, late charges and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, late charges and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless the lien for such delinquent assessments had been properly recorded prior to title transfer or unless expressly assumed by them. When ownership of a Lot changes, assessments which have been established for the current fiscal year shall be prorated between the Buyer and Seller based on a 365-day year.

7.2 Liability for Assessments/Uniform Rate. Any assessments which may be levied from time to time pursuant to the authority of the Board as set forth in Section 4.2.1 hereof, shall be fixed at a uniform rate for each Lot, except for assessment levied against an Owner for the purpose of reimbursing the Association for costs incurred in bringing the Owner or his Home and/or Lot into compliance with the provisions of this Declaration. Declarant shall pay any assessment levied against any Lots owned by it. No Owner may exempt himself from liability for his Assessments by abandonment of his Lot.

7.3 Association Budget. The Association shall prepare, or cause the preparation of, an operating budget for the Association at least annually, in accordance with generally accepted accounting principles. The operating budget shall set forth all sums required by the Association, as estimated by the Association, to meet its annual costs and expenses. The Association may revise the operating budget after its preparation at any time and from time to time, as it deems necessary or advisable in order to take into account and defray additional costs and expense of the Association.

Declarant shall be exempt from any Homeowners Association assessments on the lots owned by Declarant but agrees to pay any shortfall between operational and maintenance costs of the Homeowners Association and the assessments collected from Homeowners other than the Declarant until 75% of the lots have been sold by Declarant. After 75% of the lots have been sold, Declarant, for assessment purposes, will be treated like any other lot owner.

7.5 Manner and Time of Payment. Assessments shall be payable in such reasonable manner as the Board shall designate. Any assessment or installment thereof which remains unpaid for at least fifteen (15) days after the due date thereof shall bear interest at the rate of 12% per annum, and the Board may also assess a late charge in an amount not exceeding 25% of any unpaid assessment which has been delinquent for more than fifteen (15) days.

7.6 Accounts. Any assessments collected by the Association shall be deposited in one or more insured institutional depository accounts established by the Board. The Board shall have exclusive control of such accounts and shall maintain accurate records thereof. No withdrawal shall be made from said accounts except to pay for charges and expenses authorized by this Declaration.



7.7 Lien. In the event any assessment or installment thereof remains delinquent for more than thirty (30) days, the Board may, upon fifteen (15) days prior written notice to the Owner of such Lot of the existence of the default, accelerate and demand immediate payment of the entire assessment. The amount of any assessment assessed or charged to any Lot plus interest, costs, late charges and reasonable attorneys' fees, shall be a lien upon such Lot. A Notice of Assessment may be recorded in the office where real estate conveyances are recorded for the county in which this Property is located. Such Notice of Assessment may be filed at any time at least fifteen (15) days following delivery of the notice of default referred to above in this Section. The lien for payment of such assessments and charges shall have priority over all other liens and encumbrances, recorded or unrecorded, limited as provided in Section 10.1. Suit to recover a money judgment for unpaid assessments or charges shall be maintainable without foreclosure or waiver of the lien securing the same.

7.8 Wavier of Homestead. Each Owner hereby waives, to the extent of any liens created pursuant to this Article, the benefit of any homestead or exemption law in effect at the time any assessment or installment thereof becomes delinquent or any lien is imposed pursuant to the terms hereof.

7.9 Special Assessments. In addition to the general assessments authorized by this Article, the Association may levy a special assessment or assessments at any time against all Lot Owners, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, inordinate repair, or replacement of a capital improvements, including necessary fixtures, and personal property related thereto, or for such other purpose as the Association may consider appropriated; provided, however, that any such assessment must have the prior favorable vote of Owners of two-thirds of the Lots.

7.10 Records Financial Statements. The Board shall prepare or cause to be prepared, for any fiscal year in which the Association levies or collects any assessments, and shall distribute to all Owners, a balance sheet and an operating (income/expense) statement for the Association, which shall include a schedule of assessments received and receivable, identified by the number of the Lot and the name of the Owner so assessed. The Board shall cause detailed and accurate records of the receipts and expenditures of the Association to be kept specifying and itemizing the maintenance, operating, and any other expenses incurred. Such records, copies of this declaration, the Articles and the Bylaws, and any resolutions authorizing expenditures of Association funds shall be available for examination by any Owner at convenient hours of weekdays.

7.11 Certificate of Assessment. A certificate executed and acknowledged by the treasurer or the president of the Board, or an authorized agent thereof if neither the president nor treasurer is available, stating the indebtedness for assessments and charges or lack thereof secured by the assessment lien upon any Lot shall be conclusive upon the Association as to the amount of such indebtedness on the date of the certificate, in favor of all persons who rely thereon in good faith. Such a certificate shall be furnished to any Owner or any encumbrancer of a Lot within a reasonable time after request, in recordable form, at a reasonable fee. Unless otherwise prohibited by law, any encumbrancer holding a lien on a Lot may pay any unpaid

assessments or charges with respect to such Lot, and, upon such payment, shall have a lien on such Lot for the amounts paid of the same rank as the lien of his encumbrance.

7.12 Foreclosure of Assessment Lien: Attorneys' Fees and Costs. The Board or authorized agent(s), on behalf of the Association, may initiate action to foreclose the lien of, or collect, any assessment. In any action to foreclose the lien of, or otherwise collect, delinquent assessments or charges, any judgment rendered in favor of the Association shall include a reasonable sum for attorneys' fees and all costs and expenses reasonably incurred in preparation for or in the prosecution of said action, in addition to taxable costs permitted by law.

7.13 Curing of Default. The Board shall prepare and record a satisfaction and release of the lien for which a Notice of Assessment has been filed and recorded in accordance with this Article upon timely payment or other satisfaction of all delinquent assessments set forth in the Notice, and all other assessments which have become due and payable following the date of such recordation with respect to the Lot as to which such Notice of Assessment was recorded, together with all costs, late charges and interest which have accrued thereon. A fee of eighty-one dollars (\$81.00) or such greater cost shall be determined by the board, covering the cost of preparation and recordation shall be paid to the Association prior to such action. The satisfaction of the lien created by the Notice of Assessment shall be executed by the president or treasurer of the Association or by any authorized representative of the Board. For the purposes of this paragraph, the term "costs" shall include costs and expenses actually incurred or expended by the Association in connection with the cost of preparation and recordation of the Notice of Assessment and in efforts to collect the delinquent assessments secured by the lien and a reasonable sum for attorneys' fees.

7.14 Irrigation Assessment. Each lot will be assessed for irrigation water based on acreage owned regardless if the land is not irrigated, no water will be delivered to a member until his assessments are paid in full.

## ARTICLE 8

### COMPLIANCE WITH DECLARATION

#### 8.1 Enforcement.

8.1.1 Compliance. Each Owner, Board member and the Association shall comply strictly with the provisions of this Declaration and with the Bylaws and administrative rules and regulations adopted by the Association (as the same may be lawfully amended from time to time). Failure to comply shall be grounds for an action to recover sums due for damages, or injunctive relief, or both, maintainable by the Board (acting through its officers on behalf of the Association and the Owners), or by the aggrieved Owner on his own against the party failing to comply.

8.1.2 Attorneys' Fees. In any action to enforce the provisions of this Declaration, the Articles or the Bylaws, the prevailing party in such legal action shall be entitled

to an award for reasonable attorneys' fees and all costs and expenses reasonably incurred in preparation for or prosecution of said action, in addition to taxable costs permitted by law.

8.2 No Waiver of Strict Performance. The failure of the Board, or Declarant, as applicable, in any one or more instances to insist upon or enforce the strict performance of any of the terms, covenants, conditions or restrictions of this Declaration, or of any Bylaws or administrative rules or regulations, shall not be construed as a waiver or a relinquishment for the future of such term, covenant, condition or restriction, but such term, covenant, condition or restriction shall remain in full force and effect. No waiver by the Board of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Board.

8.3 Right of Entry. Violation of any of the provisions hereof shall give to Declarant, its authorized agent(s), its successors, or the Association, the right to enter upon the Property as to which such violation exists and to abate, correct and remove, at the expense of the Owner thereof, any erection, thing or condition that may be or exists thereon contrary to the provisions hereof. Such entry shall be made only after three (3) days' notice to said Owner and with as little inconvenience to the Owner as possible, and any damage caused thereby shall be repaired by the Association. Declarant, its successors, or the Association shall not be deemed guilty of any manner of trespass by such entry, abatement or removal.

8.4 Remedies Cumulative. The remedies provided are cumulative, and the Board may pursue them concurrently, as well as any other remedies which may be available under law although not expressed herein.

ARTICLE 9

LIMITATION OF LIABILITY

9.1 No Personal Liability. So long as a Board member, Association committee member, Association officer, or authorized agent(s) has acted in good faith, without willful or intentional misconduct, upon the basis of such information as may be possessed by such person, no such person shall be personally liable to any Owner, or other party, including the Association, for any damage, loss or prejudice suffered or claimed on account of any act, omission, error, negligence (except gross negligence), any discretionary decision, or failure to make a discretionary decision, by such person in such person's official capacity; PROVIDED, that this Section shall not apply where the consequences of such act, omission, error or negligence are covered by insurance or bonds obtained by the Board pursuant to Section 4.2.2 or Article 14 hereof.

9.1.1 Neither the association nor any Board member, Association officer, or authorized agent shall be responsible for any interruption of irrigation water caused by pump or system failure.

9.2 Indemnification. Each Board member or Association committee member, or Association Officer, and their respective heirs and successors, shall be indemnified by the



Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of being or having held such position at the time such expenses or liabilities are incurred, except in such cases wherein such person is adjudged guilty of intentional misconduct, or gross negligence or a knowing violation of law in the performance of his duties, and except in such case where such person has participated in a transaction from which said person will personally receive a benefit in money, property, or services to which said person is not legally entitled; PROVIDED, that, in the event of a settlement, the indemnification shall apply only when the Board approves such settlement and reimbursement as being in the best interest of the Association. Nothing contained in this Section 9.2 shall, however, be deemed to obligate the Association to indemnify any Member or Owner of a lot who is or has been a Board member or officer of the Association with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of the Declaration as a Member or Owner of a Lot.

ARTICLE 10

MORTGAGEE PROTECTION

10.1 Priority of Mortgages. Notwithstanding all other provisions hereof, the liens created under this Declaration upon any Lot for assessments shall be subject to tax liens on the Lot in favor of any assessing unit and/or special district and be subject to the rights of the secured party in the case of any indebtedness secured by first lien Mortgages which were made in good faith and for value upon the Lot. Where the Mortgagee of a Lot, or other purchaser of a Lot, obtains possession of a Lot as a result of Mortgage foreclosure or deed in lieu thereof, such possessor and his successors and assigns, shall not be liable for the share of any assessment by the Association chargeable to such Lot which becomes due prior to such possession, but will be liable for any assessment accruing after such possession. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectible from all of the Lot Owners including such possessor, his successor and assigns. For the purpose of this section, the terms "mortgage" and "mortgagee" shall not mean a real estate contract (or the vendor thereunder), or a mortgage or deed of trust (or mortgagee or beneficiary thereunder) securing a deferred purchase price balance owed with respect to a sale by an individual Lot Owner other than Declarant.

10.2 Effect of Declaration Amendments. No amendment of this Declaration shall be effective to modify change, limit or alter the rights expressly conferred upon Mortgagees in this instrument with respect to any unsatisfied mortgage duly recorded unless the amendment shall be consented to in writing by the holder of such mortgage. Any provision of this Article conferring rights upon Mortgagees which is inconsistent with any other provision of this Declaration shall control over such other inconsistent provisions.

10.3 Right of Lien Holder. A breach of any of the provisions, conditions, restrictions, covenants, easements or reservations herein contained shall not affect or impair the lien or charge of any bona fide Mortgage made in good faith and for value on any Lots; provided, however, that any subsequent Owner of the Lot shall be bound by these provisions whether such Owner's title

was acquired by foreclosure or trustee's sale or otherwise.

10.4 Copies of Notices. If the first Mortgagee of any Lot has so requested the Association in writing, the Association shall give written notice to such first Mortgagee that an Owner/mortgagor of a Lot has for more than sixty (60) days failed to meet any obligation under this Declaration. Any first Mortgagee shall upon written request, also be entitled to receive written notice of all meetings of the Association and be permitted to designate a representative to attend all such meetings.

10.5 Furnishing of Documents. The Association shall make available to prospective purchasers, Mortgagees, insurers, and guarantors, at their request, current copies of the Declaration, Bylaws, and other rules governing the Property, and the most recent balance sheet and income/expense statement for the Association, if any has been prepared.

#### ARTICLE 11

11.1 Association Functions. There is hereby reserved to Declarant and the Association, or their duly authorized agents and representatives, such easements as are necessary to perform the duties and obligations of the Association as are set forth in the Declaration, or in the Bylaws, and rules and regulations adopted by the Association.

11.2 Utility Easements. On each Lot, easements are reserved as provided by the Plat Map and applicable laws, ordinances and other governmental rules and regulations for utility installation and maintenance, including but not limited to, electric power, telephone, irrigation water, drainage, gas, and accessory equipment, together with the right to enter upon the Lots at all time for said purposes. Within these easements, no structure, planting, or other material shall be placed or permitted to remain which may damage, interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements; the easement area of each Lot, and all improvements shall be maintained continuously by the Owner of the Lot, except for those improvements for which a public authority or utility company is responsible.

#### ARTICLE 12

##### TERM OF DECLARATION: ABANDONMENT OF SUBDIVISION STATUS

12.1 Duration of Covenants. The covenants contained herein shall run with and bind the land for a term of twenty (20) years from the date this declaration is recorded, after which time the covenants shall be automatically extended for successive periods of ten (10) years, unless an instrument executed in accordance with Section 13.1 below shall be recorded, abandoning or terminating this Declaration.



ARTICLE 13

AMENDMENT OF DECLARATION, PLAT MAP

13.1 Declaration Amendment. Amendments to the Declaration shall be made by an instrument in writing entitled "Amendment to Declaration" which sets forth the entire amendment. Amendments must be approved by Lot Owners, including Declarant, having over sixty-seven percent (67%) of the votes in accordance with Section 3.4.1. Amendments may be adopted at a meeting of the Association, or approved in writing by the requisite percentage of Owners. In all events, the amendment shall bear the acknowledged signature of the president of the Association and shall be attested by the secretary, who shall describe the manner of adoption. Amendments once properly adopted shall be effective upon recording in the appropriate governmental offices. Notwithstanding any of the foregoing, the prior written approval of 51 percent of all Mortgagees who have requested from the Association notification of amendments shall be required for any material amendment to the Declaration or the Association's Bylaws of any of the following: voting rights; assessments, assessment liens, and subordination of such liens; reserves for maintenance, repair, and replacement of irrigation system; insurance or fidelity bonds; responsibility for maintenance, repair, the boundaries of any lot; convertibility of Lots into Common Areas or of Common Areas into Lots; leasing of Lots other than set forth herein; imposition of any restrictions on the right of an Owner to sell or transfer his Lot; or any provisions which are for the express benefit of Mortgagees of eligible insurers of First Mortgages. It is specifically covenanted and understood that any amendment to this Declaration properly adopted will be completely effective to amend any or all of the covenants, conditions and restrictions contained herein which may be affected and any or all clauses of this Declaration unless otherwise specifically provided in the section being amended or the amendment itself.

13.2 Amendments to Conform to Construction. Declarant, upon Declarant's sole signature, and as an attorney-in-fact for all Lot Owners with an irrevocable power coupled with an interest, may at any time, until all Lots have been sold by Declarant, file an amendment to the Declaration and to the Plat Map to conform data depicted therein to improvements as actually constructed and to establish, vacate and relocated irrigation, utility easements and access road easements.

13.3 Amendments to Conform to Lending Institution Guidelines. So long as Declarant continues to own one or more Lots, Declarant, on his signature alone, and as an attorney-in-act for all Lot Owners with an irrevocable power coupled with an interest, may file such amendments to the Declaration and Plat Map as are necessary to meet the then requirements of: Federal National Mortgage Association, Veterans Administration, Federal Home Loan Mortgage Corporation, or other agencies, institutions or lenders providing financing and/or title insurance within the Property; or the governmental agencies having jurisdiction over the Property.

ARTICLE 14

INSURANCE

The Board shall have authority in the exercise of its discretion to obtain and maintain from time to time as a common expense bonds of fidelity coverage for Association Board members (including Declarant), officers, employees or agents; and such other insurance as the Board may deem advisable or as may be required by the Federal National Mortgage Association, Federal Home Loan Mortgage Association, veterans Administration or similar agencies or lending institutions.

## ARTICLE 15

### MISCELLANEOUS

#### 15.1 Notices.

15.1.1 Delivery of Notices and Documents. Any written notice, or other document as required by this Declaration, may be delivered personally or by mail. If by mail, such notice, unless expressly provided for herein to the contrary with regard to the type of notice being given, shall be deemed to have been delivered and received forth-eight (48) hours after a copy thereof has been deposited in the United States mail, postage prepaid, addressed as follows:

(a) If an Owner, other than Declarant, to the mailing address of such Owner maintained by the Association, pursuant to the Bylaws.

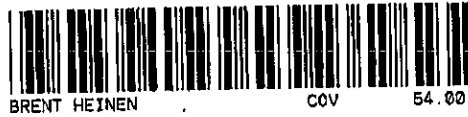
(b) If to Declarant, whether in its capacity as an Owner, or in any other capacity, the following address: 13211 Highway 395, Eltopia, WA 99330.

(c) Prior to the organizational meeting, notices to the Association shall be addressed to the address set forth in (b) above. Thereafter, notices to the Association shall be addressed to an address to be posted by the Association at all times in a conspicuous place, or to the official mailing address furnished by notice from the Association. In addition, from and after the organizational meeting, notice of the address of the Association shall be given by the Board to each Owner, within a reasonable time after the Board has received actual notice of such Owner's purchase of a Lot.

15.2 Conveyances: Notice Required. The right of an Owner to sell, transfer, or otherwise convey his Lot shall not be subject to any right of approval, disapproval, first refusal, or similar restriction by the Association or the Board, or anyone acting on their behalf. If a Lot is being sold, the Board shall have the right to notify the purchaser, the title insurance company, and the closing agent of the amount of unpaid assessments and charges outstanding against the Lot, whether or not such information is requested.

15.3 Successor and Assigns. This Declaration shall be binding upon and shall inure to the benefit of the heirs, personal representatives, successors and assigns of Declarant, and the heirs, personal representatives, grantees, lessees, sublessees and assigns of the Owners.

15.4 Joint and Several Liability. In the case of joint ownership of a Lot, the liability of



each of the Owners thereof in connection with the liabilities and obligations of Owners, set forth in or imposed by this Declaration, shall be joint and several.

15.6 Severability. The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion thereof shall not affect the validity or enforceability of any other provision hereof.

15.7 Effective Date. The Declaration shall take effect upon recording.

15.8 Additional Land. Declarant reserves the right to provide irrigation to other land owned or acquired by Declarant or land owned or acquired by Loran and Mary Heinen, husband and wife or Brent and Sheryl Heinen, husband and wife, from the irrigation system provided for in this declaration of covenants. No additional land will be incorporated into the system unless the system has sufficient capacity and can be done at no additional cost to the members. The Association will enter into a contract to provide water to this additional land on terms that are equitable to the Association and Declarant. The Association will also enter into contracts to provide water to the lands described in exhibit B, C, D and E on the same terms and conditions as water is supplied to members.

IN WITNESS WHEREOF, Declarant has executed this Declaration the day and year first herein above written.

DECLARANT:

BRENT and SHERYL, LLC

By Brent Heinen

By Sheryl Heinen

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF ~~BENTON~~ )  
 *Franklin*

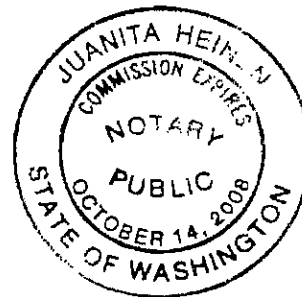


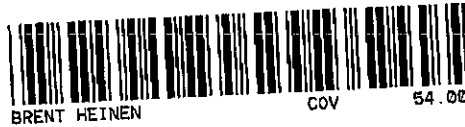
On this \_\_\_\_\_ day of July, 2006, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Brent Heinen and Sheryl Heinen, to me known to be the members of Brent and Sheryl, LLC, the LLC that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said LLC, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute the said instrument on behalf of said LLC.

WITNESS my hand and official seal hereto affixed the day and year first above written.

*Juanita Heinen*  
\_\_\_\_\_  
NOTARY PUBLIC for the State of  
Washington, residing at Richland.  
My commission expires 10-14-2008

Heinen...Declaration WestStoneRidge





**LEGAL DESCRIPTION  
WEST STONE RIDGE SUBDIVISION  
TO CORRECT PREVIOUS LARGE LOT SEGREGATION LEGAL  
7/25/06**

THAT PORTION OF LOT 2, SHORT PLAT NO. 2005-10 LOCATED WITHIN SECTIONS 10 AND 11, TOWNSHIP 11 NORTH, RANGE 30 EAST, W.M. FRANKLIN COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SECTION 11, TOWNSHIP 11 NORTH, RANGE 30 EAST W.M. AND PROCEEDING SOUTH 0°14'27" WEST 40 FEET TO THE SOUTHERLY MARGIN OF ELTOPIA WEST ROAD AND THE TRUE POINT OF BEGINNING;  
THENCE ALONG SAID SOUTHERLY MARGIN SOUTH 89°39'36" WEST 379.27 FEET TO A POINT OF CURVATURE;  
THENCE ALONG A CURVE TO THE RIGHT HAVING A BACK TANGENT BEARING NORTH 89°39'36" EAST, A RADIUS OF 25.00 FEET AND A CENTRAL ANGLE OF 90°34'51" ALONG AN ARC DISTANCE OF 39.52 FEET;  
THENCE SOUTH 0°14'27" WEST 265.55 FEET TO A POINT OF CURVATURE;  
THENCE ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 180.00 FEET AND A CENTRAL ANGLE OF 88°51'16" ALONG AN ARC DISTANCE OF 279.14 FEET TO A POINT OF REVERSE CURVATURE;  
THENCE ALONG A CURVE TO THE RIGHT HAVING A RADIUS 120.00 FEET AND A CENTRAL ANGLE OF 88°51'16" ALONG AN ARC DISTANCE OF 186.10 FEET;  
THENCE SOUTH 0°14'27" WEST 565.77 FEET TO A POINT OF CURVATURE;  
THENCE ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 195.00 FEET AND, A CENTRAL ANGLE OF 46°11'13" ALONG AN ARC DISTANCE OF 157.19 FEET TO THE WEST LINE OF THE NORTHWEST QUARTER OF SAID SECTION 11;  
THENCE ALONG SAID WEST LINE SOUTH 0°14'27" WEST 1301.91 FEET TO THE WEST QUARTER CORNER OF SAID SECTION 11;  
THENCE ALONG THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 11 SOUTH 0°11'46" WEST 381.50 FEET TO THE CENTERLINE OF THE ELTOPIA BRANCH CANAL;  
THENCE ALONG SAID CENTERLINE NORTH 65°05'26" EAST 242.88 FEET TO A POINT OF CURVATURE; THENCE ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 191.00 FEET AND A CENTRAL ANGLE OF 35°36'35" ALONG AN ARC DISTANCE OF 118.71 FEET;  
THENCE LEAVING SAID CENTERLINE AND PROCEEDING NORTH 0°14'27" EAST 357.13 FEET;  
THENCE ALONG A CURVE TO THE LEFT HAVING A BACK TANGENT BEARING SOUTH 0°14'27" WEST, A RADIUS OF 56.03 FEET AND A CENTRAL ANGLE OF 162°12'15" ALONG AN ARC DISTANCE OF 158.63 FEET TO A POINT OF REVERSE CURVATURE;



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THENCE ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 25.00 FEET  
AND A CENTRAL ANGLE OF 72°12'24" ALONG AN ARC DISTANCE OF 31.51  
FEET;  
THENCE SOUTH 89°45'24" EAST 224.80 FEET TO A POINT OF CURVATURE;  
THENCE ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 245.00 FEET  
AND A CENTRAL ANGLE OF 90°00'09" ALONG AN ARC DISTANCE OF 384.86  
FEET;  
THENCE NORTH 0°14'27" EAST 976.15 FEET;  
THENCE SOUTH 89°10'36" WEST 112.28 FEET;  
THENCE NORTH 0°14'31" EAST 667.95 FEET;  
THENCE NORTH 89°45'24" WEST 428.08 FEET;  
THENCE NORTH 0°14'31" EAST 621.64 FEET TO THE SOUTHERLY MARGIN OF  
ELTOPIA WEST ROAD;  
THENCE ALONG SAID SOUTHERLY MARGIN NORTH 89°45'24" WEST 398.68  
FEET TO THE TRUE POINT OF BEGINNING.



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**EXHIBIT B**

Lot 4, AMENDED SHORT PLAT 2005-10, according to the Survey thereof as recorded in Volume 1 of Short Plats, Page 637, records of Franklin County, Washington.

TOGETHER WITH that portion said Lot 4 described as follows:

Commencing at the most Northeastery corner of Lot 4, AMENDED SHORT PLAT NO. 2005-10; thence South  $00^{\circ}14'49''$  West 295.82 feet along the East line thereof to the point of intersection with the South line of Lot 1 extended Easterly and the True Point of Beginning; thence continuing South  $00^{\circ}14'49''$  West 325.82 feet along said East line to the point of intersection with the South line of Lot 4 extended Easterly; thence North  $89^{\circ}45'22''$  West 77.68 feet along said extended line to a point on curve on the Easterly right of way of Ettopia School Road (the radius point of said curve bears North  $84^{\circ}47'31''$  East 2835.00 feet); thence Northerly 262.32 feet along the ARC of said curve through a central angle of  $05^{\circ}18'05''$  to a point of Tangent; thence North  $00^{\circ}05'36''$  East, 63.91 feet along said Easterly right of way; thence South  $89^{\circ}45'24''$  East, 90.68 to the point of beginning.

Except that portion of said Lot 4 described as follows:

Beginning at the most Northeastery corner of Lot 4, AMENDED SHORT PLAT NO. 2005-10; thence South  $00^{\circ}14'49''$  West 295.82 feet along the East line thereof to the point of intersection with the South line of Lot 1 extended Easterly; thence North  $89^{\circ}45'22''$  West 90.68 feet along said extended line to the Easterly right of way of Ettopia School Road; thence North  $00^{\circ}05'36''$  East 295.82 feet along said Easterly right of way to the Southerly right of way of Ettopia West Road; thence South  $89^{\circ}45'24''$  East, 91.48 feet along said Southerly right of way to the point of beginning.

AND EXCEPT all that portion of said Lot 4 lying Southerly of the following described line:

Commencing at the most Northeastery corner of Lot 4, AMENDED SHORT PLAT NO. 2005-10; thence South  $00^{\circ}14'49''$  West 621.64 feet along the East line thereof to the point of intersection with the South line of said Lot 4 extended Easterly and the beginning of said described line; thence North  $89^{\circ}45'24''$  West 77.68 feet to a point on curve on the Easterly right of way of Ettopia School Road and the Terminus of said described line.



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BRENT HEINEN

COV

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**EXHIBIT C**

Lot 3, SHORT PLAT 2005-10, according to the Survey thereof  
recorded under Auditor's File NO. 1665802, records of Franklin  
County, Washington.



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EXHIBIT D

Lot 1, SHORT PLAT NO. 2004-06, according to the Survey thereof recorded under Auditor's File No. 1645090, records of Franklin County, Washington.



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BRENT HEINEN

COV

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**EXHIBIT E**

**PARCEL 4**

THAT PORTION OF FARM UNIT 72, SEVENTH REVISION TO IRRIGATION BLOCK 13, COLUMBIA BASIN PROJECT, WASHINGTON, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 1 OF SOUTH COLUMBIA BASIN IRRIGATION DISTRICT PLATS, PAGE 45, IN FRANKLIN COUNTY, WASHINGTON, BEING A PORTION OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 11; TOWNSHIP 11 NORTH, RANGE 30 EAST, W.M., DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 11; THENCE  $300^{\circ}14'00''$  W, ALONG THE WEST LINE THEREOF, FOR 831.83 FEET; THENCE  $S46^{\circ}44'51''$  E FOR 43.97 FEET; THENCE  $S89^{\circ}45'55''$  E FOR 784.60 FEET TO THE TRUE POINT OF BEGINNING; THENCE  $300^{\circ}14'00''$  W FOR 667.95 FEET; THENCE  $N89^{\circ}09'59''$  E FOR 487.37 FEET TO AN ANGLE POINT IN THE EAST LINE OF SAID FARM UNIT 72; THENCE  $N00^{\circ}14'00''$  E, ALONG THE EAST LINE OF SAID FARM UNIT 72, FOR 40.45 FEET TO INTERSECT THE WESTERLY RIGHT OF WAY MARGIN OF ELTOPIA SCHOOL ROAD ON A 388.10 FOOT RADIUS CURVE CONCAVE TO THE NORTHEAST (THE RADIUS POINT BEARS  $N32^{\circ}02'10''$  E); THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF  $30^{\circ}02'35''$ , FOR AN ARC DISTANCE OF 203.54 FEET TO THE POINT OF TANGENCY; THENCE  $N07^{\circ}54'56''$  W, ALONG SAID WESTERLY RIGHT OF WAY MARGIN, FOR 285.50 FEET TO THE POINT OF CURVATURE WITH A 2895.00 FOOT RADIUS CURVE CONCAVE TO THE NORTHEAST; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF  $02^{\circ}48'32''$ , FOR AN ARC DISTANCE OF 141.92 FEET; THENCE, LEAVING SAID CURVE,  $N89^{\circ}45'55''$  W FOR 349.56 FEET TO THE TRUE POINT OF BEGINNING.

SUBJECT TO AN EASEMENT FOR INGRESS, EGRESS, UTILITIES AND IRRIGATION OVER, UNDER AND ACROSS THE NORTH 30 FEET THEREOF.