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DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR

NORTHWEST LANDING COMMERCIAL PROPERTY

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DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

FOR

NORTHWEST LANDING COMMERCIAL PROPERTY

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS is made this 20th day of August, 1992, by Weyerhaeuser Real Estate Company, Land Management Division.

Declarant is the owner of the real property described in Exhibit "A" attached hereto and incorporated herein by reference (or if not the owner, Declarant has the written consent of the owner to subject such property to this Declaration). Declarant intends by this Declaration to: (1) impose upon the Commercial Properties mutually beneficial restrictions under a general plan of improvement for the benefit of all owners of such property; (2) provide a flexible and reasonable procedure for the overall development of the Commercial Properties; (3) establish a method for the administration, maintenance, preservation, use and enjoyment of the Commercial Properties; and (4) create easements, covenants, conditions and restrictions to protect the value and desirability of the real property subject to this Declaration.

Declarant hereby declares that the Commercial Properties shall be held, sold, used and conveyed subject to the provisions of this Declaration which are for the purpose of protecting the value and desirability of and which shall run with title to the Commercial Properties. This Declaration shall be binding on all parties having any interest in the Commercial Properties, their heirs, successors, and assigns, and shall inure to the benefit of each Owner.

ARTICLE I: DEFINITIONS

1.1. "Areas of Common Responsibility": the Commercial Common Area and other areas, if any, which become the responsibility of the Commercial Association, including the property to be maintained by the Commercial Association pursuant to Article IV and the Covenant to Share Costs.

1.2. "Articles": the Articles of Incorporation of Northwest Landing Commercial Owners Association, as filed with the Secretary of State of the State of Washington.

1.3. "Base Assessment": assessments levied on all Units subject to assessment under Article IX to fund Common Expenses for the general benefit of all Units, as more particularly described in Sections 9.1 and 9.2.

1.4. "Board of Directors" or "Board": the body responsible for administering the Commercial Association, selected as provided in the By-Laws and serving as the board of directors under Washington corporate law.

1.5. "By-Laws": the By-Laws of the Commercial Association attached as Exhibit "D," and incorporated by reference, as they may be amended.

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1.6. "Class "B" Control Period": the period during which the Class "B" Member is entitled to appoint a majority of the Board members under Section 3.2 of the By-Laws.

1.7. "Commercial Association": Northwest Landing Commercial Owners Association, its successors or assigns.

1.8. "Commercial Common Area": all real and personal property which the Commercial Association now or hereafter owns, leases or otherwise holds possessory or use rights in for the common use and enjoyment of the Owners, including easements held by the Commercial Association for those purposes.

1.9. "Commercial Properties": the real property described in Exhibit "A" and all additional property subjected to this Declaration under Article VIII.

1.10. "Common Expenses": the actual and estimated expenses incurred, or anticipated to be incurred, by the Commercial Association for the general benefit of all Owners, including any reasonable reserve, all as may be found necessary and appropriate by the Board under this Declaration, the By-Laws and the Articles of the Commercial Association.

1.11. "Community-Wide Standards": standards of conduct, maintenance or other activity generally prevailing throughout the Commercial Properties. Such standards may be more specifically determined by the Board and the New Construction Committee.

1.12. "Covenant to Share Costs": the Declaration of Easements and Covenant to Share Costs for Northwest Landing attached as Exhibit "E," and incorporated by reference, as it may be amended.

1.13. "Declarant": Weyerhaeuser Real Estate Company, Land Management Division and its: (a) successors by merger or consolidation; (b) successors-in-title or (c) assignee, provided any such successor-in-title or assignee shall own or acquire for the purpose of development or sale all or any portion of the remaining undeveloped or unsold portions of the real property described in the attached Exhibit "A" or Exhibit "B," and provided further, in the instrument of conveyance to any such successor-in-title or in a recorded Supplemental Declaration in the case of an assignment, such successor-in-title or assignee is designated as the "Declarant" hereunder by the grantor of such conveyance or assignor, as the case may be, which grantor or assignor shall be the "Declarant" under this Declaration at the time of such conveyance or assignment; provided, further, upon such designation of such successor Declarant, all rights of the former Declarant in and to such status as "Declarant" under this Declaration shall cease, it being understood that as to all of the property described in Exhibit "A" and Exhibit "B" which is now or hereafter subjected to this Declaration, there shall be only one "Declarant" at any one point in time.

1.14. "District": one or more Units which share common interests, other than those common to all Units in the Commercial Properties, as more

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particularly described in Section 2.3. For example, and by way of illustration and not limitation, an office complex comprised of several Units surrounding a common plaza, an industrial park comprised of several Units sharing an entry feature or other common public areas, or a retail/commercial center comprised of various Units sharing common public areas, or a business condominium, each might be designated as separate Districts. Where the context so permits or requires, the term "District" also refers to a District Association or the District Committee established under the By-Laws to act for the Units within the District.

1.15. "District Assessments": assessments levied against the Units in a particular District or Districts to fund District Expenses, as more particularly described in Sections 9.1 and 9.3.

1.16. "District Association": any condominium association or other owners association having concurrent jurisdiction over any part of the Commercial Properties.

1.17. "District Expenses": the actual and estimated expenses incurred or anticipated to be incurred by the Commercial Association for the benefit of Owners of Units within a particular District or Districts, which may include a reasonable reserve for capital repairs and replacements, all as may be specifically authorized by the Board and as more particularly authorized herein or in Supplemental Declarations applicable to the Districts.

1.18. "Maintenance Expenses": the actual and estimated expenses of maintaining, operating, insuring and replacing Maintenance Property, which are to be allocated among all owners of property in Northwest Landing in accordance with the Covenant to Share Costs.

1.19. "Maintenance Property": those portions of the Area of Common Responsibility which are maintained by the Commercial Association under the Covenant to Share Costs.

1.20. "Master Plan": the land use plan for the development of Northwest Landing as it may be amended from time to time, which includes the property described on Exhibit "A" and all or a portion of the property described on Exhibit "B," portions of which Declarant may subject to this Declaration under Section 8.1. The Master Plan is subject to and is intended to implement the Comprehensive Plan and Zoning Code for the City of DuPont. Inclusion of property on the Master Plan shall not obligate Declarant to subject such property to this Declaration, nor shall the exclusion of property described on Exhibit "B" from the Master Plan bar Declarant from submitting such property to the Declaration under Article VIII. The Master Plan reflects considerable thought and long-range planning; however, market conditions, technological and cultural changes undoubtedly will require revisions in the Master Plan over the long-term development of the Commercial Properties.

1.21. "Member": a Person entitled to membership in the Commercial Association.

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1.22. "Mortgage": any mortgage, deed of trust, or similar instrument used for the purpose of encumbering Commercial Properties as security for payment or satisfaction of an obligation.

1.23. "Mortgagee": the holder of a Mortgage.

1.24. "Mortgagor": any Person who gives a Mortgage.

1.25. "Northwest Landing": the master-planned development comprised of all property subjected (now or later) to this Declaration and the Residential Declaration.

1.26. "Northwest Landing Residential Owners Association" or "Residential Association": Northwest Landing Residential Owners Association, a Washington corporation, formed or to be formed to serve as the mandatory membership owners association under the Residential Declaration.

1.27. "Owner": one or more Persons who hold the record title to any Unit, except persons holding an interest merely as security for the performance of an obligation, in which case the equitable owner will be considered the Owner. If a recorded contract of sale specifically so provides, the purchaser (rather than the fee owner) will be considered the Owner. If a Unit is in condominium ownership, the District Association administering such Unit will be considered the Owner.

1.28. "Person": a natural person, corporation, partnership, trustee or any other legal entity.

1.29. "Private Amenities": real property and the improvements and facilities thereon located adjacent to, in the vicinity of, or within the Commercial Properties, which are privately owned and operated by Persons other than the Commercial Association for recreational and related purposes, on a club membership basis or otherwise, and including, without limitation, a golf course, if any, so located.

1.30. "Residential Declaration": the declaration of covenants, conditions, restrictions, and easements, by whatever name denominated, which has been or will be separately recorded by Declarant in the records of Pierce County, Washington, applicable to the residential properties within Northwest Landing and providing for the Northwest Landing Residential Owners Association.

1.31. "Special Assessments": assessments levied under Section 9.5.

1.32. "Specific Assessments": assessments levied under Section 9.6.

1.33. "Supplemental Declaration": an amendment or supplement to this Declaration filed under Article VIII which subjects additional property to this Declaration and/or imposes, expressly or by reference, additional covenants, conditions or restrictions on the land described therein.

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1.34. "Unit": any contiguous portion of the Commercial Properties, whether improved or unimproved, other than Commercial Common Area and property dedicated to the public, which may be independently owned, conveyed, developed and used for commercial purposes consistent with this Declaration. If any Unit is subdivided and some or all of the subdivisions thereof are conveyed separately, each resulting parcel shall be considered a Unit; provided, that development of a Unit under condominium ownership shall not be considered a subdivision and condominium units thus created shall not be Units.

ARTICLE II: MEMBERSHIP AND VOTING RIGHTS

2.1. Membership. Every Owner shall have a membership in the Commercial Association. No Owner shall have more than one membership per Unit owned. If a Unit is owned by more than one Person, all co-Owners shall be entitled to the privileges of membership, subject to the restrictions on voting set forth in Section 2.2 and in the By-Laws. All co-Owners shall be jointly and severally obligated to perform the responsibilities of Owners hereunder. The membership rights of an Owner which is a corporation, partnership or other legal entity may be exercised only by the individual designated from time to time by the Owner in a written instrument provided to the Secretary of the Commercial Association.

2.2. Voting. The Commercial Association shall have two classes of membership, Class "A" and Class "B."

(a) Class "A." Class "A" Members shall be all Owners except the Class "B" Member, if any. Each Class "A" Member shall have the number of votes assigned to the Units it owns under the formula set out in Exhibit "C." If there is more than one Owner of a particular Unit, the votes for such Unit shall be exercised as such co-Owners determine among themselves and advise the Secretary of the Commercial Association in writing prior to any meeting. Absent such advice, the Unit's votes shall be suspended if more than one Person seeks to exercise them. The Owner may assign some or all of its voting rights to the lessee of a Unit, by written proxy filed with the Secretary of the Commercial Association in accordance with the By-Laws.

(b) Class "B." The sole Class "B" Member shall be the Declarant. The rights of the Class "B" Member are specified elsewhere in the Articles, Declaration and By-Laws. The Class "B" Member may appoint a majority of the Board members during the Class "B" Control Period, as specified in Section 3.2 of the By-Laws. The Class "B" membership shall terminate and convert to Class "A" membership upon the expiration of the Class "B" Control Period as provided in Section 3.2 of the By-Laws.

2.3. Districts.

(a) General. Every Unit shall be located within a District; provided, however, if an entire District is owned by one Person, the District shall be both a Unit and a District. In the discretion of the Owner(s) and developer(s) of each District, the Units within a particular District may be made subject to additional covenants and the Owners of Units within a

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particular District may also be mandatory members of a District Association; however, there shall be no requirement that a District Association be created for any District except in the case of a District which is developed as a condominium. Any District which does not have a District Association shall have a District Committee, as described in Section 5.3 of the By-Laws, to represent the interests of Owners of Units in such District. Each District may, upon the affirmative vote, written consent, or any combination thereof, of Owners holding a majority of the total votes allocated to Units within the District, require the Commercial Association to provide a higher level of service or special services for the benefit of Units in the District, the costs of which shall be assessed against the benefitted Units in accordance with the formula set out on Exhibit "C."

(b) Establishment. Districts shall be established not later than, and may be modified until, the date of expiration of the Class "B" Control Period. Declarant shall establish and may modify Districts by filing an addendum to this Declaration designating by map or other description all of the Units within each District. After the expiration of the Class "B" Control Period, Declarant may unilaterally amend such addendum as additional property is subjected to this Declaration to change the composition of existing Districts or to establish new Districts to account for the additional property.

After expiration of Declarant's right to submit additional property under Article VIII, the Board shall have the right to file or amend such addendum. Neither recordation nor amendment of such addendum shall constitute an amendment to this Declaration, and no consent or approval of any Person shall be required. Until such time as an addendum is filed, all of the Commercial Properties shall constitute a single District. After an addendum is filed, any and all portions of the Commercial Properties which are not assigned to a specific District shall constitute a single District.

ARTICLE III: RIGHTS AND OBLIGATIONS OF THE COMMERCIAL ASSOCIATION

3.1. Commercial Common Area. The Commercial Association, subject to the rights of the Owners set forth in this Declaration, shall manage and control the Commercial Common Area and all improvements thereon and shall keep it in good, clean, attractive, and sanitary condition, order, and repair under the terms and conditions of this Declaration and consistent with the Community-Wide Standards.

3.2. Personal Property and Real Property for Common Use. The Commercial Association, through action of its Board, may acquire, hold, and dispose of tangible and intangible personal property and real property. Declarant may convey to the Commercial Association improved or unimproved real estate located within the properties described in Exhibits "A" or "B," personal property and easements and other property interests. Such property shall be accepted and thereafter maintained by the Commercial Association at its expense for the benefit of its Members, subject to any restrictions set forth in the conveyance.

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3.3. Rules. The Commercial Association, through its Board, may make, modify and enforce reasonable rules governing the use of the Commercial Properties, consistent with the rights and duties established by this Declaration. Such rules shall bind all Owners, occupants, invitees, and licensees until and unless repealed or modified in a regular or special meeting of the Commercial Association by Owners holding a majority of the total Class "A" votes and, so long as such membership exists, by the Class "B" Member.

3.4. Enforcement. The Commercial Association may impose sanctions for violations of this Declaration, the By-Laws, or rules, including, without limitation, reasonable monetary fines and suspension of voting rights. In addition, the Commercial Association may exercise self-help remedies to cure violations under Section 3.22 of the By-Laws and may suspend any services it provides to the Unit of any Owner 30 days or more delinquent in paying any assessment or other charge due to the Commercial Association. The Board may seek relief in any court for violations or to abate nuisances. Board actions to impose or seek sanctions shall be governed by the By-Laws.

3.5. Implied Rights. The Commercial Association may exercise any right or privilege given to it expressly by this Declaration or the By-Laws, or which may be reasonably implied from, or reasonably necessary to effectuate, any such right or privilege.

3.6. Governmental Interests. Declarant may designate any sites it owns within the Commercial Properties for fire, police, water, and sewer facilities, public schools and parks, and other public facilities. Development of such sites shall be subject to the architectural standards under Article X; however, neither the Commercial Association, the architectural committees, nor the Owners may object to the use of such sites for the designated public purposes.

3.7. Indemnification. The Commercial Association, to the fullest extent allowed by law, shall indemnify every officer, director, and committee member against all expenses, including counsel fees, reasonably incurred by or imposed upon such officer, director, or committee member in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the Board) to which he or she may be a party by reason of being or having been an officer, director, or committee member. The officers, directors, and committee members shall not be liable for any mistake of judgment, except for their own individual misfeasance, malfeasance, misconduct or bad faith, and shall have no personal liability to third parties with respect to any contract or other commitment made or action taken by them in good faith on behalf of the Commercial Association. The Commercial Association shall indemnify and hold each such officer, director and committee member harmless against all liability to others on account of any such contract, commitment or action. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any present or former officer, director, or committee member may be entitled. The Commercial Association shall, as a Common Expense, maintain adequate general liability and officers and directors liability insurance to fund this obligation, if such insurance is reasonably available.

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3.8. Dedication of Commercial Common Area. The Commercial Association, by Board resolution, may dedicate portions of the Commercial Common Area to any local, state, or federal government entity without a vote under Article VII when such conveyance is consistent with the Master Plan.

3.9. Security. NEITHER THE COMMERCIAL ASSOCIATION, DECLARANT, NOR ANY SUCCESSOR DECLARANT SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE COMMERCIAL PROPERTIES. NEITHER THE COMMERCIAL ASSOCIATION, DECLARANT, NOR ANY SUCCESSOR DECLARANT SHALL BE HELD LIABLE FOR ANY LOSS OR DAMAGE FOR FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. ALL OWNERS AND OCCUPANTS OF ANY UNIT, AND ALL TENANTS, GUESTS, AND INVITEES OF ANY OWNER, ACKNOWLEDGE THAT THE COMMERCIAL ASSOCIATION, AND ITS BOARD, DECLARANT, ANY SUCCESSOR DECLARANT, AND NEW CONSTRUCTION AND MODIFICATIONS COMMITTEES DO NOT REPRESENT OR WARRANT THAT ANY FIRE PROTECTION SYSTEM, BURGLAR ALARM SYSTEM, OR OTHER SECURITY SYSTEM DESIGNATED BY OR INSTALLED ACCORDING TO GUIDELINES ESTABLISHED BY DECLARANT OR THE NEW CONSTRUCTION OR MODIFICATIONS COMMITTEES MAY NOT BE COMPROMISED OR CIRCUMVENTED; NOR THAT ANY FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL PREVENT LOSS BY FIRE, SMOKE, BURGLARY, THEFT, HOLD-UP, OR OTHERWISE; NOR THAT FIRE PROTECTION OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. ALL OWNERS AND OCCUPANTS OF ANY UNIT, AND ALL TENANTS, GUESTS, AND INVITEES OF ANY OWNER, ACKNOWLEDGE AND UNDERSTAND THAT THE COMMERCIAL ASSOCIATION, ITS BOARD, COMMITTEES, DECLARANT, OR ANY SUCCESSOR DECLARANT ARE NOT INSURERS. ALL OWNERS AND OCCUPANTS OF ANY UNIT AND ALL TENANTS, GUESTS, AND INVITEES OF ANY OWNER ASSUME ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO UNITS, AND TO THE CONTENTS OF UNITS AND FURTHER ACKNOWLEDGE THAT THE COMMERCIAL ASSOCIATION, ITS BOARD, COMMITTEES, DECLARANT, OR ANY SUCCESSOR DECLARANT HAVE MADE NO REPRESENTATIONS OR WARRANTIES, NOR HAS ANY OWNER, OCCUPANT, OR ANY TENANT, GUEST, OR INVITEE OF ANY OWNER RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, RELATIVE TO ANY FIRE AND/OR BURGLAR ALARM SYSTEMS OR OTHER SECURITY SYSTEMS RECOMMENDED OR INSTALLED OR ANY SECURITY MEASURES UNDERTAKEN WITHIN THE COMMERCIAL PROPERTIES.

3.10. Powers of the Commercial Association Relating to Districts. Since a District Committee is a committee of the Commercial Association, the Board shall have all of the power and control over any District Committee that it has under applicable law over other committees of the Commercial Association.

The Commercial Association may veto any action taken or contemplated by any District Association which the Board reasonably determines to be adverse to the interests of the Commercial Association or its Members or inconsistent with the Community-Wide Standards. The Commercial Association also may require specific action to be taken by any District Association to fulfill its obligations and responsibilities under this Declaration or any other applicable covenants. For example, the Commercial Association may require specific maintenance or repairs or aesthetic changes to be done by the District Association, and that a proposed budget include the cost of such work. If the District Association fails to comply with such requirements within a reasonable time as specified in writing by the Commercial

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Association, the Commercial Association may effect such action on behalf of the District Association and assess the Units in such District for their pro rata share of any expenses incurred by the Commercial Association in taking such action. Such assessments may be collected as a Specific Assessment under Article IX.

3.11. Utility Lines. EACH OWNER, OCCUPANT, GUEST, AND INVITEE ACKNOWLEDGES THAT NEITHER THE COMMERCIAL ASSOCIATION, THE BOARD NOR DECLARANT SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF HEALTH WITHIN THE COMMERCIAL PROPERTIES AND NEITHER THE COMMERCIAL ASSOCIATION, THE BOARD NOR DECLARANT SHALL BE HELD LIABLE FOR ANY PERSONAL INJURY, ILLNESS OR ANY OTHER LOSS OR DAMAGE CAUSED BY THE PRESENCE OR MALFUNCTION OF UTILITY LINES OR UTILITY SUB-STATIONS ADJACENT TO, NEAR, OVER, OR ON THE COMMERCIAL PROPERTIES. EACH OWNER, OCCUPANT, GUEST, AND INVITEE ASSUMES ALL RISK OF PERSONAL INJURY, ILLNESS, OR OTHER LOSS OR DAMAGE ARISING FROM THE PRESENCE OF UTILITY LINES OR UTILITY SUB-STATIONS AND FURTHER ACKNOWLEDGES THAT NEITHER DECLARANT NOR THE COMMERCIAL ASSOCIATION HAVE MADE ANY REPRESENTATIONS OR WARRANTIES, NOR HAS ANY OWNER, OCCUPANT, GUEST, OR INVITEE RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, RELATIVE TO THE CONDITION OR IMPACT OF UTILITY LINES OR UTILITY SUB-STATIONS.

3.12. Private Amenities. Access to and use of any Private Amenities is strictly subject to the rules and procedures of the owners of the Private Amenities, and no Person shall gain any right to enter or to use those facilities by virtue of membership in the Commercial Association or ownership or occupancy of a Unit.

All Persons, including all Owners, are hereby advised that no representations or warranties, either written or oral, have been or are made by Declarant or any other Person with regard to the nature or size of improvements to, or the continuing ownership or operation of, any Private Amenities. No purported representation or warranty, written or oral, in regard to any Private Amenities shall be effective without an amendment to this Declaration executed by Declarant and the owner of such Private Amenities, if other than Declarant.

The ownership or operational duties of Private Amenities may change at any time by virtue of, but without limitation, (a) sale to or assumption of operations by an independent entity, (b) conversion of the membership structure to an "equity" club or similar arrangement whereby the members of a Private Amenity or an entity owned or controlled thereby become the owner(s) and/or operator(s) of the Private Amenity, or (c) conveyance of a Private Amenity to one or more affiliates, shareholders, employees, or independent contractors of Declarant. No consent of the Commercial Association, any District Association, or any Owner shall be required to effectuate such a transfer or conversion.

Rights to use any Private Amenities will be granted only to such Persons, and on such terms and conditions, as determined by their respective owners. Such owners shall have the right, in their sole and absolute discretion and without notice, to amend or waive the terms and conditions of use of their respective Private Amenities and to terminate use rights altogether.

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3.13. Municipal Services. The Commercial Association may, but is not obligated to, contribute funds to the City of DuPont for the purpose of increasing the city's capacity to provide municipal services, such as police and fire protection services, within Northwest Landing.

ARTICLE IV: MAINTENANCE

4.1. Commercial Association's Responsibility. The Commercial Association shall maintain and keep in good repair the Areas of Common Responsibility, which shall include, but need not be limited to:

- (a) all Commercial Common Area;
- (b) any additional property included within the Area of Common Responsibility, including such landscaping and other flora, parks, lakes, structures, improvements, streets and bike/pedestrian pathways/trails as may be dictated by this Declaration, any Supplemental Declaration, the Covenant to Share Costs, or any contract or agreement for maintenance thereof entered into by the Commercial Association;
- (c) all ponds, streams and wetlands within the Commercial Properties which serve as part of the drainage and storm water retention system for the Commercial Properties, including any retaining walls, bulkheads and dams retaining water in them, and any fountains, lighting, pumps, conduits and similar equipment installed in or used in connection with them; and
- (d) any property and facilities owned by Declarant made available on a temporary or permanent basis for the primary use and enjoyment of the Commercial Association and its Members and identified by written notice from Declarant to the Commercial Association until Declarant revokes such privilege of use and enjoyment by written notice to the Commercial Association.

Except as provided above, the Area of Common Responsibility shall not be reduced by amendment of this Declaration or any other means without prior written approval of Declarant so long as Declarant owns any property subject to this Declaration or which may be subjected to this Declaration by Declarant under Section 8.1.

The Commercial Association shall be relieved of its responsibilities under this Section to the extent they are assumed by the City of DuPont or any other local, state or federal government entity, except that the Commercial Association may provide any additional maintenance for the Area of Common Responsibility if the Board determines that such additional maintenance is necessary or desirable to maintain the Community-Wide Standards.

The Commercial Association may assume maintenance responsibility for property within any District, in addition to that designated by any Supplemental Declaration, either by agreement with a District Association or because, in the Board's opinion, the level and quality of service then being provided is not consistent with the Community-Wide Standards. All costs of

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such maintenance shall be assessed as a District Assessment against the Units within such District. The provision of services in accordance with this Section shall not constitute discrimination within a class.

The Commercial Association may maintain other property which it does not own, including, without limitation, property dedicated to the public, if the Board determines that such maintenance is necessary or desirable to maintain the Community-Wide Standards.

Except as otherwise specifically provided, all costs for maintenance, repair and replacement of the Area of Common Responsibility shall be a Common Expense, allocated among all Units as part of the Base Assessment without prejudice to the Commercial Association's right to seek reimbursement from Persons responsible for such work.

4.2. Owner's Responsibility. Each Owner shall maintain its Unit, including, without limitation, all structures, parking areas, and other improvements comprising the Unit consistent with the Community-Wide Standards and all applicable covenants, unless such maintenance responsibility is assumed by or assigned to the Commercial Association or a District Association. In addition to any other enforcement rights, if any Owner fails properly to maintain its Unit, the Commercial Association may perform such maintenance and assess the costs against the Unit and the Owner under Article IX; provided, the Commercial Association shall give the Owner reasonable notice and an opportunity to perform such maintenance, unless the Board determines that maintenance is needed on an emergency basis.

4.3. District's Responsibility. On Board resolution, the Owners of Units within each District shall be responsible for paying, through District Assessments, the costs of operating, maintaining and insuring portions of the Area of Common Responsibility within or adjacent to such District. This may include, for example, the costs of maintenance of any signs, entry features, rights-of-way and greenspace between the District and adjacent public roads, private streets within the District, and lakes or ponds within the District, regardless of ownership and regardless of the fact that such maintenance may be performed by the Commercial Association; provided, however, all Districts which are similarly situated shall be treated the same. All maintenance required of a District Association under this Declaration or any additional covenants or agreements shall be performed consistent with the Community-Wide Standards. If any District Association fails to perform such maintenance, the Commercial Association may perform it and assess the costs against all Units within the District under Article IX.

4.4. Standard of Performance. Unless otherwise specifically provided in this Declaration or in other instruments creating and assigning such maintenance responsibility, responsibility for maintenance shall include responsibility for repair and replacement, as necessary. All maintenance shall be performed consistent with the Community-Wide Standards and all applicable covenants. Neither the Commercial Association, Declarant, any Owner or any District Association shall be liable for any damage or injury occurring on or arising out of the condition of property maintained by the Commercial Association.

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4.5. Party Walls and Party Fences. Each wall or fence built as a part of the original construction on the Units which serves or separates any two adjoining Units shall constitute a party wall or party fence. To the extent consistent with this Section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply.

The cost of reasonable repair and maintenance of party walls and fences shall be shared equally by the Owners using them. To the extent damage to a party wall or fence from fire or other casualty is not repaired out of the proceeds of insurance, any Owner who has used the wall or fence may restore it. If other Owners thereafter use the wall or fence, they shall contribute to the restoration cost in equal shares without prejudice to any Owner's right to larger contributions from other users under any rule of law. Any Owner's right to contribution from another Owner under this Section shall be appurtenant to the land and pass to such Owner's successors-in-title.

ARTICLE V: INSURANCE AND CASUALTY LOSSES

5.1. Commercial Association Insurance. The Commercial Association, acting through its Board or its duly authorized agent, shall obtain blanket "all-risk" property insurance, if reasonably available, for all insurable improvements on the Commercial Common Area and other portions of the Area of Common Responsibility for which it has assumed responsibility for maintenance, repair and/or replacement. If blanket "all-risk" coverage is not generally available at reasonable cost, fire and extended coverage insurance, including coverage for vandalism and malicious mischief, shall be obtained. The face amount of the policy shall be sufficient to cover the full replacement cost of insured structures.

In addition, the Commercial Association may, on request of a District Association, and shall, if so specified in a Supplemental Declaration applicable to the District, obtain blanket "all-risk" property insurance, if reasonably available, for all insurable improvements maintained by such District Association. If "all-risk" coverage is not generally available at reasonable cost, fire and extended coverage insurance may be obtained in such form as the Board deems appropriate. The face amount of the policy shall be sufficient to cover the full replacement cost of all insured structures. The costs thereof shall be charged to the Owners of Units within the District as a District Assessment.

The Board also shall obtain a commercial general liability policy covering the Area of Common Responsibility, insuring the Commercial Association and its Members for all damage or injury caused by the negligence of the Commercial Association, any of its Members, its employees, agents, or contractors acting on its behalf. If generally available at reasonable cost, the liability policy shall have at least a \$5,000,000 combined single limit per occurrence and in the aggregate. The Commercial Association shall also obtain, if reasonably available, an umbrella policy providing at least \$5,000,000 in additional coverage bringing total liability coverage to at least \$10,000,000.

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Except as provided above for property maintained by a District Association, premiums for all insurance shall be Common Expenses included in the Base Assessment.

The policies may contain reasonable deductibles which shall be disregarded in determining whether the insurance meets the coverage requirements. In the event of an insured loss, the deductible shall be treated as a Common Expense or a District Expense in the same manner as premiums for the applicable insurance. However, if the Board reasonably determines, after notice and an opportunity to be heard under the By-Laws, that the loss resulted from negligence or willful misconduct of one or more Owners, the Board may assess the full amount of such deductible against such Owners and their Units under Section 9.6.

All insurance coverage obtained by the Board on behalf of the Commercial Association or a District Association shall:

- (a) Be written with a company authorized to do business in Washington;
- (b) Be written in the name of the Commercial Association as trustee for the benefitted parties. Policies on the Commercial Common Area shall be for the benefit of the Commercial Association and its Members. Policies secured on behalf of a District Association shall be for the benefit of the District Association, the Owners of Units within the District, and their Mortgagees, as their interests may appear;
- (c) Vest in the Board exclusive authority to adjust losses; provided that a Mortgagee having an interest in such losses may participate in any settlement negotiations;
- (d) Provide that it will not be brought into contribution with insurance purchased by individual Owners, occupants or their Mortgagees;
- (e) If for property insurance, have inflation guard endorsements, if reasonably available, and, if containing a co-insurance clause, an agreed amount endorsement, if reasonably available; and
- (f) Provide for a certificate of insurance to be furnished to the Commercial Association and to the District Association, if any. A copy of such certificate shall be provided by the Commercial Association to any Member upon request.

The Commercial Association shall arrange for an annual review of the sufficiency of insurance coverage by one or more qualified persons, at least one of whom must be in the real estate industry and familiar with construction in the Pierce County, Washington area.

The Board shall use reasonable efforts to secure insurance policies that provide endorsements:

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(aa) waiving subrogation as to any claims against the Commercial Association's Board, officers, employees, and manager, the Owners and occupants of Units and their respective employees, servants, agents, and guests;

(bb) waiving any rights of the insurer to repair and reconstruct instead of paying cash;

(cc) providing that the policy may not be cancelled, invalidated, suspended, or subjected to non-renewal on account of any one or more individual Owners;

(dd) providing that the policy may not be cancelled, invalidated, suspended, or subjected to non-renewal on account of any curable defect or violation without prior written demand to the Commercial Association to cure the defect or violation and allowance of a reasonable time for cure;

(ee) excluding individual Owners' policies from consideration under any "other insurance" clause; and

(ff) providing that the Commercial Association will be given at least 30 days' prior written notice of any cancellation, substantial modification, or non-renewal.

The Commercial Association also shall obtain, as a Common Expense, a fidelity bond or bonds, if generally available at reasonable cost, covering all persons responsible for handling Commercial Association funds. The amount of fidelity coverage shall be determined by the Board but, if reasonably available, may not be less than one-fourth of the annual Base Assessments on all Units plus reserves on hand. Bonds shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation and shall require at least 30 days' prior written notice to the Commercial Association of any cancellation, substantial modification or non-renewal.

The Board shall also obtain directors and officers liability insurance coverage in the amount of at least \$5,000,000, if reasonably available, insuring the Commercial Association and its officers, directors and committee members (former, present and future) from liability for any actions or decisions for which the Commercial Association would have the duty to indemnify them pursuant to Section 3.7.

The Board also shall obtain, as a Common Expense, worker's compensation and employer's liability insurance, if and to the extent required by law, and such other insurance as it deems necessary or advisable.

5.2. Owners Insurance. By taking title to a Unit subject to this Declaration, each Owner acknowledges that the Commercial Association has no obligation to provide any insurance for any portion of Units other than as set forth above and covenants and agrees with all other Owners and with the Commercial Association to carry blanket "all-risk" property insurance on its Unit and structures constructed thereon and a liability policy covering damage or injury occurring on a Unit. The casualty insurance shall cover loss or

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damage by fire and other hazards commonly insured under an "all-risk" policy, if reasonably available, including vandalism and malicious mischief, and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. If all-risk coverage is not reasonably available, Owners shall obtain, at a minimum, fire and extended coverage. These policies shall be in effect at all times, unless either the applicable District Association or the Commercial Association carries insurance on such Unit.

Each Owner further covenants and agrees that in the event of damage to or destruction of structures on the Unit, the Owner shall promptly repair or reconstruct the damaged structure in a manner consistent with the original construction or other plans and specifications approved under Article X. Alternatively, the Owner may clear the Unit of all debris and ruins and thereafter maintain the Unit in a neat and attractive, landscaped condition consistent with the Community-Wide Standards.

Additional covenants for any District may establish more stringent standards for repairing or reconstructing structures and for clearing and maintaining the Units if the structures are not rebuilt or reconstructed within the District.

5.3. Damage and Destruction.

(a) Immediately after damage by fire or other casualty to all or any part of the Commercial Properties covered by insurance written in the name of the Commercial Association, the Board or its agent shall file all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this Section, means repairing or restoring the property to substantially the condition existing prior to the damage, with any changes needed to comply with applicable building codes.

(b) Any damage to the Commercial Common Area shall be repaired or reconstructed unless the Owners holding at least 75% of the total Class "A" votes in the Commercial Association, and the Class "B" Member, if any, decide within 60 days after the loss either (i) not to repair or reconstruct or (ii) to construct alternative improvements.

Any damage to the common property of any District Association shall be repaired or reconstructed unless the Owners holding at least 75% of the total vote of the District Association decide within 60 days after the damage or destruction not to repair or reconstruct.

If either the insurance proceeds or reliable, detailed estimates of the cost of repair or reconstruction are not available to the Commercial Association within the 60 day period, then the period may be extended for not more than 60 additional days.

(c) If it is determined that the damage to the Commercial Common Area or to the common property of any District Association shall not be repaired or reconstructed and no alternative improvements on the affected

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portion of the Commercial Properties are authorized, the affected area shall be cleared of all debris and ruins and thereafter maintained by the Commercial Association or the District Association, as applicable, in a neat and attractive, landscaped condition consistent with the Community-Wide Standards.

5.4. Disbursement of Proceeds. Any insurance proceeds remaining after paying for repair or reconstruction or, if no repair or reconstruction is made, after settlement as is necessary and appropriate with the affected Owners and their Mortgagees as their interests may appear, shall be retained by the Commercial Association or the District Association and placed in a capital improvements account. This is a covenant for the benefit of any Mortgagee of a Unit and may be enforced by such Mortgagee.

5.5. Repair and Reconstruction. If insurance proceeds are insufficient to pay for repairing or reconstructing the damage to the Commercial Common Area or to the common property of a District Association, the Board may, during and following the completion of any repair or reconstruction and without membership approval, levy Special Assessments to pay for such repair or reconstruction against those Owners responsible for the premiums for the applicable insurance coverage in accordance with the assessment formula provided in Exhibit "C."

ARTICLE VI: NO PARTITION

Except as permitted in this Declaration or amendments to this Declaration, the Commercial Common Area shall remain undivided, and no Owner nor any other Person shall bring any action for partition or division of the whole or any part thereof without the written consent of all Owners and Mortgagees.

ARTICLE VII: CONDEMNATION

Whenever any part of the Commercial Common Area shall be taken or conveyed under threat of condemnation by any authority having the power of eminent domain, each Owner shall be entitled to notice thereof. The Board may convey Commercial Common Area under threat of condemnation only if approved in writing by Owners holding at least 67% of the total Class "A" votes in the Commercial Association and Declarant, as long as Declarant owns any property described on Exhibits "A" or "B."

The award made for such taking or conveyance shall be payable to the Commercial Association as trustee for all Owners to be disbursed as follows:

If the taking involves a portion of the Commercial Common Area on which improvements have been constructed, the Commercial Association shall restore or replace such improvements on the remaining land included in the Commercial Common Area to the extent practicable, unless within 60 days after such taking Declarant, so long as Declarant owns any property described in Exhibits "A" or "B," and Owners holding at least 67% of the total Class "A"

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votes of the Commercial Association otherwise agree. Any such construction shall be in accordance with plans approved by the Board. The provisions in Article V regarding the disbursement of funds for the repair of casualty damage shall apply.

ARTICLE VIII: SUBMISSION AND WITHDRAWAL OF PROPERTY

8.1. Submission Without Approval of Membership. At any time until December 31, 2041, Declarant may unilaterally subject to the provisions of this Declaration all or any portion of the real property described in Exhibit "B." Declarant also may unilaterally assign the right, privilege and option to subject property to this Declaration which is herein reserved to Declarant, provided that such transferee or assignee shall be the developer of at least a portion of the real property described in Exhibits "A" or "B" and that such assignment is memorialized in a written, recorded instrument executed by Declarant.

Such submissions shall be accomplished by and effective upon filing a Supplemental Declaration submitting such property in the public records of Pierce County, Washington. Such Supplemental Declarations do not require consent of other Owners, but require consent of the owner of such property if not Declarant.

8.2. Submission With Approval of Membership. The Commercial Association may submit real property other than that described on Exhibit "B," and, after December 31, 2041, any property described on Exhibit "B," to the provisions of this Declaration with consent of the owners of such property and the affirmative vote of Owners holding at least 67% of the Class "A" votes of the Commercial Association represented at a meeting duly called for such purpose and the consent of Declarant, so long as Declarant owns property subject to this Declaration or which may become subject to this Declaration in accordance with Section 8.1.

Submission shall be accomplished by and effective upon filing a Supplemental Declaration describing the property being submitted in the public records of Pierce County, Washington, signed by the President and the Secretary of the Commercial Association, and by the owner of the property being submitted.

8.3. Withdrawal of Erroneously Included Property. Declarant reserves the right to amend this Declaration unilaterally at any time until December 31, 2041, without prior notice or consent of any Person, for the purpose of removing portions of the Commercial Properties owned by Declarant or its affiliates from the provisions of this Declaration to the extent originally included in error.

8.4. Conversion to Residential Use. Declarant reserves the right to amend this Declaration unilaterally at any time so long as it holds an unexpired option to expand the community under this Article, without prior notice or consent of any Person other than the Owner of the affected property, to withdraw property from the provisions of this Declaration and

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simultaneously submit such property to the provisions of the Residential Declaration. Such withdrawal shall be accomplished by and effective upon filing, in the public records of Pierce County, Washington, a Supplemental Declaration to both this Declaration and the Residential Declaration describing the property being converted to residential use.

8.5. Additional Covenants and Easements. Declarant may unilaterally subject any portion of the property submitted to this Declaration initially or by Supplemental Declaration to additional covenants and easements, including covenants obligating the Commercial Association to maintain and insure such property on behalf of the Owners and obligating such Owners to pay the costs incurred by the Commercial Association through District Assessments. Such additional covenants and easements shall be set forth in a Supplemental Declaration, filed either concurrent with or after the submission of the subject property, and shall require the written consent of the owners of such property if not Declarant.

8.6. Amendment. This Article shall not be amended without the prior written consent of Declarant so long as Declarant owns any property described in Exhibits "A" or "B."

ARTICLE IX: ASSESSMENTS

9.1. Creation of Assessments. There are hereby created four types of assessments for Commercial Association expenses: (a) Base Assessments to fund Common Expenses for the general benefit of all Units; (b) District Assessments for District Expenses benefitting only Units within a particular District or Districts; (c) Special Assessments as described in Section 9.5; and (d) Specific Assessments as described in Section 9.6. Each Owner, by acceptance of a deed or recording of a contract of sale for any portion of the Commercial Properties, is deemed to covenant and agree to pay these assessments as levied from time to time by the Commercial Association.

All assessments, together with interest at a rate set by the Board (not to exceed 18% or the highest rate allowed by Washington law, if less) from the date of delinquency, late charges, costs, and reasonable attorney's fees, shall be a charge and a continuing lien upon each Unit against which the assessment is made until paid, as more particularly provided in Section 9.7. Each such assessment, with interest, late charges, costs of collection, including reasonable attorney's fees, also shall be the personal obligation of the Person who was Owner of such Unit at the time the assessment arose. If title to a Unit is transferred, the grantee shall be jointly and severally liable for assessments and charges due at the time of conveyance, except that a first Mortgagee who obtains title to a Unit by exercising rights under the Mortgage shall not be liable for previously accrued assessments and related charges.

The Commercial Association shall, on request, furnish to any Owner a written certificate setting forth whether assessments have been paid for any particular Unit, on advance payment of a reasonable processing fee as set by the Board.

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Assessments shall be paid in a manner and by dates fixed by the Board. The Board may allow payment of assessments in installments. Unless the Board otherwise provides, the Base Assessment and any District Assessment shall be due in advance on the first day of each fiscal year. If an Owner is delinquent in paying any assessments or charges levied on the Unit, the Board may require all unpaid assessment installments to be paid immediately.

No Owner may exempt itself from liability for assessments by non-use of Commercial Common Area, abandonment of its Unit or any other means. The obligation to pay assessments is a separate and independent covenant of each Owner. No diminution or abatement of assessment or set-off shall be claimed or allowed for any alleged failure of the Commercial Association to take any action required of it or for inconvenience or discomfort arising from repairs or improvements or other actions taken by it.

During the Class "B" Control Period, Declarant may elect annually to pay the Commercial Association either (a) regular assessments on all of its unsold Units, notwithstanding the commencement date under Section 9.8, or (b) the difference between the amount of assessments against all other Units and the necessary expenditures of the Commercial Association during the fiscal year. Unless Declarant otherwise notifies the Board at least 60 days before the beginning of a fiscal year, Declarant shall continue paying on the same basis as the preceding fiscal year. Declarant's obligations hereunder may be satisfied in cash, by "in kind" contributions of services or materials, or by a combination of these.

The Commercial Association is specifically authorized to enter into subsidy contracts or contracts for "in kind" contributions of services and materials with Declarant or others for payment of Common Expenses.

9.2. Computation of Base Assessment. At least 60 days before the beginning of each fiscal year, the Board shall prepare a budget for the estimated Common Expenses of the Commercial Association during the coming year, including capital contributions in accordance with reserve fund budgets prepared under Section 9.4.

The Base Assessments against each Unit shall be calculated in accordance with Exhibit "C," in aggregate amounts reasonably expected to produce income equaling the total budgeted Common Expenses. In determining assessments, the Board may consider other sources of funds, including anticipated receipts under the Covenant to Share Costs.

Declarant may, but is not obligated to, reduce the Base Assessments by paying a subsidy (in addition to any amounts paid by it under Section 9.1), which may be either a contribution, an advance against future assessments due from Declarant, or a loan, in Declarant's discretion. Any such subsidy shall be disclosed as a line item in the Common Expense budget. Payment of any subsidy shall not obligate Declarant to continue subsidies in the future.

The Board shall send to each Owner a copy of the budget and notice of the amount of the Base Assessment against such Owner's Unit at least 30 days before the beginning of the fiscal year. The budget and assessment shall be

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effective unless disapproved at a meeting by a vote of the Owners holding at least 67% of the total Class "A" votes in the Commercial Association and by the Class "B" Member, if any. There shall be no obligation to call a meeting to consider the budget unless a petition of the Owners, as provided for special meetings in the By-Laws, is presented to the Board within ten days after delivery of the notice of assessments.

If a proposed budget is disapproved or the Board fails to determine the budget for any year, until a budget is determined, the budget for the preceding fiscal year shall continue.

9.3. Computation of District Assessments. At least 60 days before the beginning of each fiscal year, the Board shall prepare a separate budget for estimated District Expenses to be incurred by the Commercial Association for each District on whose behalf District Expenses are expected to be incurred during the coming year. The Board may set such budget only to the extent that (a) this Declaration, any Supplemental Declaration, or the By-Laws specifically authorizes the Board to assess costs as a District Assessment or (b) the Commercial Association expects to incur expenses to provide additional services for a District at the request of a majority of its Class "A" Members and the Class "B" Member, if any. Such budget shall include capital contributions to a reserve fund for repair and replacement of any capital items maintained as a District Expense. District Expenses shall be allocated among all Units within the District benefitted thereby under the formula in Exhibit "C" and be levied as a District Assessment.

The Board shall send to each Owner in the District a copy of such budget and notice of the amount of the District Assessment against such Owner's Unit at least 30 days before the beginning of the fiscal year. The budget and assessment shall be effective unless disapproved by a majority vote of the Owners of Units in the applicable District. There shall be no obligation to call a meeting to consider the budget except on petition of Owners of at least ten percent of the Units in such District. This right to disapprove the District budget shall only apply to line items attributable to services requested by the District, and such services shall not be provided if the proposed costs are disapproved.

If the Board fails to determine the budget for any year, until a budget is determined, the budget for the immediately preceding year shall continue.

9.4. Reserve Budget and Capital Contribution. The Board shall annually prepare reserve budgets for both general and District purposes which take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board shall include in Base Assessments and District Assessments capital contributions in amounts sufficient to meet these projected needs.

9.5. Special Assessments. In addition to other authorized assessments, the Commercial Association may levy Special Assessments from time to time to cover expenses greater or different than those budgeted. Special Assessments may be levied against the entire membership, if for Common

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Expenses, or against the Units within any District, if for District Expenses. Except as otherwise specifically provided in this Declaration, Special Assessments must be approved by the affirmative vote or written consent of Owners holding at least a majority of the total votes allocated to applicable Units, and consent of the Class "B" Member, if any. Special Assessments shall be paid in a manner and by dates fixed by the Board. The Board may allow payment in installments extending beyond the fiscal year in which the Special Assessment is approved.

9.6. Specific Assessments. The Board may specifically assess against particular Units expenses incurred by the Commercial Association to provide special benefits, items or services (a) on request of the Owner of a Unit; (b) made necessary by the conduct of the Owner or its licensees, invitees, or guests; or (c) necessary to bring the Unit, or the District in which it is located, into compliance with this Declaration, the Articles, the By-Laws, or Commercial Association rules. Such Specific Assessments may be levied by the Board after notice to the Owner and an opportunity for a hearing.

9.7. Lien for Assessments. The Commercial Association shall have a lien against each Unit to secure payment of delinquent assessments, interest, late charges, and costs of collection (including attorney's fees). Such lien shall be prior and superior to all other liens except: (a) the liens for taxes and governmental assessments which by law are superior, and (b) the lien of any first Mortgage of record (meaning any recorded Mortgage with first priority over other Mortgages) made in good faith and for value. Such lien, when delinquent, may be enforced by suit, judgment, and foreclosure in the same manner as a Mortgage.

The Commercial Association may bid for a Unit at the foreclosure sale and acquire, hold, lease, mortgage, and convey the Unit. When a Unit is owned by the Commercial Association following foreclosure: (a) no right to vote shall be exercised on its behalf; (b) no assessment shall be levied on it; and (c) each other Unit shall be charged, in addition to its usual assessment, its pro rata share of the assessment that would have been charged such Unit had it not been acquired by the Commercial Association.

The Commercial Association may sue to recover a money judgment for unpaid assessments and related charges, including attorney's fees, without foreclosing or waiving the lien securing the same.

The sale or transfer of any Unit shall not affect the assessment lien or relieve such Unit from the lien for any assessments thereafter becoming due. Where the Mortgagee holding a first Mortgage of record or other purchaser of a Unit obtains title pursuant to foreclosure of the Mortgage, it shall not be liable for the share of the assessments which became due prior to such acquisition of title. Such unpaid share of assessments shall be deemed to be Common Expenses collectible from Owners of all Units, including such acquirer, its successors and assigns.

9.8. Date of Commencement of Assessments. The obligation to pay assessments shall commence as to each Unit on the first day of the month following the month in which: (a) the Unit is made subject to this

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Declaration, or (b) the Board first determines a budget and levies assessments, whichever is later. The first annual Base Assessment and District Assessment, if any, levied on each Unit shall be adjusted according to the number of months remaining in the fiscal year at the time assessments commence on the Unit.

9.9. Failure to Assess. Failure of the Board to fix assessment amounts or rates or to deliver assessment notices shall not be deemed a waiver, modification, or a release of any Owner from the obligation to pay assessments. In such event, each Owner shall continue to pay Base Assessments and District Assessments on the same basis as for the prior year until a new assessment is made, at which time any shortfalls in collections may be assessed retroactively.

9.10. Exempt Property. The following property is exempt from payment of Base Assessments, District Assessments, and Special Assessments:

- (a) all Commercial Common Areas;
- (b) all property dedicated to and accepted by any governmental authority including without limitation public schools, public streets, and public parks; and
- (c) property owned by any District Association for the common use and enjoyment of its members.

ARTICLE X. ARCHITECTURAL STANDARDS

10.1. General. No improvements (including staking, clearing, excavation, grading and other site work) or exterior alteration of existing improvements on a Unit shall take place except in compliance with this Article and with the approval of the appropriate committee under Section 10.2.

An Owner may remodel or redecorate the interior of buildings in any manner desired, repaint the exterior of structures in accordance with the originally approved color scheme, or rebuild structures in accordance with originally approved plans and specifications, without approval under this Article.

All structures constructed on any Unit shall be designed by and built in accordance with the plans and specifications of a licensed architect, licensed building designer, or licensed engineer.

This Article shall not apply to (a) activities of Declarant, or (b) improvements or modifications to the Area of Common Responsibility by or on behalf of the Commercial Association.

This Article may not be amended without Declarant's written consent so long as Declarant owns any land subject to this Declaration or which it may unilaterally submit to this Declaration.

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10.2. Architectural Review. Administration of the Commercial Design Guidelines and review of applications for construction and modifications under this Article shall be handled by two committees described below. Committee members need not be Owners or representatives of Owners and may, but need not, include architects, engineers or similar professionals, whose compensation, if any, shall be established by the Board. The Board may establish reasonable fees for review of applications and require them to be paid prior to review.

(a) New Construction Committee. The New Construction Committee shall consist of at least three, but not more than five, persons and shall have exclusive jurisdiction over all original construction on any Unit. Until all Units have been developed and conveyed to Owners in the normal course of development and sale, Declarant may appoint all members of the New Construction Committee who shall serve at its discretion. There shall be no surrender of this right prior to that time except by a recorded instrument executed by Declarant. Upon expiration of such right, the Board shall appoint the members of the New Construction Committee, who shall serve at its discretion.

(b) Modifications Committee. The Board may establish a Modifications Committee consisting of at least three and no more than five persons appointed by and serving at the Board's discretion. Members of the Modifications Committee may include architects or similar professionals who are not Owners. The Modifications Committee, if established, shall have exclusive jurisdiction over modifications, additions, or alterations made on or to existing structures on Units and any appurtenant open space; provided that it may delegate its authority as to a particular District to the appropriate board or committee of the District if it finds the board or committee prepared to assume such role. Any delegation may be revoked and jurisdiction reassumed at any time. Notwithstanding the above, the New Construction Committee may veto any action of the Modifications Committee, or a District Association acting in that role, which the New Construction Committee finds inconsistent with the Commercial Design Guidelines.

10.3. Guidelines and Procedures.

(a) Declarant shall prepare initial design, development and construction guidelines and application and review procedures (the "Commercial Design Guidelines"), which may contain general provisions applicable to all of the Commercial Properties and specific provisions which vary from one portion of the Commercial Properties to another depending upon the location, characteristics and intended use thereof.

The New Construction Committee, acting on behalf of the Board, shall adopt such Commercial Design Guidelines at its initial meeting and, thereafter, shall have sole and full authority to amend them without consent of the Owners. Any amendments shall apply only to construction and modifications commenced after the adoption and shall not require modifications to or removal of previously approved construction or modification which has commenced.

The New Construction Committee shall make the Commercial Design Guidelines available to Owners and others who seek to engage in development of

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or construction on any portion of the Commercial Properties and all such Persons shall conduct their activities in accordance with such Commercial Design Guidelines.

The Modifications Committee may adopt detailed application and review procedures and design standards governing its area of responsibility consistent with the Commercial Design Guidelines and which shall be subject to approval by the New Construction Committee.

(b) Plans and specifications showing the nature, kind, shape, color, size, materials, and location of all proposed construction and modifications shall be submitted to the appropriate committee for review and approval. In reviewing each submission, the committees may consider the quality of workmanship and design, harmony of external design with existing structures, and location in relation to surrounding structures, topography, and finish grade elevation, and other factors, as well as the Commercial Design Guidelines.

If the applicable Committee fails to approve or to disapprove any application within 50 days after submission of all information and materials reasonably requested, the application shall be deemed approved. However, no approval, whether expressly granted or implied, shall be inconsistent with the Commercial Design Guidelines unless a variance has been granted in writing by the New Construction Committee under Section 10.5.

10.4. No Waiver of Future Approvals. The approval of any proposals, plans, specifications, drawings or other matters in any one instance shall not be deemed a waiver of any right to withhold subsequent approval of any similar proposals, plans, specifications, drawings or matters.

10.5. Variances. The New Construction Committee may authorize variances in writing from its guidelines and procedures, but only: (a) in accordance with duly adopted rules, (b) when unique circumstances such as unusual topography, natural obstructions, hardship, or aesthetic or environmental considerations require, and (c) when construction in accordance with the variance would be consistent with the purposes of this Declaration and compatible with existing and anticipated uses of adjoining properties. Inability to obtain, or the terms of, any governmental approval or the terms of any financing shall not be considered a hardship warranting a variance.

10.6. Limitation of Liability. Neither the New Construction Committee nor the Modifications Committee shall be responsible for the structural integrity or soundness of approved construction or modifications, nor for ensuring compliance with building codes and other governmental requirements. Neither Declarant, the Commercial Association, the Board, any committee, or member of any of them shall be liable for any injury, damage, or loss arising out of the manner or quality of approved construction or modifications.

10.7. Enforcement. Any construction, alteration, or other work done in violation of this Article shall be deemed nonconforming. On written request from the Board or Declarant, Owners shall, at their own expense, cure

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such nonconformance to the satisfaction of the requester or restore the land to substantially the same condition as existed prior to the nonconforming work. If an Owner fails to so cure or restore, the Board, Declarant, or their designees may do so at the Owner's expense and assess the cost against the benefitted Unit as a Specific Assessment under Article IX.

Any contractor, subcontractor, agent, employee, or other invitee of an Owner who fails to comply with this Article may be excluded by the Board from the Commercial Properties, subject to the notice and hearing procedures in the By-Laws. In such event, neither the Commercial Association, its officers, or directors shall be held liable to any Person for exercising the rights granted by this paragraph.

In addition, the Board may, on behalf of the Commercial Association, pursue all legal and equitable remedies available to enforce this Article and the decisions of the New Construction Committee and Modifications Committee.

ARTICLE XI: USE RESTRICTIONS

The Commercial Properties shall be used only for purposes permitted by ordinances, zoning plans and regulations of the City of DuPont, Washington, and the restrictions in this Declaration and any Supplemental Declarations. Any Supplemental Declaration may impose stricter standards than those contained in this Article, which standards shall be enforceable by the Board.

11.1. Signs. All signs visible from any street or adjoining Unit shall conform to the Commercial Design Guidelines. No signs may be erected within the Commercial Properties without written approval of the New Construction Committee or Modifications Committee, as appropriate, except signs erected by the Board or Declarant.

11.2. Parking. Parking shall be permitted only in parking lots and garages serving the Units or made available to the public, designated spaces along streets and roads, and other parking areas designated by the Board. No parking shall be permitted on streets or roads except as authorized by the Board. Additional requirements and restrictions regarding parking may be contained in the Commercial Design Guidelines and rules adopted by the Board. Parking within a District may be more strictly regulated by its District Association or District Committee.

11.3. Loading Docks. All loading docks and truck parking areas must be located or screened so that they are not visible from neighboring streets.

11.4. Occupants Bound. All provisions of this Declaration, applicable Supplemental Declarations, the By-Laws and rules governing conduct of Owners shall also apply to their employees, tenants, occupants, and invitees. All leases for any portion of the Commercial Properties shall bind lessees to the provisions of this Declaration, applicable Supplemental Declarations, the By-Laws, and the rules of the Commercial Association. The Owner shall cause all occupants of its Unit to comply with these provisions. Every Owner shall be responsible for all violations and losses to the

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Commercial Common Area caused by such occupants, although the occupants also are fully liable and may be sanctioned for such violations and losses.

11.5. Unsightly or Unkempt Conditions. All portions of a Unit outside enclosed structures shall be kept clean and tidy. Nothing shall be done, maintained, stored or kept outside enclosed structures on a Unit which the Board finds to cause an unclean, unhealthy, or untidy condition. Any structures, equipment or other items permitted on the exterior portions of Units shall be kept in a neat and attractive condition and promptly be repaired or removed if the Board finds they have fallen into disrepair. The use of a Unit and improvements thereon as approved pursuant to Article X shall not be deemed to constitute an unsightly or unkempt condition prohibited by this Section.

Except as may be allowed by the Board, no Owner or occupant shall dump grass clippings, leaves, fertilizers, or wastes in the Commercial Properties.

11.6. Hazardous Materials. No Owner shall use, generate, store, or dispose of hazardous materials on the Commercial Properties or discharge or release any hazardous material on, above, or under the Commercial Properties except in compliance with all applicable laws, regulations, ordinances and permits. "Hazardous materials" means materials, substances, gases, or vapors identified as hazardous, toxic, or radioactive by any applicable federal, state, or local laws, regulations or ordinances.

Each Owner shall:

(a) disclose to the Board or its designee all hazardous materials proposed to be stored, used or generated in a Unit;

(b) permit inspection by the Board or its designee of those portions of a Unit where hazardous materials are stored, used or generated to assure proper management of them;

(c) provide all equipment and facilities in the Unit necessary to participate in any mandatory point of origin collection service for hazardous materials;

(d) comply with all applicable laws and regulations and rules adopted by the Board regarding maintenance, operation and monitoring of hazardous materials management systems, including procedures followed in case of accidental spills; and

(e) guarantee financial responsibility for spill cleanup. In connection with such financial responsibility, each Owner hereby agrees to hold the Commercial Association, its officers, directors, and employees harmless for any financial responsibility, costs, or expenses related to any spill or spill cleanup of hazardous materials taking place on the Owner's Unit or elsewhere within the Commercial Properties or the Area of Common Responsibility through the acts or omissions of the Owner, its employees or agents.

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11.7. Antennas. No exterior antennas, aerials, satellite dishes, or other apparatus for transmitting or receiving television, radio, microwave or other electronic signals of any kind shall be allowed without prior approval under Article X, except that Declarant or the Commercial Association may install an aerial, satellite dish, master antenna, cable system or other apparatus to receive electronic signals for the benefit of all or portions of the Commercial Properties.

11.8. Mechanical Equipment, Garbage Cans, Trash Containers, Tanks, Etc. All mechanical equipment servicing buildings, garbage cans, trash containers, above-ground tanks and similar items must be located so that they are not visible from neighboring Units, streets or property located adjacent to the Unit. All rubbish, trash, and garbage shall be regularly removed from Units and not allowed to accumulate.

11.9. Firearms. Discharge of firearms is prohibited except with prior written approval of the Board and then only in enclosed areas specifically designated by the Board. The term "firearms" includes "B-B" guns, pellet guns, and other firearms of all types, regardless of size.

11.10. Irrigation. No sprinkler or irrigation systems which draw water from creeks, streams, rivers, ponds, wetlands, canals, or other ground or surface waters shall be installed, constructed, or operated without prior written approval of the appropriate committee under Article X. However, Declarant and the Commercial Association may draw water from such sources to irrigate the Area of Common Responsibility. All sprinkler and irrigation systems serving Units shall draw only on public water supplies and be subject to approval under Article X.

11.11. Grading, Drainage and Septic Systems. No Person other than Declarant or the Commercial Association may alter the grading of any Unit or obstruct or rechannel the flow of water into or through catch basins and drainage areas without prior approval under Article X. Declarant hereby reserves for itself and the Commercial Association a perpetual easement across the Commercial Properties for the purpose of altering drainage and water flow, provided the exercise of such easement shall not materially diminish the value of or unreasonably interfere with the use of any Unit without the Owner's consent. Septic tanks and drain fields, other than those installed by or with the consent of Declarant, are prohibited.

11.12. Removal of Trees and Shrubs. No trees or shrubs, except for those which are diseased or dead or create a safety hazard, shall be removed except in compliance with the Commercial Design Guidelines and with prior approval under Article X. To mitigate the damage, violators may be required to replace each removed tree with one or more comparable trees of such size and number and in such locations as considered necessary by the New Construction Committee or Modifications Committee, as appropriate.

11.13. Sight Distance at Intersections. Landscaping of property at street intersections shall permit safe sight across the street corners. No fence, wall, hedge or shrub may be placed or permitted to remain where it would create a traffic visibility problem.

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11.14. Lighting. All exterior lights must be approved under Article X.

11.15. Energy Conservation Equipment. No solar energy collector panels, windmills, wind generators or other apparatus for generating power from the sun or wind or any external energy conservation equipment shall be installed on any Unit unless it is an integral and harmonious part of the architectural design of a structure and approved under Article X.

11.16. Wetlands, Lakes and Other Water Bodies. All wetlands, lakes, ponds, and streams within the Commercial Properties, if any, shall be aesthetic amenities only, and any other use thereof, including without limitation fishing, swimming, boating and other recreation, shall be subject to rules (including prohibitions) of the Board. The Commercial Association shall not be responsible for any loss, damage, or injury to any person or property arising out of authorized or unauthorized use of wetlands, lakes, ponds, or streams within the Commercial Properties. For this purpose, "wetlands" means swamps, bogs and similar areas covered by standing water or saturated to the surface for significant periods in typical years and for that reason not suitable for development.

11.17. Fences. No hedges, walls, or fences of any kind shall be permitted on any Unit except as approved under Article X.

11.18. Laws and Ordinances. Every Owner and occupant of any Unit, their guests and invitees, shall comply with all laws, statutes, ordinances, and rules of federal, state, and municipal governments applicable to the Commercial Properties. Any violation may be considered a violation of this Declaration. However, the Board shall have no obligation to enforce any laws, ordinances, or governmental regulations.

11.19. Commercial Uses. Units shall be used only for commercial purposes, including without limitation, governmental and professional offices, commercial condominiums, residential rental apartments, business, business park, industrial, industrial park, heavy industrial, utility, hotel, restaurant, retail and wholesale sales, bank and financial institution, research and development, and medical facilities. The Board may issue rules regarding permitted uses. Declarant may permit residential use of portions of structures on Units by Supplemental Declaration executed by Declarant and the Owner, if not Declarant.

11.20. Other Prohibited Uses. In addition to uses prohibited by applicable laws, ordinances or governmental regulations or other covenants, conditions, restrictions, or easements, or otherwise prohibited pursuant to this Declaration, the following uses are prohibited within the Commercial Properties unless authorized in writing by Declarant or the Board and conducted consistent with the terms of such authorization:

(a) trailer courts, mobile home parks, and recreation vehicle campgrounds;

(b) junk yards and automobile dismantling operations;

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- (c) sanitary landfills;
- (d) dumping, disposal, incineration, treatment, processing, or reduction of garbage, sewage, offal, refuse or dead animals, including rendering of fat, distillation of bones, stockyards and slaughtering;
- (e) refining or reclaiming petroleum products;
- (f) smelting of iron, tin, zinc or other ores;
- (g) labor camps and migrant worker camps;
- (h) jails or honor farms;
- (i) munitions and related manufacturing and storage;
- (j) automobile paint and body shops;
- (k) community fairs or flea markets;
- (l) outdoor advertising;
- (m) commercial helicopter facilities (except that accessory use helicopter pads may be approved by the New Construction Committee or the Modifications Committee); and
- (n) shellfish harvesting or storage.

ARTICLE XII: EASEMENTS

12.1. Commercial Common Area. Every Owner shall have a right and nonexclusive easement of use, access, and enjoyment in and to the Commercial Common Area, subject to:

- (a) this Declaration, any other applicable covenants, and the terms of any deed conveying such property to the Commercial Association;
- (b) the right of the Board to adopt rules regulating use of the Commercial Common Area;
- (c) the right of the Commercial Association to transfer all or part of the Commercial Common Area to governmental entities under Section 3.8; and
- (d) the right of the Commercial Association to mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or obligations incurred.

Any Owner may extend such Owner's right of use and enjoyment to its tenants, employees, guests, and business invitees, subject to rules of the Board. An Owner who leases a Unit shall be deemed to have assigned all such rights to the lessee.

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12.2. Easements of Encroachment. There shall be reciprocal appurtenant easements of encroachment, and for maintenance and use of any permitted encroachment, between each Unit and any adjacent Commercial Common Area and between adjacent Units due to the unintentional placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon (in accordance with the terms of these restrictions) to a distance of not more than three feet, as measured from any point on the common boundary along a line perpendicular to such boundary.

12.3. Easements for Utilities, Etc. Declarant reserves to itself, so long as it owns any property described on Exhibit "A" or "B," and grants to the Commercial Association a blanket access and maintenance easement upon, across, over and under all of the Commercial Properties to the extent reasonably necessary to install, replace, repair, and maintain cable television systems, master television antenna systems, security and similar systems, roads, walkways, bicycle pathways, lakes, ponds, wetlands, drainage systems, street lights, signage, and all utilities including, but not limited to, water, sewer, meter boxes, telephone, gas, and electricity. Notwithstanding anything to the contrary herein, this easement shall not entitle the holders to construct or install any of the foregoing systems, facilities, or utilities over, under or through any existing structure on a Unit, and any damage to a Unit resulting from the exercise of this easement shall promptly be repaired by, and at the expense of, the Person exercising the easement. Exercise of this easement shall not unreasonably interfere with the use of any Unit and, except in an emergency, entry onto any Unit shall be made only after reasonable notice to the Owner or occupant.

No utilities may be installed or relocated on the Commercial Properties without approval of the Board or as provided by Declarant.

12.4. Easements for Lake and Pond Maintenance and Flood Water. Declarant reserves for itself, the Commercial Association and their respective successors and designees the nonexclusive right and easement, but not the obligation, to enter the lakes, ponds, streams, and wetlands within the Area of Common Responsibility to (a) install, maintain and replace pumps to provide irrigation water for the Area of Common Responsibility; (b) construct, maintain, and repair any bulkhead, wall, dam, or other structure retaining water; and (c) fulfill their maintenance responsibilities under this Declaration. Declarant, the Commercial Association, and their designees shall have an access easement over and across any of the Commercial Properties abutting or containing any portion of any of the lakes, ponds, streams, or wetlands to the extent reasonably necessary to exercise their rights under this Section.

Declarant further reserves to itself, the Commercial Association, and their respective successors and designees, a perpetual, nonexclusive right and easement of access and encroachment over the Commercial Common Area and Units (but not the structures thereon) adjacent to or within 100 feet of lake beds, ponds, and streams within the Commercial Properties, to (a) temporarily flood and back water upon and maintain water over such portions of the Commercial Properties; (b) fill, drain, dredge, deepen, clean, fertilize, and generally maintain the lakes, ponds, streams and wetlands within the Area of Common

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Responsibility; and (c) maintain and landscape the slopes and banks of such lakes, ponds, streams and wetlands. All Persons exercising these easements shall use reasonable care in, and repair any damage resulting from, such activities. Nothing herein shall be construed to make Declarant or any other Person liable for damage resulting from flooding due to hurricanes, heavy rainfall, or other natural disasters.

12.5. Easements to Serve Additional Property. Declarant and its agents, successors, assigns, licensees and Mortgagees shall have an easement over the Commercial Common Area for the purposes of enjoyment, use, access, and development of the property described in Exhibit "B", whether or not such property is made subject to this Declaration. This easement includes, but is not limited to, rights of ingress and egress over the Commercial Common Area to construct roads and to connect and install utilities on the property described in Exhibit "B." Declarant and its successors or assigns shall be responsible for any damage to the Commercial Common Area resulting from exercise of this easement. If the easement is exercised for permanent access to property which is not made subject to this Declaration or the Residential Declaration, Declarant, its successors or assigns shall enter into a reasonable agreement with the Commercial Association to share the cost of maintenance of any access roadway serving the property based on the Assessment and Voting Points that would be assigned to the property served by the easement and not subject to this Declaration as a proportion of the total Assessment and Voting Points within the Commercial Properties and on such property.

12.6. Easement for Emergency. Authorized agents of the Commercial Association shall have the right, but not the obligation, and a perpetual easement is hereby granted to the Commercial Association, to enter all portions of the Commercial Properties, including each Unit, for emergency, security and safety reasons. Except in emergencies, entry onto a Unit shall be only during reasonable hours and after notice to and permission from the Owner thereof. This easement includes the right to enter any Unit to cure any condition which increases the risk of fire or other hazard if an Owner fails or refuses to cure the condition within a reasonable time after request by the Board, but does not authorize entry into any structure without permission of the Owner.

12.7. Easement for Maintenance and Enforcement. Authorized agents of the Commercial Association shall have the right, but not the obligation, and a perpetual easement is hereby granted to the Commercial Association, to enter all portions of the Commercial Properties, including each Unit, to (a) perform its maintenance responsibilities under Article IV, and (b) make inspections to ensure compliance with this Declaration, any Supplemental Declaration, the By-Laws and rules. Except in emergencies, entry onto a Unit shall be only during reasonable hours and after notice to and permission from the Owner. This easement shall be exercised with a minimum of interference to the quiet enjoyment of Owners' property, and any damage shall be repaired by the Commercial Association at its expense.

The Commercial Association also may enter a Unit to abate or remove, using such force as may be reasonably necessary, any structure, thing or

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condition which violates this Declaration, the By-Laws, or the rules. All costs incurred, including reasonable attorney's fees, shall be assessed against the violator as a Specific Assessment.

12.8. Roadside Access Easements. There is hereby reserved to Declarant, the Commercial Association and the general public an easement for access, adjacent and parallel to all public road rights-of-way and Commercial Common Area roads within the Commercial Properties, extending from the curb to the far side of any sidewalk or jogging or bicycle path running more or less parallel to the curb, for the purpose of using such sidewalk or path. There is also hereby reserved to Declarant, the Commercial Association, and the designees of each, a right to go upon, over and across all property adjacent to public road rights-of-way and Commercial Common Area roads within the Commercial Properties to maintain, repair, and replace street trees, street furniture (e.g., park benches), sidewalks and paths, and traffic and directional signs. This easement shall not restrict the right of any Owner to modify landscaping on its Unit with prior approval under Article X.

ARTICLE XIII: DECLARANT'S RIGHTS

Any or all rights and obligations of Declarant may be transferred to other Persons, but the transfer shall not reduce an obligation nor enlarge a right beyond that contained in this Declaration or the By-Laws and shall not be effective unless signed by Declarant and duly recorded in the public records of Pierce County, Washington.

So long as Declarant owns any property described on Exhibit "A" or "B" for development and/or sale, Declarant hereby reserves a nonexclusive perpetual easement for the benefit of Declarant and its designees to maintain and carry on upon the Commercial Properties such facilities and activities as Declarant considers reasonably required, convenient or incidental to the construction or sale of Units, including, but not limited to, business offices, signs, model units, sales offices, and the right to use Units owned by Declarant or its designees as models and sales offices.

So long as Declarant continues to have rights under this Article, no Person shall record any declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument affecting any portion of the Commercial Properties without Declarant's written consent. Any attempted recordation without compliance herewith shall result in such instrument being void unless a consent of Declarant is subsequently recorded in the public records.

Nothing in this Declaration shall be construed to require Declarant or any successor to develop any of the property described in Exhibit "A" or Exhibit "B" in any manner whatsoever. Declarant's rights under this Article shall terminate upon the earlier of: (a) 50 years from the date this Declaration is recorded, or (b) upon recording by Declarant of a written statement that all sales activity has ceased. This Article may not be amended without the written consent of Declarant.

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ARTICLE XIV. DISPUTE RESOLUTION AND LIMITATION ON LITIGATION

14.1. Agreement to Avoid Costs of Litigation and to Limit Right to Litigate Disputes. The Commercial Association, Declarant, all Persons subject to this Declaration, and any Person not otherwise subject to this Declaration who agrees to submit to this Article (collectively, "Bound Parties") agree to encourage the amicable resolution of disputes involving the Commercial Properties, and to avoid the emotional and financial costs of litigation if at all possible. Accordingly, each Bound Party covenants and agrees that all claims, grievances or disputes between such Bound Party and any other Bound Party involving the Commercial Properties, including, without limitation, claims, grievances or disputes arising out of or relating to the interpretation, application or enforcement of this Declaration, the By-Laws, the Commercial Association rules, or the Articles (collectively "Claim"), except for those Claims authorized in Section 14.2, shall be resolved using the procedures set forth in Section 14.3 in lieu of filing suit in any court or initiating proceedings before any administrative tribunal seeking redress or resolution of such Claim.

14.2. Exempt Claims. The following Claims ("Exempt Claims") shall be exempt from the provisions of Section 14.3:

(a) any suit by the Commercial Association against any Bound Party to enforce the provisions of Article IX;

(b) any suit by the Commercial Association to obtain a temporary restraining order (or equivalent emergency equitable relief) and such other ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Commercial Association's ability to enforce the provisions of Article X and Article XI;

(c) any suit between Owners (other than Declarant) seeking redress on the basis of a Claim which would constitute a cause of action under the laws of the State of Washington in the absence of a claim based on the Declaration, By-Laws, Articles or rules of the Commercial Association;

(d) any suit by the Commercial Association in which similar or identical claims are asserted against more than one Bound Party; and

(e) any suit by a Bound Party for declaratory or injunctive relief which seeks a determination as to applicability, clarification or interpretation of any provision of this Declaration.

Any Bound Party having an Exempt Claim may submit it to the alternative dispute resolution procedures set forth in Section 14.3, but there shall be no obligation to do so. The submission of an Exempt Claim involving the Commercial Association to the alternative dispute resolution procedures of Section 14.3 shall require the approval of the Commercial Association.

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14.3. Mandatory Procedures For All Other Claims. All Claims other than Exempt Claims shall be resolved using the following procedures:

(a) Notice. Any Bound Party having a Claim ("Claimant") against any other Bound Party ("Respondent"), other than an Exempt Claim, shall notify each Respondent in writing of the Claim (the "Notice"), stating plainly and concisely:

1. the nature of the Claim, including date, time, location, persons involved, and Respondent's role in the Claim;
2. the basis of the Claim (i.e., the provisions of this Declaration, the By-Laws, the Articles or rules or other authority out of which the Claim arises);
3. what Claimant wants Respondent to do or not do to resolve the Claim; and
4. that Claimant wishes to resolve the Claim by mutual agreement with Respondent and is willing to meet in person with Respondent at a mutually agreeable time and place to discuss in good faith ways to resolve the Claim.

(b) Negotiation.

1. Each Claimant and Respondent (the "Parties") shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation.
2. Upon receipt of a written request from any Party, accompanied by a copy of the Notice, the Board may appoint a representative to assist the Parties in resolving the dispute by negotiation, if in its discretion it believes its efforts will be beneficial to the Parties and to the welfare of the community.

(c) Mediation.

1. If the Parties do not resolve the Claim through negotiation within 30 days of the date of the Notice (or within such other period as may be agreed upon by the Parties) ("Termination of Negotiations"), Claimant shall have 30 additional days within which to submit the Claim to mediation under the auspices of the Snohomish County Dispute Resolution Center, any Pierce County dispute resolution center or such other independent agency providing similar services upon which the Parties may mutually agree.
2. If Claimant does not submit the Claim to mediation within 30 days after Termination of Negotiations, Claimant shall be deemed to have waived the Claim, and Respondent shall be released and discharged from any and all liability to Claimant on account of such Claim; provided, nothing herein shall release or discharge Respondent from any liability to Persons not a Party to the foregoing proceedings.

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3. If the Parties do not settle the Claim within 30 days after submission of the matter to the mediation process, or within such time as determined reasonable or appropriate by the mediator, the mediator shall issue a notice of termination of the mediation proceedings ("Termination of Mediation"). The Termination of Mediation notice shall set forth when and where the Parties met, that the Parties are at an impasse, and the date that mediation was terminated.

4. Each Party shall, within five days of the Termination of Mediation, make a written offer of settlement in an effort to resolve the Claim. The Claimant shall make a final written settlement demand ("Settlement Demand") to the Respondent. The Respondent shall make a final written settlement offer ("Settlement Offer") to the Claimant. If the Claimant fails to make a Settlement Demand, Claimant's original Notice shall constitute the Settlement Demand. If the Respondent fails to make a Settlement Offer, Respondent shall be deemed to have made a "zero" or "take nothing" Settlement Offer.

(d) Final and Binding Arbitration.

1. If the Parties do not agree in writing to accept either the Settlement Demand, the Settlement Offer, or otherwise resolve the Claim within 15 days of the Termination of Mediation, the Claimant shall have 15 additional days to submit the Claim to arbitration in accordance with the Rules of Arbitration contained in Exhibit "F" or the Claim shall be deemed abandoned, and Respondent shall be released and discharged from any and all liability to Claimant arising out of such Claim; provided, nothing herein shall release or discharge Respondent from any liability to Persons not a Party to the foregoing proceedings.

2. This subsection (d) is an agreement of the Bound Parties to arbitrate all Claims except Exempt Claims and is specifically enforceable under the applicable arbitration laws of the State of Washington. The arbitration award (the "Award") shall be final and binding, and judgment may be entered upon it in any court of competent jurisdiction to the fullest extent permitted under the laws of the State of Washington.

14.4. Allocation of Costs of Resolving Claims.

(a) Each Party shall bear its own costs incurred prior to and during the proceedings described in Section 14.3 (a), (b) and (c), including the fees of its attorney or other representative. Each Party shall share equally all charges rendered by the mediator(s) pursuant to Section 14.3(c).

(b) Each Party shall bear its own costs (including the fees of its attorney or other representative) incurred after the Termination of Mediation under Section 14.3(c) and shall share equally in the costs of conducting the arbitration proceeding (collectively, "Post Mediation Costs"), except as otherwise provided in subsection 14.4(c).

(c) Any Award which is equal to or more favorable to Claimant than Claimant's Settlement Demand shall add such Claimant's Post Mediation Costs to

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the Award, such Costs to be borne equally by all Respondents. Any Award which is equal to or less favorable to Claimant than Respondent's Settlement Offer to that Claimant shall also award to such Respondent its Post Mediation Costs, such Costs to be borne by all such Claimants.

14.5. Enforcement of Resolution. If the Parties agree to resolve any Claim through negotiation or mediation in accordance with Section 14.3 and any Party thereafter fails to abide by the terms of such agreement, or if the Parties agree to accept the Award following arbitration and any Party thereafter fails to comply with such Award, then any other Party may file suit or initiate administrative proceedings to enforce such agreement or Award without the need to again comply with the procedures set forth in Section 14.3. In such event, the Party taking action to enforce the agreement or Award shall be entitled to recover from the non-complying Party (or if more than one non-complying Party, from all such Parties pro rata) all costs incurred in enforcing such agreement or Award, including, without limitation, attorneys fees and court costs.

ARTICLE XV. GENERAL PROVISIONS

15.1. Term. This Declaration shall run with and bind the Commercial Properties, and shall inure to the benefit of and shall be enforceable by the Declarant, the Commercial Association and the Owners, their respective representatives, heirs, successors and assigns, perpetually, to the extent allowed by law.

15.2. Amendment.

(a) By Declarant. Until termination of the Class "B" membership, Declarant may unilaterally amend this Declaration if such amendment is necessary to: (i) bring any provision into compliance with any applicable government statute or regulation or judicial determination; (ii) enable any reputable title insurance company to issue title insurance coverage on the Units; (iii) enable any institution or government agency to make or purchase mortgage loans on the Units; (iv) enable any government agency or reputable private insurance company to insure or guarantee mortgage loans on the Units; or (v) otherwise satisfy the requirements of any government agency or governmental regulations. However, any such amendment shall not adversely affect the title to any Unit without written consent of its Owner. So long as Declarant owns property described in Exhibits "A" or "B" for development as part of the Commercial Properties, it may unilaterally amend this Declaration for any other purpose, provided the amendment has no material adverse effect on any substantive right of any Owner and does not adversely affect the title to any Unit without written consent of its Owner.

(b) By Owners. This Declaration may also be amended by the affirmative vote or written consent, or any combination thereof, of Owners holding at least 67% of the total Class "A" votes in the Commercial Association and, so long as Declarant owns any property described in Exhibit "A" or "B" for development or sale as part of the Commercial Properties, with written consent of Declarant.

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Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause. Amendments must be recorded in the public records of Pierce County, Washington.

No amendment may remove, revoke, or modify any right or privilege of Declarant without written consent of Declarant.

No amendment to this Declaration adopted under this Section 15.2(b) which would materially affect the rights or responsibilities of any Owner under the Covenant to Share Costs shall be effective unless approved by the Persons and percentage votes set forth in that instrument.

15.3. Severability. Invalidation of any provision or application of a provision of this Declaration by any court shall not affect any other provisions or applications.

15.4. Perpetuities. If any of the covenants, conditions, restrictions, or other provisions of this Declaration shall be unlawful, void, or voidable for violation of the rule against perpetuities, then such provisions shall continue only until 21 years after the death of the last survivor of the now living descendants of Elizabeth II, Queen of England.

15.5. Litigation. No judicial or administrative proceeding shall be commenced or prosecuted by the Commercial Association unless approved by Owners holding at least 67% of the total Class "A" votes in the Commercial Association, except for actions brought by the Commercial Association to: (a) enforce this Declaration; (b) impose and collect assessments under Article IX; (c) challenge tax assessments and other matters relating to taxes for which the Commercial Association may be liable; and (d) counterclaims by the Commercial Association in proceedings instituted against it.

15.6. Cumulative Effect; Conflict. The provisions of this Declaration shall be cumulative with the covenants, conditions and restrictions of any District, and the Commercial Association may, but shall not be required to, enforce the covenants, conditions, and restrictions of any District; provided, however, in the event of conflict the covenants, conditions and restrictions, articles of incorporation, by-laws, rules, policies, or practices of any District shall be subject and subordinate to those of the Commercial Association. The foregoing priorities shall apply, but not be limited to, the liens for assessments.

15.7. Use of the Words "Northwest Landing" or Logo. No Person shall use the words "Northwest Landing" or any derivative thereof or the registered logo of Northwest Landing in any printed or promotional material without prior written consent of Declarant. However, Owners may use the words "Northwest Landing" in printed or promotional matter where such words are used solely to specify that particular property is located within Northwest Landing, and the Commercial Association shall be entitled to use the words "Northwest Landing" in its name.

BK0803PG2758

15.8. Compliance. Every Owner and occupant of any Unit shall comply with this Declaration, the By-Laws, and the rules of the Commercial Association and be subject to all remedies provided to the Commercial Association in this Declaration or the By-Laws. In addition, failure to comply shall be grounds for an action to recover sums due, for damages or injunctive relief, or for any other remedy available at law or in equity, by the Commercial Association or by any aggrieved Owners.

15.9. Notice of Sale or Transfer of Title. Any Owner selling or otherwise transferring title to a Unit shall give the Board at least seven days prior written notice of the name and address of the transferee, the date of such transfer of title, and such other information as the Board may reasonably require. Each transferee of a Unit shall, within seven days of taking title to a Unit, confirm that the information previously provided by the transferor is complete and accurate.

IN WITNESS WHEREOF, the undersigned Declarant has executed this Declaration this 20th day of August, 1992.

WEYERHAEUSER REAL ESTATE COMPANY, LAND
MANAGEMENT DIVISION

By:

Robert L. Shedd
Robert L. Shedd, Vice President

STATE OF WASHINGTON

COUNTY OF KING

On this 20th day of August, 1992 before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Robert L. Shedd to me known to be the Vice President of Weyerhaeuser Real Estate Company, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument.

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

Janet D. Buck
NOTARY PUBLIC in and for the State of
Washington, residing at Gig Harbor
My Appointment Expires: 5-9-94

3021g--04/17/92

9208240297

BK 0803PG2759

EXHIBIT "A"

Commercial Properties

The following parcels are described in the attached legal descriptions:

Parcel

'A'
'A-A'
'A-B'
'B'
'C'
'G'
'H'
'N'
'O'
'R'
'S'
'T'
'X'

Northwest Landing Industrial Park Div. I

Williamson Plat

Davis Place Short Plat

Bell Hill Plat

As described in the Final Plat
of Bell Hill, Records of Pierce
County, under Auditor's File
No. 9109060562.

NOTE FOR ALL PARCELS:

The exact boundaries of the above described parcels are subject to modification until time of official parcel segregation by either recordation of final plat, recordation of short plat, recordation of large lot division or recordation of request for parcel segregation with Pierce County.

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ESM inc.

A CIVIL ENGINEERING, LAND SURVEY, AND PROJECT MANAGEMENT CONSULTING FIRM

WRECO - Dupont
Job No. 129-08-945
December 17, 1991

**LEGAL DESCRIPTION
FOR PARCEL "A"**

That portion of the East half of Section 23, Township 19 North, Range 1 East, W.M., Pierce County, Washington, being more particularly described as follows:

COMMENCING at the Northwest corner of said East half of Section 23;

THENCE along the West line of said East half, S 02°06'15" W, 1972.15 feet to the TRUE POINT OF BEGINNING;

THENCE continuing along said West line, S 02°06'15" W, 2070.18 feet;

THENCE S 87°58'13" E, 1986.87 feet to the Westerly line of a parcel of land conveyed by deed as filed under Recording No. 9101040283, Records of Pierce County, Washington;

THENCE along said Westerly line, N 06°47'23" W, 91.08 feet to the Northwestern corner thereof;

THENCE along the Northerly line of said parcel, S 87°58'13" E, 268.09 feet to the Westerly line of the Puget Sound Outfall Channel;

THENCE along said Westerly line, N 55°28'12" W, 186.60 feet to a point of curvature;

THENCE continuing along said Westerly line, Northwesternly 327.54 feet along the arc of a tangent curve to the right, having a radius of 386.07 feet, through a central angle of 48°36'35" to a point of tangency;

THENCE continuing along said Westerly line, N 06°51'17" W, 1646.33 feet;

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WRECO - Dupont
December 17, 1991
Page 2

THENCE N 88°24'22" W, 1652.55 feet to the TRUE POINT OF
BEGINNING.

Containing 87.342 acres, more or less.

See attached Exhibit "A-A".

Written by: R.J.W.
Checked by: C.A.G.

LJ:LSU



9208240297

BK0803PG2762

ESM inc.



A CIVIL ENGINEERING, LAND SURVEY, AND PROJECT MANAGEMENT CONSULTING FIRM

WRECO
Job No. 129-08-934
July 22, 1991
Revised October 9, 1991

LEGAL DESCRIPTION FOR PARCEL 'A-A'

That portion of the Northeast quarter and of the Northwest quarter of Section 23, Township 19 North, Range 1 East, W.M., Pierce County, Washington, more particularly described as follows:

COMMENCING at the Northwest corner of the said Northeast quarter of Section 23;

THENCE along the West line of said quarter, S 02°06'15" W, 600.08 feet to the TRUE POINT OF BEGINNING;

THENCE along a line parallel with and 600.00 feet South of the North line of said Northwest quarter of Section 23, N 88°53'01" W, 257.04 feet;

THENCE S 02°06'15" W, 450.07 feet;

THENCE S 88°53'01" E, 200.03 feet;

THENCE S 02°06'15" W, 921.50 feet;

THENCE S 88°24'22" E, 1709.57 feet to a point on the Westerly line of the Puget Sound Outfall Channel as recorded under Recording Number 1674527, Records of Pierce County, Washington;

THENCE along said Westerly line, N 06°51'37" W, 1048.67 feet;

THENCE S 83°08'23" W, 50.00 feet to a line 50.00 feet Westerly of and parallel with the Westerly line of said Puget Sound Outfall Channel;

THENCE along said parallel line, N 06°51'37" W, 54.20 feet to a point of curvature;

BK0803PG2763

Job No. 129-08-934
July 22, 1991
Revised October 9, 1991
Page 2

THENCE continuing along said parallel line, Northwesterly
292.91 feet along the arc of a tangent curve to the left,
having radius of 5582.63 feet, through a central angle of
03°00'22";

THENCE along a line parallel with and 600.00 feet South of the
North line of the said Northeast quarter of Section 23,
N 88°24'22" W, 1378.10 feet to the TRUE POINT OF BEGINNING.

Containing 52.10 acres, more or less.

See attached Exhibit "A-A".

Written by: R.J.W.
Checked by: C.A.G.

LS:L70

9208240297

BK0803PG2764

ESM inc.



A CIVIL ENGINEERING, LAND SURVEY, AND PROJECT MANAGEMENT CONSULTING FIRM

WRECO
Job No. 129-08-834
July 22, 1991

LEGAL DESCRIPTION FOR PARCEL 'A-B'

That portion of the Northeast quarter of Section 23,
Township 19 North, Range 1 East, W.M., Pierce County,
Washington, more particularly described as follows:

COMMENCING at the Northwest corner of said Northeast
quarter;

THENCE along the West line of said quarter, S 02°06'15" W,
600.08 feet;

THENCE along a line parallel with and 600.00 feet South of
the North line of said quarter, S 88°24'22" E, 1429.11 feet
to the Westerly line of the Puget Sound Outfall Channel as
recorded under Recording Number 1674527, Records of Pierce
County, Washington and the TRUE POINT OF BEGINNING;

THENCE along said Westerly line, Southeasterly 285.40 feet
along the arc of a non-tangent curve to the right, having a
radius of 5632.63 feet, the radius point of which bears
S 80°14'12" W, through a central angle of 02°54'11" to a
point of tangency;

THENCE continuing along said Westerly line, S 06°51'37" E,
54.20 feet;

THENCE S 83°08'23" W, 50.00 feet to a line 50.00 feet
Westerly of and parallel with said Westerly line of Puget
Sound Outfall Channel;

THENCE along said parallel line, N 06°51'37" W, 54.20 feet
to a point of curvature;

THENCE continuing along said parallel line, Northwesterly
292.91 feet along the arc of a tangent curve to the left,
having a radius of 5582.63 feet, through a central angle of
03°00'22" to said line parallel with and 600.00 feet South
of the North line of the Northeast quarter;

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Job No. 129-08-834
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THENCE along said parallel line, S 88°24'22" E, 51.01 feet
to the TRUE POINT OF BEGINNING.

Containing 0.394 acres (17,167 S.F.), more or less.

See attached Exhibit "A-A".

Written by: R.J.W.
Checked by: C.A.G.

L8:L69

9208240297

BK 0803PG2766

ESM inc.



A CIVIL ENGINEERING, LAND SURVEY, AND PROJECT MANAGEMENT CONSULTING FIRM

WRECO - Dupont
Job No. 129-08-945
December 18, 1991

**LEGAL DESCRIPTION
FOR PARCEL "B"**

That portion of the Southeast quarter of Section 23 AND of the Southwest quarter of Section 24 AND of the Northwest quarter of Section 25 AND of the Northeast quarter of Section 26, ALL in Township 19 North, Range 1 East, W.M., Pierce County, Washington, more particularly described as follows:

COMMENCING at the Northwest corner of the East half of said Section 23;

THENCE along the West line of said East half, S 02°06'15" W, 4042.33 feet to the TRUE POINT OF BEGINNING;

THENCE continuing along said West line, S 02°06'15" W, 1275.17 feet to the Northwest corner of said Northeast quarter of Section 26;

THENCE along the West line of said Northeast quarter S 01°40'37" W, 1495.57 feet to a point of non-tangent curvature on the proposed Right-of-Way margin of Center Drive;

THENCE Northerly and Easterly along said proposed margin, the following bearings and distances:

Northeasterly 1565.64 feet along the arc of a non-tangent curve to the right, having a radius of 1560.00 feet, the radius point of which bears S 48°41'07" E, through a central angle of 57°30'10" to a point of tangency;

S 81°10'57" E, 171.22 feet to a point of curvature;

Southeasterly 417.54 feet along the arc of a tangent curve to the left, having a radius of 2440.00 feet, through a central angle of 09°48'17" to a point of compound curvature;

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December 18, 1991
Page 2

Northeasterly 38.01 feet along the arc of a tangent curve to the left, having a radius of 25.00 feet, through a central angle of 87°06'35";

N 01°54'11" E, 11.41 feet to a point of curvature;

Northeasterly 60.16 feet along the arc of a non-tangent curve to the left, having a radius of 2405.00 feet, the radius point of which bears N 01°35'45" W, through a central angle of 01°26'00";

S 01°54'11" W, 7.76 feet to a point of curvature;

Southeasterly 41.67 feet along the arc of a tangent curve to the left, having a radius of 25.00 feet, through a central angle of 95°30'26" to a point of compound curvature;

Northeasterly 11.02 feet along the arc of a tangent curve to the left, having a radius of 2440.00 feet, through a central angle of 00°15'31";

N 86°08'14" E, 653.40 feet to a point of curvature;

THENCE along the Northerly Right-of-Way margin of Center Drive as filed under Recording No. 9011270235, Northeasterly 135.59 feet along the arc of a tangent curve to the right, having a radius of 2560.00 feet, through a central angle of 03°02'04";

THENCE N 01°53'56" E, 1541.20 feet;

THENCE N 65°15'22" W, 636.27 feet to the Southeasterly corner of that parcel of land as shown by deed filed under Recording No. 9101040283;

THENCE along the Southwesterly line of said parcel continuing N 65°15'22" W, 300.00 feet to the Southwesterly corner thereof;

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WRECO - Dupont
December 18, 1991
Page 3

THENCE along the Westerly line of said parcel,
N 06°47'23" W, 256.74 feet;

THENCE N 87°58'13" W, 1986.87 feet to the TRUE POINT OF
BEGINNING.

Containing 142.527 acres, more or less.

See attached Exhibit "A-A".

Written by: R.J.W.
Checked by: C.A.G.

L9:L52



BK 0803PG2769

ESM inc.



A CIVIL ENGINEERING, LAND SURVEY, AND PROJECT MANAGEMENT CONSULTING FIRM

WRECO - Dupont
Job No. 129-08-945
December 17, 1991

**LEGAL DESCRIPTION
FOR PARCEL "C"**

That portion of the Southeast quarter of Section 23 and the Southwest quarter of Section 24, Township 19 North, Range 1 East, W.M., Pierce County, Washington, being more particularly described as follows:

COMMENCING at the Northwest corner of the East half of said Section 23;

THENCE along the Westerly line of said East half,
S 02°06'15" W, 4042.33 feet;

THENCE S 87°58'13" E, 1986.87 feet to the Westerly line of a parcel of land conveyed by deed as filed under Recording No. 9101040283, Records of Pierce County, Washington;

THENCE along said Westerly line, S 06°47'23" E, 256.74 feet to the Southwesterly corner thereof;

THENCE along the Southwesterly line of said parcel,
S 65°15'22" E, 300.00 feet to the Southeasterly corner thereof and the TRUE POINT OF BEGINNING;

THENCE along the Southeasterly line of said parcel,
N 24°44'38" E, 359.51 feet to the Southerly line of the Puget Sound Outfall Channel;

THENCE along said Southerly line, S 55°28'12" E, 138.17 feet to a point of curvature;

THENCE continuing along said Southerly line, Southeasterly 350.80 feet along the arc of a tangent curve to the left, having a radius of 672.86 feet, through a central along of 29°52'17";

THENCE S 01°53'56" W, 398.40 feet;

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December 17, 1991
Page 2

THENCE N 65°15'22" W, 636.27 feet to the TRUE POINT OF
BEGINNING;

Containing 4.406 acres (191,921 Square Feet), more or less.

See attached Exhibit "A-A".

Written by: R.J.W.
Checked by: C.A.G.

L9:L51



9208240297

BK 0803PG2771

ESM inc.



A CIVIL ENGINEERING, LAND SURVEY, AND PROJECT MANAGEMENT CONSULTING FIRM

WRECO - Dupont
Job No. 129-08-945
December 24, 1991

LEGAL DESCRIPTION FOR PARCEL 'G'

That portion of the North half of Section 26, Township 19 North, Range 1 East, W.M., Pierce County, Washington, being more particularly described as follows:

COMMENCING at the Southeast corner of the Northeast quarter of the Northeast quarter of Section 35, Township 19 North, Range 1 East, W.M., said point also known as Fort Lewis Monument No. 270;

THENCE N 18°18'29" W, along the Westerly line of a tract of land conveyed by Donation Deed from the Weyerhaeuser Company to the City of Dupont dated January 14, 1977, 1028.66 feet to the Southerly line of a tract of land conveyed by Donation Deed recorded in Volume 358, Page 158 under Recording No. 8609160527, said point being on a non-tangent curve;

THENCE along the Southerly and Westerly lines of said tract of land, the following courses:

Northwesterly 670.61 feet along the arc of a non-tangent curve to the right, having a radius 892.44 feet, the radius point of which bears N 00°23'11" E, through a central angle of 43°03'14" to a point of tangency;

N 46°33'35" W, 452.09 feet;

N 36°28'56" E, 992.63 feet;

N 34°42'17" E, 349.18 feet;

N 82°01'00" E, 314.64 feet;

N 61°15'31" E, 473.55 feet;

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December 20, 1991
Page 2

S 53°33'57" E, 40.02 feet to the Southwesterly corner
of the Plat of "Bell Hill" as filed under Recording No.
9109060562;

THENCE along the Westerly line of said plat, N 01°53'56" E,
1039.86 feet to the Northwesterly corner thereof;

THENCE N 01°53'56" E, 1678.66 feet to the Southerly Right-
of-Way margin of Center Drive as filed under Recording No.
9011270235;

THENCE along said Southerly Right-of-Way margin,
Southwesterly 123.51 feet along the arc of a non-tangent
curve to the left, having a radius of 2440.00 feet, the
radius point of which bears S 00°57'45" E, through a central
angle of 02°54'01" to a point of tangency;

THENCE along the proposed Southerly Right-of-Way margin of
Center Drive, the following bearings and distances:

S 86°08'14" W, 653.40 feet to a point of curvature;

Westerly 27.79 feet along the arc of a tangent curve to
the right, having a radius of 2560.00 feet, through a
central angle of 00°37'19" to a point of reverse
curvature;

Southwesterly 37.03 feet along the arc of a tangent
curve to the left, having a radius of 25.00 feet,
through a central angle of 84°51'22" to a point of
tangency;

S 01°54'11" W, 12.16 feet to a point of curvature;

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WRECO - Dupont
December 20, 1991
Page 3

Westerly 60.14 feet along the arc of a non-tangent curve to the right, having a radius of 2595.00 feet, the radius point of which bears N 02°40'02" W, through a central angle of 01°19'40";

N 01°54'11" E, 8.72 feet to a point of curvature;

Northwesterly 40.45 feet along the arc of a tangent curve to the left, having a radius of 25.00 feet, through a central angle of 92°42'00" to a point of reverse curvature;

Westerly 429.58 feet along the arc of a tangent curve to the right, having a radius of 2560.00 feet, through a central angle of 09°36'52" to a point of tangency;

N 81°10'57" W, 171.22 feet to a point of curvature;

Westerly 147.08 feet along the arc of a tangent curve to the left, having a radius of 1440.00 feet, through a central angle of 05°51'08" to the TRUE POINT OF BEGINNING;

THENCE S 00°00'00" E, 924.13 feet to the Northerly line of Edmonds Marsh as shown on that Record of Survey filed under Recording No. 8909110090;

THENCE along said line, the following bearings and distances:

N 86°37'42" W, 69.42 feet;

S 89°18'38" W, 59.70 feet;

N 80°41'44" W, 54.47 feet;

N 88°42'41" W, 158.24 feet;

N 88°59'08" W, 77.63 feet;

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WRECO - Dupont
December 20, 1991
Page 4

N 88°19'18" W, 87.67 feet;

N 88°57'25" W, 67.06 feet;

N 88°42'48" W, 56.34 feet;

N 89°00'38" W, 54.55 feet to the thread of Sequalitchew
Creek;

THENCE along said thread, the following bearings and
distances:

N 26°38'57" W, 99.32 feet;

N 76°20'59" W, 34.54 feet to the most Southeasterly
corner of that parcel of land shown on that Record of
Survey filed under Pierce County Recording No.
9009270165;

THENCE along the most Easterly line of said parcel,
N 15°36'05" E, 184.78 feet to the Northeasterly corner
thereof;

THENCE along the Northerly line of said Parcel,
N 74°23'55" W, 471.32 feet to said proposed Southerly Right-
of-Way margin of Center Drive;

THENCE along said proposed Southerly margin, the following
bearings and distances:

Northeasterly 1020.47 feet along the arc of a non-
tangent curve to the right, having a radius of
1440.00 feet, the radius point of which bears
S 49°19'01" E, through a central angle of
40°36'11" to a point of compound curvature;

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December 20, 1991
Page 5

Southeasterly 40.24 feet along the arc of a tangent curve to the right, having a radius of 25.00 feet, through a central angle of $92^{\circ}13'40''$ to a point of tangency;

S $06^{\circ}29'10''$ E, 9.25 feet to a point of curvature;

Northeasterly 60.01 feet along the arc of a non-tangent curve to the right, having a radius of 1405.00 feet, the radius point of which bears S $07^{\circ}42'35''$ E, through a central angle of $02^{\circ}26'49''$;

N $06^{\circ}29'10''$ W, 9.25 feet to a point of curvature

Northeasterly 40.24 feet along the arc of a tangent curve to the right, having a radius of 25.00 feet, through a central angle of $92^{\circ}13'39''$ to a point of compound curvature;

Easterly 181.56 feet along the arc of a tangent curve to the right, having a radius of 1440.00 feet, through a central angle of $07^{\circ}13'26''$ to the TRUE POINT OF BEGINNING;

Containing 16.989 acres (740,025 Square Feet), more or less.

See attached Exhibit "A-A".

Written by: C.A.G.
Checked by: R.J.W.

L9:L57



BK0803PG2776

ESM inc.



A CIVIL ENGINEERING, LAND SURVEY, AND PROJECT MANAGEMENT CONSULTING FIRM

WRECO
Job No. 129-08-945
December 20, 1991

LEGAL DESCRIPTION
FOR PARCEL "H"

That portion of the West half of Section 25 and of the East half of Section 26, Township 19 North, Range 1 East, W.M., Pierce County, Washington, more particularly described as follows:

COMMENCING at the Southeast corner of the Northeast quarter of the Northeast quarter of Section 35, Township 19 North, Range 1 East, W.M., said point also known as Fort Lewis Monument No. 270;

THENCE N 18°18'29" W, along the Westerly line of a tract of land conveyed by a Donation Deed from the Weyerhaeuser Company to the City of Dupont dated January 14, 1977, 1028.66 feet to the Southerly line of a tract of land conveyed by a Donation Deed recorded in Volume 358, Page 158 under Recording Number 8609160527, said point being on a non-tangent curve;

THENCE along the Southerly and Westerly lines of said tract of land the following courses:

Northwesterly 670.61 feet along the arc of a non-tangent curve to the right, having a radius 892.44 feet, the radius point of which bears N 00°23'11" E, through a central angle of 43°03'14" to a point of tangency;

N 46°33'35" W, 452.09 feet;

N 36°28'56" E, 992.63 feet;

N 34°42'17" E, 349.18 feet;

N 82°01'00" E, 314.64 feet;

N 61°15'31" E, 473.55 feet;

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WRECO
December 20, 1991
Page 2

S 53°33'57" E, 40.02 feet to the Southwesterly corner
of the Plat of "Bell Hill" as filed under Recording No.
9109060562;

THENCE along the Westerly line of said plat, N 01°53'56" E,
1039.86 feet to the Northwesterly corner thereof on the
thread of Sequalitchew Creek and the TRUE POINT OF
BEGINNING;

THENCE along said thread the following bearings and
distances:

N 89°02'32" W, 93.10 feet
N 81°19'16" W, 92.44 feet;
N 85°20'45" W, 85.96 feet;
N 86°49'23" W, 125.85 feet;
N 86°06'31" W, 102.77 feet;
S 84°38'01" W, 74.58 feet;
S 80°06'16" W, 81.17 feet;
S 85°00'54" W, 80.26 feet;
N 84°11'22" W, 68.89 feet;
S 90°00'00" W, 62.82 feet;
N 81°19'16" W, 92.44 feet;
N 65°23'44" W, 50.25 feet;
N 76°16'32" W, 88.19 feet;

9208240297

BK0803PG2778

WRECO
December 20, 1991
Page 3

N 70°38'40" W, 42.09 feet;
N 74°49'03" W, 53.26 feet;
N 83°02'16" W, 57.54 feet;
N 81°19'16" W, 46.22 feet;
N 67°51'05" W, 37.00 feet;
S 50°51'04" W, 22.09 feet;
S 45°40'09" W, 39.92 feet;
S 76°16'32" W, 29.40 feet;
S 90°00'00" W, 17.13 feet;
N 47°30'54" W, 30.98 feet;
N 48°54'13" W, 53.05 feet;
N 50°51'04" W, 44.19 feet;
N 58°35'35" W, 53.54 feet;
N 39°18'52" W, 45.07 feet;
N 52°08'59" W, 79.57 feet;
N 58°35'35" W, 53.54 feet;
N 50°51'04" W, 88.38 feet;
N 58°17'13" W, 26.54 feet;
N 49°28'35" W, 75.14 feet;

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WRECO
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N 53°46'13" W, 35.40 feet;

N 65°23'44" W, 50.25 feet;

N 63°58'00" W, 31.78 feet;

N 67°51'05" W, 37.00 feet;

N 58°35'35" W, 40.15 feet;

N 45°40'09" W, 79.84 feet;

N 39°39'04" W, 35.80 feet;

N 49°55'53" W, 237.42 feet;

N 19°57'57" W, 49.35 feet to the Northerly line of
Edmonds Marsh as shown on that Record of Survey filed
under Recording No. 8909110090;

THENCE along said Northerly line, the following bearings and
distances:

S 89°00'38" E, 54.55 feet;

S 88°42'48" E, 56.34 feet;

S 88°57'25" E, 67.06 feet;

S 88°19'18" E, 87.67 feet;

S 88°59'08" E, 77.63 feet;

S 88°42'41" E, 158.24 feet;

S 80°41'44" E, 54.47 feet;

BK0803PG2780

WRECO
December 20, 1991
Page 5

N 89°18'38" E, 59.70 feet;

S 86°37'42" E, 69.42 feet;

THENCE N 00°00'00" W, 924.13 feet to a point of non-tangent curvature on the proposed Southerly Right-of-Way margin of Center Drive;

THENCE along the said proposed Southerly margin, the following bearings and distances:

Easterly 147.08 feet along the arc of the non-tangent curve to the right, having a radius of 1440.00 feet, the radius point of which bears S 02°57'55" W, through a central angle of 05°51'08" to a point of tangency:

S 81°10'57" E, 171.22 to a point of curvature:

Easterly 429.56 feet along the arc of a tangent curve to the left, having a radius of 2560.00 feet, through a central angle of 09°36'52" to a point reverse curvature;

Southeasterly 40.45 feet along the arc of a tangent curve to the right, having a radius of 25.00 feet, through a central angle of 92°42'00" to a point of tangency;

S 01°54'11" W, 8.72 feet to a point of curvature:

Easterly 60.14 feet along the arc of a non-tangent curve to the left, having a radius of 2595.00 feet, the radius point of which bears N 01°20'21" W, through a central angle of 01°19'40";

N 01°54'11" E, 12.16 feet to a point of curvature;

BK0803PG2781

WRECO
December 20, 1991
Page 6

Northeasterly 37.03 feet along the arc of a tangent curve to the right, having a radius of 25.00 feet, through a central angle of $84^{\circ}51'22''$ to a point of reverse curvature;

Easterly 27.79 feet along the arc of a tangent curve to the left, having a radius of 2560.00 feet, through a central angle of $00^{\circ}37'19''$ to a point of tangency;

N $86^{\circ}08'14''$ E, 653.40 feet to a point of curvature;

THENCE along the Southerly Right-of-Way margin of Center Drive as filed under Recording No. 9011270235, Northeasterly 123.51 feet along the arc of a tangent curve to the right, having a radius of 2440.00 feet, through a central angle of $02^{\circ}54'01''$;

THENCE S $01^{\circ}53'56''$ W, 1678.66 feet to the TRUE POINT OF BEGINNING;

Containing 64.202 acres, more or less.

See attached Exhibit "A-A".

Written by: R.J.W.
Checked by: C.A.G.

L9:L53



12/24/91

BK 0803PG2782

ESM inc.



A CIVIL ENGINEERING, LAND SURVEY, AND PROJECT MANAGEMENT CONSULTING FIRM

Job No. 129-08-945
WRECO - Dupont
December 20, 1991
Revised June 4, 1992

LEGAL DESCRIPTION OF PARCEL 'N'

That portion of Section 35, Township 19 North, Range 1 East, W.M., Pierce County, Washington, being more particularly described as follows:

COMMENCING at the Southeast corner of the Northeast quarter of the Northeast quarter of said Section 35, said point also known as Fort Lewis Monument No. 270;

THENCE S 18°18'29" E, along the Westerly line of a parcel of land as shown by Record of Survey recorded in Volume 473, Page 378, under Recording No. 8803030092, Records of Pierce County, Washington, 657.71 feet to a point on the Northerly right-of-way margin of Wilmington Drive;

THENCE S 71°38'24" W, along said Northerly margin, 1494.76 feet to a point of curvature AND the TRUE POINT OF BEGINNING;

THENCE Southwesterly 625.63 feet along the arc of a tangent curve to the right, having a radius of 1443.50 feet, through a central angle of 24°49'58" to a point of compound curvature;

THENCE Northwesterly 40.42 feet along the arc of a tangent curve to the right, having a radius of 25.00 feet, through a central angle of 92°37'35" to a point of tangency;

THENCE N 09°05'57" E, 338.66 feet to a point of curvature;

THENCE Northeasterly 368.02 feet along the arc of a tangent curve to the right, having a radius of 660.00 feet, through a central angle of 31°56'53" to a point of tangency;

THENCE N 41°02'50" E, 272.68 feet to a point of curvature;

THENCE Northeasterly 284.39 feet along the arc of tangent curve to the left, having a radius of 740.00 feet, through a central angle of 22°01'10";

BK0803PG2783

WRECO - Dupont
December 20, 1991
Revised June 4, 1992
Page 2

THENCE N 70°58'20" W, 80.00 feet to a point of curvature;

THENCE northwesterly 342.93 feet along the arc of non-tangent curve to the right, having a radius of 300.00 feet, the radius point of which bears N 13°52'12" E, through a central angle of 65°29'38";

THENCE S 83°45'40" W, 725.09 feet to the proposed easterly Right-of-Way margin of Center Drive;

THENCE along said proposed easterly margin, the following courses:

Southwesterly 270.86 feet along the arc of the non-tangent curve to the right, having a radius of 1560.00 feet, the radius point of which bears N 67°14'33" W, through a central angle of 09°56'53" to a point of reverse curvature;

Southwesterly 1494.73 feet along the arc of a tangent curve to the left, having a radius of 2740.00 feet, through a central angle of 31°15'22" to a point of tangency;

S 01°26'58" W, 173.21 feet to the Northwestern Right-of-Way margin of Wilmington Drive;

THENCE along said Northwestern margin, N 71°38'24" E, 1785.24 feet to the TRUE POINT OF BEGINNING.

Containing 40.246 acres, more or less.

See attached Exhibit "A-A".

Written by: R.J.W.
Checked by: C.A.G.

L10:L56



9208240297

BK0803PG2784

ESM inc.



A CIVIL ENGINEERING, LAND SURVEY, AND PROJECT MANAGEMENT CONSULTING FIRM

Job No. 129-08-944
WRECO - Dupont
Revised December 20, 1991

LEGAL DESCRIPTION OF PARCEL 'O'

That portion of the Northwest quarter of Section 36 and of the East half of Section 35, Township 19 North, Range 1 East, W.M., City of Dupont, Pierce County, Washington, more particularly described as follows:

BEGINNING at the Southeast corner of the Northeast quarter of the Northeast quarter of said Section 35, said point also known as Fort Lewis Monument No. 270;

THENCE S 18°18'29" E, along the Westerly line of a parcel of land as shown by Record of Survey recorded in Volume 473, Page 378, under Recording No. 8803030092, Records of Pierce County, Washington, 657.71 feet to a point on the Northerly Right-of-Way margin of Wilmington Drive;

THENCE S 71°38'24" W, along said Northerly margin, 1494.76 feet to a point of curvature;

THENCE Southwesterly 625.63 feet along the arc of a tangent curve to the right, having a radius of 1443.50 feet, through a central angle of 24°49'58" to a point of compound curvature;

THENCE Northwesterly 40.42 feet along the arc of a tangent curve to the right, having a radius of 25.00 feet, through a central angle of 92°37'35" to a point of tangency;

THENCE N 09°05'57" E, 338.66 feet to a point of curvature;

THENCE Northeasterly 368.02 feet along the arc of a tangent curve to the right, having a radius of 660.00 feet, through a central angle of 31°56'53" to a point of tangency;

THENCE N 41°02'50" E, 272.68 feet to a point of curvature;

THENCE Northeasterly 610.72 feet along the arc of tangent curve to the left, having a radius of 740.00 feet, through a central angle of 47°17'11";

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Revised December 20, 1991
Page 2

THENCE N 71°41'31" E, 1126.36 feet to the Westerly line of a tract of land conveyed by a Donation Deed from the Weyerhaeuser Company to the City of Dupont dated January 14, 1977;

THENCE S 18°18'29" E, along said Westerly line, 693.66 feet to the POINT OF BEGINNING;

Containing 51.618 acres, more or less.

See attached Exhibit "A-A".

Written by: R.J.W.
Checked by: C.A.G.

L9:L54



12/24/91

BK0803PG2786

ESM inc.

A CIVIL ENGINEERING, LAND SURVEY, AND PROJECT MANAGEMENT CONSULTING FIRM



WRECO - Dupont
Job No. 129-08-945
December 24, 1991

LEGAL DESCRIPTION FOR PARCEL "R"

That portion of the Southwest quarter of Section 25 AND of the Northwest quarter of Section 36, Township 19 North, Range 1 East, W.M., Pierce County, Washington, more particularly described as follows:

COMMENCING at Fort Lewis Monument No. 262, as shown on that Record of Survey by ESM, Inc., filed under Pierce County Recording No. 8806170120;

THENCE S 87°57'04" E, 572.46 feet to the Westerly Right-of-Way margin of Dupont-Steilacoom Road;

THENCE along said Westerly margin, S 01°42'01" W, 1488.92 feet to the Southeasterly corner of the Plat of "Bell Hill", as filed under Pierce County Recording No. 9109060562 AND the TRUE POINT OF BEGINNING;

THENCE continuing along said Westerly margin, the following bearings and distances:

S 01°42'01" W, 74.27 feet to a point of curvature;

Southwesterly 569.42 feet along the arc of a tangent curve to the right, having a radius of 1646.32 feet, through a central angle of 19°49'02" to a point of tangency;

S 21°31'03" W, 234.07 feet;

S 31°28'44" W, 757.30 feet to the Southerly line of a 15.00 foot easement granted to Pierce County School District No. 7 for a path;

THENCE along said Southerly line, the following bearings and distances:

N 74°06'39" W, 6.70 feet;

N 77°04'23" W, 137.26 feet

BK0803PG2787

WRECO - Dupont
December 24, 1991
Page 2

N 80°53'53" W, 149.55 feet;

N 83°27'53" W, 83.30 feet to the Southeasterly corner
of Block "L", as shown on the Plat of "Replat of the
Village of Dupont", filed in Volume 15, Page 66,
Records of Pierce County, Washington;

THENCE along the Southeasterly line of said Block "L",
N 37°31'09" E, 120.15 feet to the Northeasterly corner
thereof and point on the Easterly line of that tract of land
conveyed by Deed filed in Volume 358, Page 158 under
Recording No. 8609160527;

THENCE along the Easterly and Northeasterly lines of said
tract, the following bearings and distances:

N 37°31'09" E, 300.72 feet;

N 50°54'48" W, 39.71 feet;

N 20°15'28" E, 177.79 feet;

N 08°05'30" E, 148.69 feet;

N 18°28'36" E, 97.46 feet;

N 10°27'09" W, 109.27 feet;

N 10°49'00" E, 83.70 feet;

N 39°55'19" W, 402.16 feet;

N 49°44'03" W, 138.48 feet;

N 41°21'42" W, 83.79 feet;

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WRECO - Dupont
December 24, 1991
Page 3

N 47°49'04" W, 99.24 feet to the Southerly line of said
Plat of "Bell Hill";

THENCE along said Southerly line, the following bearings and
distances:

N 86°09'51" E, 566.26 feet;
S 30°02'50" E, 56.31 feet;
N 81°03'07" E, 56.42 feet;
N 76°19'50" E, 49.78 feet;
S 80°24'24" E, 25.68 feet;
S 86°11'31" E, 41.36 feet;
S 77°20'45" E, 37.53 feet;
N 82°37'33" E, 40.92 feet;
N 83°03'30" E, 29.71 feet;
S 71°21'32" E, 35.46 feet;
S 73°42'35" E, 28.67 feet;
S 61°30'59" E, 58.65 feet;
N 87°41'02" E, 42.60 feet;
S 37°31'32" E, 35.01 feet;
N 74°09'45" E, 57.08 feet;

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WRECO - Dupont
December 24, 1991
Page 4

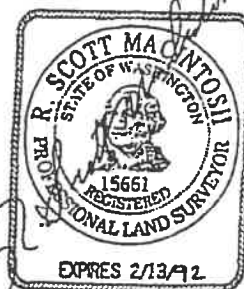
S 88°17'59" E, 24.03 feet to the TRUE POINT OF
BEGINNING;

Containing 20.394 acres (888,372 Square Feet), more or less.

See attached Exhibit "A-A".

Written by: R.J.W.
Checked by: C.A.G.

L9:L59



BK0803PG2790

ESM inc.



A CIVIL ENGINEERING, LAND SURVEY, AND PROJECT MANAGEMENT CONSULTING FIRM

WRECO - Dupont
Job No. 129-08-945
December 24, 1991

LEGAL DESCRIPTION FOR PARCEL "S"

That portion of the North half of Section 36, Township 19 North, Range 1 East, W.M., Pierce County, Washington, more particularly described as follows:

COMMENCING at Fort Lewis Monument No. 262, as shown on that Record of Survey by ESM, Inc., filed under Pierce County Recording No. 8806170120;

THENCE S 87°57'04" E, 612.46 feet to the centerline of Dupont-Steilacoom Road;

THENCE along said centerline, S 01°42'01" W, 1562.95 feet to a point of curvature;

THENCE continuing along said centerline, Southwesterly 583.26 feet along the arc of a tangent curve to the right, having radius of 1686.32 feet, through a central angle of 19°49'02";

THENCE S 68°28'57" E, 40.00 feet to the Easterly Right-of-Way margin of said Dupont-Steilacoom Road;

THENCE along said Easterly margin, S 21°31'03" W, 203.31 feet to the Northwesterly corner of that tract of land shown on said Record of Survey by ESM, Inc., and the TRUE POINT OF BEGINNING;

THENCE along the Northerly, Easterly, and Southerly lines of said tract of land, the following bearings and distances:

N 90°00'00" E, 176.67 feet;

S 01°38'51" W, 418.71 feet;

S 88°17'10" E, 291.10 feet;

S 01°40'18" W, 272.90 feet;

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WRECO - Dupont
December 24, 1991
Page 2

S 71°38'03" W, 754.43 feet along the Southerly line of said tract and the Westerly extension thereof to the Northerly Right-of-Way margin of Barksdale Avenue;

THENCE along said Northerly margin, N 61°50'14" W, 85.47 feet to a point of non-tangent curvature on the old Westerly Right-of-Way margin of said Dupont-Steilacoom Road;

THENCE along said Westerly margin, Northeasterly 210.85 feet along the arc of non-tangent curve to the right, having a radius of 956.32 feet, the radius point of which bears N 86°32'46" E, through a central angle of 12°37'58" to the Southerly line of a 15 foot easement granted to Pierce County School District No. 7 for a path;

THENCE along said Southerly line, N 74°06'39" W, 62.47 feet to the Southeasterly Right-of-Way margin of Wilmington Drive;

THENCE along said Southeasterly margin, N 31°28'44" E, 694.17 feet to said Easterly margin of Dupont-Steilacoom Road;

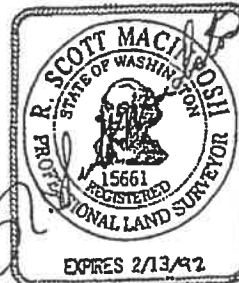
THENCE along said Easterly margin, N 21°31'03" E, 83.97 feet to the TRUE POINT OF BEGINNING;

Containing 10.006 acres (435,866 Square Feet), more or less.

See attached Exhibit "A-A".

Written by: R.J.W.
Checked by: C.A.G.

L9:L58



BK0803PG2792

ESM inc.



A CIVIL ENGINEERING, LAND SURVEY, AND PROJECT MANAGEMENT CONSULTING FIRM

Dupont
Job No. 129-08-880
March 21, 1990
Revised March 23, 1990

**LEGAL DESCRIPTION
FOR PARCEL "T"**

That portion of the Southeast quarter of Section 23,
Township 19 North, Range 1 East, W.M., Pierce County, State
of Washington, and being more particularly described as
follows:

COMMENCING at a concrete monument known as Fort Lewis
Monument #259;

THENCE S 01°31'31" W, 198.25 feet to a point lying on the
Westerly boundary of the Fort Lewis Military Reservation;

THENCE N 55°28'12" W, 2453.93 feet to a concrete monument on
the Southwesterly margin of the Puget Sound Outfall Channel
per Records of Pierce County, Washington recorded under
Auditor's File No. 1674527 and said monument being a point
of tangency;

THENCE continuing N 55°28'12" W, 138.17 feet along said
Southwesterly margin of the Puget Sound Outfall Channel to
the TRUE POINT OF BEGINNING;

THENCE continuing along said Southwesterly margin,
N 55°28'12" W, 238.07 feet to a point of intersection with
the Easterly prolongation of the Northerly margin of a
90 foot wide Puget Sound Power and Light Company
Transmission Line Easement;

THENCE along said Easterly prolongation, N 87°58'13" W,
268.09 feet to a point of intersection with the said
Northerly margin of the Puget Power and Light Company
Transmission Line Easement and the centerline of a 25.00
foot sanitary sewer easement per records of Pierce County,
Washington, recorded under Auditor's File No. 1310652;

BK0803PG2793

Job No. 129-08-880
March 21, 1990
Revised 23, 1990
Page 2

THENCE along said centerline, S 06°47'23" E, 347.82 feet to the centerline of a 45.00 foot strip of land containing said 25.00 foot sanitary sewer easement as filed under Auditor's File No. 1310652 and a 20.00 foot sanitary sewer easement as filed under Auditor's File No. 1836680 per records of Pierce County, Washington;

THENCE along said centerline, S 65°15'22" E, 300.00 feet;

THENCE N 24°44'38" E, 359.51 feet to the TRUE POINT OF BEGINNING.

Containing 148,104 square feet, more or less.

TOGETHER WITH a 40.00 foot easement for ingress-egress, Auditor's File Nos. 2865571, 2925465, and 8401170060, Records of Pierce County, Washington.

See attached Exhibit "A-A".

Written: RSM
Checked: RJW

15:151

BK0803PG2794

ESM inc.



A CIVIL ENGINEERING, LAND SURVEY, AND PROJECT MANAGEMENT CONSULTING FIRM

WRECO - Dupont
Job No. 129-08-945
December 20, 1991
Revised June 4, 1992

**LEGAL DESCRIPTION
FOR PARCEL 'X'**

That portion of the Northeast quarter of Section 35, Township 19 North, Range 1 East, W.M., Pierce County, Washington, more particularly described as follows:

COMMENCING at the southeast corner of the northeast quarter of the northeast quarter of said Section 35, said point also known as Fort Lewis Monument No. 270;

THENCE S 18°18'29" E, along the westerly line of a parcel of land as shown by Record of Survey recorded in Volume 473, Page 378, under Recording No. 8803030092, Records of Pierce County, Washington, 657.71 feet to a point on the northerly Right-of-Way margin of Wilmington Drive;

THENCE S 71°38'24" W, along said northerly margin, 1494.76 feet to a point of curvature;

THENCE southwesterly 625.63 feet along the arc of a tangent curve to the right, having a radius of 1443.50 feet, through a central angle of 24°49'58" to a point of compound curvature;

THENCE northwesterly 40.42 feet along the arc of a tangent curve to the right, having a radius of 25.00 feet, through a central angle of 92°37'35" to a point of tangency;

THENCE N 09°05'57" E, 338.66 feet to a point of curvature;

THENCE northeasterly 368.02 feet along the arc of a tangent curve to the right, having a radius of 660.00 feet, through a central angle of 31°56'53" to a point of tangency;

THENCE N 41°02'50" E, 272.68 feet to a point of curvature;

THENCE northeasterly 284.39 feet along the arc of tangent curve to the left, having a radius of 740.00 feet, through a central angle of 22°01'10";

BK0803PG2795

WRECO - Dupont
December 20, 1991
Revised June 4, 1992
Page 2

THENCE N 70°58'20" W, 80.00 feet to a point of curvature;

THENCE northwesterly 342.93 feet along the arc of non-tangent curve to the right, having a radius of 300.00 feet, the radius point of which bears N 13°52'12" E, through a central angle of 65°29'38";

THENCE N 83°45'40" E, 90.38 feet to the TRUE POINT OF BEGINNING;

THENCE S 83°45'40" W, 815.47 feet to the proposed easterly Right-of-Way margin of Center Drive;

THENCE along said proposed easterly margin, Northeasterly 626.57 feet along the arc of a non-tangent curve to the left, having a radius of 1560.00 feet, the radius point of which bears N 67°14'33" W, through a central angle of 23°00'46";

THENCE N 86°52'43" E, 61.88 feet to a point of curvature;

THENCE easterly 126.70 feet along the arc of a tangent curve to the left, having a radius of 478.00 feet, through a central angle of 15°11'12" to a point of tangency;

THENCE N 71°41'31" E, 499.88 feet;

THENCE S 18°18'29" E, 490.63 feet to a point of curvature;

THENCE Southwesterly 248.05 feet along the arc of a non-tangent curve to the left, having a radius of 210.00 feet, the radius point of which bears S 22°16'30" E, through a central angle of 67°40'35" to a point of non-tangency;

THENCE S 06°14'20" E, 46.00 feet to the TRUE POINT OF BEGINNING.

9208240297

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WRECO - Dupont
December 20, 1991
Revised June 4, 1992
Page 3

Containing 11.344 acres, more or less.

See Exhibit "A-A".

Written by: R.J.W.
Checked by: C.A.G.

L10:L57



BK0803PG2797

ESM inc.



A CIVIL ENGINEERING, LAND SURVEY, AND PROJECT MANAGEMENT CONSULTING FIRM

Dupont
129-08-908
October 19, 1990

**LEGAL DESCRIPTION
FOR NWL INDUSTRIAL PARK DIVISION I**

Those portions of the Southwest quarter of Section 24 and of the Northwest quarter of Section 25 all in Township 19 North, Range 1 East, W.M., Pierce County, Washington, more particularly described as follows:

COMMENCING at Fort Lewis Monument Number 262 as shown on that Record of Survey by ESM, Inc. filed under Pierce County Recording Number 8806170120;

THENCE S 87°57'04" E, 572.46 feet to the Westerly margin of Dupont-Steilacoom Highway as established 40 feet Westerly of the centerline thereof;

THENCE along said Westerly margin, N 01°42'01" E, 2466.04 feet to the TRUE POINT OF BEGINNING;

THENCE N 88°17'59" W, 10.00 feet to a line 10 feet Westerly of and parallel with said Westerly margin;

THENCE along said parallel line, S 01°42'01" W, 305.60 feet to a point of curvature;

THENCE Southwesterly 54.98 feet along the arc of a tangent curve to the right, having a radius of 35.00 feet, through a central angle of 90°00'00" to a point of tangency to a point on the Northerly, Easterly, and Westerly right-of-way margin of Center Drive and International Place the following bearings and distances:

N 88°17'59" W, 398.72 feet to a point of curvature;

Northwesterly 584.05 feet along the arc of a tangent curve to the right, having a radius of 2440.00 feet, through a central angle of 13°42'53" to a point of tangency;

N 74°35'06" W, 42.16 feet to a point of curvature;

BK0803PG2798

Dupont
October 19, 1990
Page 2

Northerly 54.98 feet along the arc of a tangent curve to the right, having a radius of 35.00 feet, through a central angle of $90^{\circ}00'00''$ to a point of tangency;

N $15^{\circ}24'54''$ E, 168.48 feet to a point of curvature;

Northerly 405.56 feet along the arc of a tangent curve to the left, having a radius of 1630.00 feet, through a central angle of $14^{\circ}15'22''$ to a point of tangency;

N $01^{\circ}09'32''$ E, 973.11 feet to a point of curvature;

Northeasterly 26.44 feet along the arc of a tangent curve to the right, having a radius of 25.00 feet, through a central angle of $60^{\circ}35'20''$ to a point of reverse curvature;

Northerly, Westerly and Southerly 457.32 feet along the arc of a tangent curve to the left, having a radius of 87.00 feet, through a central angle of $301^{\circ}10'41''$ to a point of reverse curvature;

Southerly 26.44 feet along the arc of a tangent curve to the right, having a radius of 25.00 feet, through a central angle of $60^{\circ}35'20''$ to a point of tangency;

S $01^{\circ}09'32''$ W, 973.11 feet to a point of curvature;

Scutherly 390.63 feet along the arc of a tangent curve to the right, having a radius of 1570.00 feet, through a central angle of $14^{\circ}15'22''$ to a point of tangency;

S $15^{\circ}24'54''$ W, 168.48 feet to a point of curvature;

Southwesterly 54.98 feet along the arc of a tangent curve to the right, having a radius of 35.00 feet, through a central angle of $90^{\circ}00'00''$ to a point of tangency;

BK0803PG2799

Dupont
October 19, 1990
Page 3

N 74°35'06" W, 423.37 feet to a point of curvature;

Westerly 725.75 feet along the arc of a tangent curve to the left, having a radius of 2560.00 feet, through a central angle of 16°14'35";

THENCE N 01°53'56" E, 1939.61 feet to the Southerly line of Puget Sound Outfall Channel;

THENCE along said line the following bearings and distances:

Southeasterly 17.97 feet along the arc of a non-tangent curve to the left, having a radius of 672.86 feet, the radius point of which bears N 04°39'31" E, through a central angle of 01°31'47";

S 86°52'16" E, 1194.14 feet to a point of curvature;

Southeasterly 187.60 feet along the arc of a tangent curve to the right, having a radius of 471.64 feet, through a central angle of 22°47'25";

S 64°04'51" E, 287.07 feet;

Southeasterly 235.35 feet along the arc of a tangent curve to the right, having a radius of 474.81 feet, through a central angle of 28°24'01";

S 35°40'50" E, 112.59 feet to a point of curvature;

Southeasterly 277.10 feet along the arc of a tangent curve to the left, having a radius of 291.11 feet, through a central angle of 54°32'19";

N 89°46'51" E, 0.87 feet to a point of curvature on the said Westerly margin of Dupont-Steilacoom Highway;

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Dupont
October 19, 1990
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THENCE along said Westerly margin, Southeasterly 774.61 feet along the arc of a non-tangent curve to the right, having a radius 1780.12 feet, the radius point of which bears 66°46'11" W, through a central angle of 24°55'50";

THENCE continuing along said Westerly margin, S 01°42'01" W, 591.86 feet to the TRUE POINT OF BEGINNING.

See attached Exhibit "A-A"

Written by: R.J.W.
Checked by: C.A.G.

L7:L80

BK0803PG2801

ESM inc.



A CIVIL ENGINEERING, LAND SURVEY, AND PROJECT MANAGEMENT CONSULTING FIRM

Dupont
Job No. 129-22-911
April 30, 1991

**LEGAL DESCRIPTION
FOR WILLIAMSON PLAT**

That portion of the Northwest quarter and the Southwest quarter of Section 25, in Township 19 North, Range 1 East, W.M., Pierce County, Washington, more particularly described as follows:

COMMENCING at Fort Lewis Monument Number 262 as shown on that Record of Survey by ESM, Inc. filed under Pierce County Recording Number 8806170120;

THENCE S 87°57'04" E, 572.46 feet to the Westerly margin of Dupont-Steilacoom Highway as established 40 feet Westerly of the centerline thereof;

THENCE along said Westerly margin, N 01°42'01" E, 1330.22 feet to the center of Sequelichew Creek and the TRUE POINT OF BEGINNING;

THENCE along the said center of Sequelichew Creek the following bearings and distances:

S 84°23'52" W, 15.13 feet;
S 77°19'06" W, 53.57 feet;
S 81°28'12" W, 2.88 feet;
S 78°30'30" W, 45.30 feet;
S 60°05'32" W, 66.36 feet;
S 53°38'28" W, 103.26 feet;
S 49°06'02" W, 31.14 feet;
S 51°34'07" W, 43.33 feet;
S 44°52'51" W, 9.69 feet;
S 48°22'28" W, 93.69 feet;
S 55°21'06" W, 85.07 feet;
S 37°09'56" W, 109.64 feet;
S 35°41'49" W, 29.49 feet;
S 36°44'27" W, 57.37 feet;
S 27°03'43" W, 10.19 feet;

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Dupont
April 30, 1991
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S 29°41'51" W, 72.57 feet;
S 26°09'59" W, 25.98 feet;
S 30°32'56" W, 29.27 feet;
S 50°12'34" W, 62.55 feet;
S 40°30'43" W, 34.52 feet;
S 71°51'18" W, 28.65 feet;
S 76°17'52" W, 53.26 feet;
S 67°06'42" W, 31.97 feet;
S 63°10'42" W, 45.27 feet;
S 85°34'08" W, 49.71 feet;
N 61°25'37" W, 78.09 feet;
N 42°17'42" W, 94.66 feet;
N 66°00'20" W, 86.19 feet;
N 69°36'36" W, 91.65 feet;
N 69°14'08" W, 62.61 feet;
N 48°02'53" W, 91.97 feet;
N 34°11'36" W, 78.08 feet;
N 27°05'03" W, 72.05 feet;
N 24°43'36" W, 131.73 feet;
N 50°57'12" W, 99.42 feet;
N 58°20'27" W, 110.42 feet to the Northeast corner of
the Plat of Bell Hill;

THENCE continuing along the said center Sequelichew of Creek
and the North line of said Plat the following bearings and
distances:

N 89°11'52" W, 98.21 feet;
S 52°05'48" W, 85.23 feet;
S 52°42'17" W, 102.92 feet;
S 58°18'12" W, 106.29 feet;
S 35°03'36" W, 67.34 feet;
S 24°38'02" W, 55.86 feet;
S 02°01'29" W, 109.77 feet;

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Dupont
April 30, 1991
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S 25°49'29" W, 55.03 feet;
N 84°52'36" W, 103.35 feet;
N 84°53'21" W, 102.28 feet;
S 85°49'39" W, 69.94 feet to the Northwest corner of
said Plat;

THENCE N 01°53'56" E, 1678.66 feet to the Southerly margin
of Center Drive:

THENCE along the Southerly, Westerly and Easterly
right-of-way margin of said Center Drive, Marshfield Place
East, and Marshfield Place West the following bearings and
distances:

Easterly 435.35 feet along the arc of a non-tangent
curve to the right, having a radius of 2440.00 feet,
the radius point of which bears S 00°57'45" E, through
a central angle of 10°13'22" to a point of compound
curvature;

Southerly 39.84 feet along the arc of a tangent curve
to the right, having a radius of 25.00 feet, through a
central angle of 91°18'18" to a point of tangency;

S 10°33'55" W, 14.37 feet to a point of curvature;

Southwesterly 111.24 feet along the arc of a tangent
curve to the right, having a radius of 220.00 feet,
through a central angle of 28°58'17" to a point of
reverse curvature;

Southerly 268.30 feet along the arc of a tangent curve
to the left, having a radius of 280.00 feet, through a
central angle of 54°54'05" to a point of reverse
curvature;

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Southwesterly 17.82 feet along the arc of a tangent curve to the right, having a radius of 25.00 feet, through a central angle of $40^{\circ}49'45''$ to a point of reverse curvature;

Southerly, Easterly and Northerly 261.47 feet along the arc of a tangent curve to the left, having a radius of 55.00 feet, through a central angle of $272^{\circ}23'00''$ to a point of reverse curvature;

Northerly 23.82 feet along the arc of a tangent curve to the right, having a radius of 25.00 feet, through a central angle of $54^{\circ}35'49''$ to a point of compound curvature;

Northeasterly 199.12 feet along the arc of a tangent curve to the right, having a radius of 220.00 feet, through a central angle of $51^{\circ}51'31''$ to a point of reverse curvature;

Northeasterly 141.58 feet along the arc of a tangent curve to the left, having a radius of 280.00 feet, through a central angle of $28^{\circ}58'17''$ to a point of tangency;

N $10^{\circ}33'55''$ E, 14.37 feet to a point of curvature;

Northeasterly 39.84 feet along the arc of a tangent curve to the right, having a radius of 25.00 feet, through a central angle of $91^{\circ}18'18''$ to a point of compound curvature;

Southeasterly 150.95 feet along the arc of a tangent curve to the right, having a radius of 2440.00 feet, through a central angle of $03^{\circ}32'40''$ to a point of tangency;

S $74^{\circ}35'06''$ E, 595.54 feet to a point of curvature;

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Dupont
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Southeasterly 378.55 feet along the arc of a tangent curve to the left, having a radius of 2560.00 feet, through a central angle of $08^{\circ}28'20''$ to a point of reverse curvature;

Southeasterly 38.74 feet along the arc of a tangent curve to the right, having a radius of 25.00 feet, through a central angle of $88^{\circ}46'50''$ to a point of tangency;

S $05^{\circ}43'24''$ W, 15.59 feet to a point of curvature;

Southeasterly 261.33 feet along the arc of a tangent curve to the left, having a radius of 430.00 feet, through a central angle of $34^{\circ}49'15''$ to a point of reverse curvature;

Southwesterly 247.24 feet along the arc of a tangent curve to the right, having a radius of 170.00 feet, through a central angle of $83^{\circ}19'42''$ to a point of compound curvature;

Southwesterly 24.95 feet along the arc of a tangent curve to the right, having a radius of 25.00 feet, through a central angle of $57^{\circ}10'42''$ to a point of reverse curvature;

Southerly, Easterly, and Northerly 261.05 feet along the arc of a tangent curve to the left, having a radius of 55.00 feet, through a central angle of $271^{\circ}56'34''$ to a point of reverse curvature;

Northeasterly 17.29 feet along the arc of a tangent curve to the right, having a radius of 25.00 feet, through a central angle of $39^{\circ}37'35''$ to a point of reverse curvature;

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Dupont
April 30, 1991
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Northerly 354.02 feet along the arc of a tangent curve to the left, having a radius of 230.00 feet, through a central angle of $88^{\circ}11'25''$ to a point of reverse curvature;

Northwesterly 224.86 feet along the arc of a tangent curve to the right, having a radius of 370.00 feet, through a central angle of $34^{\circ}49'15''$ to a point of tangency;

N $05^{\circ}43'24''$ E, 15.59 feet to a point of curvature;

Northeasterly 38.74 feet along the arc of a tangent curve to the right, having a radius of 25.00 feet, through a central angle of $88^{\circ}46'51''$ to a point of reverse curvature;

Easterly 125.28 feet along the arc of a tangent curve to the left, having a radius of 2560.00 feet, through a central angle of $02^{\circ}48'14''$ to a point of tangency;

S $88^{\circ}17'59''$ E, 398.72 feet to a point of curvature;

Southeasterly 54.98 feet along the arc of a tangent curve to the right, having a radius of 35.00 feet, through a central angle of $90^{\circ}00'00''$ to a point of tangency on a line 10 feet Westerly of and parallel with said Westerly margin of Dupont-Steilacoom Highway;

THENCE S $01^{\circ}42'01''$ W, along said parallel line, 640.22 feet;

THENCE S $88^{\circ}17'59''$ E, 10.00 feet to a point on the said Westerly margin;

THENCE S $01^{\circ}42'01''$ W, along said Westerly margin, 174.70 feet to the TRUE POINT OF BEGINNING.

See attached Exhibit "A-A".

Written by: R.J.W.
Checked by: C.A.G.

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BK0803PG2807

ESM inc.



A CIVIL ENGINEERING, LAND SURVEY, AND PROJECT MANAGEMENT CONSULTING FIRM

December 3, 1991
Job No. 129-38-910
WRECO

LEGAL DESCRIPTION FOR DAVIS PLACE SHORT PLAT

That portion of the West half of Section 25, Township 19 North, Range 1 East, W.M., City of Dupont, Pierce County, Washington, more particularly described as follows:

COMMENCING at Fort Lewis Monument Number 262 as shown on that Record of Survey by ESM, Inc. filed under Pierce County Recording Number 8806170120;

THENCE S 87°57'04" E, 572.46 feet to the Westerly right-of-way margin of Dupont-Steilacoom Highway and the TRUE POINT OF BEGINNING;

THENCE along said Westerly margin S 01°42'01" W, 284.19 feet to the Northwestern corner of the Plat of Bell Hill as recorded under Recording No. 9109060562, Records of Pierce County, Washington;

THENCE along the Northerly and the Northwestern lines of said plat the following bearings and distances:

N 84°14'28" W, 1367.50 feet;

S 52°08'49" W, 49.76 feet;

S 74°30'11" W, 56.73 feet;

N 76°58'00" W, 87.17 feet

S 65°08'38" W, 42.32 feet;

N 71°06'14" W, 64.90 feet;

N 01°53'57" E, 1268.11 feet to the most Northwestern corner of said plat and the centerline of the Sequelichew Creek;

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December 3, 1991
WRECO
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THENCE along said centerline the following bearings and distances:

S 58°20'27" E, 110.42 feet;
S 50°57'12" E, 99.42 feet;
S 24°3'36" E, 131.73 feet;
S 27°5'03" E, 72.05 feet;
S 34°1'36" E, 78.08 feet;
S 48°2'53" E, 91.97 feet;
S 69°4'08" E, 62.61 feet;
S 69°6'36" E, 91.65 feet;
S 66°0'20" E, 86.19 feet;
S 42°7'42" E, 94.66 feet;
S 61°5'37" E, 78.09 feet;
N 85°4'08" E, 49.71 feet;
N 63°0'42" E, 45.27 feet;
N 67°0'42" E, 31.97 feet;
N 76°17'52" E, 53.26 feet;
N 71°51'18" E, 28.65 feet;

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December 3, 199
WRECO
Page 3

N 40°30'43" E, 34.52 feet;
N 50°12'34" E, 62.55 feet;
N 30°32'56" E, 29.27 feet;
N 26°09'59" E, 25.98 feet;
N 29°41'51" E, 72.57 feet;
N 27°03'43" E, 10.19 feet;
N 36°44'27" E, 57.37 feet;
N 35°41'49" E, 29.49 feet;
N 37°09'56" E, 109.64 feet;
N 55°21'06" E, 85.07 feet;
N 48°22'28" E, 93.69 feet;
N 44°2'51" E, 9.69 feet;
N 51°4'07" E, 43.33 feet;
N 49°6'02" E, 31.14 feet;
N 53°8'28" E, 103.26 feet;
N 60°5'32" E, 66.36 feet;
N 78°0'30" E, 45.30 feet;

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December 3, 1991
WRECO
Page 4

N 81°8'12" E, 2.88 feet;

N 77°9'06" E, 53.57 feet;

N 84°3'52" E, 15.13 feet to said Westerly margin of Dupont
Steilacoom Highway;

THENCE along said Westerly margin, S 01°2'01" W, 894.57 feet to
a point of curvature;

THENCE Southwesterly 39.27 feet along the arc of a tangent curve
to the right, having a radius of 25.00 feet, through a central
angle of 90°0'00" to a point of tangency;

THENCE N 88°7'59" W, 88.68 feet to a point of curvature;

THENCE Southwesterly 121.80 feet along the arc of a tangent curve
to the left, having a radius of 205.00 feet, through a central
angle of 34°2'30" to a point of tangency;

THENCE S 57°9'31" W, 44.85 feet to a point of curvature;

THENCE Northwesterly 333.74 feet along the arc of a tangent curve
to the right, having a radius of 195.00 feet, through a central
angle of 98°3'40" to a point of compound curvature;

THENCE Northerly 24.31 feet along the arc of a tangent curve to the
right, having a radius of 25.00 feet, through a central angle of
55°2'26" to a point of reverse curvature;

THENCE Northerly, Westerly and Southerly 261.29 feet along the arc
of a tangent curve to the left, having a radius of 55.00 feet,
through a central angle of 272°2'04" to a point of reverse
curvature;

BK0803PG2811

December 3, 1991
WRECO
Page 5

THENCE Southeasterly 17.58 feet along the arc of a tangent curve to the right, having a radius of 25.00 feet, through a central angle of $40^{\circ}7'07''$ to a point of reverse curvature;

THENCE Southeasterly 453.30 feet along the arc of a tangent curve to the left, having a radius of 255.00 feet, through a central angle of $101^{\circ}1'09''$ to a point of tangency;

THENCE N $57^{\circ}9'31''$ E, 44.85 feet to a point of curvature;

THENCE Northeasterly 86.15 feet along the arc of a tangent curve to the right, having a radius of 145.00 feet, through a central angle of $34^{\circ}2'30''$ to a point of tangency;

THENCE S $88^{\circ}7'59''$ E, 88.68 feet to a point of curvature;

THENCE Southeasterly 39.27 feet along the arc of a tangent curve to the right, having a radius of 25.00 feet, through a central angle of $90^{\circ}0'00''$ to a point of tangency on said Westerly margin of Dupont-Steilacoom Highway;

THENCE along said Westerly margin, S $01^{\circ}2'01''$ W, 150.95 feet to the TRUE POINT OF BEGINNING.

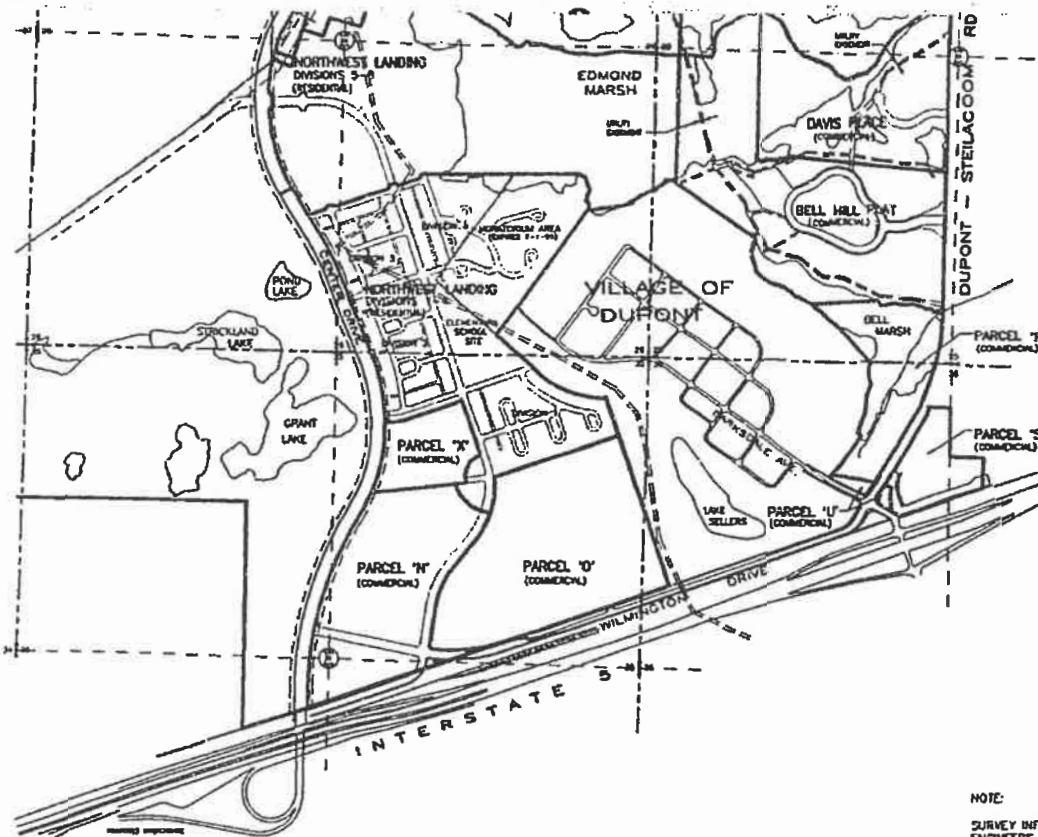
Containing 36.587 acres, more or less.

See attached Exhibit "A-A".

Written by: R.J.W.
Checked by: C.A.G.

BK0803P62812

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This map is intended as a graphic representation only.

NOTE:

SURVEY INFORMATION FROM WHITACRE
ENGINEERS, INC. BOUNDARY SURVEY AND
INFORMATION PROVIDED BY WEYERHAEUSER
LAND TITLE DEPARTMENT (PRELIMINARY)
AND DOES NOT REPRESENT A FIELD SURVEY
BY ESN, INC.

DRAWING CCR-P17



ESM inc.

6. CHL. EXPOSURE, LOW SURVEY AND FURTHER MANIPULATION CONTROLLING TIME

34004 NINTH AVENUE SO., BLDG. A
FEDERAL WAY, WASHINGTON 28003
PHONE: {206} 838-6113

JOB NO 128-08-944
DRAWN. BAC

DATE: 1-8-21
SHEET 1 OF 1



WEYERHAEUSER REAL ESTATE COMPANY
LAND MANAGEMENT DIVISION

NORTHWEST LANDING
PARCEL EXHIBIT FOR CCR'S

SCALE: 1" = 1200'

BK0803PG2814

EXHIBIT "B"

Land Subject to Submission

That portion of Sections 22, 23, 24, 25, 26, 27, 28, 33, 34, 35 and 36, Township 19 North, Range 1 East of the Willamette Meridian, Pierce County, Washington more particularly described as follows:

Beginning at the Northwest corner of the Northwest 1/4 of the Southeast 1/4 of Section 33;
Thence East along the North line of said subdivision to the Northeast corner of said subdivision;
Thence South along the East line of said subdivision to the Southwest corner of the Northeast 1/4 of the Southeast 1/4 of said Section 33;
Thence East along the South line of said subdivision to the Southeast corner of said subdivision;
Thence North along the East line of said subdivision to the Southwest corner of the Southwest 1/4, of the Northwest 1/4 of Section 34;
Thence East along the South line of said subdivision to the Southeast corner of said subdivision;
Thence North along the centerline of the Northwest 1/4 of said Section 34, to the North line of said Section 34;
Thence East along said North line to the Northwest corner of the Northeast 1/4 of said Section 34;
Thence South along the West line of said subdivision to the East-West centerline of the Northeast 1/4 of said Section 34 and the Northwest 1/4 of Section 35;
Thence East along said centerline to a point lying 3423.43 feet more or less perpendicular to the East line of said Section 35;
Thence South at a right angle to said centerline to the Northerly margin of the Burlington Northern Rail Road Right-of-Way;
Thence Northeasterly along said Northerly margin to a point 1149.76 feet Westerly of Fort Lewis Monument #269, said monument marks the intersection of said Northerly margin of the Burlington Northern Right-of-Way and the East line of said Section 35;
Thence North 18°21'35" West, 80 feet;
Thence North 77°38'25" East, 1424.97 feet to an existing concrete monument with a brass cap marking the Southwest corner of a tract of land conveyed to the City of Dupont by deed, dated March 31, 1983, recorded under Pierce County Auditor Fee Number 702783, (said monument being located South 18°17'35" East, 657.82 feet from Fort Lewis Monument #270);
Thence Northwesternly to said Fort Lewis Monument #270, said monument being the Southeast corner of the Northeast 1/4 of the Northeast 1/4 of Section 35;
Thence continuing Northwesternly North 20°07'10" West, 1028.66 feet to a point on a curve to the right, the center of which bears North 01°25'30" West, 892.44 feet through a central angle of 43°03'14", an arc distance of 670.61 feet to a point of tangency of said curve being 300 feet Southerly and parallel with the Southerly Right-of-Way line of Barksdale Avenue;
Thence North 48°22'16" West 452.09 feet;
Thence North 34°40'15" East 992.63 feet;
Thence North 32°53'36" East 349.18 feet;
Thence North 80°12'09" East 314.64 feet;
Thence North 59°26'50" East 473.55 feet to a point 650 feet Northerly at a right angle to the Northerly Right-of-Way line of Dupont Avenue;
Thence South 55°22'38" East, and parallel with said Right-of-Way, 883.69 feet;
Thence South 02°07'00" East, 46.84 feet;
Thence South 23°03'14" East, 84.29 feet;
Thence South 16°10'01" East, 158.61 feet;
Thence South 49°50'55" East, 59.62 feet;
Thence South 53°09'05" East, 108.86 feet;
Thence South 73°51'56" East, 136.16 feet;
Thence South 53°36'41" East, 126.60 feet;
Thence South 65°38'28" East, 145.71 feet;
Thence South 49°37'45" East, 99.24 feet;

BK0803PG2815

Exhibit "B" - continued

Thence South 43°10'23" East, 83.79 feet;
Thence South 51°32'44" East, 138.48 feet;
Thence South 41°44'40" East, 402.16 feet;
Thence South 09°00'19" West 83.70 feet;
Thence South 12°15'50" East, 109.27 feet;
Thence South 16°39'55" West, 97.46 feet;
Thence South 06°16'49" West, 148.69 feet;
Thence South 18°26'47" West, 177.79 feet;
Thence South 52°43'29" East, 39.71 feet;
Thence South 35°42'28" West 300.72 feet more or less, to the Northeasterly corner of Block "L" of the Replat of the Village of Dupont as recorded with the Pierce County Auditor's Office, in Volume 15 page 66 of the Book of Plats;
Thence South 35°40'36" West, 120.9 feet;
Thence Southeasterly along the Southerly line of a 15 foot easement granted to Pierce County School District #7 (Now Steilacoom School District #1), to the Westerly Right-of-Way line of the Steilacoom Dupont County Road;
Thence Northeasterly and Northerly, along said Westerly Right-of-Way line of the Steilacoom Dupont County Road to the Southerly easement line of the Puget Sound Channel as described in Pierce County Auditor Fee Number 1674527, Volume 1054, pages 309 through 312;
Thence Westerly and Northerly along the Southerly and Westerly easement line of said Puget Sound Outfall Channel to the East-West centerline of the North 1/2 of the North 1/2 of Section 23 and Section 22;
Thence West along said centerline to the Easterly margin of the Burlington Northern Rail Road Right-of-Way as described in deeds of record under Pierce County Auditor Fee Number 271946, 318560 and 39453;
Thence Southwesterly along said Right-of-Way to the North-South centerline of Section 33;
Thence South along said centerline of Section 33 to the East-West centerline of said section and the point of beginning.
Also;
Commencing at a concrete monument at the Northeast corner of the Northwest 1/4 of Section 36, Township 19 North, Range 01 East of the Willamette Meridian;
Thence South along the North-South centerline of said Section 36, 377.3 feet to the point of beginning;
Thence West to the Easterly Right-of-Way line of the Steilacoom Dupont County Road;
Thence Southerly along said Easterly Right-of-Way line to a point said line intersects with the Northern margin of the Burlington Northern Rail Road Right-of-Way;
Thence Northeasterly along said Northerly margin, North 69°58'30" East, 454.14 feet more or less to a point said line intersects the North-South centerline of said Section 36;
Thence continuing North 69°58'30" East 309.76 feet to Fort Lewis Monument #268;
Thence North 272.7 feet to Fort Lewis Monument #267;
Thence West 290.9 feet more or less to Fort Lewis Monument #266, said monument being located 781.4 feet South of the Northeast corner of the Northwest 1/4 of said Section 36 on the North-South centerline of said section;
Thence North along said centerline 404.1 feet to the point of beginning.

As graphically depicted on the attached Exhibit "B-B".

9208240297

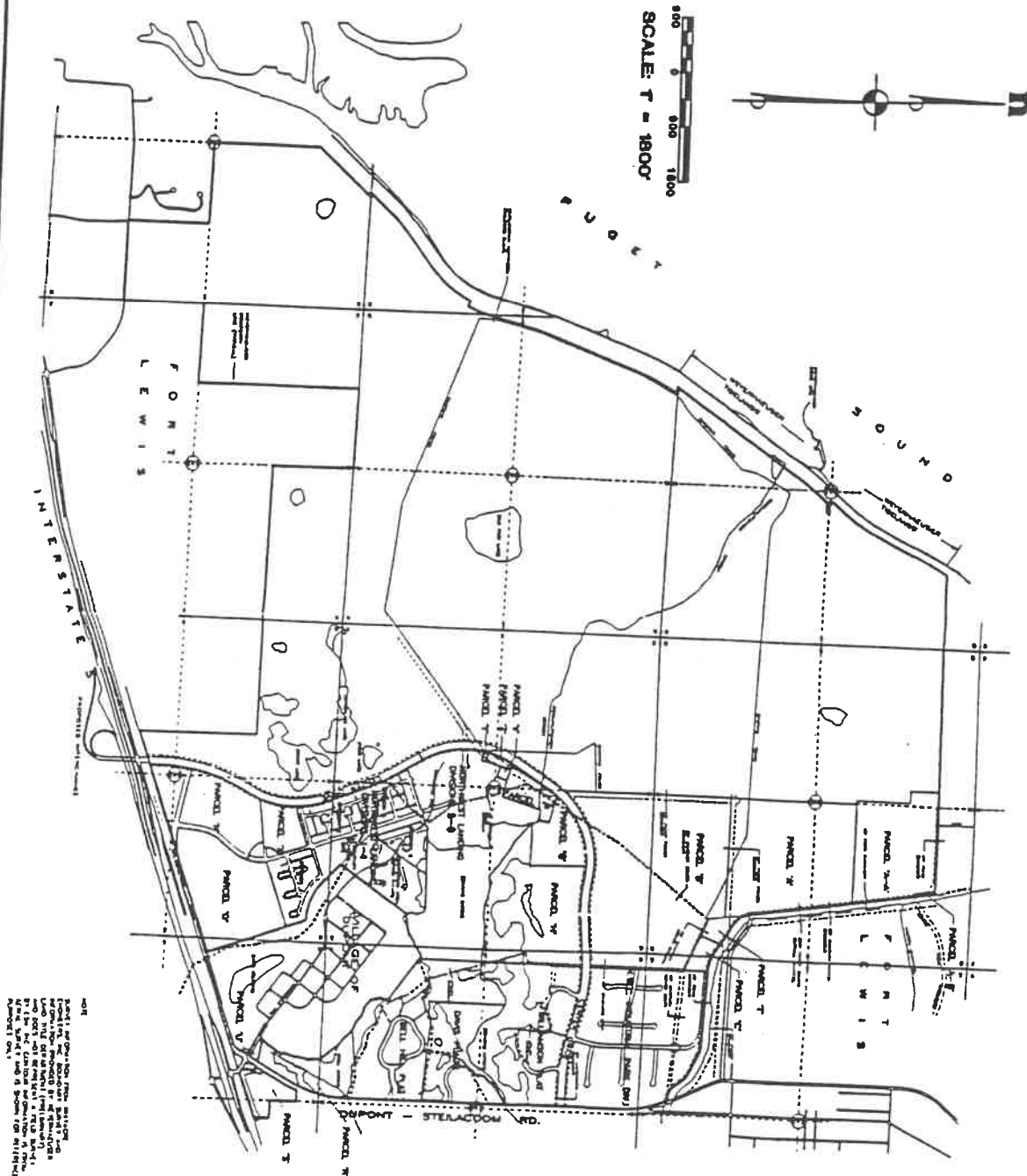
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EXHIBIT "B-B"
To the Declaration of
Covenants, Conditions, and Restrictions
For Northwest Landing Commercial Property

9208240297



This map is intended as a
graphic representation only.

DRAWING: CCO-517



ESM Inc.

34004 NORTH AVENUE 50, BLDG. A
FEDERAL WAY, WASHINGTON 98003
PHONE: (206) 838-8113



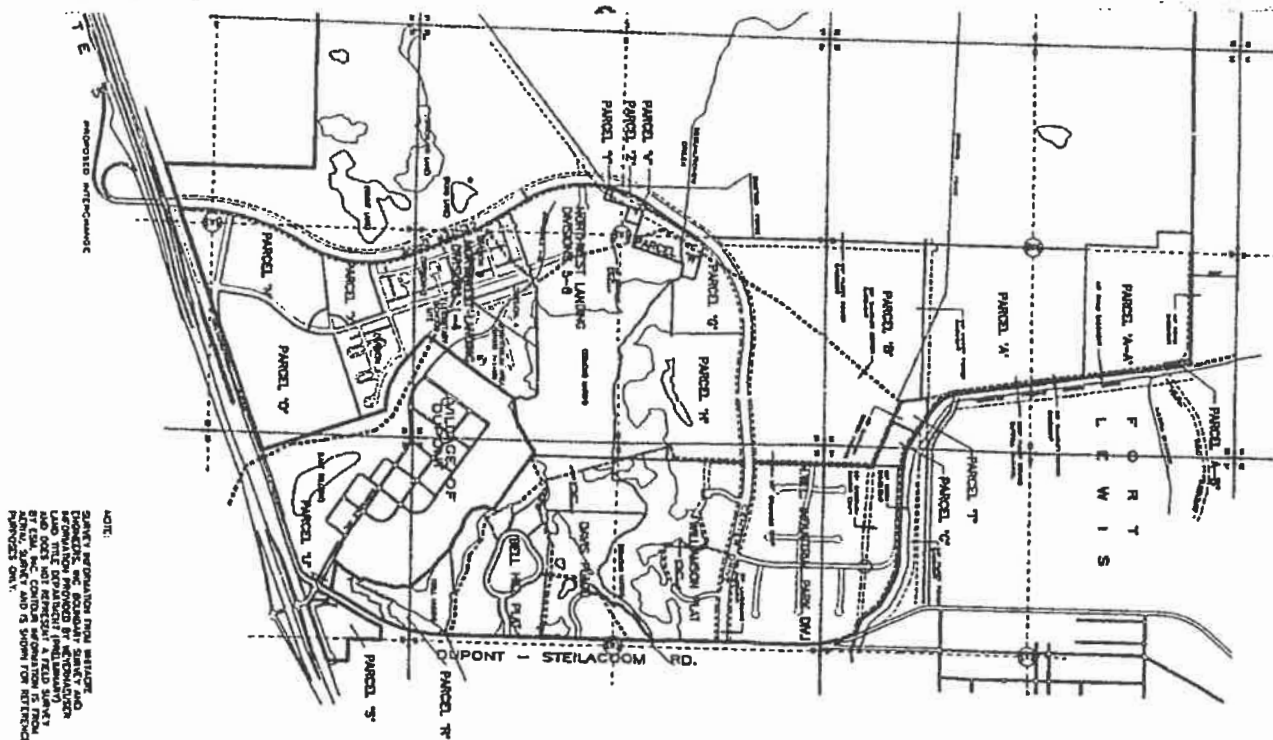
WEYERHAEUSER REAL ESTATE COMPANY
LAND MANAGEMENT DIVISION

NORTHWEST LANDING
OVERALL SITE EXHIBIT

JOB NO: 129-00-001

SHEET 1 OF 1

BK0803PG2816



NOTE:
 1. ALL INFORMATION FOR THIS PROJECT WAS OBTAINED FROM THE FOLLOWING SOURCES:
 2. AERIAL PHOTOGRAPHS AND FIELD SURVEY DATA.
 3. THE INFORMATION IS PRESENTED AS A FIELD SURVEY AND DOES NOT REPRESENT A FIELD SURVEY.
 4. THE INFORMATION IS PRESENTED AS A FIELD SURVEY AND DOES NOT REPRESENT A FIELD SURVEY.
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 10. THE INFORMATION IS PRESENTED AS A FIELD SURVEY AND DOES NOT REPRESENT A FIELD SURVEY.

This map is intended as a graphic representation only.

DRAWING: CCR-517



ESM inc.

A civil, engineering, land survey, and project management consulting firm

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 SHEET 1 OF 1



WEYERHAEUSER REAL ESTATE COMPANY
LAND MANAGEMENT DIVISION

NORTHWEST LANDING
 OVERALL SITE EXHIBIT

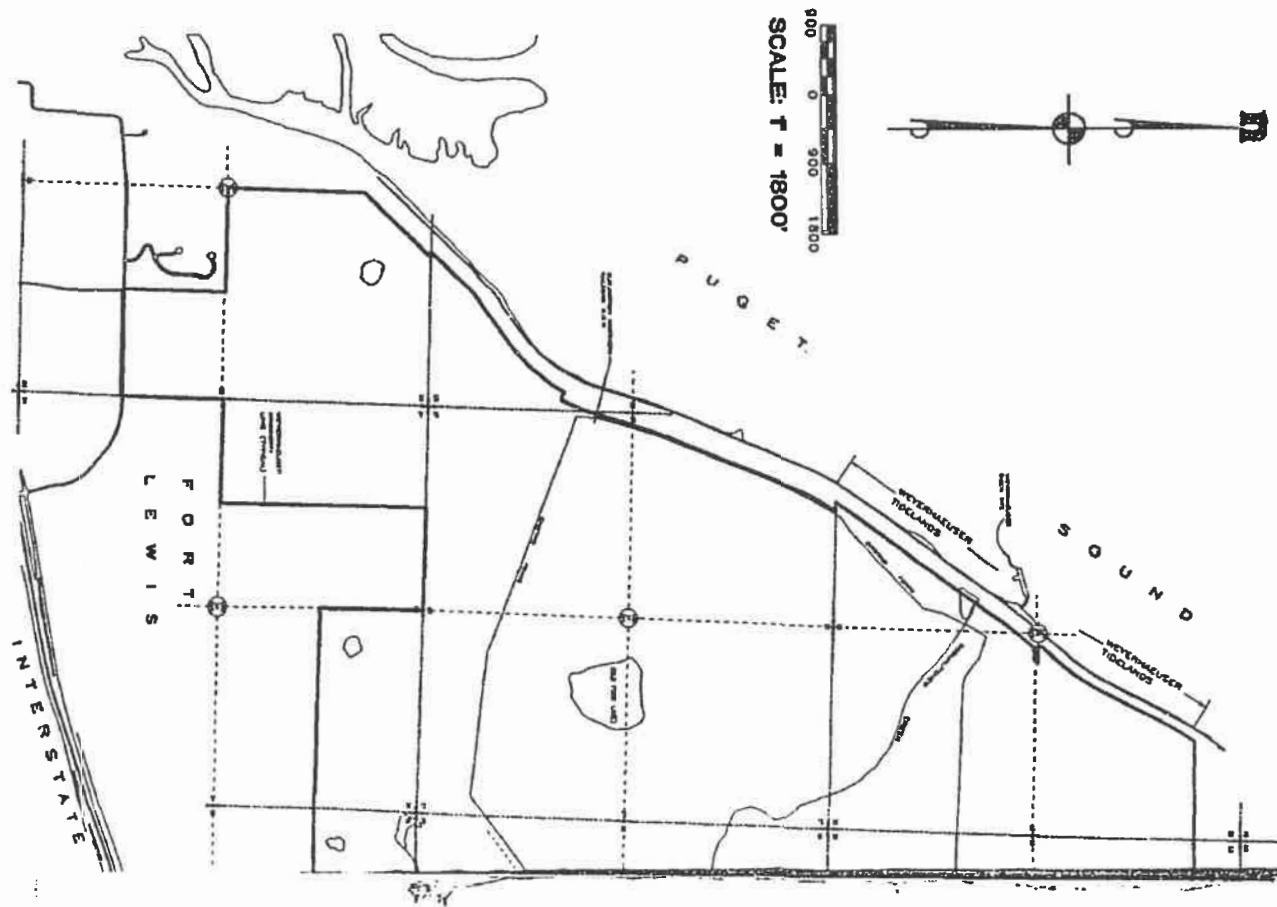
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EXHIBIT "B-B"
To the Declaration of
Covenants, Conditions, and Restrictions
For Northwest Landing Commercial Property

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EXHIBIT "C"

Formula for Assessments and Voting Rights

1. General. Each Unit shall have the right to cast votes and the obligation to pay assessments based on the number of points ("Assessment and Voting Points") assigned to that Unit in accordance with the following provisions.

(a) Land Points. Each Unit shall be assigned one point for each 10,000 square feet of land (rounded to the nearest 1,000 square feet) comprising the Unit ("Land Points").

(b) Building Points. Each Unit shall be assigned three points for each 10,000 square feet of gross floor area within the Improvements, as defined below, comprising the Unit (rounded to the nearest 1,000 square feet) ("Building Points"). "Improvements" mean enclosed structures intended for commercial use and occupancy as permitted by these restrictions and for which an initial certificate of occupancy has been issued or which is substantially complete as determined by the general contractor, whichever is earlier.

(c) Benefit Factor. The total Land Points and Building Points for each Unit shall then be multiplied by a benefit factor to calculate the total Assessment and Voting Points as follows:

<u>Land Use Classification</u>	<u>Factor</u>
Retail	2.0
Apartment	0.5
Industrial	0.5
Office	1.0
Other/Unimproved	1.0

Unless a Unit is specifically restricted to one of the above Land Use Classifications in a Supplemental Declaration or in the deed conveying the Unit, the Declarant, for so long as the Declarant owns any property described in Exhibit "A" or "B" to the Declaration for development or sale as part of the Commercial Properties, and thereafter the Board of Directors, shall determine in its sole discretion the Land Use Classification for each Unit.

(d) Example. A 100,000 square foot unimproved Unit shall be assigned ten Land Points (which would also equal the Assessment and Voting Points for that Unit). The same Unit improved with a 50,000 square foot retail building shall be assigned 15 Building Points for a total of 25 Land Points and Building Points (10 Land Points plus 15 Building Points). This Unit would then have 50 Assessment and Voting Points (25 Land Points and Building Points multiplied by the factor for retail space -- 2).

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2. Assessments. The decimal share of the total assessment to be levied on a particular Unit shall be computed by dividing the Assessment and Voting Points assigned to that Unit by the total Assessment and Voting Points for all Units subject to the particular assessment. The Board of Directors shall establish an annual cut-off date for computing point totals for all Units. The decimal share of the total assessment for the Unit and the votes attributable to the Unit (including a summary of the computations) shall be sent to each Owner with the annual notice of assessment.

3. Voting. Each Member of the Commercial Association shall be entitled to one vote for each Assessment and Voting Point assigned to the Unit under the formula set forth above.

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EXHIBIT "D"

BY-LAWS
OF
NORTHWEST LANDING COMMERCIAL OWNERS ASSOCIATION

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BY-LAWS

OF

NORTHWEST LANDING COMMERCIAL OWNERS ASSOCIATION

ARTICLE I: NAME, PRINCIPAL OFFICE, AND DEFINITIONS.

1.1. Name. The name of the Association shall be Northwest Landing Commercial Owners Association (hereinafter the "Commercial Association").

1.2. Principal Office. The principal office of the Commercial Association shall be in the State of Washington. The Commercial Association may have such other offices as the Board may determine or as the affairs of the Commercial Association may require.

1.3. Definitions. Capitalized terms used in these By-Laws shall have the same meaning as set forth in that Declaration of Covenants, Conditions, and Restrictions for Northwest Landing Commercial Property (said Declaration, as amended is hereinafter called the "Declaration"), unless the context shall otherwise require.

ARTICLE II: ASSOCIATION: MEMBERSHIP, MEETINGS, QUORUM, VOTING, PROXIES.

2.1. Membership. The Commercial Association shall have two classes of membership, Class "A" and Class "B", as set forth in the Declaration, the terms of which pertaining to membership are specifically incorporated herein by reference.

2.2. Place of Meetings. Meetings of the Commercial Association shall be held at the principal office of the Commercial Association or at such other suitable place convenient to the Members as designated by the Board.

2.3. Annual Meetings. The first meeting of the Commercial Association, whether a regular or special meeting, shall be held within one year from the date of incorporation of the Commercial Association. Subsequent regular annual meetings shall be held at least 90 but not more than 120 days after the close of the Commercial Association's fiscal year on a date and at a time set by the Board.

2.4. Special Meetings. The President may call special meetings and shall call a special meeting if so directed by Board resolution or upon a petition signed by Members holding at least ten percent of the total Class "A" votes of the Commercial Association.

2.5. Notice of Meetings. Written notice stating the place, day, and hour of any meeting of the Members shall be delivered, either personally (including public courier service), by telecopier or by mail, to each Member entitled to vote at such meeting, not less than ten nor more than 50 days before the date of such meeting, by or at the direction of the director, officer or other person calling the meeting.

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In the case of a special meeting or when required by law or these By-Laws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

If mailed, the notice of a meeting shall be deemed delivered when deposited with the U.S. Postal Service addressed to the Member at the address of the Member as it appears on the records of the Commercial Association, with postage thereon prepaid.

2.6. Waiver of Notice. Waiver of meeting notice shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at any meeting by a Member in person or by proxy shall be deemed waiver by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.

2.7. Adjournment of Meetings. If any meeting of the Commercial Association cannot be held because a quorum is not present, a majority of the Members present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than five nor more than 30 days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Members in the manner prescribed for regular meetings.

2.8. Voting. The voting rights of the Members are set forth in the Articles and Declaration, and such voting rights provisions are specifically incorporated herein. Voting for the election of directors by the Members may be by ballots mailed to the Members. Ballots shall be returned to the Secretary by the date specified on the ballot. The Board shall determine the method of voting, the form of all ballots, the wording of questions thereon and the deadline for return of ballots. The Board may include on ballots any questions on which it seeks an advisory vote. Any other matters may be voted on by mail-in ballot to the extent allowed by law.

2.9. Proxies. At all meetings of the Members, Members may vote in person or by proxy. Each proxy shall be in writing, dated, signed and filed with the Secretary prior to the meeting for which it is to be effective. Proxies may be delivered to the Secretary by personal delivery, U.S. mail or telecopy to any Board member or the property manager. Unless otherwise provided in the proxy, a proxy shall cover all votes which the Member giving such proxy is entitled to cast, and in the event of any conflict between two or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid. No proxy shall be valid more than 11 months after its execution

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unless otherwise provided in the proxy. Every proxy shall be revocable and shall automatically cease upon conveyance of the Member's Unit.

2.10. Majority. As used in these By-Laws, the term "majority" shall mean those votes, owners, or other group as the context may indicate totaling more than 50% of the total number.

2.11. Quorum. Except as otherwise provided in these By-Laws or in the Declaration, the presence in person or by proxy of the Members representing a majority of the total vote of the Commercial Association shall constitute a quorum at all meetings of the Commercial Association. Any provision in the Declaration concerning quorums is specifically incorporated herein. The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of Members leaving less than a quorum.

2.12. Conduct of Meetings. The President shall preside over all meetings of the Commercial Association, and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting.

2.13. Telephonic Participation. One or more Members may participate in and vote during any regular or special meeting of the Members by telephone conference call or similar communication equipment by means of which all Persons participating in the meeting can hear each other at the same time, and those Members so participating shall be present at such meeting. Any such meeting at which a quorum participates shall constitute a meeting of the Members.

ARTICLE III: BOARD OF DIRECTORS: NUMBER, POWERS, MEETINGS.

A. Composition and Selection.

3.1. Governing Body: Composition. The affairs of the Commercial Association shall be governed by a Board of Directors. Directors need not be Members of the Commercial Association.

3.2. Directors During Class "B" Control Period. Subject to the provisions of Section 3.5, the directors shall be selected by the Class "B" Member acting in its sole discretion and shall serve at the pleasure of the Class "B" Member until the first to occur of the following:

- (a) when 2,800 acres have been submitted to the terms and provisions of the Declaration and have been conveyed to Persons other than Declarant or affiliates of Declarant;
- (b) December 31, 2041; or
- (c) when, in its discretion, the Class "B" Member so determines.

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3.3. Number of Directors. The number of directors in the Commercial Association shall be not less than three nor more than nine, as provided in Section 3.5 and as set by Board resolution. The initial Board shall consist of three members as identified in the Articles.

3.4. Nomination of Directors. Except with respect to directors selected by the Class "B" Member, nominations for election to the Board may be made by a Nominating Committee. The Nominating Committee, if established, shall consist of a Chairman, who shall be a member of the Board, and three or more Members of the Commercial Association, who shall be appointed by the Board not less than 30 days after the election of directors by the Members to serve a term of one year or until their successors are appointed. Such appointment shall be announced at each such annual meeting. The Nominating Committee shall make as many nominations for election to the Board as it shall in its discretion determine, but in no event less than the number of positions to be filled. The Nominating Committee shall nominate separate slates for the directors to be elected at large by all Members, and for the directors to be elected by and from the Owners of Units within each District. Nominations shall also be permitted from the floor if elections are held at a meeting. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.

3.5. Election and Term of Office. Notwithstanding any other provision contained herein:

(a) Within 30 days after Class "A" Members own 500 acres subject to the Declaration or whenever the Class "B" Member earlier determines, the Commercial Association shall hold an election at which Class "A" Members shall elect one of the three directors, who shall be an at-large director and shall serve a term of two years or until the happening of the event described in Section 3.5(b), whichever is shorter. If such director's term expires prior to the happening of the event described in Section 3.5(b), a successor shall be elected for a like term. The remaining two directors shall be appointees of the Class "B" Member.

(b) Within 30 days after Class "A" Members own one thousand (1,000) acres subject to the Declaration or whenever the Class "B" Member earlier determines, the Board shall be increased to five directors. The Commercial Association shall hold an election at which Class "A" Members shall elect two of the five directors, who shall serve as at-large directors and shall serve for a term of two years or until the happening of the event described in Section 3.5(c) below, whichever is shorter. If such directors' terms expire prior to the happening of the event described in Section 3.5(c) below, successors shall be elected for a like term. The remaining three directors shall be appointees of the Class "B" Member.

(c) Within 30 days after termination of the Class "B" Control Period, the Commercial Association shall hold an election at which Class "A" Members shall elect three of the five directors, who shall serve as at-large directors and shall serve until the first annual meeting following the termination of the Class "B" Control Period. If such annual meeting occurs within 30 days after termination of the Class "B" Control Period directors

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shall be elected in accordance with Section 3.5(d) below. The remaining two directors shall be appointees of the Class "B" Member.

(d) At the first annual meeting of the membership after the termination of the Class "B" Control Period or in an election by mail held prior to such meeting, the directors shall be selected as follows: directors shall be elected by Class "A" Members, with one director elected from each District and any remaining directorships filled at large by the vote of all Class "A" Members. At least one-half of directors shall be elected for a term of two years and the remaining directors shall be elected for a term of one year as such directors determine among themselves. At the expiration of the term of office of each member of the Board, a successor from the District represented by the director whose term is expiring shall be elected to serve for a term of two years.

The number of directors making up the Board shall be increased as necessary to provide one seat on the Board for each District; provided, however, there shall always be an odd number of directors making up the Board and in no event shall the Board be increased to more than nine directorships. In the event that more than nine Districts exist in the Commercial Properties, the Board shall consolidate one or more Districts as it deems necessary for the purpose of electing directors.

Each Member shall be entitled to cast, with respect to each vacancy to be filled from each slate on which such Member is entitled to vote, the total number of votes to which such Member is entitled under the Declaration. There shall be no cumulative voting. The candidate(s) receiving the most votes shall be elected. The directors elected by the Members shall hold office until their respective successors have been elected by the Commercial Association and take office or their sooner death, resignation or removal from office. Directors may be elected to serve any number of consecutive terms.

3.6. Removal of Directors and Vacancies. Any director elected by the Class "A" Members may be removed, with or without cause, by the vote of Class "A" Members holding 67% of the votes entitled to be cast for the election of such director, but shall not be subject to removal by the Class "B" member acting alone. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a director, a successor shall then and there be elected by the Members entitled to elect the director so removed to fill the vacancy for the remainder of the term of such director.

Any director elected by the Class "A" Members who has three consecutive unexcused absences from Board meetings or who (including the corporation or other entity qualifying the director for membership on the Board) is delinquent in the payment of any assessment or other charge due the Commercial Association for more than 30 days may be removed by a majority of the directors present at a regular or special meeting at which a quorum is present, and a successor may be appointed by the Board to fill the vacancy for the remainder of the term. In the event of the death, disability, or resignation of an elected director, a vacancy may be declared by the Board,

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and it may appoint a successor from the District represented by the director who vacated the position who shall serve for the remainder of the term of such director.

B. Meetings.

3.7. Organizational Meetings. The Board shall hold its first meeting within ten days after each annual membership meeting.

3.8. Regular Meetings. Regular Board meetings may be held at such time and place as determined from time to time by Board resolution, but at least one such meeting shall be held during each quarter. Notice of the time and place of the meeting shall be communicated to directors not less than four days prior to the meeting; provided, however, notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to holding of the meeting. Notice of the regular schedule shall constitute notice of such meetings.

3.9. Special Meetings. Special meetings of the Board shall be held when called by written notice signed by the President of the Commercial Association or by a majority of the directors. The notice shall specify the time and place of the meeting and the nature of any business to be considered. Notice shall be given to each director by one of the following methods: (a) personal delivery, including, commercial courier services; (b) first class mail, postage prepaid; or (c) telephone communication, including telecopy, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director. All such notices shall be given at the director's telephone number or sent to the director's address as shown on the records of the Commercial Association. Notices sent by first class mail shall be deposited into a U.S. Postal Service mailbox at least four days before the time set for the meeting. Notices given by personal delivery or telephone shall be delivered or telephoned at least 72 hours before the time set for the meeting.

3.10. Waiver of Notice. The transactions of any Board meeting, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting prior to its commencement about the lack of adequate notice.

3.11. Quorum of Board of Directors. At all Board meetings, a majority of the directors shall constitute a quorum for the transaction of business, and the vote of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is

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approved by at least a majority of the required quorum for that meeting. If any Board meeting cannot be held because a quorum is not present, a majority of the directors who are present at such meeting may adjourn the meeting to a time not less than five nor more than 30 days from the date the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

3.12. Compensation. No director shall receive any compensation from the Commercial Association for acting as such; provided, this Section 3.12 shall not prevent any director from being reimbursed for expenses authorized by the Board to be incurred on behalf of the Commercial Association. Nothing herein shall prohibit the Commercial Association from compensating a director, or any entity affiliated with a director, for services or supplies furnished to the Commercial Association in a capacity other than as a director pursuant to a contract or agreement with the Commercial Association, provided that such director's interest was made known to the Board prior to entering into such contract and such contract was approved by a majority of the Board, excluding the interested director.

3.13. Conduct of Meetings. The President shall preside over all Board meetings, and the Secretary shall keep a minute book of Board meetings, recording therein all Board resolutions and all transactions and proceedings occurring at such meetings.

3.14. Open Meetings. All Board meetings shall be open to all Members, but Members other than directors may not participate in any discussion or deliberation unless permission for the Member to speak is requested by a director. In such case, the President may limit the time any Member may speak. Notwithstanding the above, the President may adjourn any Board meeting and reconvene in executive session, excluding Members, to discuss matters of a sensitive nature, such as pending or threatened litigation, personnel matters, etc.

3.15. Action Without a Formal Meeting. Any action to be taken or that may be taken at a Board meeting may be taken without a meeting if a written consent, setting forth the action so taken, is signed by all directors, and such consent shall have the same force and effect as a unanimous vote.

3.16. Telephonic Participation. One or more directors may participate in and vote during any regular or special meeting of the Board by telephone conference call or similar communication equipment by means of which all Persons participating in the meeting can hear each other at the same time, and those directors so participating shall be present at such meeting. Any such meeting at which a quorum participates shall constitute a meeting of the Board.

C. Powers and Duties.

3.17. Powers. The Board shall be responsible for the affairs of the Commercial Association and shall have all of the powers and duties necessary

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for the administration of the Commercial Association's affairs and, as provided by law, may do or cause to be done all acts and things as are not by the Declaration, Articles, or these By-Laws directed to be done and exercised exclusively by the Members.

In addition to the duties otherwise imposed, the Board shall have the power to establish policies relating to, and shall be responsible for performing or causing to be performed, the following, in way of explanation, but not limitation:

- (a) preparation and adoption, in accordance with applicable provisions of the Declaration, of budgets in which the contribution of each Owner to the expenses of the Commercial Association shall be established;
- (b) making assessments to defray the expenses of the Commercial Association, establishing the means and methods of collecting such assessments, and establishing the period of any installment payments of assessments;
- (c) providing for the operation, care, upkeep, and maintenance of property as provided in the Declaration;
- (d) designating, hiring, and dismissing the personnel necessary for the operations of the Commercial Association, providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in performing their duties;
- (e) collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to operate the Commercial Association; provided, any reserve fund may be deposited, in the directors' best business judgment, in depositories other than banks;
- (f) making and amending rules;
- (g) opening of bank accounts on behalf of the Commercial Association and designating the signatories required;
- (h) making or contracting for the making of repairs, additions, improvements or alterations as provided in the Declaration and these By-Laws after damage or destruction by fire or other casualty;
- (i) enforcing by legal means the provisions of the Declaration, these By-Laws, and the rules of the Commercial Association and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Commercial Association;
- (j) obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof;
- (k) paying the cost of all services rendered to the Commercial Association or its Members and not chargeable directly to specific Owners;

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(l) keeping books with detailed accounts of the receipts and expenditures affecting the Commercial Association and its administration, specifying the maintenance, repair, and other expenses incurred;

(m) cooperating with the Northwest Landing Residential Owners Association in carrying out its purposes and responsibilities under the Residential Declaration; and

(n) performing the duties imposed upon the Commercial Association by the Covenant to Share Costs.

3.18. Management. The Board may employ for the Commercial Association a professional management agent or agents at a compensation established by the Board to perform such duties and services as the Board shall authorize.

3.19. Accounts and Reports. The following management standards of performance will be followed unless the Board by resolution specifically determines otherwise:

(a) accrual accounting, as defined by generally accepted accounting principles, shall be employed;

(b) accounting and controls should conform to generally accepted accounting principles;

(c) cash accounts of the Commercial Association shall not be commingled with any other accounts;

(d) no remuneration shall be accepted by the managing agent from vendors, independent contractors, or others providing goods or services to the Commercial Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; any thing of value received shall benefit the Commercial Association;

(e) any financial or other interest which the managing agent may have in any firm providing goods or services to the Commercial Association shall be disclosed promptly to the Board; and

(f) annual financial statements, prepared in accordance with generally accepted accounting principles, shall, not less than 120 days after the close of each fiscal year and prior to the annual meeting, be distributed to all Members. The Board may, but is not required to, have the financial statement of the Commercial Association audited by an independent certified public accountant; provided, however, the Members, by resolution adopted at the annual meeting, may require that the financial statements be so audited as a Common Expense of the Commercial Association.

3.20. Borrowing. The Commercial Association, acting through the Board, shall have the power to borrow money for the purpose of maintenance, repair or restoration of the Area of Common Responsibility without the approval of the Members. The Board shall also have the power to borrow money

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for other purposes; provided, the Board shall obtain Member approval in the same manner provided in the Declaration for Special Assessments in the event that the proposed borrowing is for the purpose of modifying, improving, or adding amenities or the total amount of borrowing exceeds or would exceed ten percent of the budgeted gross expenses of the Commercial Association for that fiscal year.

3.21. Rights of the Commercial Association. In accordance with the Articles and the Declaration, the Commercial Association shall have the right to contract with any person for the performance of various duties and functions. Without limiting the foregoing, this right shall entitle the Commercial Association to enter into common management, operational, or other agreements with trusts, condominiums, cooperatives, or other owners or residents associations, both within and without the Commercial Properties.

The Commercial Association shall not be bound, either directly or indirectly, by any contract, lease, or other agreement (including any management contract) executed during the Class "B" Control Period unless such contract, lease or other agreement contains a right of termination exercisable by either party without penalty at any time, with or without cause, upon not more than 90 days notice to the other party.

3.22. Enforcement. The Board shall have the power to impose reasonable fines, which shall constitute a lien upon the property of the violating Owner, and to suspend an Owner's right to vote for violation of any duty imposed under the Declaration, these By-Laws, or any duly adopted rules; provided, however, nothing herein shall authorize the Commercial Association to limit ingress and egress to or from a Unit. In the event that any occupant of a Unit violates the Declaration, By-Laws, or a rule and a fine is imposed, the fine shall first be assessed against the occupant with notice to the Owner; provided, however, if the fine is not paid by the occupant within the time period set by the Board, the Owner shall pay the fine upon notice from the Commercial Association. The failure of the Board to enforce any provision of the Declaration, By-Laws, or any rule shall not be deemed a waiver of the right of the Board to do so thereafter.

(a) Notice. Prior to imposition of any sanction hereunder, the Board or its delegate shall serve the alleged violator with written notice describing (i) the nature of the alleged violation, (ii) the proposed sanction to be imposed, (iii) a period of not less than ten days within which the alleged violator may present a written request to the Covenants Committee, if any, or Board for a hearing; and (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless a challenge is begun within ten days of the notice. If a timely challenge is not made, the sanction stated in the notice shall be imposed.

(b) Hearing. If a hearing is requested within the allotted ten day period, the hearing shall be held in executive session affording the alleged violator a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of

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delivery, is entered by the officer, director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed. The Board or the Covenants Committee may, but shall not be obligated to, waive any proposed sanction if the violation is cured within the ten day period. Such waiver shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Person.

(c) Appeal. Following a hearing before the Covenants Committee, the violator shall have the right to appeal the decision to the Board. To perfect this right, a written notice of appeal must be received by the President or Secretary of the Commercial Association within 30 days after the hearing date before the Covenants Committee.

(d) Additional Enforcement Rights. Notwithstanding anything to the contrary herein contained, the Commercial Association, acting through the Board, may elect to enforce any provision of the Declaration, these By-Laws, or the rules of the Commercial Association by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity of compliance with the procedure set forth above. In any such action the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs thereof, including reasonable attorney's fees actually incurred.

ARTICLE IV: OFFICERS.

4.1. Officers. The officers of the Commercial Association shall be a President, Secretary, and Treasurer, to be elected from among the members of the Board. The Board may appoint such other officers, including one or more Vice Presidents, Assistant Secretaries, or Assistant Treasurers, as it shall deem desirable. Any two or more offices may be held by the same person, except the offices of President and Secretary.

4.2. Election, Term of Office, and Vacancies. The officers of the Commercial Association shall be elected annually by the Board at the first Board meeting following each annual meeting of the Members. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board for the unexpired portion of the term.

4.3. Removal. Any officer may be removed by the Board with or without cause.

4.4. Powers and Duties. The officers of the Commercial Association shall have such powers and duties as generally pertain to their respective offices under applicable law, as well as such powers and duties as may from time to time specifically be conferred or imposed by the Board.

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4.5. President. The President shall be the chief executive officer of the Commercial Association and shall preside at all meetings of the Commercial Association and of the Board.

4.6. Vice President. The Vice President, if any, shall act in the President's absence and shall have all powers, duties, and responsibilities provided for the President when so acting.

4.7. Secretary. The Secretary shall keep the minutes of all meetings of the Commercial Association and of the Board and shall have charge of such books and papers as the Board may direct and shall, in general, perform all duties incident to the office of the secretary of a corporation organized in accordance with Washington law.

4.8. Treasurer. The Treasurer shall have the responsibility for the Commercial Association's funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, for preparing all required financial statements and tax returns, and for the deposit of all monies and other valuable effects in the name of the Commercial Association or the managing agent in such depositories as may from time to time be designated by the Board.

4.9. Resignation. Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

ARTICLE V: COMMITTEES.

5.1. General. Committees are hereby authorized to perform such tasks as may be delegated to a committee under Washington law and to serve for such periods as may be designated by Board resolution. Each committee shall operate under the terms of the Board resolution designating the committee and the rules adopted by the Board governing such committee.

5.2. Covenants Committee. In addition to any other committees which may be established by the Board, the Board may appoint a Covenants Committee consisting of at least three and no more than seven members. Acting in accordance with the provisions of the Declaration, these By-Laws, and resolutions the Board may adopt, the Covenants Committee, if established, shall be the hearing tribunal of the Commercial Association and shall conduct all hearings held pursuant to Section 3.22.

5.3. District Committees. In addition to any other committees which may be established by the Board, there shall be a District Committee for each District which has no formal organizational structure or association. Each District Committee shall consist of three members; provided, however, by a majority vote of the Owners within the District this number may be increased to five.

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The nominees for each District Committee shall be elected annually by the vote of Owners of Units within that District. The first election shall be called by the Board of the Commercial Association not later than 60 days after conveyance of a majority of the Units in the District to Owners other than Declarant. Election of a District Committee may be held by mail-in ballot sent out by the Board for the initial election and after the initial election by the District Committee. Each Owner shall have the number of votes assigned to such Owner's Unit(s) in the Declaration. Committee members nominated in such fashion shall be appointed by the Board for a term of one year and until their successors are elected.

It shall be the District Committee's responsibility to determine the nature and extent of services, if any, to be provided to the District by the Commercial Association in addition to those which the Commercial Association is obligated to provide pursuant to the Declaration or any applicable Supplemental Declaration; provided, however, such special services requested by the District shall have the approval of Owners holding at least a majority of the total votes in the District. A District Committee may advise the Board on any other issue, but shall not have the authority to bind the Board.

The Owners of Units holding at least a majority of the total votes of Units in the District shall constitute a quorum at any District meeting. In the conduct of its duties and responsibilities, each District Committee shall abide by the procedures and requirements applicable to the Board set forth in Sections 3.7, 3.8, 3.9, 3.10, 3.11, 3.12, 3.13, 3.14, 3.15, and 3.16; provided, however, the term "Member" shall refer to the Owners of Units within the District. Each District Committee shall elect a chairperson from among its members who shall preside at its meetings and who shall be responsible for transmitting any and all communications to the Board.

5.4. Management Committee. The Board may establish a committee consisting of one or more of its members with the authority to act on behalf of the Board on all matters relating to the duties of the managing agent or manager, if any, which might arise between Board meetings.

ARTICLE VI: MISCELLANEOUS.

6.1. Fiscal Year. The fiscal year of the Commercial Association shall be the calendar year unless otherwise established by Board resolution.

6.2. Parliamentary Rules. Except as may be modified by Board resolution, Robert's Rules of Order (current edition) shall govern the conduct of Commercial Association proceedings when not in conflict with Washington law, the Articles, the Declaration, or these By-Laws.

6.3. Conflicts. If there are conflicts between the provisions of Washington law, the Articles, the Declaration, and these By-Laws, the provisions of Washington law, the Declaration, the Articles, and the By-Laws (in that order) shall prevail.

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6.4. Books and Records.

(a) Inspection by Members and Mortgagees. The Declaration, By-Laws, and Articles, any amendments to the foregoing, the rules of the Commercial Association, the membership register, books of account, and the minutes of meetings of the Members, the Board, and committees shall be made available for inspection and copying by any holder, insurer or guarantor of a first Mortgage on a Unit, Member of the Commercial Association, or by the duly appointed representative of any of the foregoing at any reasonable time and for a purpose reasonably related to an interest in the Unit at the office of the Commercial Association or at such other place within the Commercial Properties as the Board shall prescribe.

(b) Rules for Inspection. The Board shall establish reasonable rules with respect to:

- (i) notice to be given to the custodian of the records;
- (ii) hours and days of the week when such an inspection may be made; and
- (iii) payment of the cost of reproducing copies of documents requested.

(c) Inspection by Directors. Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Commercial Association and the physical properties owned or controlled by the Commercial Association. The right of inspection by a director includes the right to make extracts and a copy of relevant documents at the expense of the Commercial Association in furtherance of such director's duties as a director.

6.5. Notices. Unless otherwise provided in these By-Laws, all notices, demands, bills, statements, or other communications under these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if deposited with the U.S. Postal Service, first class postage prepaid:

(a) if to a Member, at the address which the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Unit of such Member; or

(b) if to the Commercial Association, the Board, or the managing agent, at the principal office of the Commercial Association or the managing agent, if any, or at such other address as shall be designated by notice in writing to the Members pursuant to this Section.

6.6. Amendment.

(a) So long as Declarant has the right to appoint a majority of the Board, the Board may unilaterally amend these By-Laws for any purpose. So long as it still owns property described in Exhibits "A" or "B" of the

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Declaration for development as part of the Commercial Properties, Declarant may (a) veto any amendment proposed by the Board; and (b) unilaterally amend these By-Laws for any purpose, provided the amendment has no material adverse effect upon any substantive right of any Owner and does not adversely affect the title to any Unit.

(b) Except as otherwise specifically provided herein, these By-Laws may be amended only upon resolution duly adopted by the Board and approved by the affirmative vote of Members holding a majority of the total Class "A" votes in the Commercial Association, and the consent of the Class "B" Member, so long as such membership exists. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

(c) Any amendment to these By-Laws to be effective must be recorded in the public records of Pierce County, Washington.

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CERTIFICATION

I hereby certify:

That I am the duly elected and acting Secretary of Northwest Landing
Commercial Owners Association, a Washington Corporation;

That the foregoing By-Laws constitute the By-Laws of said Commercial
Association, as duly adopted at a meeting of the Board of Directors thereof held
on the 20th day of August, 1992.

This 20th day of August, 1992.


Secretary

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EXHIBIT "E"

DECLARATION OF EASEMENTS AND COVENANT TO SHARE COSTS
FOR
NORTHWEST LANDING

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Exhibit
DECLARATION OF EASEMENTS AND
COVENANT TO SHARE COSTS
FOR NORTHWEST LANDING

THIS DECLARATION is made this 20th day of August, 1992, by WEYERHAEUSER REAL ESTATE COMPANY, Land Management Division (hereinafter referred to as "Declarant").

BACKGROUND STATEMENT

Declarant is the owner (or if not the owner, Declarant has the consent of the owner(s) to subject such property to this Declaration) of all that property which is subject to the Declaration of Covenants, Conditions and Restrictions for Northwest Landing Commercial Property, recorded or to be recorded in the Records of Pierce County, Washington (as amended the "Commercial Declaration"; all property subject to the Commercial Declaration is referred to as the "Commercial Property"). Declarant is also the owner (or if not the owner, Declarant has the consent of the owner(s) to subject such property to this Declaration) of all that property which is subject to the Declaration of Covenants, Conditions and Restrictions for Northwest Landing Residential Property, recorded or to be recorded in the Records of Pierce County, Washington (as amended the "Residential Declaration"; all property subject to the Residential Declaration is referred to as the "Residential Property").

Declarant desires to provide for maintenance of certain property benefitting the Residential Property and the Commercial Property, for the sharing of costs benefitting the owners of such property and for an allocation of such costs between the members of the Northwest Landing Residential Owners Association ("Residential Association") and the Northwest Landing Commercial Owners Association ("Commercial Association"). Declarant also desires to provide an easement for access by the Commercial Association over and through the Residential Property to the extent necessary to perform its maintenance responsibilities hereunder.

NOW, THEREFORE, Declarant hereby declares that the Commercial Property, the Residential Property and the property submitted to the terms of this Declaration in accordance with Section 4.3 (collectively the "Properties"), shall be held, sold, and conveyed subject to the covenants, conditions and easements contained herein, which shall run with the title to the Properties and shall bind all parties having any right, title, or interest in the Properties, their heirs, successors, and assigns, and shall inure to the benefit of the Commercial Association, the Residential Association and each owner of the Properties.

ARTICLE I: EASEMENT

Subject to the provisions of this Declaration, Declarant hereby and by recording the Residential Declaration and the recording of any document adding property to the Residential Declaration, grants and conveys to the

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Commercial Association an easement appurtenant to the Commercial Property over the Residential Property for the purpose of maintaining, repairing and replacing the Maintenance Property (as defined below) in accordance with this Declaration.

THE CONTINUED EXISTENCE OF THIS EASEMENT IS EXPRESSLY MADE SUBJECT TO THE CONDITIONS AND RESTRICTIONS CONTAINED HEREIN WHICH SHALL CONSTITUTE COVENANTS RUNNING WITH THE TITLE TO, AND BOTH BENEFITTING AND BURDENING, THE COMMERCIAL PROPERTY AND THE RESIDENTIAL PROPERTY.

ARTICLE 11: JOINT MAINTENANCE AND BUDGET

2.1. Maintenance Property. The term "Maintenance Property" means that property more particularly described on Exhibit "1" attached hereto and incorporated herein by this reference. The Maintenance Property is also part of the Area of Common Responsibility under the Commercial Declaration and/or the Residential Declaration.

2.2. Joint Budget. The term "Joint Budget Items" means the expenses associated with maintenance of the Maintenance Property and all other expenses of the associations benefitting both the Residential Property and the Commercial Property as reasonably determined by the Commercial Association's Board.

2.3. Commercial Association Responsibility.

(a) Joint Budget Items. The Commercial Association shall contract for and obtain the services contemplated by the Joint Budget Items and shall have responsibility for the payment of the costs of such items.

(b) Maintenance. The Commercial Association shall maintain, repair, replace, and keep the Maintenance Property in a neat and attractive condition consistent with the Community-Wide Standard established pursuant to the Commercial Declaration.

In the event that all or any part of the Commercial Association's responsibilities under this Section are assumed by any local, state or federal government entity, the Commercial Association shall be relieved of such responsibility to the extent so assumed. The Commercial Association may provide additional or a higher level of maintenance to any affected portion of the Maintenance Property if the Commercial Association's Board determines that such additional maintenance is desirable to maintain the Community-Wide Standard under the Commercial Declaration.

2.4. Insurance. The Commercial Association shall keep in force property and public liability insurance on the Maintenance Property in accordance with the standards for insurance established in the Commercial Declaration. Such insurance shall name the Residential Association as additional insured.

2.5. Right to Request Higher Level of Maintenance. The Residential Association may request at any time that the Commercial Association provide a

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higher level of maintenance as to some or all of the Maintenance Property than that required hereunder and the Commercial Association shall provide such additional maintenance. The Residential Association shall pay all costs resulting from the increase in the level of maintenance.

ARTICLE III: OBLIGATION TO SHARE COSTS

3.1. Responsibility for Assessments. The Residential Association shall pay to the Commercial Association an annual assessment to cover a portion of the costs, including insurance, incurred by the Commercial Association in performing its obligations under Article II of this Declaration. The obligation to pay this assessment shall be mandatory, whether or not the Residential Association agrees with or is satisfied with the manner and extent of performance by the Commercial Association.

3.2. Computation of Assessments. On an annual basis, the Commercial Association shall determine an estimated budget for performing its obligations under this Declaration during the upcoming year, including an appropriate amount to be placed in a reserve fund for capital repairs and replacements. The budget shall be adjusted to reflect any excess or deficiency in the budget assessed for the immediately preceding year, as compared to actual expenses for that period. Each party's annual assessment shall be a pro rata amount of the annual budget as determined by the following formula:

$$\frac{\text{Total Acreage of Commercial Property}}{(\text{Commercial Property Acreage} + \text{Residential Property Acreage})} \times \text{Budget} = \text{Commercial Assessment}$$
$$\frac{\text{Total Acreage of Residential Property}}{(\text{Commercial Property Acreage} + \text{Residential Property Acreage})} \times \text{Budget} = \text{Residential Assessment}$$

For purposes of this formula, the total acreage of the Residential Property and the Commercial Property shall be determined annually as of the date that the budget is adopted.

3.3. Payment of Assessments. Within 30 days of receipt of notice of an annual assessment, the Residential Association shall pay to the Commercial Association the entire amount due, unless the Commercial Association's Board provides for the payment to be made in installments. Any assessment delinquent for a period of more than 30 days may incur a reasonable late charge in an amount determined by the Commercial Association's Board plus interest (at a rate equal to the lesser of 18% per annum or the maximum lawful rate) on the principal amount plus all costs of collection, including, but not limited to, reasonable attorneys' fees actually incurred and any other amounts provided or permitted by law. In the event that the assessment remains unpaid after 90 days, the Commercial Association may institute suit to collect such amounts. All payments shall be applied first to costs and attorneys' fees, then to late charges, then to interest and then to delinquent assessments.

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3.4. Recordkeeping. The Commercial Association shall maintain or cause to be maintained full and accurate books of account with respect to the performance of its responsibilities hereunder. The books and records and related financial statements shall be made available for inspection and copying upon request by the Residential Association during normal business hours. Copying charges shall be paid by the Residential Association when requesting copies. If the Residential Association desires to have the records audited, it may do so at the expense of the Residential Association, and the Commercial Association shall cooperate by making available to the auditors the records, including all supporting materials (e.g. check copies, invoices, etc.), for the year in question.

If the amount of actual expenses for the year is disputed after audit, the Residential Association and the Commercial Association shall cause a second audit to be performed by a mutually acceptable auditor and the decision of the second auditor shall be binding. If the amount as determined by the second auditor varies from the amount asserted by the Commercial Association by five percent or more, the Commercial Association shall pay the entire cost of the second auditor. If the amount as determined by the second auditor varies from the amount asserted by the Commercial Association by two percent or less, then the Residential Association shall pay the entire cost of the second auditor. Otherwise, the cost of the second auditor shall be shared equally by the Commercial Association and the Residential Association. Variances shall be taken into account in the following year's budget as provided above.

ARTICLE IV: GENERAL

4.1. Notice. Any notice shall be served personally (including delivery by commercial courier service) or shall be mailed by registered or certified mail to the president or secretary of the Residential Association or the Commercial Association. All such notices shall, for all purposes, be deemed delivered (a) upon personal delivery (including commercial courier service); or (b) on the third (3rd) day after mailing when mailed by registered or certified mail, postage prepaid, and properly addressed.

4.2. Enforcement. The obligations created hereunder may be enforced by the Declarant, the Commercial Association, the Residential Association and any owner of any portion of the Properties by any means available at law or in equity.

4.3. Amendment.

(a) By Declarant. The Declarant may amend this Declaration unilaterally at any time for the purpose of designating additional property as Maintenance Property or designating certain expenses as Joint Budget Items or deleting any property or Joint Budget Items previously included by filing an amendment to this Declaration in the public records of Pierce County, Washington. The Declarant may also unilaterally amend this Declaration at any time and from time to time if such amendment is necessary to: (i) bring any provision hereof into compliance with any applicable governmental statute or

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regulation or judicial determination; (ii) enable any reputable title insurance company to issue title insurance coverage with respect to any portion of the Commercial Property or Residential Property; or (iii) enable any institution or government lender to make, purchase, insure or guarantee mortgage loans on any portion of the Commercial Property or the Residential Property; provided, however, any such amendment shall not adversely affect the title to any property unless the owner consents in writing. Further, so long as the Declarant has an option unilaterally to subject additional property to the Residential Declaration as provided therein, Declarant may unilaterally amend this Declaration for any other purpose, so long as such amendment does not materially adversely affect the substantive rights of any owner of any portion of the Properties, nor adversely affect title to any portion of the Properties without the consent of the affected owner.

(b) By Owners. In addition to the above, this Declaration may be amended upon (i) the approval of owners holding a majority of the total votes in the Commercial Association, (ii) the approval of owners holding a majority of the total votes in the Residential Association and (iii), so long as the Declarant has an option unilaterally to subject additional property to the Residential Declaration as provided in that instrument, the consent of the Declarant. No amendment may remove, revoke, or modify any right or privilege of Declarant without the written consent of Declarant.

(c) Validity of Amendments. Amendments to this Declaration shall become effective when recorded in the public records of Pierce County, Washington, unless a later effective date is specified therein. Any procedural challenge to an amendment must be made within six (6) months of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of this Declaration.

4.4. Duration. The provisions of this Declaration shall run with and bind the land and shall be and remain in effect perpetually to the extent allowed by law.

4.5. Binding Effect. This Declaration shall be binding upon and shall inure to the benefit of every owner of any portion of the Properties.

4.6. Interpretation. This Declaration shall be governed by and construed under the laws of the State of Washington.

4.7. Waiver. No failure of the Residential Association or the Commercial Association to exercise any power under this Declaration or insist upon strict compliance with this Declaration and no custom or practice at variance with the terms of this Declaration shall constitute a waiver of the right to demand exact compliance with the terms of this Declaration.

4.8. Perpetuities. If any of the covenants, conditions, restrictions, or other provisions of this Declaration shall be unlawful, void, or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of

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the last survivor of the now living descendants of Elizabeth II, Queen of England.

4.9. Gender and Grammar. The singular, wherever used herein, shall be construed to mean the plural, when applicable, and the use of the masculine pronoun shall include the neuter and feminine.

4.10. Severability. Invalidity of any provision or application of a provision of this Declaration by any court shall not affect any other provisions or applications.

4.11. Captions. The captions of each Article and Section are inserted only for convenience and do not define, limit, extend, modify or add to the particular Article or Section to which they refer.

IN WITNESS WHEREOF, the undersigned Declarant has executed this Declaration as of the date first above written.

WEYERHAEUSER REAL ESTATE COMPANY, Land
Management Division

By:

Robert L. Shedd
Robert L. Shedd, Vice President

STATE OF WASHINGTON

COUNTY OF KING

On this 20th day of August, 1992 before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Robert L. Shedd to me known to be the Vice President of Weyerhaeuser Real Estate Company, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument.

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

Janet L. Buck
NOTARY PUBLIC in and for the State of
Washington, residing at Gig Harbor 13144
My Appointment Expires: 5-9-94

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Exhibit "1"
MAINTENANCE PROPERTY

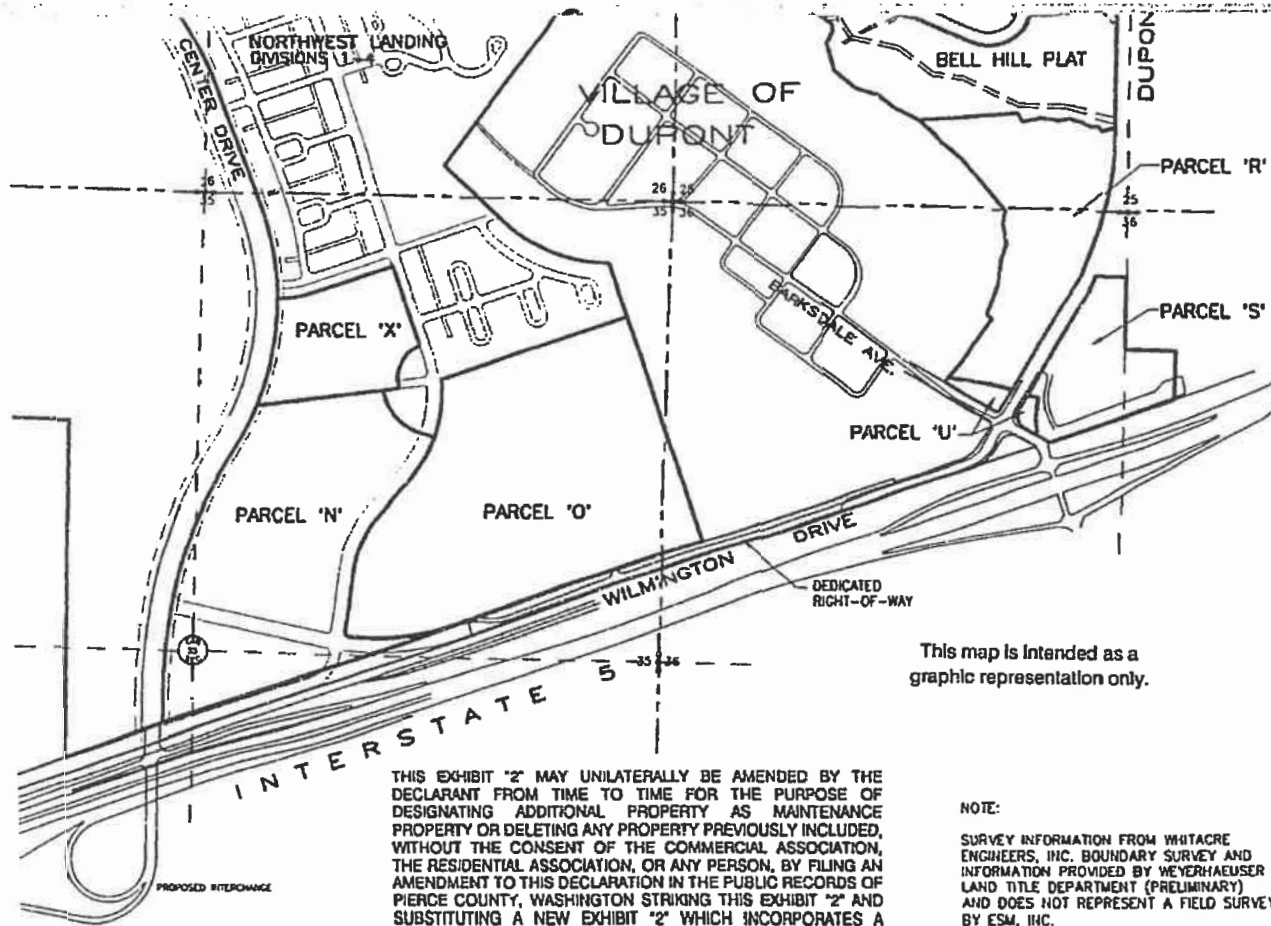
The following property shall be included in the Maintenance Property (all parcel references are to the numbered parcels as shown on the attached Exhibit "2" which is incorporated herein by this reference and is intended to show general locations relative to surrounding parcels only):

1. Roads, landscaping along roads, trails and storm sewers. At present the roads include Center Drive, Wilmington Drive, International Place, Davis Place, Bell Hill Loop, Williamson Place, and Manchester Place (see map, Exhibit 2).
2. All costs of maintaining, repairing and replacing on-premise signs demarking Northwest Landing.

This Exhibit "1" may unilaterally be amended by the Declarant from time to time for the purpose of designating additional property as Maintenance Property or deleting any property previously included, without the consent of the Commercial Association, the Residential Association, or any person, by filing an amendment to this Declaration in the public records of Pierce County, Washington striking this Exhibit "1" and substituting a new Exhibit "1" which incorporates a revised description of the Maintenance Property.

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DRAWING 128139/CCR-EXHIBIT

**ESM inc.**

A DIV. OF DORRIS, LIND & BART, AN ALBERT EINSTEIN COMPANY

941 POWELL AVENUE S.W., SUITE 100
 RENTON, WASHINGTON 98055
 PHONE: (206) 228-3828

JOB NO. 129-06-944
 DRAWN: GAC

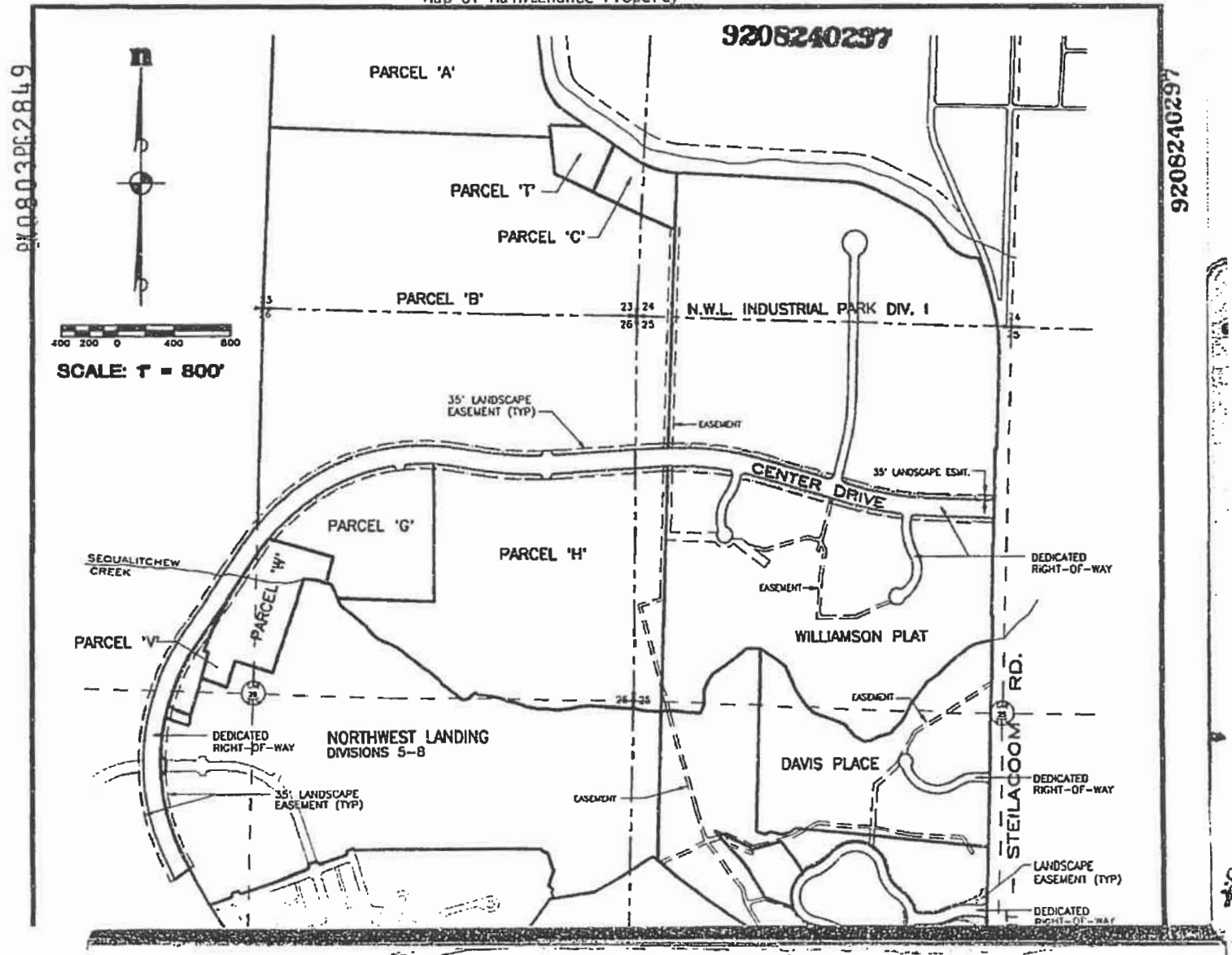
DATE: 12-17-91
 SHEET 1 OF 2



WEYERHAEUSER REAL ESTATE COMPANY
LAND MANAGEMENT DIVISION

NORTHWEST LANDING
 MAINTENANCE AREA EXHIBIT FOR CCR'S

EXHIBIT "2"
Map of Maintenance Property

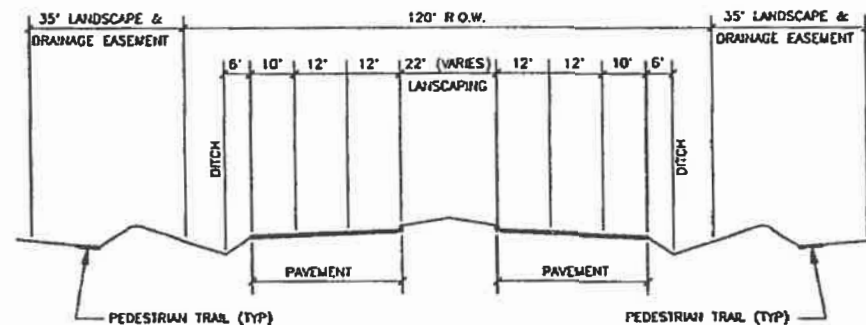


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BELL HILL PLACE ENTRY ROAD

NOT TO SCALE



CENTER DRIVE - TYPICAL SECTION

NOT TO SCALE

THIS EXHIBIT "2" MAY UNILATERALLY BE AMENDED BY THE DECLARANT FROM TIME TO TIME FOR THE PURPOSE OF DESIGNATING ADDITIONAL PROPERTY AS MAINTENANCE PROPERTY OR DELETING ANY PROPERTY PREVIOUSLY INCLUDED, WITHOUT THE CONSENT OF THE COMMERCIAL ASSOCIATION, THE RESIDENTIAL ASSOCIATION, OR ANY PERSON, BY FILING AN AMENDMENT TO THIS DECLARATION IN THE PUBLIC RECORDS OF PIERCE COUNTY, WASHINGTON STRIKING THIS EXHIBIT "2" AND SUBSTITUTING A NEW EXHIBIT "2" WHICH INCORPORATES A REVISED MAP OF THE MAINTENANCE PROPERTY.

DRAWING: 120105/CCR-ERM2



ESM Inc.

A DIV. OF EARTHLINE LAND SURVEY AND PROJECT MANAGEMENT CONSULTING FIRM

941 POWELL AVENUE S.W., SUITE 100
RENTON, WASHINGTON 98033
PHONE: (206) 226-5828

JOB NO. 128-00-016
DRAWN: B.A.C.

DATE: 12-17-91
SHEET 2 OF 2



WEYERHAEUSER REAL ESTATE COMPANY
LAND MANAGEMENT DIVISION

NORTHWEST LANDING
MAINTENANCE AREA EXHIBIT FOR CCR'S

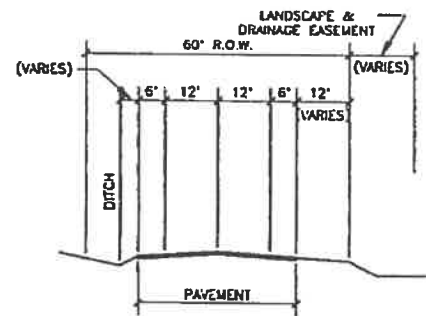
DEC 17 1991

EXHIBIT "2"
Map of Maintenance Property

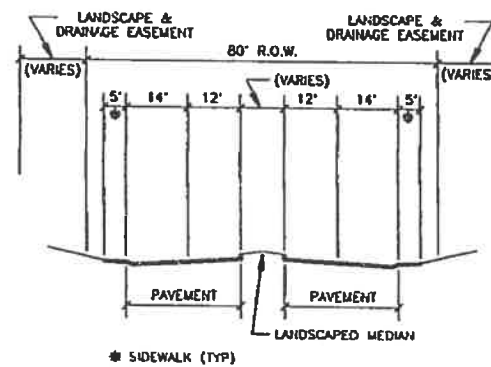
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BELL HILL PLACE
NOT TO SCALE



* SIDEWALK (TYP)

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Exhibit "3"
JOINT BUDGET ITEMS

The following are Joint Budget Items under Article II § 2:

1. All amounts contributed to the City of DuPont by the Commercial Property Owners Association to be used for budgeted items such as public safety, fire, police, administration, etc.

This Exhibit "3" may unilaterally be amended by the Declarant from time to time for the purpose of modifying Joint Budget Items without the consent of the Commercial Association, the Residential Association, or any person, by filing an amendment to this Declaration in the public records of Pierce County, Washington striking this Exhibit "3" and substituting a new Exhibit "3" which incorporates a revised list of Joint Budget Items.

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EXHIBIT "F"

Rules Of Arbitration

1. Claimant shall submit a Claim to arbitration under these Rules by giving written notice to all other Parties stating plainly and concisely the nature of the Claim, the remedy sought and Claimant's desire to submit the Claim to arbitration ("Arbitration Notice").

2. Each Party shall select an arbitrator ("Party Appointed Arbitrator"). The Parties are encouraged to select an arbitrator who has experience in the real estate industry and who is familiar with the arbitration of real estate related disputes. The Party Appointed Arbitrators shall, by unanimous agreement, select one or two neutral arbitrators ("Neutral(s)") so that the total arbitration panel ("Panel") has an odd number of arbitrators. If any Party fails to appoint a Party Appointed Arbitrator within 20 days from the date of the Arbitration Notice, the remaining arbitrators shall conduct the proceedings, selecting a Neutral in place of any missing Party Appointed Arbitrator. The Neutral arbitrator(s) shall select a chairperson ("Chair").

3. If the Panel is not selected under Rule 2 within 45 days from the date of the Arbitration Notice, or if the Parties earlier agree, Claimant may notify the Washington chapter of The Community Associations Institute ("CAI"), which shall appoint one Neutral ("Appointed Neutral"), notifying the Appointed Neutral and all Parties in writing of such appointment. The Appointed Neutral shall be experienced in the arbitration of real estate related disputes or knowledgeable of real estate issues as determined by the Washington Chapter of CAI. The Appointed Neutral shall thereafter be the sole arbitrator ("Arbitrator"), and any Party Appointed Arbitrators or their designees shall have no further duties involving the arbitration proceedings.

4. No person may serve as a Neutral in any arbitration under these Rules in which that person has any financial or personal interest in the result of the arbitration. Any person designated as a Neutral shall immediately disclose in writing to all Parties any circumstance likely to affect impartiality, including any bias or financial or personal interest in the outcome of the arbitration ("Bias Disclosure"). If any Party objects to the service of any Neutral after receipt of that Neutral's Bias Disclosure, such Neutral shall be replaced in the same manner in which that Neutral was selected.

5. The Arbitrator or Chair, as the case may be ("Arbitrator") shall fix the date, time and place for the hearing. The place of the hearing shall be within the Commercial Properties unless otherwise agreed by the Parties.

6. Any Party may be represented by an attorney or other authorized representative throughout the arbitration proceedings.

7. All persons who, in the judgment of the Arbitrator, have a direct interest in the arbitration are entitled to attend hearings.

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8. There shall be no stenographic record of the proceedings.
9. The hearing shall be conducted in whatever manner will, in the Arbitrator's judgment, most fairly and expeditiously permit the full presentation of the evidence and arguments of the Parties.
10. The Parties may offer such evidence as is relevant and material to the Claim, and shall produce such additional evidence as the Arbitrator may deem necessary to an understanding and determination of the Claim. The Arbitrator shall be the sole judge of the relevance and materiality of any evidence offered, and conformity to the legal rules of evidence shall not be necessary. The Arbitrator shall be authorized, but not required, to administer oaths to witnesses.
11. The Arbitrator shall declare the hearings closed when satisfied the record is complete.
12. There will be no posthearing briefs.
13. The Award shall be rendered immediately following the close of the hearing, if possible, and no later than 14 days from the close of the hearing, unless otherwise agreed by the Parties. The Award shall be in writing, shall be signed by the Arbitrator and acknowledged before a notary public. If the Arbitrator believes an opinion is necessary, it shall be in summary form.
14. If there is more than one arbitrator, all decisions of the Panel and the Award shall be by majority vote.
15. Each Party agrees to accept as legal delivery of the Award the deposit of a true copy in the mail addressed to that Party or its attorney at the address communicated to the Arbitrator at the hearing.

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