

DECLARATION OF CHARTER, EASEMENTS, COVENANTS AND RESTRICTIONS

SEABROOK LAND COMPANY LLC, a Washington limited liability company to be known as the "Founder," makes this Declaration on the 26th day of January, year of 2005.

STATEMENT OF PURPOSE:

A. The Founder is developing upon real property in Grays Harbor County, Washington, a traditional neighborhood development to be known as Seabrook. Seabrook comprises two parts: a primarily residential portion and a second portion with a mixture of commercial and residential uses. Unlike typical suburbs which separate homes from businesses and force dependence on the automobile, the Seabrook design is intended to mix commercial, civic and residential uses in a way that enlivens the community.

B. This Declaration is intended to provide for the maintenance and operation of the residential, commercial and mixed use areas of Seabrook.

C. Seabrook is subject to Master Deed Restrictions, recorded immediately prior to this Declaration. Among other things, the Master Deed Restrictions regulate the construction and modification of buildings and other improvements within Seabrook.

DECLARATION

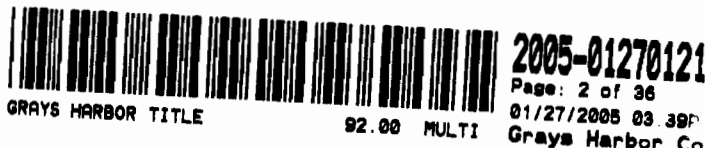
The Founder, who is the owner of all of the property described on Exhibit A (the "Master Plan Area"), hereby submits the Master Plan Area to this Declaration of Charter, Easements, Covenants and Restrictions. The Founder hereby declares that the property comprising the Master Plan Area shall be held, sold and conveyed subject to the covenants, restrictions and easements of this Declaration, which shall run with the land and be binding on all parties and heirs, successors and assigns of parties having any right, title or interest in all or any part of Seabrook.

1. DEFINITIONS

The following definitions apply wherever the capitalized terms appear in this Declaration. Additional Definitions terms that apply only to one article are defined the first time they appear.

1.1 Building

"Building" is any residential, mixed-use or commercial building constructed on any Lot (including any garage). If permitted by the Seabrook Design Code, a Building may be attached to another Building and share party walls.



1.2 Commons

“Commons” comprises real property designated on a plat for the common use and enjoyment of all Owners and Owners' tenants. “Commons” also include any improvements on that real property, all utilities, utility easements and other easement rights or personal property for the Owners and tenants' common use, and any other property of any type specifically designated as Commons. The Commons may include areas dedicated to the public, to the extent that the Founder or its assign agrees to maintain, or is required by this Declaration to maintain, such property.

1.3 Common Roads

“Common Roads” are the streets and alleys located within Seabrook that are intended for automobile traffic. Any Common Roads not dedicated to the public shall be part of the Commons.

1.4 Declaration

“Declaration” is this Declaration of Charter, Easements, Covenants and Restrictions for Seabrook.

1.5 Design Code

The “Design Code” establishes the plan for the development of Seabrook through its regulation of land use, architecture and environment. The Seabrook Design Code is originally adopted by the Founder as provided in the Master Deed Restrictions and may be amended from time to time. The Seabrook Design Code does not need to be recorded to be effective but shall be available from the Seabrook Design Review Board.

1.6 Design Review Board

The “Design Review Board” is the panel established to administer the Seabrook Design Code, as established by the Master Deed Restrictions and described in Article 5.

1.7 Founder

The “Founder” is Seabrook Land Company LLC, a Washington limited liability company, its successors and assigns.

1.8 Lot

A “Lot” is a parcel of land intended for a single building, or a building and an outbuilding. Ordinarily, Lots are designated as numbered or lettered, separately identifiable parcels on the recorded subdivision plat of Seabrook, or, for unplatted areas, as shown on a site plan of property offered for sale as a part of Seabrook.



1.9 Maintenance Assessments

Both Owners of residential Parcels and Owners or Owner's tenants of commercial Parcels will pay monthly assessments ("Maintenance Assessments") to the Founder or its assign, for the maintenance and operation of Seabrook. All residential Parcels shall be subject to a "Residential Maintenance Assessment" of \$100.00 per month for the first 12 months after the recording of these Master Deed Restrictions. Thereafter, Residential Maintenance Assessments shall be reassessed annually. Residential Parcels located within a primarily commercial or mixed use area shall be subject to the Residential Maintenance Assessment. Commercial uses shall be subject to a "Commercial Maintenance Assessment" calculated based upon a commercial use's pro rata share of the square footage of the commercial Parcel. Commercial uses with square footage in excess of 5,000 square feet shall pay a separate Commercial Maintenance Assessment Fee. Commercial Maintenance Assessments shall be reassessed annually.

1.10 Master Deed Restrictions

The Founder, as the grantor of deeds within Seabrook, has recorded an instrument immediately prior to this Declaration known as the Master Deed Restrictions. The Master Deed Restrictions, which apply to all deeds granted within Seabrook, are intended to ensure the proper application of the Seabrook Design Code during the development stage and to impose other restrictions designed to further the development of the community.

1.11 Master Plan

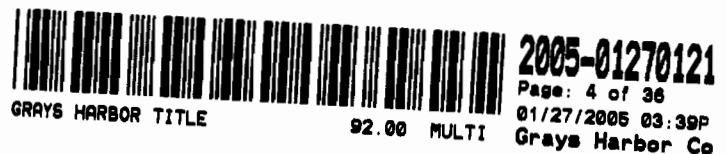
The Master Plan is the initial plan for the development of the Master Plan Area. The Master Plan is subject to change based on market conditions, governmental requirements and other modifications that may be made as development progresses.

1.12 Master Plan Area

As further defined in the Master Deed Restrictions, the Master Plan Area comprises approximately 80.17 acres intended for development as a single, unified traditional neighborhood development to be known as Seabrook.

1.13 Mortgagee

A "Mortgagee" is any institutional lender that holds a bona fide first mortgage encumbering a Parcel as security for the performance of an obligation. The term "institutional lender" specifically includes a bank, savings and loan association, a mortgage lending company, an insurance company, and the Federal National Mortgage Association or similar agency.



1.14 Owner

“Owner” is the record owner, whether one or more persons or entities, of the fee simple title to any Parcel. Owners shall not include those having such interest merely as security for the performance of an obligation.

1.15 Parcel

A “Parcel” is the smallest piece of real property that may be separately conveyed. A Parcel may be a Lot (whether or not improved by a Building), a Special Use Parcel, or certain Residential Units such as condominium units.

1.16 Party Walls

A "Party Wall" is a wall that divides and provides structural support for two Buildings, or parts of a Building, on more than one lot. Party Walls include the studs, blocking, insulation, cement and airspace lying between the wallboard of one Building and the wallboard of the other Building sharing the wall. Party Walls do not include the wallboard, paneling, sheetrock, tiles, wallpaper and/or paint on the interior of the Party Wall.

1.17 Residential Unit

A “Residential Unit” is an individual dwelling unit and shall include a townhouse or other attached dwelling (such as each half of a duplex unit), an apartment or condominium unit, a residential dwelling within a mixed-use building, or an assisted living facility unit (but not a nursing home).

1.18 Special Use Parcel

A “Special Use Parcel” is a Lot of unconventional size, shape, location or use that calls for special design considerations. Typically, a Special Use Parcel will be used for commercial purposes, multi-family residential or community or recreation facilities.

1.19 Supplemental Declaration

“Supplemental Declaration” is any declaration that may be recorded by the Founder in accordance with Section 2.3 to add Additional Property to Seabrook.

1.20 Unit

"Unit" is the collective term for commercial units, Residential Units, and temporary units.

1.21 Zone

"Zones" are smaller, contiguous areas within Seabrook of distinct building type or character. Owners of property within a Zone may be assessed for maintenance of property primarily serving that Zone.

2. PROPERTY COMPRISING SEABROOK

2.1 Initial Property

The real property that shall be held, transferred, conveyed and occupied subject to this Declaration consists initially of that real described on Exhibit A.

2.2 Development Plan

(a) Mixed Use

The property that comprises the Master Plan Area is intended for development as a single, unified traditional neighborhood development and is intended to include residential, commercial and mixed use properties.

(b) Relationship to Surrounding Property

The construction of Seabrook is intended to follow design principles that allow interconnectivity of streets with neighboring communities. As provided in Section 6.1 of the Master Decd Restrictions, the Founder has reserved for itself, its successors and assigns various street and utility easements to allow the development of Seabrook and which may be assigned for the benefit of other properties which are adjacent to, or reasonably near, Seabrook (including property separated from Seabrook by a public road) whether or not such properties are developed as part of Seabrook. The Founder retains the right to provide access to future phases of Seabrook or other developments, subject to all governmental regulations and conditions of approval.

(c) Street Ends

Founder may allow adjoining properties to connect to Seabrook in the future. If the neighboring property is developed in a way that interconnectivity is not possible, or if the Founder deems interconnectivity to be undesirable under the circumstances as they then exist, then the Founder reserves the right to convert the street ends to additional lots or other uses. Founder may limit connectivity to pedestrian rather than vehicular access.

2.3 Additional Property

(a) By the Founder

The Founder may add to Seabrook any property with a reasonable relationship to the Master Plan Area.

(b) Supplemental Declaration

A Supplemental Declaration adding the additional property shall become effective upon being recorded in the county's public records.

(c) Special Provisions

The Supplemental Declaration may modify or add to the provisions of this Declaration if needed to reflect the different character of the additional property. A Supplemental Declaration may define Zones and may designate certain Commons as "Zone Commons" for the use of certain Zones. However, no such Supplemental Declaration shall deny use of existing Commons to those Owners who had such right prior to the recording of the Supplemental Declaration.

2.4 Withdrawal of Property

The Founder reserves the right to withdraw property from Seabrook so long as all Owners within the area to be withdrawn consent, and appropriate access to the remaining portions of Seabrook are preserved.

2.5 Zones

(a) Intent

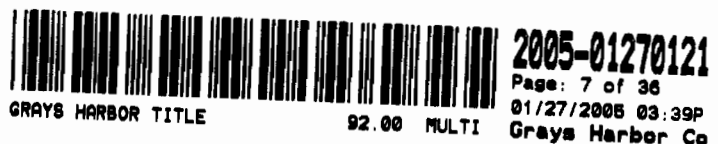
Zones are intended to provide a flexible means for providing additional maintenance or capital improvements for a small portion of Seabrook that has special needs. Owners of property within a Zone may be assessed for maintenance of property primarily serving that Zone.

(b) Designation

Zone boundaries may be designated at the time of the addition of the property by Supplemental Declaration, or at any later time by the Founder.

(c) Characteristics

To the extent reasonably possible, all Parcels on both sides of a street shall be included within the same Zone. Separate Zones may be created if the street is interrupted by



cross streets, by changes in topography or by Commons, or if Parcels on opposing sides of the street are of significantly different character.

3. EASEMENTS

3.1 Easements in Favor of the Founder

The Founder hereby reserves for itself and its assigns the following easements:

(a) Utility Easements

A blanket easement upon, across, over, through, and under the Master Plan Area for ingress, egress, installation, replacement, repair and maintenance of all public and private utility and service systems. These systems include, but are not limited to, water, sewer, irrigation systems, drainage, telephone, electricity, television, security, cable or communication lines and other equipment. By virtue of this easement the Founder, and its successors or assigns, may install and maintain facilities and equipment, excavate for such purposes and affix and maintain wires, circuits and conduits. However, the exercise of this easement must not unreasonably disturb each Owner's right of quiet enjoyment of his Parcel.

(b) Police Powers

A blanket easement throughout Seabrook for private patrol services, and for police powers and services supplied by the local, state and federal governments. The reservation of such easement does not imply that any such service shall be provided.

(c) Drainage, Erosion Controls

A blanket easement and right on, over, under and through the ground within the Master Plan Area to inspect, maintain and to correct drainage of surface water and other erosion controls. This easement includes the right to cut any trees, bushes or shrubbery, grade soil, or to take any other action reasonably necessary for health or safety or to comply with governmental requirements. The Founder shall notify affected Owners (except in an emergency) and shall restore the affected property to its original condition as nearly as practicable.

(d) Encroachment

An easement for any improvements constructed on the Commons which encroach on any Parcel, whether due to any minor deviation from the subdivision plat of the Master Plan Area or the settling or shifting of any land or improvements.

(e) Maintenance of Commons

To the extent reasonably necessary, an easement over any Parcel for maintenance of the Commons.



3.2 Relationship Between Lots

(a) Lot Lines

Lots may not be subdivided or separated into smaller Lots, or any portion of a Lot separately conveyed, except by the Founder or with the specific consent of the Design Review Board. However, this shall not prohibit corrective deeds or similar corrective instruments. The Founder may redefine Lots prior to sale by dividing or combining Lots or portions of Lots and adjusting the boundary of a Lot. The Founder shall also have the right to modify subdivision plats of the Master Area Plan to make adjustments to Lot boundary lines with consent only of those Owners whose Lot boundaries are to be changed. The division or combination of Lots may be subject to zoning or other governmental regulation, which may require, among other things, that the number of Units not be reduced if Lots are combined.

(b) Structural Party Walls

Each Owner grants to the Owners of each adjacent Lot the right and easement to maintain and to utilize any Party Wall between them. Each Owner also has an easement through the Party Wall for the purpose of installing, repairing, replacing or maintaining utility lines, wires, pipes, gas lines and conduits. Except as otherwise provided in this Declaration, the maintenance, repair, and replacement of Party Walls shall be the responsibility of the Owners of the Buildings that share the Party Wall. Maintenance of the surface of the Party Wall shall be the sole responsibility of the Owner whose Building faces the wall.

(c) Exterior Walls Along a Lot Line

An exterior wall which supports the Building on only one Lot, or which encloses a courtyard on one Lot, shall not be considered a Party Wall. The Founder may make rules and regulations concerning use and maintenance of such walls, including assigning responsibility between the adjoining owners for painting and repair and granting access over the adjoining Lot as reasonably necessary to maintain the wall. All such maintenance and repair shall be in accordance with the Seabrook Design Code.

(d) Yard Easements

To allow most efficient use of a Lot while complying with governmental setback requirements, a portion of a Lot along a Lot line may be subject to an easement for use by the adjoining Lot Owner. Such easements may be designated on the plat, the Seabrook Design Code or on the deed from the Founder to the first Owner other than the Founder. Such use easements may be up to four feet wide and shall run along a boundary line, but shall not encroach upon more than one boundary line. In addition, the Owner of such a Lot subject to an easement shall be the beneficiary of a similar easement along another portion of the Lot, unless the Lot is a corner Lot or is larger than the surrounding Lots. Subject to regulation



under the Seabrook Design Code, the beneficiary of such an easement shall have the use and maintenance responsibility for the easement area and may place air-conditioning equipment, fences, decks or patios and other fixtures (but not a primary structure) upon the easement area.

(e) Roof Overhang; Footings

For certain building types, such as sideyard houses, which are to be built along a property line, the Seabrook Design Code may permit roofs, gutters, soffits and downspouts to overhang this property line, and may allow footings and rain leaders to intrude below the surface of the same property line. To the extent allowed by the Design Code and local governmental regulations the adjacent property shall be subject to an easement for such intrusion. However, roofs, gutters, downspouts and rain leaders may not discharge water onto adjacent property.

(f) Construction of Attached Buildings

If a Building wall or parapet is constructed along or very near the property line, the owner of the Building to be constructed on the adjacent property shall have the right to flash into the existing Building, in accordance with industry standards and in order to make the new Building watertight. This right shall include the right to make minor cuts on the existing Building and to secure flashing or other materials to the existing Building, so long as the structural integrity and watertightness of the existing Building is not impaired. The cost for flashing shall be incurred by the Owner of the new Building, but the maintenance of this connection shall be a shared expense between adjacent Owners.

(g) Maintenance of Attached Buildings

The costs of maintaining, repairing or replacing a Party Wall or the exterior (including the roof) any attached Buildings (including townhouses, double houses and garages) shall be apportioned equally between the Owners of the Buildings. When, in the reasonable opinion of an Owner, maintenance, repair or replacement of a Party Wall or the exterior of attached Buildings is needed, such Owner shall notify all other Owners of the Buildings of such need and the Owners together shall determine how to complete the work. If, however, such work is reasonably needed and an Owner or Owners refuse to proceed with the work, one Owner may complete the work, with the cost apportioned between the Owners in proportion to the benefit to the Buildings (subject to a rebuttable presumption that such work benefits the Buildings equally).

(h) Individual Owner Responsibilities

Each Owner of an attached Building shall be responsible for and shall bear the costs of maintaining, repairing and replacing the Owner's Building. Such maintenance, repair and replacement shall be done in accordance with the Seabrook Design Code, applicable laws, ordinances and regulations, and in a workmanlike manner. Notwithstanding any other

provision of this Declaration, any damage caused by the negligence or intentional act or omission of an Owner or the Owner's family, invitees, or guests shall be repaired by such Owner at such Owner's expense.

(i) Right to Contribution

The right of any Owner to contribution from any other Owner under this Declaration, together with the obligations of such other Owner to contribute to expenses related to any maintenance, repair or replacement of a Party Wall or the exterior of attached Buildings, or as otherwise required by this Declaration, shall be appurtenant to and a continuing lien upon the land, which may be enforced upon recording of a claim of lien, and shall pass to such Owner's successors in title. All amounts secured by such lien shall bear interest at a rate of twelve percent (12%) per annum from the date due until paid in full. The Owner holding the lien may bring an action at law against the obligor, or may foreclose the lien in a manner similar to foreclosure of a mortgage lien, or both. The prevailing party in such action shall be entitled to recover reasonable attorneys' fees and costs. The Founder shall have the power to bid for an interest in any Parcel foreclosed at such foreclosure sale and to acquire, hold, lease, mortgage and convey the Parcel.

(j) Condemnation

In the event that all or any portion of a Party Wall, any attached Buildings, or the portions of the Lots on which those Buildings are located is appropriated as the result of condemnation or threat of imminence thereof, any condemnation award received by the Owners shall be allocated to the Owners in proportion to the diminution in fair market value incurred by them with respect to their respective Lots and Buildings as a result of said condemnation, and shall be used to repair and restore the Party Wall, the Buildings or the Lots if such repair or restoration is feasible. This Section shall be construed as negating the right of the individual Owners to such incidental relief as the law may provide as a result of the condemnation of a Party Wall, the Buildings or the Lots, or any portion of the foregoing.

(k) Insurance

Each Owner of an attached Building shall purchase and maintain insurance sufficient to cover any loss relating to the Owner's Building, including extended coverage for full replacement value of the Building. Each Owner shall forward a copy of the insurance policy or other appropriate evidence of such insurance coverage to the Owner of the Building that shares the Party Wall. At least ten (10) days before the expiration of previous insurance coverage, the Owner shall procure appropriate replacement insurance coverage as required under this Section and forward to the other Owner a copy of the insurance policy or other evidence thereof. If an Owner fails to furnish a copy of an appropriate insurance policy or evidence thereof within the time required, the other Owners may procure such policy and charge the defaulting Owner the cost of the premium.



(l) Damage and Destruction

In case of fire, casualty or any other damage or destruction to attached Buildings, the proceeds of the Owners' insurance policies, if sufficient to pay for the repair or reconstruction of the Buildings, shall be applied to such reconstruction. Subject to the other provisions of this Section, if the proceeds of the Owners' insurance policies are insufficient to pay for the repair or reconstruction, the Buildings shall, nonetheless, be promptly repaired. The proceeds of the Owners' insurance policies shall be contributed to the repair or reconstruction costs of the Buildings, and each Owner shall be liable for such Owner's share of any such costs that is not paid for by insurance proceeds. Provided, however, if two-thirds or more in value of the Buildings are destroyed or substantially damaged, and if all Owners and all Mortgagees agree, and insurers who have issued policies on the Buildings allow, the Buildings shall not be repaired or reconstructed. In such case, insurance proceeds shall be paid to the covered Owner after the expenses of demolition, debris removal, and Lot restoration are paid. Reconstruction of the damaged or destroyed Buildings, as used in this Section, means restoring the Buildings to substantially the same condition in which they existed prior to the fire, casualty or disaster unless other action is agreed to by the Owners and Mortgagees. In any event, any architectural changes shall conform to this Declaration and the Seabrook Design Code, and be reviewed and approved by the Seabrook Design Review Board.

4. COMMONS

4.1 Title

The Founder shall hold title to the Commons.

4.2 Maintenance, Capital Improvements

(a) Generally

The Founder shall be responsible for the management, control and improvement of the Commons (including, without limitation, common signage, common area lighting and electricity) and shall keep the Commons attractive, clean and in good repair.

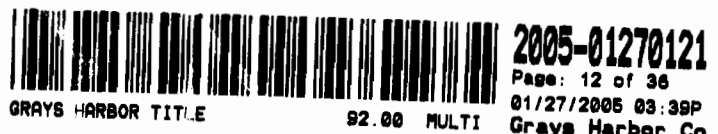
(b) Capital Improvements

The Founder may make capital improvements to the Commons and may modify the uses of the Commons.

4.3 Owners' Easements of Access and Enjoyment

(a) Generally

All Owners are hereby granted a nonexclusive easement for the appropriate and intended use of the Commons and any additional Commons which the Founder may add by



supplement to this Declaration or by a Grant of Easement designating the property as Commons under this Declaration. All such easements shall be nonexclusive and freely relocatable by the Founder, unless the grant of easement clearly states otherwise. Subject to the discretion of the Founder, the Commons shall not be dedicated for use by the general public, unless otherwise required by government regulations or conditions of approval.

(b) Residential Use

Any Owner of a Residential Unit may delegate, subject to the provisions of this Declaration and the Rules and Regulations, his right to enjoyment of the Commons to his family, his tenants or his guests who reside in the Residential Unit or are accompanied by the Owner.

(c) Commercial Use

All Owners or Owners' tenants of a Commercial Parcel and all customers, clients, suppliers and other business invitees of the Owner or tenant shall have a right and easement in the streets, parking, walkways and other portions of the Commons reasonably necessary for access to such property. The Founder may establish from time to time the extent to which business invitees shall enjoy a right to use any parks or other recreational facilities which are included in the Commons. All rights are subject to the provisions of this Declaration and the Rules and Regulations, including without limitation the Founder's right to regulate traffic and parking.

4.4 Use of Commons

(a) Owners' Benefit

The Founder shall maintain the Commons for the benefit of the Owners.

(b) Non-Owners

The Founder may permit limited use and access for all or a portion of the Commons that are not dedicated to the public.

(c) Open-Air Market and Festivals

The Founder reserves, for itself or its various assigns, the right to use portions of the Commons as an open-air market for the rental of space for pushcarts, kiosks, stands or similar temporary sales structures. Such uses may be for special events or on a recurring or daily basis. Founder also reserves, for itself or its various assigns, the right to use portions of the Commons for festivals or other events intended to enrich and enliven the community. Founder further reserves a right of access through the Commons for all such purposes.

(d) No Commercial Use

Except as specifically permitted by this Declaration, there shall be no commercial use of the Commons, nor shall the Commons be subdivided or sold.

4.5 Common Road Regulation

To the extent permitted by Grays Harbor County, the Founder may make rules and regulations concerning driving and parking within the Seabrook, and may construct traffic calming devices as approved by the Director of Design Review, post speed limit or other traffic signs and take any other reasonable measures to discourage excessive speed and encourage safe driving on the Common Roads. To the extent permitted by Grays Harbor County, the Founder may remedy any violations and may tow offenders.

4.6 Surface Water or Stormwater Management System

The Founder shall have the power and duty to maintain proper drainage within Seabrook. In the exercise of this power and duty, the Founder shall have a blanket easement and right on, over, under and through the ground within the Master Plan Area to maintain and to correct drainage of surface water. This easement includes the right to cut any trees, bushes or shrubbery, grade soil, or to take any other action reasonably necessary for health or safety or to comply with governmental requirements.

4.7 Damage or Destruction of Commons by Owner

If any Owner or any of the Owner's guests, invitees, tenants, licensees, agents, employees or members of his family damages any of the Commons as a result of negligence or misuse, the Owner hereby authorizes the Founder to repair the damage. If the damage was intentional and not the result of a reasonable accident, the cost of repair shall be the responsibility of that Owner. The Founder may, but is not required to, seek compensation for intentional damage from the guest, tenant or other party who caused the damage, in which case the Owner shall be jointly and severally liable.

4.8 Limitation of Liability

The Founder shall use reasonable judgment in providing security, maintaining the Commons and enforcing traffic control measures, but the Founder makes no representation nor assumes any liability for any loss or injury.

5. COMMUNITY PLANNING AND ADMINISTRATION OF THE DESIGN CODE

5.1 Master Deed Restrictions

The Master Deed Restrictions establish the Seabrook Design Code as the guide for all construction within Seabrook, provide for a Director of Design Review to administer the

Seabrook Design Code, and create the Seabrook Design Review Board. All construction or modification of any building or other improvements, any tree removal or landscaping or any material alteration of the topography of any Lot or Commons must be approved in advance by the Seabrook Design Review Board.

5.2 Binding Effect

The Master Deed Restrictions, which are recorded in the public records, are binding upon all of the property in the Master Plan Area. Unless a notice is recorded specifically to the contrary, the submission of additional property to the Declaration for Seabrook shall automatically extend the provisions of the Master Deed Restrictions to the additional property.

6. MAINTENANCE ASSESSMENTS

Both Owners of residential Parcels and Owners or Owners' tenants of commercial Parcels will pay monthly assessments ("Maintenance Assessments") to the Founder or its assign, for the maintenance and operation of Seabrook.

6.1 Residential Parcels

Residential Parcels shall be subject to a Residential Maintenance Assessment of \$100.00 per month for the first 12 months after the recording of these Master Deed Restrictions. Thereafter, Residential Maintenance Assessments shall be reassessed annually. Residential Parcels located within a primarily commercial or mixed use area shall be subject to the Residential Maintenance Assessment.

6.2 Commercial Parcels

Commercial uses shall be subject to a Commercial Maintenance Assessment calculated based upon a commercial use's pro rata share of the square footage of the commercial Parcel. Commercial uses with square footage in excess of 5,000 square feet shall pay a separate Commercial Maintenance Assessment Fee. Commercial Maintenance Assessments shall be reassessed annually.

7. ALLOCATION OF MAINTENANCE ASSESSMENTS

7.1 Residential Maintenance Assessments

The following shall be designated as "Residential Parcels":

- (a) A lot with a single home.
- (b) A lot with a home and an outbuilding, which may have a separately leasable residential unit.



- (c) A townhome or similar attached, single residence.
- (d) An unimproved Lot without a structure.

7.2 Special Use Parcels

Maintenance Assessments for Special Use Parcels shall be determined by the Founder based on the anticipated use of the parcel.

7.3 Exempt Parcels

Parcels that are used by nonprofit entities primarily for the benefit of Seabrook's residents may not be charged Maintenance Assessments. The Founder may grant such exempt status of record at any time up to and including the time of conveyance of the parcel to someone other than the Founder. Once granted, such exempt status shall continue so long as the use of the Parcel remains substantially the same.

7.4 Definition of Commercial Square Footage

(a) Space to be Included

Commercial square footage shall include all space that may be used for commerce, office, storage and other support areas for the commercial use, but shall not include any Residential Unit, or any stairwells or walkways used primarily to access residential space. At the discretion of the Founder, decks and other spaces that are used on a regular basis for commerce may also be considered as part of the square footage and assessed at a reduced rate, depending on use.

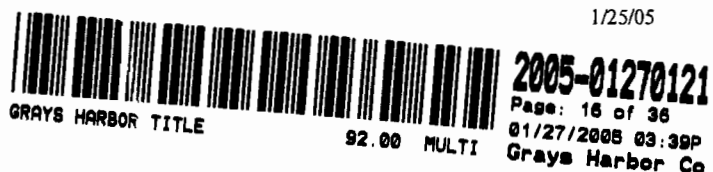
(b) Determination by Founder

The amount of assessed square footage for a particular Commercial use shall be as determined by the Founder in its reasonable discretion. The Founder may establish rules for the definition and calculation of square footage, the rounding of square footage to the nearest 100 square feet, assessment of unimproved lots, determination of residential and commercial use and other matters relating to assessment. The Founder's agent may enter and examine Buildings at reasonable times for assessment purposes.

8. COVENANTS FOR MAINTENANCE ASSESSMENTS AND OTHER ASSESSMENTS

8.1 Maintenance Assessments

The Founder, for each Parcel owned within the property submitted by this Declaration or Supplemental Declaration, hereby covenants, and each Owner of any Parcel by acceptance of a deed or other transfer instrument, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Founder or its assigns all



Maintenance Assessments, together with a late fee and interest, as established by the Founder, and cost of collection when delinquent, including a reasonable attorney's fee whether or not suit is brought.

8.2 Community Fund Assessments

(a) Community Fund

The Founder shall establish and maintain a "Community Fund" to be used to benefit the community of Grays Harbor County in the future. At least fifty percent (50%) of the funds generated by Community Fund Assessments shall be used to benefit low and very low income individuals residing within Grays Harbor County, in perpetuity. The Founder, for each Parcel owned within the property submitted by this Declaration or Supplemental Declaration, hereby covenants, and each Owner of any Parcel by acceptance of a deed or other transfer instrument, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Founder or its assigns all Community Fund Assessments, together with a late fee and interest, as established by the Founder, and cost of collection when delinquent, including a reasonable attorney's fee whether or not suit is brought.

(b) Creation of Assessment

At each closing and transfer of title of any property within Seabrook, any seller of any equity interest in the property shall pay a Community Fund Assessment in the sum of 1% of the sales price, to be used in accordance with Section 8.2(a) above. The Community Fund Assessment shall not be paid by a Mortgagee who assumes title as the result of a foreclosure or deed in lieu. This Community Fund Assessment shall exist in perpetuity and these provisions in Section 8.2 shall not be amended except with the consent of the Grays Harbor County Council.

8.3 Effect of Nonpayment of Assessment; Remedies

(a) Personal Obligation

All Maintenance Assessments and Community Fund Assessments, together with any late fee, interest and cost of collection when delinquent, including a reasonable attorney's fee whether or not suit is brought (collectively, the "Assessment Charges") shall be the personal obligation of the person or entity who was the Owner or tenant of the Parcel at the time when the assessment was levied, and of each subsequent Owner. No Owner or tenant may waive or otherwise escape liability for the Assessment Charges by abandonment of the Parcel.

(b) Creation of Lien

The Assessment Charges shall also be charged on the land and shall be a continuing lien upon the Parcel against which the Assessment Charges are made, which may be enforced upon recording of a claim of lien against the Owner. This lien, in favor of the Founder shall secure the Assessment Charges which are then due and which may accrue subsequent to the

recording of the claim of lien and prior to entry of final judgment of foreclosure. Any subsequent owner of the Parcel shall be deemed to have notice of the Assessment Charges on the land, whether or not a lien has been filed.

(c) Suit for Payment; Foreclosure of Lien

The Founder may bring an action at law against the Owner or tenant personally obligated to pay the Assessment Charges or may foreclose the lien against the Owner in a manner similar to foreclosure of a mortgage lien, or both. The Founder shall have the power to bid for an interest in any Parcel foreclosed at such foreclosure sale and to acquire, hold, lease, mortgage and convey the Parcel.

(d) Other Remedies

The Founder shall have the right to assess fines and suspend the right to use the Commons by an Owner or tenant for any period during which any Assessment Charges remain unpaid.

9. USE OF PARCELS

9.1 Permitted Uses

(a) Determination

Permitted uses for Parcels, which may include residential use, civic use or retail, office, restaurant or other commercial use, shall be determined based on the Seabrook Design Code and the plat, subject to the zoning requirements of the Grays Harbor County at the Founder's discretion, the Founder shall make the determination of record at the time of the Parcel's addition to the Seabrook, or at any time up to and including the time of conveyance of the parcel to someone other than the Founder. If the Founder fails to make such a determination of record, the Seabrook Design Code, or the approval of the Building or modification may describe permitted uses.

(b) Home-based Businesses

In the Founder's discretion, a home-based business that does not generate significant noise, odor or traffic may be permitted in a residential area. Signage for home-based business shall be regulated under the Seabrook Design Code.

9.2 Types of Businesses

(a) Review

The Founder shall have the right to approve all prospective businesses for financial stability, experience and ability to comply with the requirements of this Declaration.

(b) Standards

To assure an appropriate mix of varied, quality establishments, the Founder may establish standards for various aspects of a business, including without limitation types, quality, style and prices of stock. Such standards may differ for different parts of the Seabrook, and may apply to an individual store or on a block-by-block basis, in which case standards may be different for opposite sides of the street, corner buildings or for different sizes or types of buildings. The Founder may change the standards from time to time; however, no business which meets existing standards may be required to conform to new standards so long as the business continues to operate under the same name and ownership.

(c) Exclusives

The Founder's efforts to assure varied, quality businesses within Seabrook may include the restriction or prohibition of types of merchandise which may be offered and the granting of exclusive rights to certain merchandise. Such exclusive rights may be granted on an individual basis at the Founder's discretion, based on its own evaluation of the quality of merchandise, potential for success and other factors.

9.3 Name of Business; Advertising

(a) Review

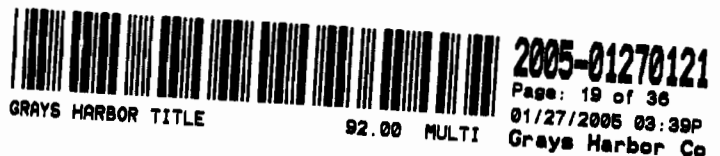
The Founder shall have the right to review in advance and approve the name, logo or any identifying symbols to be used with the business.

(b) Use of Name "Seabrook"

The name "Seabrook" is a trade name owned by the Founder. A commercial use may use the name "Seabrook" to describe the location of the business, and may advertise a business as being located "in Seabrook." If requested by the Founder, the commercial use shall accompany such use with a symbol or explanation concerning trademark or service mark registration of the name "Seabrook." The commercial use may not use the name "Seabrook" in any other manner without the express permission of the Founder, which may be arbitrarily denied.

(c) Approval of Advertising

All advertising for the business to be conducted, whether for print, television, radio, handbills, outside sign or other media, shall be subject to the Founder's standards and regulations. The Founder may prohibit or regulate the distribution of handbills within Seabrook.



(d) Signage

A business shall display on the exterior of the building or upon any exterior glass surfaces or within 24 inches of any window only those signs, advertising placards, names, insignia, trademarks, descriptive material or other identification which are specifically approved by the Seabrook Design Review Board. No hand-lettered signs may be displayed unless professionally prepared.

9.4 Appearance Hours of Operation

The Founder may regulate store displays and general decor, days and hours of operation. The entrance and interior of the business shall be kept immaculately clean and inviting in appearance at all times. Wall and floor coverings, displays and all other furnishings shall be maintained in first-class condition.

9.5 Leases

(a) Commercial Uses

The provisions of this Declaration shall be deemed included in any lease of commercial space within Seabrook. The Founder shall have the right to review all commercial leases in advance and may promulgate a standard form lease to simplify its review. If any tenant is in violation of these provisions the Founder may enforce these provisions against the Owner, the tenant or both, and is granted the right as Owner's agent and attorney in fact to evict any tenant in violation of these provisions.

(b) Residential Parcels

Residential Parcels may be rented, subject only to the Rules and Regulations as promulgated by the Founder, which may be modified from time to time. No rule or regulation shall establish a minimum lease term. The Founder shall have the right to review leases to assure compliance with this Declaration.

9.6 Prohibited Uses

(a) Nuisances

No nuisance or other use that creates an unreasonable disturbance shall be permitted on any Parcel. The Founder may from time to time define and determine unacceptable uses.

(b) Insurance

Nothing shall be done or kept on any Parcel or the Commons that will increase the rate of, or result in cancellation of, insurance for the Commons or any other Parcel or its content, without the prior written consent of the Founder.



(c) Soliciting

The Founder may regulate or prohibit soliciting within Seabrook.

(d) Time Sharing

No time-share ownership of Parcels is permitted without the Founder's approval. For this purpose, the term "time-share ownership" shall mean a method of ownership of an interest in a Parcel under which the exclusive right of use, possession or occupancy of the Parcel circulates among the various owners on a periodically reoccurring basis over a scheduled period of time. Leasing a building or ownership of a Parcel by a corporation, partnership or other entity or by not more than four individuals will not normally be considered time-share ownership.

9.8 Attractiveness and Safety of Parcels

(a) Generally

Each Owner or Tenant shall keep all parts of his Parcel in good order and repair and free from debris. The Seabrook Design Code may regulate placement and maintenance of garbage and trash containers and fuel or gas storage tanks (including the prohibition of such tanks), and other matters affecting the attractiveness or safety of Parcels.

(b) Signage

No sign, advertisement or notice of any type or nature whatsoever (including "For Sale" or "For Rent" signs) shall be erected or displayed on any Parcel or portion of the Commons unless specifically permitted by the Seabrook Design Code.

(c) Sports Equipment

Play structures, such as basketball hoops and swing sets, must be kept in good repair and may be limited, in accordance with the Seabrook Design Code, to back yards or alleys. Large play structures such as skateboard ramps that are visible from outside the Parcel may be prohibited.

9.9 Rules and Regulations

(a) Generally

The Founder has adopted Rules and Regulations for Seabrook, attached hereto as Exhibit B. The Founder or its assigns may change such Rules and Regulations, and shall post such revisions in conspicuous places in Seabrook or furnished a copy to each Owner.



(b) Compliance

Each Owner and the Owners' family members, invitees, guests and tenants are required to abide by the covenants contained in this Declaration, which are covenants running with the land, and any Rules and Regulations. Each Owner is responsible for assuring such compliance, and any violation by family members, guests, tenants or other invitees may be considered to be a violation by the Owner.

(c) Enforcement

The Founder has the right to assess fines up to the maximum allowed by law and may restrict the Owner or tenant's use of the Commons for up to sixty (60) days or until the violation is remedied, whichever is longer. The Founder may suggest or approve agreements and withhold the requirement of paying a fine if the agreement is honored. If the violation is a maintenance violation, and continues for ten days after notice to the Owner, the Founder shall have the right without liability to enter the Parcel to correct, repair, restore, paint and maintain any part of such Parcel and to have any objectionable items removed from the Parcel. The Founder may reduce or eliminate the time for notice if it believes the condition creates a hazard. All costs related to such action are to be assessed to the Owner or tenant.

(d) Additional Remedies

All remedies listed in this section are nonexclusive and may be applied cumulatively. The Founder shall also have the right to bring suit to enforce the covenants contained in this Declaration, including the right to an injunction.

10. AMENDMENT, REDEVELOPMENT AND TERMINATION

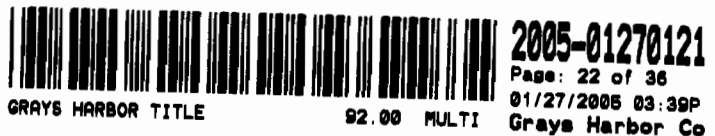
10.1 Amendment

(a) By Owners

Except as otherwise specified, these Master Deed Restrictions may be amended only with the written consent of the Owners of either two-thirds of the Parcels or two-thirds of the land, by acreage, within the Master Plan Area, whichever approval can be more readily obtained. If such an amendment seeks to decrease or discontinue any amenity that benefits Seabrook, the Founder's approval of the amendment shall be necessary, in addition to the Owners' approvals described above. For the purposes of this definition, the term "Parcel" may include lots which are not yet platted or improved but which are indicated on the Master Plan for future development.

(b) By the Founder

To the extent permitted by law, the Founder specifically reserves the absolute and unconditional right to amend this Declaration without the consent or joinder of any party (i) to conform to the requirements of the Federal Home Loan Mortgage Corporation,



Veterans Administration, Federal National Mortgage Association or any other generally recognized institution involved in the guarantee or purchase and sale of mortgages, (ii) to conform to the requirements of institutional mortgage lenders or title insurance companies, or (iii) to clarify the Declaration's provisions or correct errors.

(c) Limitations

Whenever any action described in this Declaration requires approval of greater than two-thirds of the Owners, amendment of that provision shall require the same percentage vote as would be required to accomplish that action directly. Rights reserved to the Founder may not be amended without the specific consent of the Founder.

(d) Recording

Any amendment shall take effect upon recording in the public records.

10.2 Dedication

(a) Common Roads

If any portion of the Common Roads has not previously been dedicated to the public, the Founder shall have the right to convey title to or dedicate the Common Roads to the appropriate public agency or authority.

(b) Commons

All other Commons may be dedicated to the public by the Founder or its assigns and the consent in writing of two-thirds of the Owners.

(c) Alleys; Footpaths

At least twenty (20) years from the recording of this Declaration, if the Founder or its assigns determines that it no longer wishes to maintain all or some of the alleys or footpaths between Parcels, the ownership of such alleys or footpaths may be divided evenly between the adjacent Owners, with the consent in writing of two-thirds of the Owners. The property shall be subject to an easement for any then-existing utilities, and an easement may be reserved for continued use of the alleys or footpaths if required by the approving Owners.

(d) Necessary Approval

Any dedication or conveyance described above is subject to acceptance by the applicable governmental agency.



10.3 Redevelopment

(a) Definitions

Redevelopment is the process of rebuilding all or a portion of the Seabrook, known as a Redevelopment Area, in accordance with a revised Seabrook Design Code, combined with the offer to purchase the property of any dissenting Owners. A Redevelopment Area must be a defined, logical section for redevelopment comprising a Zone or Zones, or the entire Master Plan Area. The plan may allow buildings that are currently in serviceable condition to remain but require that such buildings, if rebuilt or remodeled in the future, to be rebuilt in accordance with the redevelopment plan. The plan for redevelopment may include termination of the Declaration for the Redevelopment Area. If the Declaration is terminated for a Redevelopment Area, the Founder may sell or donate to the Owners within the Redevelopment Area the Commons located there, reserving access and use easements as appropriate.

(b) Redevelopment; When Available

Redevelopment shall be available only upon the occurrence of one of the following.

- (i) Any time after thirty (30) years from the recording of this Declaration,
or
- (ii) Upon a casualty loss destroying at least two-thirds, by value, of the insurable improvements, either within Seabrook, or within a Redevelopment Area.

(c) Approvals

Unless two-thirds of the Owners representing within the Redevelopment Area vote against Redevelopment, the Redevelopment must be undertaken. All Owners, except dissenting Owners, must rebuild in accordance with the redevelopment plan, and, unless the plan provides otherwise, must participate in the purchase of dissenting Owners' Parcels.

(d) Redevelopment Corporation

The plan may include formation of a redevelopment corporation or other entity to purchase the Parcels of dissenting Owners. Unless otherwise agreed, the consenting Owners would be required to contribute to the capital of the redevelopment corporation in proportion to their Maintenance Assessments, as a portion of all consenting Owners. The plan may authorize the Founder, on behalf of the redevelopment corporation, to collect the Owners' shares.

(d) Option to Purchase

Upon approval of the redevelopment plan, the redevelopment corporation or other designee of the consenting Owners shall deliver an option to purchase to all remaining

Owners of Parcels within the Redevelopment Area. The option to purchase must be delivered in person or by registered mail to each Owner of a Parcel to be purchased. The recipient of such an option shall, within 30 days, choose either to join the consenting Owners, or to sell the Parcel to the consenting Owners. Failure to agree to the sale within 30 days shall be deemed to be agreement to join the consenting Owners. The sale price shall be paid in cash or upon terms approved by the seller, and the sale shall be closed in a timely fashion following determination of the sale price.

(e) Price

The price for each Parcel to be purchased shall be its fair market value determined by agreement between the seller and the designee of the consenting Owners within 30 days of the delivery or mailing of the notice. In the absence of agreement, the purchasing Owners and the selling Owners shall each select a real estate appraiser, which appraiser shall then choose a third appraiser, and the purchase price shall be the average (mean) of the three appraisals. The fair market value of the property shall be determined in its present, as-is condition, subject to the Declaration, and the seller shall be entitled to any insurance proceeds attributable to that Parcel distributed on account of the casualty loss. The expense of the appraisals and all closing costs shall be paid by the purchaser.

(f) Relocation Allowance

In addition to the purchase price, the purchaser shall pay to the seller a relocation allowance of five percent (5%) of the purchase price.

(g) Enforcement

A judgment of specific performance of the purchase based upon the determination of the price by the appraisers may be entered in any court of competent jurisdiction.

(h) Limitation

Redevelopment shall be subject to applicable zoning and other governmental regulation. If necessary for this section's validity under the Rule Against Perpetuities or similar law, this option shall expire 90 years from the time of recording of this Declaration, or whatever greater time period allowed by law.

10.4 Formation of Municipality

(a) Merger

The Founder and the Owners may, by majority vote, dissolve Seabrook as a private community or, if allowed by law, merge Seabrook into a municipality. Upon such dissolution or merger, the Founder shall dedicate to the public all the Commons and the municipality shall have all the rights and obligations of the Founder provided by this Declaration.

(b) Dedication Without Merger

Alternatively, Founder could approve a plan by which Commons are dedicated to the public, but the Founder would retain some of its powers and duties, such as architectural review and enforcement of the covenants and restrictions.

(c) No Dedication

If no dedication is approved, the Founder's responsibilities shall be maintained without change.

10.5 Duration Termination

The covenants and restrictions contained in this Declaration shall run with and bind Seabrook and shall inure to the benefit of and be enforceable by the Founder and all Owners of property within the Seabrook, their respective legal representatives, heirs, successors or assigns for twenty years, and shall be automatically extended for each succeeding ten year periods unless an instrument signed by the Founder and 90% of the Owners has been recorded, agreeing to terminate the Declaration as of a specified date.

This Declaration may also be terminated in any of the following ways.

(a) Unanimous Consent

The Declaration may be terminated at any time by the consent in writing of the Founder and all Owners.

(b) Dedication of Commons

The Declaration may be terminated by consent in writing by two-thirds of the Owners, if the Commons have been accepted for dedication or taken by eminent domain by the appropriate unit of local government.

(c) Redevelopment

The Declaration may be terminated for all or a part of the Seabrook in accordance with the redevelopment provisions described above.

10.6 Rerecording

Unless this Declaration is terminated, the Founder shall rerecord this Declaration or other notice of its terms at intervals necessary under Washington law to preserve its effect.



10.7 Condemnation

If all or part of the Commons is taken or condemned by any authority having the power of eminent domain, all compensation and damages shall be paid to the Founder. The Founder shall have the right to act on behalf of the Owners with respect to the negotiation and litigation of the taking or condemnation affecting such property.

10.8 Creation of a Homeowner's Association

Founder, in its sole discretion, with 180 days notice, may create and transfer all rights and responsibilities to, a Homeowner's Association ("HOA"). Founder hereby agrees not to create and transfer rights and responsibilities to a HOA while the current loan in favor of the Founder is outstanding. Each Owner will be entitled to one vote in the HOA. Within thirty (30) days of the creation and transfer of such a HOA, Founder shall hold elections among the Owners for a provisional HOA Board of Directors. The Board of Directors shall initially have nine (9) members. The provisional Board of Directors shall adopt Articles of Incorporation and By-Laws for the HOA within sixty (60) days of election.

11. GENERAL PROVISIONS

11.1 Interpretation

(a) Construction

The provisions of this Declaration shall be liberally construed to effectuate their purpose of creating a uniform and consistent plan for the development and operation of Seabrook as a community of the highest quality.

(b) Governmental Regulation

All provisions of this Declaration, including without limitation modifications to the Master Plan and redevelopment provisions, shall be subject to applicable government regulation or agreements.

11.2 Invalidity

The invalidity of any part of this Declaration shall not impair or affect the validity or enforceability of the rest of the Declaration, which shall remain in full force and effect.

11.3 Enforcement of Declaration

(a) Enforcement

Suit may be brought against any person, persons or entity violating or attempting to violate the provisions of this Declaration, either to restrain violation or to recover damages, and against his or its property to enforce any lien created by this Declaration. To enforce this



Declaration or the Rules and Regulations, the Founder or any Owner may bring an action for damages, specific performance, declaratory decree or injunction, or any other remedy at law or in equity.

(b) No Waiver

Failure to enforce any provision of this Declaration or the Rules and Regulations shall not be deemed a waiver of the right to do so at any time thereafter.

(c) Founder's Legal Fees

Any and all costs, including but not limited to attorneys' fees and court costs, which may be incurred by the Founder in the enforcement of any of the provisions of this Declaration, whether or not suit is brought, may be charged against the Owner against whom such action was taken.

11.4 Notices

Any notice required to be sent to the Owner shall be deemed to have been properly sent when mailed, postage prepaid, or hand delivered to the Parcel and, if different, to the last known address of the person who appears as Owner of the Parcel. If the Owner has given approval, notice may be given by electronic means to an address provided by the Owner.

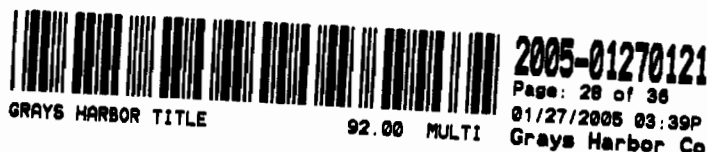
11.5 Gender and Number

The use of the masculine gender herein shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

11.6 Consent of Mortgagees

(a) When Consent Required

This Declaration contains provisions concerning various rights, priorities, remedies and interests of Mortgagees. Such provisions are to be construed as covenants for the protection of the Mortgagees on which they may rely in making loans secured by a mortgage on a Parcel. Accordingly, no amendment or modification of this Declaration specifically impairing such rights, priorities, remedies or interests of a mortgagee shall be adopted without the prior written consent of Mortgagees as provided in subsection (b). This section shall not be construed, however, as a limitation upon the rights of the Founder or the Owners to make amendments that do not adversely affect the Mortgagees.



(b) Percentage Required

Wherever consent of the Mortgagees is required, it shall be sufficient to obtain the written consent of Mortgagees holding a lien on two-thirds or more of all Parcels encumbered by a mortgage.

(c) Timely Response

Any such required consent shall be given promptly and shall not be unreasonably withheld. Any consent not given or denied within thirty (30) calendar days of receipt of request for consent shall be deemed given.

11.7 Rights of Quinault Nation

All Owners and their invitees shall respect the boundaries of the sovereign lands of the Quinault Nation, and shall be subject to any applicable rules, regulations and laws while entering upon the Quinault Nation's property. A form of Rules and Regulations governing visitors' conduct on the lands of the Quinault Nation are attached hereto as Exhibit C.

11.8 Law to Govern

This Declaration shall be construed in accordance with the laws of the State of Washington.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the undersigned does hereby make this Declaration of Charter, Easements, Covenants and Restrictions for Seabrook and has caused this Declaration to be executed as of the day and year first above written.

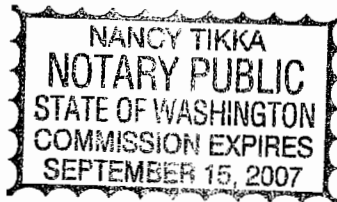
SEABROOK LAND COMPANY LLC,
a Washington limited liability company

By _____
Name: _____
Title: _____

STATE OF WASHINGTON)
COUNTY OF Gray Harbor) ss.

On this 26th day of January, 2005, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Casey Rotoff, to me known to be the person who signed as President of SEABROOK LAND COMPANY LLC, the limited liability company that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said limited liability company for the uses and purposes therein mentioned, and on oath stated that he was duly elected, qualified and acting as said officer of the limited liability company and that he was authorized to execute said instrument.

IN WITNESS WHEREOF I have hereunto set my hand and official seal the day and year first above written.



Nancy Tikka
(Signature of Notary)

NANCY TIKKA

(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State
of Washington, residing at Alberdeen.
My appointment expires: Sept 15 2007.



EXHIBIT A

PROPERTY SUBJECT TO THE DECLARATION

The North 40 acres of Government Lot 3, Section 29, Township 20 North, Range 12 West of the Willamette Meridian;
EXCEPT Roads as accepted in Quit Claim Deed recorded July 16, 1951, under Auditor's File No. 536200 in Volume 320 of Deeds, page 508, Records of Grays Harbor County;
ALSO EXCEPT that portion conveyed to the State of Washington by Warranty Deed recorded August 22, 1951, under Auditor's File No. 537687 in Volume 321 of Deeds, Page 528, Records of Gray's harbor County;
ALSO EXCEPT Elk Creek as excepted in Statutory Warranty Deed recorded April 8, 1955, under Auditor's File No. 588497 in Volume 354 of Deeds, Page 89, Records of Grays Harbor County:

ALSO

That portion of Government Lot 2 in Section 29, Township 20 North, Range 12 West of the Willamette Meridian described as follows:
Beginning at a point 1497.6 feet West of the East One-Quarter corner of Section 29, Township 20 North, Range 12 West, said point being 70.47 feet West of the center line of the existing highway;
Thence West along the center line of Section 29, 227.8 feet to the meander line;
Thence North 10°40' West along the meander line 557.8 feet to the mouth of a creek;
Thence Southeasterly along said boundary 530.00 feet to the point of beginning.

ALSO

That portion of Government Lot 2 in Section 29, Township 20 North, Range 12 West of the Willamette Meridian described as follows:
Beginning at a point on the meander line which is 557.80 feet North 10°40' West from the East-West center line of Section 29, Township 20 North, Range 12 West;
Thence North 10°40' West 369.60 feet to the mouth of a creek;
Thence Northeasterly along said creek to a point on the West boundary of the existing highway;
Thence Southwesterly along said boundary 630 feet to the intersection of a creek and said highway boundary;
Thence Northwesterly along said creek to the meander line and point of beginning:

ALSO



The Southeast Quarter of the Northeast Quarter AND Government Lot 2 in
Section 29, Township 20 North, Range 12 West of the Willamette Meridian, lying East of the
Easterly line of the State Highway.

Situate in the County of Grays Harbor, State of Washington.



GRAYS HARBOR TITLE

92.00 MULTI

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Grays Harbor Co

EXHIBIT B

FORM OF RULES AND REGULATIONS

As you are aware, Seabrook is a community under construction. Construction activity has been scheduled during normal business hours and should not interfere with your enjoyment and relaxation.

Seabrook homes are a part of a larger residential community with several full-time residents. It requires our complete sensitivity to full-time neighbors, residents, and rental guests.

QUIET HOURS-Weekends

10 PM - 9 AM Monitored and enforced.

CONSTRUCTION HOURS—Construction hours shall be amended from time to time. Builders and their subcontractors shall be provided with permitted work times as controlled by the Founder. Holiday schedules will change from time to time.

7:30 AM – 4:00 PM (Monday thru Friday)

9:00 AM-3:00 PM (Saturday)

No Construction (Sunday)

OUTDOOR SPEAKERS-Outdoor speakers are prohibited and all music must be played at reasonable levels so as not to disturb the community.

NOISE-No noise shall be produced by radios, televisions, musical instruments, or otherwise that disturbs the Seabrook owners or their guests and invitees.

GUESTS-All guests of Seabrook property owners are subject to these same rules and regulations.

PETS-Pets must be on a leash and in owner control at all times and shall be confined within a dwelling or structure. Owners must pick up after pets and properly dispose of waste in provided containment systems. No pets other than domestic dogs and cats (up to a total of 2 such animals) may be kept on any Lot or within any dwelling structure. No animal of any kind shall be kept in Seabrook for commercial breeding purposes. The Founder may require the removal of any animal which creates noise or other disturbances or presents a danger to the community.

TRASH-Trash and recycled materials must be disposed of in trash enclosures planned for each lot. All reasonable efforts shall be made to recycle.

BARBEQUES-GRILLING-Barbeques, grilling areas, and grilling equipment shall be stored within fences and on individual properties. Permission to use such equipment off private property must be granted by the Founder.



CAMPFIRES-Campfires are not permitted on private property unless in an approved fire containment structure or area. Campfires shall not be constructed less than 100' from the beginning of the vegetated dunes, including the native grass zone on the flat portion of the beach.

FIRES-No fires for burning of trash, leaves, clippings or other debris or refuse will be permitted on any Lot or within the Commons, except with the specific prior written approval of the Founder and after receipt of all applicable governmental permits.

LOT STORAGE-Storage of unused building materials or storage of unsightly items shall occur within storage areas located on a Lot. Pre-built storage buildings are prohibited unless approval for such structures has been granted by the Seabrook Design Review Board. Lots must be kept in a neat, clean, and orderly condition at all times. No garbage, refuse, ashes, or other waste shall be thrown, dumped, kept, or placed on a Lot unless within in sanitary containers approved by the Design Review Board.

LIGHTING-Lighting must conform to Seabrook Design Code.

LANDSCAPING-Landscaping must conform to the Seabrook Design Code.

DRAINAGE-Drainage and site runoff water must be maintained on each individual lot.

SPEED LIMITS-No vehicles shall exceed a speed of 15 miles per hour within Seabrook.

PARKING-Parking shall occur within allocated parking for each lot. Cars shall not be parked within the lanes that will interfere with a neighbor's access to their own property. Owners of commercial businesses must ensure that employees park in designated spaces as set forth by the Founder. Upon request, employees may be required to supply the license plates of workers so that security and management can monitor compliance with these rules.

GARAGE DOORS-Garage doors shall be kept closed except when automobiles are entering and leaving the garage.

VEHICLES/VEHICLE PARKING-Golf carts, all terrain vehicles (ATV's), go carts, dirt bikes, and non-seated motor scooters shall not be permitted within Seabrook. The Founder may choose at its discretion to allow golf carts, ATVs, or similar vehicles to be used in connection with the development, sales, rental, or maintenance of Seabrook. Inoperative vehicles, recreational vehicles, travel trailers, buses, trucks with more than (6) wheels, boats, ATV vehicles, and other sport related vehicles shall not be stored overnight in the Commons. If stored on any lot, such vehicles must be kept in a closed garage.

CAMPING-Sleeping overnight shall be prohibited on the beach or any other portion of the Commons unless written approval has been granted by the Founder.

GATHERINGS IN COMMONS-Organized gatherings of more than (15) persons within Seabrook's Commons shall require a permit from the Founder. Issuance of such permits shall be based upon reasonable conditions deemed necessary by the Founder and may



include, but not be limited to, the provision of security services, insurance, clean-up services and plans, and a license or agreement outlining: hours of event, number of attendees. The provision of a deposit may be necessary to cover any damages that may occur to the Commons during any such gathering or event.

DUNE SYSTEM-Climbing on dunes shall be prohibited.

ENVIRONMENTALLY SENSITIVE AREAS- All environmentally sensitive areas shall not be walked upon, altered, or disturbed without prior written consent of the Founder.

BEACH USE-The beach shall be kept in a neat, clean, attractive and orderly condition. No umbrellas, towels, or other personal property shall be allowed to remain on the beach overnight without written consent of the Founder.

LOT & HOME MAINTENANCE-Homes and property must be kept tidy and well maintained with an organized appearance.

HOLIDAY DECORATIONS-Holiday decorations shall be removed within (1) month of holiday passing. Natural decorations are encouraged and preferred.

EXHIBIT C

FORM OF RULES AND REGULATIONS FOR QUINAULT NATION

1. All visitors must first check in with the Quinault Police Department (in Taholah) and obtain a visitor's pass.
2. Please be attentive to signage and obey the Quinault Nation's rules and regulations.
3. Alcohol, weapons and drugs will not be tolerated.
4. Please respect the privacy of residential Indian village communities.
5. Ask permission before photographing or recording an individual, event or activity.
6. Do not pick up or remove artifacts or objects.
7. Burial grounds and religious ceremonies are sacred and are not to be entered.
8. All beaches are off limits non-Quinaults.
9. Shellfish (i.e. clams, mussels, etc.) gathering and seafood harvesting is not permitted.
10. Wild animal hunting is not permitted without a Quinault guide.
11. Any off-road activity is strongly discouraged.
12. Camp fires and overnight camping is not authorized without prior permission.