

RETURN ADDRESS

Seabrook Land Company LLC
c/o Jeff Gundersen
P.O. Box 422
Pacific Beach, WA 98571

Document Title(s)

Third Supplemental and Amended Declaration of Charter, Easements,
Covenants and Restrictions for Seabrook Land Company LLC

Reference Numbers(s) of related documents

2005-01270121; 2005-01270120; 2007-
11010038; 2015-10010011

Additional Reference #=s on page

Grantor(s) (Last, First and Middle Initial)

Seabrook Land Company LLC

Additional grantors on page

Grantee(s) (Last, First and Middle Initial)

N/A

Grays Harbor
Title Company has
placed this document of
record as a customer
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No Liability for the
accuracy or validity
of the document.

Additional grantees on page

Legal Description (abbreviated form: i.e. lot, block, plat or section, township, range,

quarter/quarter)

SW ¼ of NW ¼ of Section 28, Township 20N, Range 12W of W.M.

Full legal description is on Exhibit A (pp. 31-32 of Exhibit A) and Exhibit C of document.


Additional legal is on page

Assessor's Property Tax Parcel/Account Number

20128230020; 201228230010; 201228320010; 201228310030; 201228310020; &
2012282100000

Additional parcel #=s on page

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

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**THIRD SUPPLEMENTAL AND AMENDED DECLARATION
OF
CHARTER, EASEMENTS, COVENANTS, AND RESTRICTIONS
FOR
SEABROOK LAND COMPANY LLC**

THIS THIRD SUPPLEMENTAL AND AMENDED DECLARATION is made effective this ____ day of _____, 2015, by Seabrook Land Company LLC (“Declarant”).

RECITALS

A. Declarant is the Founder of a traditional neighborhood development in Grays Harbor County, Washington, known as Seabrook.

B. Declarant, as Founder, caused an instrument entitled *Declaration of Charter, Easements, Covenants, and Restrictions* to be recorded in the official records of Grays Harbor County, January 27, 2005, under Recording No. 2005-01270121 (the “Original Declaration”), attached hereto as **Exhibit A**. The Original Declaration subjected and subjects to its terms certain real property included in the first five (5) phases (81.07 acres) of development of Seabrook (the “Initial Property”) as more particularly described in said Original Declaration and hereby incorporated by this reference.

C. Declarant, as Founder, further caused an instrument entitled *Master Deed Restrictions* to be recorded in the official records of Grays Harbor County, January 27, 2005, under Recording No. 2005-01270120 (the “Master Deed Restrictions”), attached hereto as **Exhibit B**. This instrument caused deed restrictions to be imposed upon each Seabrook parcel within the Initial Property.

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COVENANTS, AND RESTRICTIONS FOR SEABROOK LAND COMPANY LLC

D. Subsequent to the recording of the Declaration, additional divisions of Seabrook were recorded, and Declarant caused an instrument entitled *Supplemental Declaration Adding Division 5 Seabrook* to be recorded in the official records of Grays Harbor County, November 1, 2007, under Recording No. 2007-11010038 (“First Supplemental Declaration”). The First Supplemental Declaration subjected and subjects to the Original Declaration and Master Deed Restrictions certain real property (Seabrook Divisions 5A and 5B) as more particularly described in said First Supplemental Declaration and hereby incorporated by this reference.

E. The First Supplemental Declaration did not address all of the land in Division 6, the final plat of which was recorded under Grays Harbor County Recording No. 2012-07170003. Thus, on October 1, 2015, Declarant caused an instrument entitled *Second Supplemental Declaration of Charter, Easements, Covenants, and Restrictions* to be recorded in the official records of Grays Harbor County, under Recording No. 2015-10010011 (“Second Supplemental Declaration”). The Second Supplemental Declaration subjected and subjects certain additional real properties to the Original Declaration and Master Deed Restrictions as more particularly described in said Second Supplemental Declaration and hereby incorporated by this reference.

F. In accordance with the terms of the Original Declaration, and pursuant to Section 2.3 “Additional Property,” and with the terms of the Master Deed Restrictions, pursuant to Section 2.2(b) “Additional Property,” Declarant desires and intends to subject, by way of this Third Supplemental and Amended Declaration, the additional real property more particularly described in the attached **Exhibit C** (and also known and referred to as the “Farm District” herein) to the easements, covenants, conditions, restrictions and charges set forth in the Original Declaration and Master Deed Restrictions, except as otherwise amended by this Third Supplemental and Amended Declaration and to annex the lands described and defined in **Exhibit C** as part of the real property subject to the Original Declaration and Master Deed Restrictions.

F. Concurrently, as provided for in Section 10.1(b) of the Original Declaration (“Amendment by the Founder”) and Section 7.3(b) of the Master Deed Restrictions (“Amendment by the Founder”), Declarant seeks to and hereby amends certain provisions of the Original Declaration with respect to the Farm District.

DECLARATION

THEREFORE, Declarant hereby declares that all of the real property depicted and described in **Exhibit C** attached hereto, shall be, and are hereby, subjected to the easements, conditions, covenants, restrictions, and charges set forth in the Original Declaration, the Master Deed Restrictions, and this Third Supplemental and Amended Declaration; that all said easements, conditions, covenants, restrictions and charges shall, and do hereby, constitute covenants to run with the land comprising the Farm District, and that the same shall be and remain binding upon and inure to the benefit of all present and future owners within the Farm District, and each individual lot, parcel, and tract created by recording of the Farm District plat

THIRD SUPPLEMENTAL AND AMENDED DECLARATION OF CHARTER, EASEMENTS,
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and any other, further or future division, subdivision, or partition affecting any such lot, parcel, or tract.

Said Original Declaration and Master Deed Restrictions and each and all of the terms and provisions thereof are hereby adopted and declared to be applicable to the Farm District, with like effect as though the same and each of such terms and provisions were recited verbatim in the text of this instrument; **and, moreover**, that the following terms and provisions of the Original Declaration shall be and are hereby amended as set forth below and shall apply to all of the Initial Property and all property identified in and subjected to subsequent supplemental declarations:

SECTION 1
Amendments to Original Declaration

1. Subsection 1.9 is stricken from the Original Declaration and replaced with the following:

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 operations of Seabrook. All residential Parcels shall be subject to a "Residential Maintenance Assessment" of \$190.00 per month for the first 12 months after the recording of this Third Supplemental and Amended Declaration. 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.

2. Subsection 2.1 of the Original Declaration shall be read to include the real property of the Farm District as described in **Exhibit C** attached hereto.
3. Subsection 6.1 of the Original Declaration is stricken and replaced with the following:

6.1 Residential Parcels

Residential Parcels shall be subject to a Residential Maintenance Assessment of \$190.00 per month for the first 12 months after recording of this Amended Declaration. Thereafter, Residential Maintenance Assessments shall be reassessed

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annually. Residential Parcels located within a primarily commercial or mixed use area shall be subject to the Residential Maintenance Assessment.

4. Subsection 7.3 of the Original Declaration is stricken and replaced with the following:

7.3 Exempt Parcels

(a) Parcels owned by the Founder

Parcels owned by the Founder are exempt from the payment of Maintenance Assessments.

(b) Parcels used by non-profit entities

The Founder may exempt Parcels used by nonprofit entities primarily for the benefit of Seabrook residents from payment of Maintenance Assessments. The Founder may grant such exempt status 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 by the non-profit remains substantially the same.

5. The following new Subsection 10.9 is added to the Original Declaration:

10.9 Creation of boards and committees

Founder may, in its sole discretion, and without Owner approval, create internal governing bodies, such as advisory boards, committees, or subcommittees, to conduct work necessary to effectuate the goals and vision of the Seabrook community. Founder may create such governing bodies, the number and composition of which shall be within the Founder's sole discretion. The scope of work for boards and/or committees created by the Founder may be broad or discreet, and shall lie within the Founder's sole discretion. Founder may, without notice to or approval of the Owners, dissolve such advisory boards or committees created under this provision.

6. Exhibit B (Form of Rules and Regulations) of the Original Declaration is stricken and replaced with the Rules and Regulations attached hereto as **Exhibit D**.

IN WITNESS WHEREOF, Declarant has executed this Third Supplemental Declaration this 9th day of Oct, 2015, effective as of the day and date first above written.

SEABROOK LAND COMPANY LLC
A Washington limited liability company

By: [Signature]
Name: Casey Roloff, Managing Member

STATE OF WASHINGTON)
)ss.
COUNTY OF GRAYS HARBOR)

On this 9th day of Oct, 2015, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared CASEY ROLOFF, to me known to be the person who signed as Managing Member 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.



[Signature]
Name: Emily Carrico
Notary Public in and for the State of Washington
Residing at Pacific Beach
My appointment expires: 12-23-2017

THIRD SUPPLEMENTAL AND AMENDED DECLARATION OF CHARTER, EASEMENTS, COVENANTS, AND RESTRICTIONS FOR SEABROOK LAND COMPANY LLC

EXHIBIT A

**(Declaration of Charter, Easements, Covenants, and Restrictions
Grays Harbor County Recording No. 2005-01270121)**

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.

DECLARATION
[SB043290 165 (2)]

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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

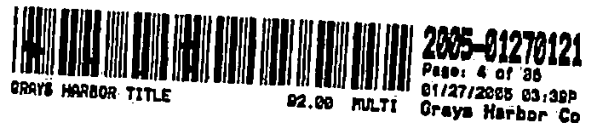
The Master Plan is the initial plan for the development of the Master Plan Area. The Master Plan is subject to change based on market conditions, governmental requirements and other modifications that may be made as development progresses.

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.

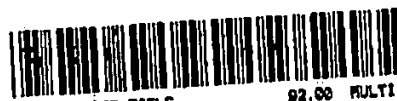
(c) Street Ends

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.

DECLARATION
[SB043290 165 (2)]

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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.

DECLARATION
[SB043290 165 (2)]

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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

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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.

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- (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

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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 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

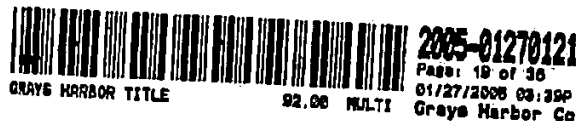
The Founder shall have the right to review in advance and approve the name, logo or any identifying symbols to be used with the business.

(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

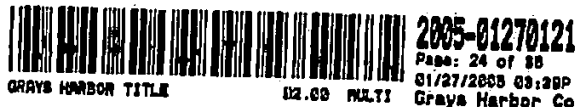
Unless two-thirds of the Owners representing within the Redevelopment Area vote against Redevelopment, the Redevelopment must be undertaken. All Owners, except dissenting Owners, must rebuild in accordance with the redevelopment plan, and, unless the plan provides otherwise, must participate in the purchase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

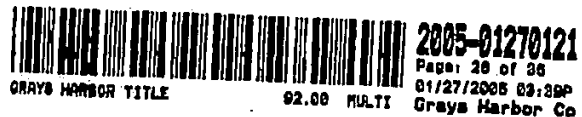
The Declaration may be terminated for all or a part of the Seabrook in accordance with the redevelopment provisions described above.

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.

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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.

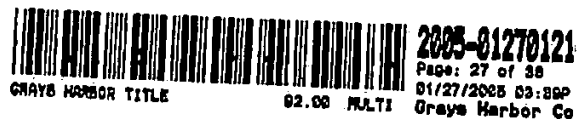
11.2 Invalidity

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.

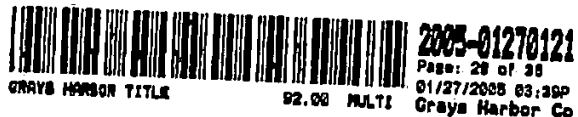
11.5 Gender and Number

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.

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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.

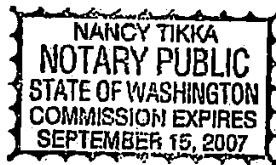
SEABROOK LAND COMPANY LLC,
a Washington limited liability company

By _____
Name: _____
Title: _____

STATE OF WASHINGTON)
COUNTY OF Grays 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 Koloff, 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 Aberdean. 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.

EXHIBIT A TO DECLARATION
[SB043290 165 (2)]

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GRAYS HARBOR TITLE

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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.

EXHIBIT A TO DECLARATION
[SB043290 165 (2)]

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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

EXHIBIT A TO DECLARATION
[SB043290 165 (2)]

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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 A TO DECLARATION
[SB043290 165 (2)]

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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.



EXHIBIT B

**(Master Deed Restrictions
Grays Harbor County Recording No. 2005-01270120)**

MASTER DEED RESTRICTIONS

SEABROOK LAND COMPANY LLC, a Washington limited liability company to be known as the "Founder," establishes these Master Deed Restrictions 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 new traditional neighborhood development to be known as Seabrook. If all phases are completed, Seabrook would eventually comprise approximately 81.07 acres described on Exhibit A (the "Master Plan Area").
- B. Traditional neighborhood development is intended to establish pedestrian-friendly communities through the use of narrow lot widths, smaller lot sizes, narrower, tree-lined streets, sidewalks, and, in some areas, rear garage access through the use of alleys. Unlike typical suburbs which separate homes from businesses and force dependence on the automobile, the Seabrook design is intended to mix commercial and residential uses in a way which provides the essentials of life and enlivens the community.
- C. The Master Plan Area is currently undeveloped land. The subdivision borders the Pacific Ocean to the west, previously clear cut land to the east, a wetland to the south, and a young growth forest to the north. The topography of the Master Plan area ranges in elevation from sea level to approximately 103 feet above sea level with mostly rolling vegetated hills and forested areas with some steep slopes along the oceanfront portion of the property. Although there has been some clearcutting in the area, the vegetation is mainly trees and understory vegetation.
- D. Detailed guidelines, to be known as the Seabrook Design Code, regulate setbacks, porches, stoops, landscaping, outbuildings, building materials and other matters essential for the creation of outdoor and civic spaces. Each Parcel owner, by constructing a building in accordance with the Seabrook Design Code, helps form the outdoor spaces of this community, which will enhance the value of Founder's investment and, ultimately, all property within Seabrook.
- E. A community is formed when buildings are built and occupied. To establish a community of residents and to create a streetscape of buildings, rather than empty lots, Founder wishes to require each Parcel owner to build a building within a certain time limit.
- F. To ensure the proper application of the Seabrook Design Code and to further the development of the community, Founder wishes to subject each deed for property within the Master Plan Area to certain deed restrictions, the acceptance of which, by acceptance of a deed, shall be considered to be part of the grantee's consideration for each Parcel.



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GRAYS HARBOR TITLE 45.00 DEED

IMPOSITION OF DEED RESTRICTIONS:

The Founder hereby submits to these deed restrictions all property within the Master Plan Area described on Exhibit A (and, in accordance with Section 1.2, within any additional property which is submitted to these Master Deed Restrictions), including each separately conveyable parcel ("Parcel") which has been platted or which shall be platted, and all common areas ("Commons") created or to be created. These Deed Restrictions shall run with the land and be binding upon each owner of the Parcel, and the owner's heirs, successors and assigns (together, the "Owner"), whether or not these Deed Restrictions are individually recorded or noticed with each deed.

1. DEFINITIONS

1.1 Generally

The following definitions apply wherever the capitalized terms appear in these Master Deed Restrictions or in any Declaration, unless the Declaration provides a definition specific to that Declaration. To aid in understanding the relationships between terms, terms are grouped functionally. Additional terms which apply only to one article or section will be defined as they appear.

1.2 Documents

(a) Master Plan

The Master Plan is the initial plan for the development of the Master Plan Area. The Master Plan is subject to change.

(b) Master Deed Restrictions

These Master Deed Restrictions, which apply to all deeds granted within Seabrook, are intended to ensure the proper application of the Design Code during the development stage and to impose other restrictions designed to further the development of Seabrook.

(c) Declaration

Each "Declaration" shall be a Declaration of Charter, Easements, Covenants and Restrictions, which provides for the ongoing operation and maintenance of a portion of Seabrook. The residential area and the mixed-use commercial and residential area will each be subject to the Declaration, which will be recorded after these Master Deed Restrictions. Other portions of Seabrook may have a separate Declaration.

(d) Supplemental Declaration

A "Supplemental Declaration" is an instrument which may be recorded by the Founder, or with the approval of the Founder, the owner of the property, all in accordance



with the applicable Declaration provision to make additional property subject to any such Declaration.

(e) Design Code

The "Design Code," as further described below in Section 3.1 regulates land use, architecture and environment within Seabrook.

1.3 Parties

(a) Founder

The "Founder" is Seabrook Land Company LLC, a Washington limited liability company, its successors and assigns. The Founder may also be an Owner for so long as the Founder is record owner of any Parcel.

(b) 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.

1.4 Land Definitions

(a) Seabrook

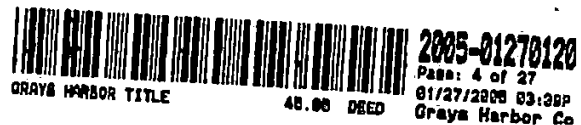
"Seabrook" is all of the property made subject to the Master Deed Restrictions. Seabrook initially comprises the Master Plan Area. However, additional land may be added in accordance with the terms of the Master Deed Restrictions.

(b) Master Plan Area

The Master Plan Area comprises approximately 81.07 acres, which is that property described as Exhibit A to these Master Deed Restrictions, intended for development as a single, unified traditional neighborhood development.

(d) Commons

"Commons" comprises real property or property interests within Seabrook designated as Commons on any plat, for the common use and enjoyment of all Owners. "Commons" also include any improvements on that real property, all utilities, utility easements and other easement rights or personal property for the Owners' common use, and any other property of any type specifically designated as Commons.



(f) Zone

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

(g) Parcel

A “Parcel” is the smallest parcel of land which may be separately conveyed. Most Parcels will be designated as numbered, separately identifiable lots (“lots”) on the recorded subdivision plat which encompasses the Parcel. Once improved, the Parcel includes any buildings or other permanent improvements. Any condominium unit shall be considered a Parcel; if a portion of the building has not been declared into condominium ownership, that portion of the building shall be considered an additional Parcel. The Founder may redefine Parcels prior to sale to third parties by dividing or combining Parcels or portions of Parcels or adjusting the boundary of a Parcel.

(h) Special Use Parcel

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

(i) Residential Unit

A “Residential Unit” is any separate dwelling and ordinarily includes a kitchen. A Residential Unit shall include a detached single-family home, townhouse or other attached dwelling (such as each half of a duplex unit), an apartment or condominium unit, and a residential dwelling within a mixed-use building.

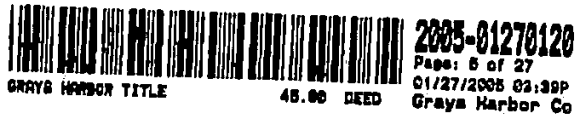
1.5 Architectural Review Definitions

(a) Design Review Board

The “Design Review Board” is the panel established by these Master Deed Restrictions to administer the Design Code.

(b) Director of Design Review

The position of Director of Design Review, and the selection of the Director of Design Review, is established under these Master Deed Restrictions. As provided in these Master Deed Restrictions, the Director of Design Review either serves as a member of the Design Review Board or selects a similarly qualified individual to serve as a member of the Design Review Board.



(c) Design Code

The "Design Code" establishes the plan for the development of Seabrook through its regulation of land use, architecture and environment, as further described in Section 3.1. The Design Code does not need to be recorded to be effective but shall be available from the Design Review Board.

1.6 Maintenance Assessments

Both Owners of residential and Tenants or Owners of commercial properties 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.

2. DEVELOPMENT PLAN

2.1 Mixed Use

The Founder intends to develop residential, mixed-use and commercial areas within the Master Plan Area, all of which are intended to be an integral part of the community. The master plan for Seabrook comprises two parts: the Neighborhood, which is the primarily residential portion; and Town Center, which brings together a mixture of commercial and residential uses. The Neighborhood and Town Center will be submitted to a Declaration to provide a standard of maintenance and to adopt covenants and restrictions for each area.

2.2 Property Subject to Master Deed Restrictions

(a) Initial Property

Property subject to these Master Deed Restrictions shall be known as "Seabrook," and shall consist initially of the Master Plan Area.

(b) Additional Property

The Founder may, from time to time in its sole discretion, add any qualified property to Seabrook by the recording of a supplemental instrument submitting the qualified property to these Master Deed Restrictions. Any property with a reasonable relationship to Seabrook,



if owned by the Founder (or with the consent of the owner and the Founder), shall be considered a qualified property.

(c) Withdrawal of Property

Property may be removed from these Master Deed Restrictions with the consent of the Founder and the owners of all property within the property to be withdrawn, along with any necessary governmental approvals.

2.3 Submission of Property to Declaration

The Founder intends that any property within Seabrook which is conveyed to a party other than the Founder be made subject to a Declaration. If through error a Declaration is not recorded prior to, or at the time of, such a conveyance, the Founder shall have the right to record a corrective instrument imposing upon such property a plan for assessments and use restrictions consistent with that agreed between the parties in the purchase and sale agreement or other instrument, or, if no such agreement exists, consistent with other similar property within Seabrook.

2.4 Master Plan

The Master Plan and conceptual drawings represent the current intent of the Founder for the development of Seabrook. However, the Master Plan and conceptual drawings are subject to change and may be modified based on market conditions, governmental or engineering requirements, changing land use conditions and other modifications which may be made as development progresses.

3. DESIGN CODE

3.1 Establishment of Design Code

The Founder has established the Design Code, which comprises the following, all as may be amended from time to time:

- (a) The Illustrative Master Plan, which depicts the streets, Commons, and residential, commercial and civic use Parcels for the Master Plan Area.
- (b) The Division Plan, which depicts the various lot groupings, both residential and commercial to be developed in a systematic and organized manner.
- (c) The Regulating Plan, which depicts the specific urban to rural transect zoning requirements for each lot according the location within the Master Plan.
- (d) The Frontage Plan, which depicts specific architectural elements and required design features to create a unified streetscape within specified locations of the Master Plan.

- (e) The Building Type Matrix and Diagrams, which depict the various building types permitted for each lot as defined generally by the Regulating and Frontage Plans and specifically by this Building type plan to include and establish: setbacks, lot coverage, architectural elements, heights, uses, and parking.
- (f) The Architectural Regulations, which guide the design of buildings by defining building configurations and techniques and by defining the materials of which buildings may be constructed.
- (g) The Elements Imagery, which depicts with images and photos for design inspiration that defines the Seabrook architectural style.
- (h) Landscape Regulations, which regulate erosion control and stormwater detention, irrigation, preservation of existing trees and the planting of new trees and plants native to the Pacific Northwest coastal climate.
- (i) Design Review Procedure which outlines and provides checklists to describe the review process for compliance with all of the above.
- (j) Design Review Applications, which provide the formwork used by architects, designers, and builders to submit any and all documents necessary for review or action by the Design Review Board.
- (k) Approved Architects, Designers, and Builders List, which provides an assembly of individuals, companies, and design firms that have been pre-qualified but not warranted or guaranteed by the Seabrook Design Review Board to perform work within Seabrook guidelines and regulations.

All construction within the Master Plan Area shall comply with the Design Code in effect at the time of the submittal, unless a variance is granted as provided in Section 4.3(d).

3.2 Permitted Uses

Permitted uses for Parcels, which may include residential use, civic use, recreational use or retail, office, restaurant or other commercial use, shall be determined based on the Design Code. At the Founder's discretion, the Founder shall record the determination of permitted uses at the time of the Parcel's addition to 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 Design Code, or the approval of the building or modification under Article 4, may describe permitted uses. Uses may be revised by modification of the Design Code in accordance with Section 3.4; however, no such modification shall require the removal or cessation of a legally existing use on a particular Parcel without the Parcel Owner's consent.

3.3 Director of Design Review

(a) Qualification

The Director of Design Review shall have professional experience in architecture, landscape architecture, or urban design. The Director of Design Review does not, however, need to be licensed to practice in Washington.

(b) Selection

The Director of Design Review shall be selected by the Founder.

3.4 Modification of the Design Code

With the consent of the Founder, the Director of Design Review may revise any part of the Design Code from time to time for any of the following reasons:

- (a) To make changes which the Director of Design Review believes will better accomplish the objectives of Seabrook;
- (b) To include new materials or techniques deemed to be suitable to Seabrook;
- (c) To adjust for market conditions; or
- (d) To recognize changing land use conditions over time, both from within and outside Seabrook.

3.5 Applicable Governmental Codes

It is the intent of the Founder that the Design Code be consistent with all applicable requirements of state and local law. In the event of a conflict, Founder and the Director of Design Review shall be afforded the opportunity to attempt to resolve the issue with the applicable agency and, if necessary, revise the Design Code.

4. REVIEW PROCEDURE

4.1 Design Review Board

The Design Review Board shall have a minimum of three members as follows:

(a) Director of Design Review

The Director of Design Review shall serve on the Design Review Board or, with the consent of the Founder, shall select an architect, landscape architect or urban designer, qualified as required for the Director of Design Review.

(b) Founder's Appointees

The Founder shall appoint two or more members to the Design Review Board. Founder's appointees shall serve at the pleasure of the Founder.

4.2 Construction Subject to Review

(a) Parcels

Prior to construction, the Design Review Board must review and approve construction plans and specifications for all improvements on any Parcel within the Master Plan Area. No construction on any Parcel shall begin and no improvements on any Parcel shall be modified except in accordance with an approved plan. Once a plan is approved, any modification to that plan, or any modification to the finished Parcel, must also be reviewed and approved.

(b) Commons

Construction of any structure upon the Commons (other than initial construction by the Founder), or modification of any existing structure, as well as any material alteration of the landscaping or topography of any Commons, must be approved in advance by the Design Review Board.

(c) Scope

The Design Code shall set standards for all aspects of the Parcel visible from the outside, including without limitation the size, shape and architectural style of the building, its roof, windows, doors, porches and other components, placement on the lot, fences, drainage, paving and landscaping and all finish materials. The Design Code may also regulate the type, placement and number of residential or business units that may be constructed on a Parcel and the uses to which those units may be put. Review shall include materials and color selection and selection and placement of any ornamentation or functional accessories, including but not limited to the following:

- (i) materials and color selection for the main building and any outbuilding or ancillary structure (including roof, doors, windows and trim);
- (ii) driveways, walks, patios and other ground surface materials;
- (iii) antennas, satellite dishes or receivers, solar panels or other devices which are visible from outside the Parcel;
- (iv) fountains, swimming pools, whirlpools or other pools;
- (v) privacy walls, fences, gates and hedges,



(vi) awnings, flower boxes, shelves, statues, or other outdoor ornamentation, and window coverings visible through the window;

(vii) construction trailers or other trailers, temporary structures, tents, shacks, sheds, and enclosures;

(viii) signage of any type; and

(ix) permanent or semi-permanent play equipment, whether or not secured, such as tree houses, basketball hoops, skateboard ramps and swing sets. The listing of a category does not imply that such construction is permitted.

(d) Exception

Interior construction and modifications not affecting the external structure or appearance of any building are not subject to review. However, construction drawings are required as part of the review process to assist in interpreting the design.

(e) Trees

A consistent line of trees which shade, enclose and define the street are an important part of traditional neighborhood design and are part of the Design Code. Owners may be required to plant street trees on their Parcel, in accordance with the Design Code. The Design Review Board may require the relocation and replanting of trees which must be removed for construction. If particularly significant trees are found within the building setback lines, the Design Review Board shall determine whether the placement of the building should be altered to accommodate the trees, or whether the trees may be removed.

(f) Drainage

All plans shall comply with applicable drainage, water conservation, erosion control and stormwater detention requirements. No alteration of existing grade or any planting, fences or other improvements which alter the flow of water shall be permitted without the express consent of the Design Review Board. Each lot owner shall be responsible for managing and maintaining all storm water that occurs within their property boundaries.

(g) Modifications

Modifications after completion of construction, or additions or changes to the approved plans during construction, must be reviewed and approved. However, review is not required to paint with originally approved materials and colors, or to replace the roof or other components with duplicates of the original material. Significant new landscaping, grading and any removal or substantial pruning of trees or plants must be approved in advance by submitting a scaled and defined plan of improvements as produced by a qualified landscape designer.

4.3 Review Procedure

(a) Application

The plans to be submitted for approval shall include (i) the construction plans and specifications, including all materials and colors, (ii) elevations of all proposed improvements (iii) proposed clearing, grading and landscaping, and (iv) all other items required by the Design Review Board. Plans and specifications for review shall be submitted in the form required by the Design Review Board.

(b) Uniform Procedures

The Design Review Board may establish forms and procedures for the review of applications, including review costs and fees, if any, to be paid by the applicant. The Design Review Board may provide lists of approved materials and may allow for staff review and approval of routine or minor matters.

(c) Basis for Decision

Applications shall be approved or denied based upon compliance with the provisions of the Design Code and overall quality of design. If the Design Review Board rejects an application due to overall design quality, despite compliance with the Design Code, the Design Review Board shall make suggestions for improving the design.

(d) Variances

The Design Review Board may grant variances from the Design Code based on existing topographical or landscape conditions, existing trees, or architectural merit. Any such variance must be in writing. Approval of a variance does not constitute a precedent for other applications, and such requests may be arbitrarily denied.

(e) Notification Construction, Inspection

The Design Review Board shall make best efforts to notify the applicant of its decision within the time allowances set out in its design approval process handbook. However, a delay in reviewing an application shall not be deemed consent to construction. If written approval is given, construction of the improvements may begin. All construction must comply with the submitted plans. The Design Review Board or its agent may inspect the property during construction but has no obligation to make any such inspection.

(f) Completion

When the primary building and landscaping are completed in substantial compliance with the approved plans and specifications and within the time limits described in Article 5, the Design Review Board and Founder shall issue a Certificate of Substantial Conformance. The Certificate shall describe any areas of deficiency that need to be corrected. All fines and



other enforcement shall be waived so long as the deficiencies are corrected within sixty (60) days. Upon correction of all deficiencies, the Design Review Board shall issue a Certificate of Completion and Release in recordable form.

(g) Governmental Compliance

Owners are responsible for making sure that construction conforms to governmental regulations and all local building codes. If the Design Review Board notes noncompliance, the Owner will be required to make the necessary changes. However, the Design Review Board is not responsible for compliance with governmental requirements.

4.4 Approval of Architects and Builders

(a) Generally

The creation of the Seabrook streetscape depends on the quality of design and construction, and adherence to the Design Code. While architects and builders are selected by the Owner, they must cooperate with the Design Review Board. Approval of architects and builders is necessary to assure quality construction and a reasonable spirit of cooperation. Once granted, approval status may be reviewed and revoked or extended from time to time based on actual performance.

(b) Architects

Owners may choose an Architect from a list of those pre-approved by Founder or the Owners' architects must be approved by the Design Review Board before submitting plans. Approval shall be based on quality of past work, client satisfaction and understanding of, and willingness to work within, the Design Code.

(c) Builders

Builders must be approved by the Founder or by the Design Review Board before building in Seabrook. Approval shall be based on willingness to build in accordance with approved plans and specifications, quality of past work, client satisfaction, financial history, and proof of current builder certification within the State of Washington. Builders must agree to comply with construction regulations, to dispose of construction debris properly and to build in accordance with the approved plans and specifications. Builders may be required to post a deposit for compliance and damages. Failure to comply may result in fines, forfeiture of the deposit and revocation of the right to build in Seabrook.

4.5 Enforcement

(a) Fines

The Design Review Board may require the builder or Owner to post a deposit from which the Design Review Board may deduct fines for failure to comply with the approved

plans and specifications, tree regulations and rules for builder conduct. The collection of a fine shall not in any way diminish the available remedies at law or equity.

(b) Suit Permitted

If any construction is begun which has not been approved or which deviates from approved plans and specifications, the Design Review Board, the Director of Design Review or the Founder may require the Owner to resolve the dispute through binding arbitration or may bring suit seeking damages, specific performance, declaratory decree and/or injunction, or any other remedy at law or in equity. If suit is brought and the court finds that the construction was not approved or that the construction deviated from the approved plans or specifications, then the party bringing suit shall also be awarded reasonable attorney's fees, even if the relief requested is not granted.

(c) Trees

Improper cutting, removal, lack of care or intentional damage to existing trees or native vegetation is subject to fines plus a requirement that the tree be replaced with an approved species of comparable caliper and/or native vegetation to be replaced with like native plant species, if approved by the Design Review Board, a combination of trees totaling the caliper of the removed tree or native vegetation damaged. Fines shall be set by the Design Review Board.

(d) Drainage

After reasonable notice (except in an emergency), the Founder shall have the right to enter onto a Parcel and correct improper grading or other modification to the Parcel which causes drainage problems. Such corrections shall be made at the cost and expense of the Owner of the Parcel, who shall promptly reimburse the Founder. The Parcel shall be subject to a lien for the cost if not paid. The Founder shall not be required to repair or replace landscaping or other improvements after such action.

(e) No Waiver

Failure to enforce any provision of these Master Deed Restrictions shall not be deemed a waiver of the right to do so at any time thereafter. Variances from the Design Code may be granted in particular circumstances; however, such variances shall not create a precedent for other applications.

4.6 Liability

The Design Review Board and its inspectors are concerned primarily with aesthetic considerations, and are not responsible for compliance with governmental requirements or design or construction defects or use of materials affecting the safety or structural integrity of the building. Approval by the Design Review Board of an application shall not constitute a basis for any liability of the Director of Design Review, the Founder, or members of the



Design Review Board for failure of the plans to conform to any applicable building codes or inadequacy or deficiency in the plans resulting in defects in the improvements, or for the performance or quality of work of any builder or architect approved by it, or for noncompatible or unstable soil conditions or soil erosion, or any other condition of the property.

4.7 Town Center

The Founder may at any time establish a separate Town Center Design Review Board, which shall operate in the same manner, and have the same powers, as the Design Review Board established by these Master Deed Restrictions but which shall have jurisdiction over only that property within the Town Center. During the operation of such Town Center Design Review Board, the original Design Review Board shall be known as the Neighborhood Design Review Board and shall continue to review and approve any construction or modification within the Neighborhood, while any construction or modification within the Town Center must be reviewed and approved by the Town Center Design Review Board but shall not be required to be reviewed or approved by the Neighborhood Design Review Board. If the Founder fail to establish such a Town Center Design Review Board, or if such board ever ceases operation, then all construction or modification within the Town Center shall be subject to review by the original Design Review Board.

4.8 Financial Support

The Director of Design Review, other professionals and staff shall receive reasonable compensation for serving on the Design Review Board. All members and all professionals and staff shall be compensated for expenses. The Design Review Board's review fees shall cover all or part of the expected cost of its operation. If fees do not cover the cost, the Founder shall fund the deficit. Fees shall not be intended to create a surplus, other than an ordinary operating fund for the Design Review Board to which any excess fees shall be contributed. The Design Review Board may employ personnel or contract with individuals or companies as necessary to assist in the review process.

5. COVENANT TO COMPLETE BUILDING ON PARCEL

5.1 Restrictions on Building, Resale

(a) Restriction; Purpose

To allow for community development and to discourage speculation which results in empty lots, the Owner of a Parcel must substantially complete construction of a primary building on the Parcel, in accordance with plans and specifications approved by the Founder within a limited period of time (the "Construction Period"), as described in Section 5.2, unless the deed or other recorded instrument from the Founder releases or modifies the restriction as to that Parcel.



(b) Completion

A primary building shall be considered complete when it has received a Certificate of Substantial Conformance as described in Section 4.3, and satisfies the requirements for receiving a certificate of occupancy from Grays Harbor County.

(c) Holder of Rights

The right to enforce this Article 5 is held originally by the Founder, who may assign these rights at any time to the Design Review Board or to a management entity. The time limit for construction does not apply to any Parcels held by the Founder or any entity related to or affiliated with the Founder.

5.2 Construction Time Limit

Unless otherwise specified in the deed or other recorded instrument from the Founder, Owner shall:

- (a) Submit initial plans and begin the architectural review process within six (6) months from the closing date of the purchase of the Parcel;
- (b) Begin construction of a primary building on the Parcel, in accordance with approved plans and specifications, within ninety (90) days from approval of the architectural plans and specifications (the "Construction Start Date");
- (c) Diligently pursue construction once construction has begun; and
- (d) Substantially complete the building, including landscaping, within twelve (12) months from the Construction Start Date (the "Required Completion Date").

Failure to make significant progress during any thirty-day (30) period shall be considered a failure to diligently pursue construction under (c). The time periods in (b) and (d) shall be only be extended for extreme material shortages, extreme weather conditions or other significant matters beyond the builder's control as reasonably determined by the Design Review Board upon written request submitted by the builder defining the hardship or special conditions.

5.3 Enforcement

If Owner fails to comply with the requirements of Section 5.2 or if Owner deviates from the approved plans and specifications and fails, after reasonable notice, to correct the deviation, then Founder shall have the following options:

- (a) The right, but not the obligation, to repurchase the Parcel for a total purchase price equal to the amount paid by Owner to Founder or any related entity for the purchase of the Parcel or the current fair market value of the Parcel, whichever is less, plus the cost or



fair market value, whichever is less, of any improvements made in accordance with plans approved by the applicable Design Review Board. Any mortgage or lien on the Parcel, all closing costs for the repurchase and a resale fee of 10% shall be deducted from the amount required to be paid to Owner by Founder.

(b) The right to receive the difference between the amount paid by Owner to Founder (increased by the cost or fair market value, whichever is less, of any improvements made in accordance with plans approved by the applicable Design Review Board) and the resale price of the Parcel. Such amount will be both the personal obligation of the Owner under this agreement and a lien on the Parcel.

(c) Unless Owner has obtained a Certificate of Completion and Release as provided in Section 4.3, and except as provided in Section 5.4, Founder may exercise its rights against Owner at any time before the Required Completion Date or within two (2) years after the Required Completion Date. Founder may preserve its enforcement rights by recording, within two (2) years after the Required Completion Date, a lien or other notice of its intent to exercise its rights. Founder may assign any or all of its rights under this Section 5.3, and may exercise any of its rights through an assignee or other designee. The remedies provided in this section are at the Founder's option, and are not intended in any way to limit the remedies under Section 4.5.

5.4 Subordination to Mortgage

(a) Effect

Founder and any designee or assignee of Founder's rights under Section 5.3 agrees to subordinate its right of repurchase to the first mortgage or deed of trust liens of an institutional lender (specifically including Fannie Mae and any bank, savings and loan association or insurance company) under the terms of this section, which shall be effective whether or not noted in the deed. A lender in granting a mortgage or other lien subject to this right of repurchase agrees to these terms. Except as described in this section, the right of repurchase by Founder or its applicable designee or assignee shall not be subordinate to any other encumbrances.

(b) Assumption of Mortgage


If Founder exercises its right of repurchase while lender's mortgage or other lien encumbers the Parcel, Founder shall take the Parcel subject to the mortgage or other lien, and lender in granting a mortgage or other lien subject to this right of repurchase agrees to allow Founder or its applicable designee or assignee to repurchase the Parcel subject to the mortgage or such other lien.

(c) Mortgage Foreclosure

If lender seeks to foreclose the lien of its mortgage or other lien or accepts a deed in lieu of foreclosure before the Required Completion Date or within two (2) years thereafter

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and Founder has not provided a release and satisfaction of its rights as provided in Section 5.1, Founder shall be notified of the foreclosure action or conveyance. Founder's rights of enforcement under Section 5.3 shall not be extinguished by foreclosure or deed in lieu of foreclosure but shall continue as a restriction on the lot.

(d) Extension

If lender has acquired title through a foreclosure or a deed in lieu, then lender may give notice to Founder that it wishes to extend the Required Completion Date. Founder shall be given thirty (30) days after such notice from lender in which to exercise a repurchase right by payment to lender of the amount obtained or bid by the lender in such foreclosure (or amount owed, for deed in lieu), plus interest at the stated rate of the note (not default rate) provided by the mortgage or deed of trust at the time of foreclosure or deed in lieu. Founder may exercise such rights whether or not the conditions for default under Section 5.3 are met at the time the notice is given. If Founder does not exercise its repurchase right, then Founder shall grant, in recordable form, an extension of the construction period provided in Section 5.2 as follows:

(i) If construction of the primary building has not begun, the date of the foreclosure or deed in lieu shall be considered the new closing date.

(ii) If construction of the primary building has begun, lender shall have a new Construction Start Date of six (6) months from the date of the foreclosure or deed in lieu, to allow lender to contract with a builder and to complete the architectural review process for any modifications to the approved plans and specifications. Lender or lender's assignee must then diligently pursue construction and substantially complete the building, including landscaping, within a reasonable time, based on the amount of completion. The amount of time to complete construction shall not exceed the time which would have been allowed under Section 5.2 (d), beginning from the new Construction Start Date.

Subject to the extended dates, Founder's rights of enforcement under Section 5.3 shall continue as a restriction on the Parcel.

5.5 Resale Restriction

If Owner (including a lender who acquires title) has not constructed a building on the Parcel in accordance with approved plans and specifications prior to reselling the Parcel, the Parcel shall remain subject to all restrictions. Except as modified under Section 5.4, the Plan Submittal Date, Construction Start Date and Completion Date shall continue to run from the closing date from Founder or other grantor to the original Owner, not the resale.



6. FOUNDER'S ADDITIONAL RESERVED RIGHTS

6.1 Easements in Favor of the Founder

The easements provided by this section are intended to permit the Founder to continue and complete construction of the Master Plan Area, whether or not that property is ultimately submitted to a Declaration. Furthermore, Seabrook is intended to follow design principles which allow interconnectivity of streets with neighboring communities. Accordingly, the Founder hereby reserves for itself, its successors and assigns the following easements, which shall benefit all properties within the Master Plan Area and all other properties owned by Founder or its assigns 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.

(a) Private Roads and Paths

A nonexclusive easement for use of any roads or streets which are not accepted for dedication to the public and which are intended for automobile traffic (other than rear lanes or other similar access roads which are intended for use only by residents on that road), along with a nonexclusive easement for appropriate use of any pedestrian or bicycle paths. If such roads become a primary means of access to a community which is not made part of Seabrook, and Seabrook does not similarly use the roads of such community, such community shall contribute its pro rata share of the cost of Seabrook road maintenance.

(b) Utility Easements

A blanket easement upon, across, over, through, and under Seabrook for ingress, egress, installation, replacement, repair and maintenance of all public and private utility and service systems. These systems and services include, but are not limited to, water, sewer, irrigation systems, drainage, telephone, electricity, natural gas, television, security, collection of garbage and recyclable materials, 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.

(c) 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.

(d) Drainage Erosion Controls

A blanket easement and right on, over, under and through the ground within Seabrook to 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 entity which exercises this easement shall be responsible for notifying the affected Owners (except in an emergency) but shall not be obligated to restore landscaping or other improvements. This easement may be exercised at the option of the Founder and shall not be construed to obligate Founder to take any affirmative action to correct conditions.

(e) 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 Seabrook or the settling or shifting of any land or improvements.

(f) Maintenance of Commons

An easement for maintenance and improvement of the Commons at the Founder's discretion and, to the extent reasonably necessary, an easement over any Parcel for maintenance of the Commons.

(g) Continued Construction

To the extent reasonably necessary, an easement over, under and through any roads, whether public or private, and any other Commons for construction equipment and any other purpose related to continued construction of any property within the Master Plan Area.

6.2 Reservation of Exclusive Easements

Founder hereby reserves for itself and its assigns exclusive easements within all of Seabrook for installation, replacement, repair and maintenance of cable and fiber optic systems. 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.

6.3 Conversion of Street Ends

Seabrook is intended to follow design principles which allow interconnectivity of streets with neighboring communities. Certain streets on the Master Plan may end at the boundary of Seabrook so that communities that are developed later may connect with those streets. 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. Founder intends to hold title to such street ends until development of the adjoining property.

6.4 Models; Sales and Management Offices

The Founder reserves for itself and its assigns the right to maintain and have access to a sales office, a management office and an unlimited number of models within Seabrook. These facilities may be located on any Parcel in Seabrook and may be relocated from time to time at the Founder's discretion. The sales office, management office and models may be owned by different entities, including builders and other entities unrelated to the Founder. At the end of its use as a sales or management office or model, the Parcel shall be owned by the owner of record, subject to all normal covenants and restrictions for Seabrook. Subject to state law and local ordinances, the Founder or its assigns may maintain signs on the Commons and on the sales office, management office and models advertising Seabrook.

6.5 Commercial Use of Images

The Founder reserves the following rights:

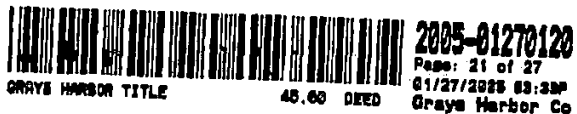
(a) Commons

The exclusive right to grant permission for the Commons to be photographed, sketched, painted or its image otherwise reproduced for commercial use (including without limitation its use as a motion picture set or as a background for the display of fashions or other goods), and

(b) Exteriors

The right to grant permission for similar reproduction of the exteriors of any other part of Seabrook which can be viewed from streets, alleys or Commons. Such exteriors may be reproduced without the consent of, or payment to, the Parcel Owner, but the above right is not intended to prevent any Parcel Owner from granting independent permission for any part of Seabrook owned exclusively by that Owner, in which case the consent of the Founder shall not be required.

The Founder may collect a fee for its consent to the use of such images, or for the providing of support services to photographers or others. The exercise of these rights shall not interfere with normal and customary rights of architects as to structures designed by them. Consent of the Founder shall not be required for photography or other reproductions of the images of Seabrook in connection with any news or feature coverage, for academic purposes, or by any governmental agency or other entity interested in the promotion of Grays Harbor County or Washington, the development of tourism or commerce or any other similar purpose.



6.6 Name

(a) Change

The Founder shall have the right to change the name, Seabrook, for all or any part of the property subject to these Master Deed Restrictions. Founder may, but is not required to, amend these Master Deed Restrictions to reflect the name change.

(b) Trademark

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

6.7 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 used to benefit low and very low income individuals residing within Grays Harbor County, in perpetuity. 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.

7. GENERAL PROVISIONS

7.1 Assignment

Founder may assign all or any portion of its rights at any time for all or part of the Master Plan Area to a related entity, or to a successor Founder.

7.2 Additional Property

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 these Master Deed Restrictions to the additional property as well. Founder may record a notice in the public records extending these Master Deed Restrictions to the additional property or may modify these Master Deed Restrictions as to the additional property.

7.3 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 these Master Deed Restrictions 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, (iii) to comply with governmental requirements, or (iv) to clarify the Master Deed Restrictions' provisions or correct errors.

(c) Limitations

Whenever any action described in these Master Deed Restrictions requires approval of greater than two-thirds of the Parcel 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.

7.4 Creation of 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.



7.5 Enforcement

In addition to the various enforcement rights specified in this instrument, Founder may bring suit in any court of competent jurisdiction to enforce specific performance of its rights under this Agreement or to seek damages.


7.6 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.

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GRAYS HARBOR TITLE 46.00 DEED

IN WITNESS WHEREOF, the Founder has executed these Master Deed Restrictions as of the day and year first above written.

SEABROOK LAND COMPANY LLC,
a Washington limited liability company

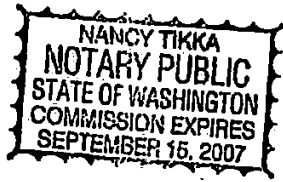
By _____
Name: _____
Title: _____

STATE OF WASHINGTON)
COUNTY OF Grays 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 Casidy Roth, 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 Aberdeen.
My appointment expires: Sept 15 2007.

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GRAYS HARBOR TITLE 45.00 DEED

EXHIBIT A

MASTER PLAN AREA

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.

MASTER DEED RESTRICTIONS
[SB043080 192 (2)]


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

MASTER DEED RESTRICTIONS
[SB043080 192 (2)]

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Grays Harbor Co

GRAYS HARBOR TITLE 45.00 DEED

EXHIBIT C

Legal Description of Farm District Property Subject to Third Supplemental and Amended Declaration

ALL OF THE SW 1/4, OF THE NW 1/4, OF SECTION 28, TOWNSHIP 20 NORTH, RANGE 12 WEST, OF THE WILLAMETTE MERIDIAN; EXCEPT THAT PORTION LYING WITHIN SEABROOK DIVISION 5A AS RECORDED ON THE AMENDED PLAT OF THE AMENDED PLAT OF SEABROOK DIVISION 5A RECORDS OF GRAYS HARBOR COUNTY AFN 2009-9290035; EXCEPT THAT PORTION LYING WITHIN SEABROOK DIVISION 5B AS RECORDED ON THE PLAT OF SEABROOK DIVISION 5B RECORDS OF GRAYS HARBOR COUNTY AFN 2010-02190077; EXCEPT THAT PORTION LYING WITHIN SEABROOK DIVISION 6 AS RECORDED ON THE PLAT OF SEABROOK DIVISION 6 RECORDS OF GRAYS HARBOR COUNTY AFN 2012-07170003; TOGETHER WITH PORTIONS PARCELS "A" AND "B" AS SHOWN ON A SURVEY RECORDED AT VOL. 26, PG. 104, RECORDS OF GRAYS HARBOR COUNTY AFN 2005-11030050; TOGETHER WITH THAT PORTION OF THE NW 1/4, OF THE NW 1/4, OF SAID SECTION 28 AS SHOWN ON A BOUNDARY LINE ADJUSTMENT MAP RECORDS OF GRAYS HARBOR COUNTY AFN 2012-02210061.

EXHIBIT C - LEGAL DESCRIPTION
THIRD SUPPLEMENTAL AND AMENDED DECLARATION OF CHARTER, EASEMENTS,
COVENANTS, AND RESTRICTIONS FOR SEABROOK LAND COMPANY LLC

EXHIBIT D

Form of Rules and Regulations

1. **GENERAL.** 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. Owners and Owners' family members, guests, invitees, and tenants agree to abide by the covenants set forth in these Rules and Regulations. Each Owner is responsible for ensuring compliance. Any violation by family members, guests, tenants, or invitees may be considered a violation by Owner.

2. **ENFORCEMENT.** Founder has the right to assess fines up to the maximum allowed by law, and may restrict Owner or tenant's use of the Commons for up to sixty (60) days or until the violation is remedied, whichever is longer. Founder may suggest or approve agreements and withhold the requirement of paying a fine if the agreement is honored. If a violation is a maintenance violation, and continues for ten (10) days after notice to Owner, Founder shall have the right without liability to enter the parcel to correct, repair, restore, paint and maintain any part of the parcel and to have any objectionable items removed from the parcel. 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 Owner or tenant.

3. **ADDITIONAL REMEDIES.** Remedies listed in this section are nonexclusive and may be applied concurrently or consecutively. Founder shall also have the right to bring suit in law or in equity to enforce these Rules and Regulations.

4. **QUIET HOURS; NOISE.** Quiet hours must be observed in residential areas from 10 p.m. to 9 a.m. on weekends and from 8 p.m. to 8 a.m. on week days. During holiday weekends or special events, such as weddings or other events, Quiet Hours must be observed between the hours of midnight and 9 a.m.

During Quiet Hours, residents must refrain from loud and noisy behavior that interferes with other residents' quiet enjoyment of their properties. Examples of the types of noises that are prohibited during Quiet Hours include, but are not limited to, playing live or recorded music; using raised voices, shouting, fighting, using power tools, hammers, or other similar construction-related tools, watching movies or television with the volume turned up, revving vehicle engines, and allowing dogs to bark. Owners are to assume that noise travels, and that their neighbors are trying to enjoy the serenity and quietude of the evening and nighttime or are trying to sleep. Noise is not strictly regulated under these Rules and Regulations during non-Quiet Hours times, but Owners are encouraged to be respectful and not unnecessarily create

EXHIBIT D – FORM OF RULES AND REGULATIONS
THIRD SUPPLEMENTAL AND AMENDED DECLARATION OF CHARTER, EASEMENTS,
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noise disturbances that are disruptive to the peace and tranquility of the community. Complaints regarding unreasonably loud noise, or unreasonable persistent noise, may result in action by Founder, including a requirement to eliminate or abate the noise.

5. CONSTRUCTION HOURS. Founder will set and enforce hours during which construction is allowed. Founder may amend construction hours from time to time. Founder will notify builders and their subcontractors of allowed work times. Holiday schedules may change from time to time.

7:30 A.M. - 6:00 P.M. (Monday thru Friday)

9:00 A.M. - 6:00 P.M. (Weekends and Holidays with prior approval by Founder)

6. SIGNS; INSTALLATIONS. 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 in the Design Code. Signs must be consistent with the Design Code. Art installations must be pre-approved by the Design Review Board.

7. GUESTS. All guests of Seabrook property owners are subject to these Rules and Regulations.

8. PETS.

Residential Lots: Owners of residential lots outside the Farm District may have up to, but not more than, two (2) domestic pets, including rabbits or chickens. Chickens may roam freely within an area enclosed by mesh or chicken wire, but must have a coop for nesting. Rabbits must be kept inside a dwelling or within a rabbit hutch at all times. The design of hutches and coops must be approved in advance by the Design Review Board. Pet structures must be located behind a residence in a back yard area or otherwise screened from view. Owners and guests acknowledge that the presence of chickens and rabbits may invite wildlife, such as coyotes, bears, and hawks, into the area.

Pets may not run freely through Seabrook. Dogs must be on a leash and in owner control at all times. Parks and open spaces are not off-leash areas. Owners must pick up after pets and properly dispose of waste in provided receptacles. Hutches and coops must be kept clean so as to minimize odors. Founder may require the removal of any animal that creates noise or other disturbances or presents a danger or a nuisance to people, property, or other animals.

No animal of any kind shall be kept in Seabrook for commercial breeding purposes.

EXHIBIT D – FORM OF RULES AND REGULATIONS
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Farm District Lots: The total number of animals kept on any Farm District Lot shall not be more than two (2) domestic house pets and four (4) chickens or rabbits. Founder shall have authority to approve the keeping of animals other than domestic house pets, chickens, or rabbits as specified below. Owners and guests acknowledge that the presence of chickens and rabbits may invite wildlife, such as coyotes, bears, and hawks, into the area.

a. **Livestock, horses, roosters, and bees.** The keeping of livestock, horses, roosters, or bees is strictly prohibited.

b. **Chickens and rabbits.** Up to four (4) chickens and rabbits shall be allowed. Chickens may roam freely within an area enclosed by mesh or chicken wire, but must have a coop for nesting. Rabbits must be kept inside a rabbit hutch at all times. Farm District Lots may have any combination of chickens and rabbits, so long as the total number of chickens and rabbits does not exceed four (4). Hutch and/or coop designs must be approved in advance by the Design Review Board.

c. **Dogs, cats, and other domestic house pets.** Owners of Farm District Lots may have up to, but no more than, two (2) domestic house pets. Dogs and cats must be confined within a residential dwelling or structure, and may not run freely through the development. Dogs must be on a leash and in owner control at all times. Parks and open spaces are not off-leash areas. Owners must pick up after pets and properly dispose of waste in provided receptacles. Founder may require removal of any animal that creates noise or other disturbances or presents a danger to the community.

9. TRASH. Trash and recycling must be disposed of in receptacles designated for each lot or in areas located in and around Seabrook designated for the disposal of household trash and recycling. In no event shall an Owner dispose of household trash and recycling in a receptacle in a park or public place or in a receptacle paid for by someone else. No lot shall be used or maintained as a dumping ground for rubbish. Garbage and other waste shall not be kept except in sanitary containers properly screened and shielded from adjacent properties. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. No trash, refuse pile, vehicles, underbrush, or other unsightly growth or objects shall be allowed to group, accumulate or remain on any lot.

10. COMPOST PILES; MANURE. Compost piles and manure generated on Farm District Lots shall be effectively managed and maintained to reduce odor. No compost pile or other growth or objects shall be allowed to group, accumulate or remain on any lot.

11. BARBEQUES; GRILLING. Grilling areas shall be confined to individual lots and screened from view. Barbeques, grills, smokers, and grilling equipment shall be stored within fences and on individual properties. Permission to use such equipment in common areas may be allowed by specific prior written approval of the Founder.

12. FIRES.

Campfires. Campfires or bonfires on private property are prohibited unless in an approved fire containment structure or area. Campfires are prohibited within one hundred (100) feet of the beginning of the vegetated dunes, including the native grass zone on the flat portion of the beach.

Burning. Fires for burning trash, leaves, clippings or other debris or refuse are prohibited on any lot or within the Commons, except with Founder's prior written approval and after receipt of all applicable governmental permits.

13. LOT STORAGE. Storage of unused building materials or storage of unsightly items shall occur within a lot's storage area. Pre-built storage buildings are prohibited unless approval 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, including in storage.

14. LIGHTING. Lighting must conform to the Seabrook Design Code. Lighting is required for garage doors facing alleys.

15. LANDSCAPING.

Landscaping. Professional landscaping plans are required and must conform to the Seabrook Design Code. The planting of invasive species is strictly prohibited. Grass lawns are permitted on lots that are eight thousand (8,000) square feet and larger. All trees, hedges, shrubs, flowers, raised beds, and lawns shall be neatly maintained and cultivated. Raised planters shall be constructed of brick, stone, or concrete masonry with a stucco coating, must integrate with the building wall or garden wall to which they are attached, and must drain properly. Unfinished poured concrete may be considered upon architectural merit and detail. Any landscaping maintenance shall not be done during Quiet Hours.

Fertilizers and pesticides. Organic treatments are preferred, and under no circumstances shall chemical fertilizers, pesticides, or herbicides be released, via watering or stormwater runoff, into storm drains in quantities that may constitute a danger to human health or the environment. Chemical fertilizers, pesticides, herbicides, or other lawn treatments must be safely and properly

stored under cover and in such a way as to prevent spills, leaching, or releases.

16. DRAINAGE; IRRIGATION. Stormwater runoff and drainage must be maintained on each lot. Gutters and drainpipes must empty onto the property on which they sit or into appropriate areas as directed by Seabrook's Erosion Control Lead representative.

Prescribed Drainage Measures: Main buildings shall be elevated using masonry pier foundations, or masonry stem walls, and spread footers. The lowest portion of the building shall be a minimum of one-half (.5) inch above existing grade, or the first-floor elevation shown on the architecture or civil engineering plans, whichever is greater. Outbuildings shall be constructed with a finished floor elevation a minimum of six (6) inches above existing grade of adjacent roadway. Where slope varies greatly along the garage door/entrance façade, an average slope shall be determined to minimize slope entrances into each garage door entrance. A gravel surface beneath the main house footprint is recommended to allow for easy access for maintenance purposes. Gutters shall be used on all buildings, and downspouts must be routed to proper containment areas on the property. All native vegetation damaged or removed through grading or building the drainage system shall be repaired or replaced with like species listed on the Seabrook Native Plant List. PVC pipes shall be installed beneath all hardscape areas to provide lines for irrigation and lighting installations. No standing water shall be left on any lot.

17. SECONDARY BUILDINGS. Owner must submit design plans for any secondary buildings or structures to the Design Review Board in advance. Owner must obtain approval in advance before construction. Owner must at all times maintain structures and keep them in good condition and repair, and must properly paint, stain, or otherwise finish them.

Barns; sheds; outdoor storage: Plastic and metal sheds are prohibited. Pre-built storage buildings are prohibited unless approval has been granted by the Seabrook Design Review Board.

Windmills; cisterns; ancillary structures: Ancillary structures, windmills, and cisterns are encouraged, subject to prior review based on the submission of a scaled drawing that includes screening structures and maintenance proposals. Windmills, cisterns, and ancillary structures shall make reference to a farm aesthetic or the architecture of the house. Cisterns must meet state and local specifications, if required. Reviews shall be held on a case by case basis by the Architectural Review Board.

Fences; arbors; pergolas: Barbed wire, chain-link, PVC, or corrugated fiberglass fences are prohibited. Fences on adjacent lots shall have different designs, subject to approval by the Design Review Board. Where a wall or fence on one property meets a taller or shorter wall or fence on another property, it is the responsibility of the latter designer to design a transition to

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sensitively connect their wall or fence to the height of the former. A “good neighbor” fence policy of erecting the finished or best face towards your neighbor must be observed at all times.

Arbors, pergolas, trellises, rain barrels, and similar garden structures are permitted, subject to review and approval of a scaled landscape plan submitted in advance to the Architectural Review Board. Designs must be submitted to the Architectural Review Board prior to purchase or installation of garden features. Rain barrels must be located in rear or side yards.

18. POOLS; FOUNTAINS; HOT TUBS. Outdoor pools, fountains, and hot tubs may be allowed, subject to approval by the Design Review Board; provided they are located at the rear of the property. Above-ground swimming pools are prohibited.

In-ground swimming pools and hot tubs must be designed by, and all coverage calculations produced by, the house designer or by a qualified pool designer approved by the Architectural Review Committee. Pool, hot tub, and decking surfaces shall count toward overall lot square footage coverage, and the design must take into account the need to manage stormwater runoff. The Design Review Board must review and approve the location of all pump and storage equipment, and must approve all materials, including pool decking and skim tile. Fencing as prescribed by local county and state codes shall be followed, and shall override the Seabrook fencing height regulations. Above-ground hot tubs shall be placed at no more than three (3) feet above natural grade, and shall not be located directly adjacent to proposed or existing rear decks or patios of adjacent properties. Hot tubs must be properly screened from public view and from adjacent properties to the fullest extent possible. No exposed pipes shall be visible. Hot tubs must be fully enclosed and covered when not in use.

19. PLAY STRUCTURES; SPORTING EQUIPMENT; TRAMPOLINES. Outdoor play structures, such as basketball hoops or swing sets, may be allowed, subject to approval by the Design Review Board. Play equipment must be kept in good repair. Large play structures, such as skateboard ramps, trampolines, and very large climbing toys, are prohibited.

20. SPEED LIMIT. The speed limit in Seabrook is 15 miles per hour.

21. DRIVEWAYS; GARAGE DOORS; GATES. Driveway location, design, and materials are subject to review and approval by the Design Review Board. Driveways shall be properly maintained to ensure that each lot may be safely accessed by emergency vehicles. Garage doors shall be kept closed except when automobiles are entering and leaving the garage. All garage doors shall be a minimum of nine (9) feet wide, paneled, and shall incorporate glazing to add natural light into the garage. Doors facing an alley shall have a cantilevered, down-shielded light fixture centered above the door with an incandescent bulb not to exceed 45 watts. The light

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fixture shall be activated by a photocell with no override switch. Garage doors shall be painted or stained. Overhead garage doors will be allowed but shall be clad with planks to resemble swinging doors. Driveway gates shall be primarily in-swinging, depending on location, and have a maximum width of twelve (12) feet.

22. VEHICLES; VEHICLE PARKING.

Vehicles. Golf carts, all-terrain vehicles (ATVs), go carts, dirt bikes, and non-seated motor scooters are prohibited. Founder may choose, at its sole discretion, to allow golf carts, ATVs, or similar vehicles to be used in connection with the development, sales, rental, or maintenance of Seabrook.

Parking. It is intended that residents of Seabrook park their vehicles in their garages. Garages should be kept clear and accessible (i.e., interior spaces should not be taken up by ping pong tables or other equipment such that vehicles cannot be parked inside), particularly in neighborhoods and along narrow streets where parking is limited; provided that it is intended that residents of Seabrook whose homes front main arterials are encouraged to park along those main arterials unless parking there is specifically prohibited.

Inoperative vehicles, recreational vehicles, travel trailers, buses, trucks with more than (6) wheels, boats, ATVs, and other sport-related vehicles shall not be parked overnight in the Commons. If parked on any lot, such vehicles must be kept in a closed garage or barn structure and screened from view. Parking shall occur within each lot's designated parking area. Vehicles shall not be parked on lawns or along narrow lanes in a manner that interferes with a neighbor's access to their own property or ability to pass. Owners of commercial businesses must ensure that employees park in designated spaces. Upon request, employers may be required to supply the license plates of workers so that security and management can monitor compliance with these rules. All Owners and guests shall park in designated areas only, and shall not park in ways that will obstruct or interfere with emergency vehicle access to protect the health, safety, and welfare of all people. Improperly parked vehicles may be subject to booting or towing and any associated fines or fees.

Maintenance prohibited. Vehicle maintenance, such as oil changes, repairs, tire changes, brake pad changes, and washing of vehicles is prohibited on any residential lot.

23. CAMPING. Erecting tents or temporary shelters and camping in parks, on the beach, in any portion of the Commons, or in any other public area is requires prior approval and issuance of a permit by Founder.

24. GATHERINGS IN COMMONS. Organized gatherings of more than fifteen (15) persons within Seabrook's Commons shall require a permit from the Founder. Issuance of such permits shall be based upon the following conditions: Provision of security services, insurance, clean-up services and plans, and a license or agreement outlining the hours of the event and the number of attendees. A damage deposit may be required. In many of Seabrook's common areas, fire pits and outdoor fire pits are often provided. In instances where open flames and fires are allowed, the size and intensity of fires shall be kept a reasonable and manageable size. Anyone found to be abusing the privilege of using fire pits or outdoor fireplaces shall be asked to leave the area, and may be fined for any damage or to clean up expenses caused by fires that are too large. In addition, fire wood is provided near fire pits or outdoor fireplaces in common areas as a courtesy. In no event shall an Owner or Guest remove fire wood intended for use in common areas.

25. DUNE SYSTEM. Climbing on dunes or cliff faces is prohibited.

26. ENVIRONMENTALLY SENSITIVE AREAS. Walking within, altering, or disturbing environmentally sensitive areas is prohibited without Founder's prior written consent.

27. 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. Driving along the beach is discouraged. However, Owners and Guests acknowledge the ceremonial right of the Quinault Nation to access ancestral clam beds, including the right to drive vehicles in a safe manner.

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

29. HOLIDAY DECORATIONS. Holiday decorations shall be removed within one (1) month of holiday passing. Natural decorations are encouraged and preferred. Many homes within Seabrook have holiday lights that have been permanently installed. Owners shall ensure that permanently installed holiday lights and/or decorations are maintained and function properly. Seabrook reserves the right to require removal of lights or other holiday decorations for any reason or no reason at all, at its sole discretion.

30. DARK SKIES. Seabrook prides itself on the enjoyment of its rural and rustic location and desires to preserve the dark skies. Though it is Seabrook's goal to maintain a safe, secure, and adequately illuminated environment, all efforts shall be made to minimize light pollution, provided that it is acknowledged that Seabrook's Main Street District will likely be more illuminated than other areas of town, and will not be held to the same standard of excess ambient light as more rural areas of the development.

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