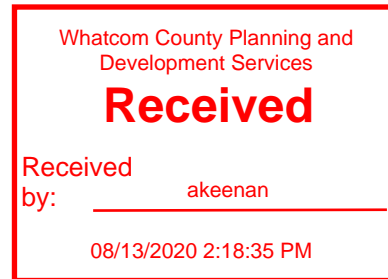


WHEN RECORDED RETURN TO:
CARMICHAEL CLARK, P.S.
ROBERT A. CARMICHAEL
P. O. BOX 5226
BELLINGHAM, WA 98227



Document Title: Declaration of Easements, Covenants, Conditions, Restrictions and Reservations for Governor's Point Homeowners' Association

Reference # of related documents: < >

Grantors: < >

Grantees: < >

Brief Legal Description: < >

Parcel numbers:
< >

**DECLARATION OF EASEMENTS,
COVENANTS, CONDITIONS, RESTRICTIONS AND RESERVATIONS FOR
GOVERNOR'S POINT HOMEOWNERS' ASSOCIATION
A COMMON INTEREST COMMUNITY SUBJECT TO
THE WASHINGTON STATE UNIFORM COMMON INTEREST OWNERSHIP ACT, CH. 64.90 RCW**

THIS DECLARATION is made this [REDACTED] day of [REDACTED], 20____, by Governor's Point Land, LP (hereinafter referred to as "Declarant" or "Governor's Point Land").

WHEREAS, Declarant is owner in fee of certain real property situated in Whatcom County, Washington, legally described on Exhibit A, attached and incorporated herein (hereinafter referred to as "Governor's Point Land Property"); and

WHEREAS, the real property described in Exhibit A and depicted in Exhibit B, together with all residences and other structures thereon constituting real property, now existing or to be constructed in the future, shall hereinafter be referred to as the "Property"; and

WHEREAS, the Property is comprised of the Donated Property and the Development Property (Development Property is also referred to herein and in Donation Agreement as Remainder Property); and

WHEREAS, the Donated Property is intended for transfer to the Whatcom Land Trust pursuant to a Donation Agreement further described herein, and the Development (Remainder) Property is intended for development, also as described herein; and

WHEREAS, transfer of the Donated Property is intended to forever preserve and protect and make accessible to the general public its unique natural marine forest environment, along with its associated wildlife habitat and shoreline; and

WHEREAS, a separate declaration of covenants, conditions, restrictions, and easements applicable to the Donated Property, will be executed and recorded immediately prior to conveyance of the Donated Property to the Whatcom Land Trust, per the Donation Agreement; and

WHEREAS, the purpose of developing the Development Property is to establish a small community of artistically rich and architecturally unique homes of modest proportion, with natural materials and colors so as to blend into the native landscape. The intention is that the built environment exist in harmony with an untrammled forest and a spectacular marine shoreline environment; and

WHEREAS, there are a total of eighteen (18) parcels on the Development Property; and

WHEREAS, the Declarant intends to develop sixteen (16) of the parcels on the Development Property for residential use ("Lots"), one (1) waterfront tract for recreation and dock use ("Tract B" or "Dock Tract"), and one (1) tract for potential non-residential building and artistic architectural purposes ("Tract C" or "Artistic Tract"); and

WHEREAS, the Declarant, and its successors and assigns, desire that any Lots, Tracts or Common Elements reconfigured by lot line adjustment or created by subdivision shall be subject to the terms and provisions of this Declaration and as hereafter amended; and

WHEREAS, the Declarant, by and through the Association, further intends to develop, own, operate, and maintain a water system for the distribution of potable water to Lots and Tracts throughout the Development Property in conformance with state regulations; and

WHEREAS, said water system may include wheeling water purchased from the City of Bellingham to individual Lots and Tracts, development of an independent water supply system, or some combination thereof; and

WHEREAS, the Declarant desires to provide a flexible and reasonable procedure for the overall development of the Development Property, and to establish a method for the administration, maintenance, preservation, use and enjoyment of the Development Property as is now or may hereafter be established pursuant to this Declaration; and

WHEREAS, the Declarant intends by this Declaration to impose upon the Development Property mutually beneficial restrictions under a general plan of improvement for the benefit of all Owners of Lots within the Development Property; and

WHEREAS, the above recitals are a material part of this Declaration,

NOW THEREFORE, THE DECLARANT hereby covenants, agrees, and declares that all of the Development Property will be held, sold and conveyed subject to the following covenants, conditions, restrictions, easements, and reservations, all of which are for the purpose of enhancing and protecting the value, accessibility, desirability and attractiveness of the Development Property and in furtherance of the foregoing objectives of Declarant. These covenants, conditions, restrictions, easements and reservations shall run with the Development Property, and each part of it, and shall be binding on all parties having or acquiring any right, title or interest in the Development Property or any part thereof, and shall inure to the benefit of each Owner thereof. Acceptance of an interest in a Lot or other portion of the Development Property shall be deemed acceptance of the terms and provisions of this Declaration, and any conveyance hereafter of any portion or interest in the Development Property shall be subject to these easements, covenants, conditions and restrictions.

THE DECLARANT further hereby covenants, agrees, and declares that certain easements reserved herein touch and concern the Donated Property, and as such run with the land over portions of the Donated Property in the same manner as described herein for the Development Property.

ARTICLE 1: ASSOCIATION INFORMATION AND DEFINITIONS:

1. Association Information.

1.1.The name of the Association is “Governor’s Point Homeowners’ Association.”

1.2.The Association is a plat community.

1.3.The legal description of the real estate within the Association (“Property”) is attached as Exhibit <> hereto.

1.4.There are sixteen (16) Units in the Association. The Preexisting Lot may join the Association at a later date pursuant to the terms of this Declaration.

1.5.The final plat map establishing the Association is recorded at Whatcom County Auditor's File No. _____.

1.6.The Common Elements of the Association are:

1.6.1. The Main Road and Road Easements

1.6.2. Perpetual Easements for Development Related Infrastructure and Mitigation

1.6.3. The Maintenance Yard Easement

1.7.There is one anticipated Limited Common Element of the Association: a dock and appurtenances located on the Dock Parcel. Only the Owners of Lot(s) _____ have access to the dock located on the Dock Parcel, and only these Owners are responsible for the Specially Allocated Expenses related to the Dock Parcel.

2. Definitions.

1. "ACC" is the Architectural Control Committee established pursuant to Article 7 of this Declaration.

2. "Articles" shall mean the Articles of Incorporation of the Association which have been or will be filed in the office of the Secretary of State of the State of Washington, as such Articles are amended from time to time.

3. "Artistic Parcel" or "Artistic Tract" shall mean Tract C on the Development Property legally described and depicted at Exhibit < > which may in the future support and provide public access to artistic renderings such as but not limited to sculptures, and structures of any kind including without limitation non-residential buildings, pavilions, gazebos, washrooms, and eating or viewing areas, but shall never be for residential use. The Artistic Tract is currently privately owned and is not a Common Element or Limited Common Element.

4. "Artistic Parcel Easement" shall mean "Non-Exclusive Easement for Beach Access over Tract C, Location TBD Per AF# _____"

5. "Assessment Period" shall mean a calendar year for General Assessments and such other period as determined by the Board.

6. "Assessments" shall mean all assessments imposed pursuant to this Declaration, including without limitation General Assessments.

7. "Association" means the Governor's Point Homeowners' Association, a non-profit corporation organized pursuant to the laws of the state of Washington, whose membership is comprised of the Owners of all Lots and is controlled by a Board of Directors, pursuant to Bylaws adopted by the Association.

8. "Board of Directors" or "Board" is the governing body with primary authority to manage the affairs of the Association.

9. "Bylaws" shall mean the bylaws of the Association, as adopted by the Board initially, and as may be amended from time to time.

10. "Common Elements" means that portion of the Property owned, to be owned, or for which the Association has, or will have, a fee interest, leasehold interest, an easement, or maintenance responsibilities. Without limitation, Common Elements includes the Road Easements, Maintenance Yard Easement, and any Lot conveyed by Declarant to the Association, now or in the future. Easements for the Common Elements are further described and/or depicted in Exhibit < >.

11. "Common Expenses" are the actual and estimated expenses of operating the Association, including maintenance of the Common Elements, and including any reasonable reserves, all as may be found to be necessary and appropriate by the Board of Directors pursuant to this Declaration, the Association's Bylaws and Articles of Incorporation. Without limitation, such expenses include those deemed necessary or desirable for developing, installing, constructing, maintaining, repairing, replacing, insuring or managing the Common Elements, along with taxes, other insurance, professional services and all other goods and services provided by the Association to its members.

12. "Declarant" the Owner signing this Declaration shall be referred to as "Declarant".

13. "Declaration" means this Declaration of Covenants, Conditions, and Restrictions. The term shall also include any lawful amendments to this document.

14. "Developable Area" shall mean the area in which all development on the Development Property must be located including buildings, ornamental landscaping, and structures such as roads, driveways, courtyards, covered walkways, outdoor shelters. The term "ornamental landscaping" shall include lawns, manicured gardens, and outdoor areas of non-native plantings. Each Lot has a Developable Area designated as a numerical limit in square footage for that Lot as shown on the face of the Plat. A maximum total of 500-square feet of the Developable Area will be allowed, subject to the building constraints of using natural materials, within the shore setback for each Lot. This is limited to roof eaves or architectural cladding, decks, patios, covered walkways, stairs, and accessory water-oriented structures such as kayak storage. Any storage structure shall not be Conditioned Living Space. See Section 9.1.3 re: Conditioned Living Space. For Tracts B and C, "Developable Area" includes a dock with appurtenances and a restroom/storage building of not more than eight-hundred square feet (800 sf) footprint (on Tract B), and public amenities such as a viewing platform and benches.

15. "Development Agreement" shall mean that certain agreement entered into between the Declarant and Whatcom County, governing development of the Remainder Property, and recorded at Whatcom County Auditor File No. < >.

16. "Development Property" shall mean all of the Property, less the Donated Property. The Development Property is described and depicted at Exhibit < > and is synonymous with the Remainder Property.

17. "Dock Parcel" shall mean Tract B legally described and depicted at Exhibit < > which shall support and provide access to a dock on the Pleasant Bay (east) side of Governor's Point.

18. "Dock Parcel Easement" shall mean "Non-Exclusive Tract B Building Trail and Public Beach Access Easement Per AF# _____."

19. "Donated Property" shall mean that portion of the Property to be donated to the Whatcom Land Trust pursuant to the Donation Agreement.

20. "Donated Property CC&Rs" shall mean the CC&Rs to be executed by the Declarant and Whatcom Land Trust pursuant to the Donation Agreement, immediately prior to conveyance of the Donated Property, and recorded against the Donated Property.

21. "Donation Agreement" shall mean that certain agreement entered May 3, 2018, between Governor's Point Land, LP and the Whatcom Land Trust, under which Governor's Point Land, LP conditionally agreed to transfer the Donated Property to the Whatcom Land Trust.

22. "Donee" shall mean the Whatcom Land Trust and its successors and assigns.

23. "Driveway Easement" shall mean a twenty foot (20') wide easement over and across identified Lots for the purpose of providing rights of ingress, egress and utilities to benefited Lots for access to the Main Road Easement or a Main Road Easement Added Segment. The Lots benefited and burdened by Driveway Easements are identified on Exhibit < >. Driveway Easement location shall be determined by the Owner of the dominant estate at the time of Lot development and shall be fixed at its location of initial construction, ten feet (10') on each side of the centerline thereof. Driveway Easements do not benefit or provide rights to other Lots or Lot Owners on the Property.

24. "Driveway Improvements" shall mean roadway improvements, including utilities, pavement, drainage facilities, signs, fences or other structures or improvements within a Driveway Easement.

25. "East Beach" shall mean that certain beach on the Pleasant Bay side of the Property, located primarily on the Donated Property and partly on the Dock Parcel, as described and depicted on Exhibit < >.

26. "East Beach Easement" (Non-Exclusive Tract B Building Trail and Public Beach Access Easement Per AF# _____) shall mean a perpetual easement allowing for general public passive recreational use and access over that portion of the Dock Parcel comprised of the East Beach, as described and depicted on Exhibit < >.

27. "East Beach Improvements" shall mean improvements located on the East Beach Easement, including without limitation signs, benches, fences or other structures or improvements intended to facilitate the purpose of said easement. East Beach Improvements shall be the responsibility of the Whatcom Land Trust.

28. "Existing Dock Parcel Road" shall mean the road located on Tracts A and B, as described and depicted at Exhibit < >.

29. "Existing Dock Parcel Road Easement" (Amended Non-Exclusive Ingress, Egress, Utilities and Reserve Tract Easements Per AF# 2017-0400599) shall mean a perpetual easement allowing for utilities, storm water management, and for Lot owners, guests and invitees to access Tract B. The Existing Dock Parcel Road Easement is also referred to herein as Main Road Easement Added Segment B.

30. "General Assessment(s)" shall mean Assessments imposed by the Association pursuant to Article 10 herein.

31. "Governing Documents" shall mean this Declaration, Donated Property CC&Rs, Plat and permit approval documents, the Articles of Incorporation, Bylaws, Rules and Regulations adopted by the Board of Directors, and any lawfully adopted amendments of any of the foregoing, along with the recorded Development Agreement.

32. "Governing Law" shall mean the Washington Uniform Common Interest Ownership Act (Chapter 64.90 RCW) or any successor statutes, and any amendments thereof.

33. "Hazardous Tree" shall mean a standing tree which due to disease, decay, or other factors, poses an unreasonable risk of harm to persons or property. Removal of a Hazardous Tree shall be supported by a written opinion from a certified arborist prior to removal.

34. "Limited Common Element" shall mean the particular Common Elements for the exclusive use of the Owners of some, but not all, Lots. The only Limited Common Element in the Association is the dock and its appurtenances, located on the Dock Parcel.

35. "Loop Trail" shall mean a public pedestrian trail located on the Donated Property, as shown on Exhibit < >.

36. "Lot" means any existing or future legal lot of record, and any improvements thereon, located within the Development Property allowing for Single-Family Residence use. There are presently sixteen (16) such lots allowing for single family residential use on the Development Property, each with a Developable Area designated as a numerical limit on development impact in square footage for that Lot shown on the face of the Plat. In the event the Pre-Existing Residential Lot located outside the Development Property joins the Association, the term "Lot" shall also include the Pre-existing Residential Lot, as that term is defined.

37. "Main Road" shall mean (1) an existing road running in a north-south general direction through the Property within the Main Road Easement at its current location or as relocated by Declarant or Association pursuant to Section 3.1.5; and (2) an existing or future road connected to the Main Road and located within Main Road Easement Added Segments A, B, or C.

38. "Main Road Easement" (Amended Non-Exclusive Ingress, Egress, Utilities and Reserve Tract Easements Per AF# 2017-0400599, is the easement for the principal vehicular access road to the Development Property reserved by Declarants for ingress, egress, storm water management, and utilities to the Development Property, and by easement over the Donated Property for such purposes to benefit the Development Property. The Main Road Easement is described at Exhibit < > and depicted on Exhibit < >, for the use and benefit of all Lot Owners, subject to the terms and conditions set forth herein, subject to potential expansion or relocation pursuant to Section 3.1.5.

39. "Main Road Easement Added Segment" shall mean a separate additional Road Easement connecting to the Main Road Easement for the purpose of ingress, egress, storm water management, and/or utilities. Main Road Easement Added Segment A, recorded per AF# < >, runs from the north terminus of the Main Road Easement to the northerly end of the Development Property. Main Road Easement Added Segment B, recorded per AF# < >, runs from the Main Road Easement to Tract B. Main Road Easement Added Segment C, recorded per AF# < >, runs from the Main Road Easement to access Lots 8-16.

40. "Map," as used herein and in Ch. 64.90 RCW, shall have the same meaning as "Plat."

41. "Nuisance" shall mean an activity that is injurious to health, indecent or offensive to the senses, or an obstruction to the free use of property, so as to essentially interfere with the comfortable use and enjoyment of a Lot on the Development Property.

42. "Owner or Lot Owner" means any person or persons owning a Lot either in fee title or a vendee's interest under a Real Estate Contract, as shown by the records of the Auditor of Whatcom County, Washington.

43. "Owner's Manual" means a suite of documents provided by Declarant to each Owner, in either electronic or paper format, which includes all of the following: this Declaration, information and requirements pertaining to Stormwater Facilities per Section 6.7 herein, the approved Habitat Management Plan for the Property dated < >, the approved Development Agreement for the Remainder Property recorded < >, the CC&Rs for the Donated Property recorded < >, and < >.

44. "Person" means any individual, firm, corporation, partnership, association, unincorporated association or other legal entity.

45. "Plat" shall mean the final subdivision for the Development Property approved by Whatcom County and recorded with the County Auditor, and all terms and conditions of such approval.

46. "Pre-existing Residential Lot" shall mean that certain legal lot of record adjoining the Development Property, previously developed as a single-family residence and legally described at Exhibit < >. Upon recording a perpetual agreement to bind the Pre-existing Residential Lot to the terms of this Declaration, the Owner of the Pre-existing Residential Lot shall be a voting member of the Association and shall be fully subject to this Declaration, except for Articles 5, 8, and 9.

47. "Private Easements" shall mean all easements over the Development Property which are not Public Easements.

48. "Private Utility Easements" shall mean utility easements not greater than ten feet (10') in width outside of the Main Road Easement, any Main Road Easement Added Segment, and any Driveway Easement, to be reserved by Declarant over and across any Lot, Tract, or Common Element for the benefit and purpose of providing utilities to one or more Lots or Tracts. Utilities authorized in a Private Utility Easement shall include without limitation all those utilities allowed in the Main Road Easement as identified in Section 3.1, and any other utility commonly associated with residential development.

49. "Property" means the real property described in Exhibit < >, and depicted in Exhibit < >, together with all residences and other structures thereon constituting real property, now existing or to be constructed in the future. The term Property includes the Remainder Property and the Donated Property.

50. "Public Easement(s)" shall mean the East Beach Easement.

51. "Remainder Property" shall mean all of the Property, less the Donated Property. The Remainder Property is described and depicted at Exhibit < > and is synonymous with the Development Property.

52. "Resident" means each person lawfully residing on or in any part of a Lot; and members of the immediate family of each such person actually living in the same household with such person.

53. "Road Easements" shall include the Main Road Easement, Main Road Easement Added Segments, and any other road easements established by Declarant pursuant to the terms herein.

54. "Road Expenses" shall mean all costs incurred by the Association for management, design, construction, improvement, maintenance, repairs, insurance premiums, or other reasonable expenses required for maintenance, operation, and repair of the roads, gates, or infrastructure within the Road Easements. Electrical power for all gates located within Road Easements shall be paid by the Association.

55. "Road Improvements" shall mean roadway improvements, including utilities, pavement, drainage facilities, gates, signs, fences or other structures or improvements within a Road Easement.

56. "Single-Family Residence (SFR)" shall mean a stand-alone structure or structures with its own Lot intended for one family.

57. "Specially Allocated Expense" shall mean an expense allocated to some or all of the Lot Owners. This term shall include expenses related to the Dock Parcel and the dock thereon, which shall be allocated only to the Lot Owners who have access to a dock on the Dock Parcel.

58. "Stormwater Control Facilities" shall mean any and all facilities, features, structures, constructed means, dispersion areas, and native vegetation areas located on the Property and intended to control stormwater or promote stormwater infiltration in conformance with the Stormwater Plan.

59. "Stormwater Plan" shall mean that certain stormwater plan prepared in connection with Land Disturbance Permit ("LDP") No. < > for the Road Improvements on the Property proposed by Developer and approved by Whatcom County, dated < >, and any updates or addendums thereto. The "Stormwater Plan" shall also mean that certain Stormwater Maintenance Plan for Private Road Stormwater Facilities dated < >, approved by Whatcom County on < >.

60. "Structure" shall mean any building for which a building permit from Whatcom County is required.

61. "Tract" shall mean any existing or future legal parcel on the Development Property that does not include a residential use. There are presently two (2) Tracts on the Development Property: one (1) waterfront tract for recreation and dock use ("Tract B" or "Dock Tract"); and one (1) tract for potential non-residential building and artistic architectural purposes ("Tract C" or "Artistic Tract")

62. "Tree Canopy" shall mean the total area of the tree(s) where the leaves and outermost branches extend, also known as the drip line. *WCC 20.97.436.1*

63. "Turnover Date" shall mean the date of the transition meeting as described in RCW 64.90.415.

64. "Unit," as used herein and in Ch. 64.90 RCW, shall have the same meaning as "Lot."

65. "Upkeep" shall mean care, inspection, maintenance, operation, repair, repainting, remodeling, restoration, improvement, renovation, alteration, replacement and reconstruction.

ARTICLE 2: RESERVED RIGHTS

1. Development Rights. The Declarant hereby reserves for itself, its successors or assigns, by adoption of amendments to this Declaration, the rights to:

1.1. Add real estate or improvements to the Association; and

1.2. Create additional Common Elements and/or Limited Common Elements within the Association; and

1.3. Add only the Pre-existing Residential Lot as an additional Lot; and

1.4. Combine Units or convert Units into Common Elements; and

1.5. Withdraw any portion of the Development Property from the Association; and

1.6. Reallocate Limited Common Elements with respect to Units that have not yet been conveyed by the Declarant.

2. Special Declarant Rights. The Declarant hereby reserves for itself, its successors or assigns, by adoption of amendments to this Declaration, the rights to:

2.1. Complete any improvements indicated on the Map or described in this Declaration or the public offering statement; and

2.2. Exercise any development right listed in Section 2.1 above; and

2.3. Maintain signs advertising the common interest community and model homes or Units; and

2.4. Use easements through the Common Elements for the purpose of making improvements within the Association or within real estate that may be added to the Association; and

2.5. Until the Turnover Date, appoint or remove any officer or board member of the Association or any master association or to veto or approve a proposed action of any Board or Association; and

2.6. Control any construction, design review, or aesthetic standards, committee or process as described in Article 8 of this Declaration; and

2.7. Attend meetings of the Unit Owners except during an executive session of the Board; and

2.8. Have access to the records of the Association to the same extent as a Unit Owner.

3. Time Period of Reserved Rights. Except for the right reserved in Section 2.2.5, the Declarant shall hold the rights reserved in this Article 2 until such time as the latter of (a) the completion of construction on the sixteenth and final Lot to be developed, or (b) the completion of construction and placement of the docks described in Sections 12.1.5, .6 and .7 of this Declaration.

ARTICLE 3: EASEMENTS

1. PRIVATE ROAD EASEMENTS - MAIN ROAD

1.1. Main Road Easement. Declarant hereby reserves a perpetual forty foot (40') wide easement for ingress, egress, drainage, utilities, and any other development related infrastructure, over and across the Property, at the location of the Main Road Easement and the Main Road Easement Added Segments, as defined. The Main Road Easement and Main Road Easement Added Segments shall also be for the benefit of those companies or municipal entities that supply utilities, including water, sewer, electric, gas, telephone, cable and other similar services for the Property or any Lot or Tract.

1.2. All Road Easements. All Road Easements reserved herein shall include the right, in Declarant's discretion, to relocate, add to, and expand said Road Easements to provide safe and legal access to serve the Remainder Property, including each Lot and Tract, Declarant further reserves the right to place a gate across the road located in any or all Road Easements. Repairs or changes in any gate shall receive prior approval of the Declarant or ACC pursuant to Article 8.

1.3. Development. Any road within the Road Easements reserved in Article 3.1 or Driveway Easements reserved pursuant to Article 3.2 shall be designed, constructed, improved and maintained so as not to overload, damage or adversely impact the Stormwater Control Facilities or any portion thereof.

1.4. Acknowledgement, Assumption of Risk and Indemnification. By purchase of a Lot, each Lot Owner acknowledges and accepts that the Property is on a rugged point jutting into a remote northwest marine environment and may experience adverse and hazardous road conditions. Each Lot Owner further acknowledges and accepts that roads within Road Easements are relatively narrow, unlit, unmarked, and are not designed, constructed, or maintained to city road standards. Based on the foregoing acknowledgement and acceptance, and general familiarity with existing Road Easement conditions, by purchase of a Lot: (i) each Lot Owner shall assume all risk of damage or injury to persons or property when driving, walking, or bicycling within Road Easements and further hereby knowingly waives all claims or potential claims against the Declarant, Association, or its officers, for any such damage or injury arising as a result of road design, construction, maintenance, or adverse conditions when driving, walking, or bicycling within Road Easements; and (ii) any Lot Owner driving on roads within Road Easements shall indemnify and hold harmless the Declarant and the Association for injuries or damage to persons or property arising as a result or partial result of negligence on the part of said Lot Owner.

2. DRIVEWAY EASEMENTS.

2.1. Driveway Easements. Declarant hereby reserves perpetual Driveway Easements twenty feet (20') in width for ingress, egress, drainage and utilities over and across Lots noted by

number on the attached Exhibit < >, for the benefit of the Lot numbers also noted thereon. Lot numbers on Exhibit < > correspond to the Lots depicted by number on Exhibit < >.

2.2.Locating Driveway Easements. The location of each of said Driveway Easements may be established and recorded by Declarant prior to closing the sale of an affected burdened Lot any time following the recording of this Declaration. In the event that the location of any Driveway Easement is not so established by Declarant, the location of said easement shall be established by the centerline of driveway as constructed. Each benefited Lot Owner shall be responsible for their pro rata share of the cost of maintenance and repair of the Driveway Easement for those segments of the Driveway Easements as set forth and described above.

3. PRIVATE UTILITY EASEMENTS.

3.1.Private Utility Easements. Declarant hereby reserves perpetual Private Utility Easements over and across Lots and Tracts noted on the attached Exhibit < >, for the benefit of the Lots and Tracts also noted thereon. Lot numbers and Tract letters on Exhibit < > correspond to the Lots and Tracts depicted by number on Exhibit < >.

3.2.Locating Private Utility Easements. The location of each of said Private Utility Easements may be established and recorded by Declarant prior to closing the sale of an affected burdened Lot any time following recording of this Declaration. In the event that the location of any Private Utility Easement is not so established by Declarant, the location of said easement shall be established by the centerline of the first utility as constructed and installed. Lot Owners shall not obstruct Private Utility Easements or deny access to Private Utility Easements for the purpose of construction, maintenance and repair of utilities. Unless otherwise specified, Private Utility Easements shall be ten feet (10') in width.

4. EASEMENT FOR MAINTENANCE YARD

4.1.Maintenance Yard Easement. Declarant hereby reserves a perpetual easement over the Donated Property for a maintenance yard not more than 10,000 square feet in size and a thirty-foot (30') access easement within which a twelve-foot (12') paved or gravel access road may be constructed allowing for vehicular ingress and egress thereto, all at a location and in a configuration of Declarant's choosing. The location of the Maintenance Yard Easement and the access thereto shall be fixed at the time of its development and construction in the future.

4.2.Scope of Maintenance Yard Easement. Uses allowed in the Maintenance Yard Easement may in Declarant's discretion include without limitation, composting and storage of organic material, gravel, bark mulch, plants, and other materials for road repairs, landscaping, and miscellaneous outdoor work activities; and also placement of a storage building not more than 500 square feet in size for the purpose of storing a tractor or other work related vehicles and tools related to road maintenance, landscaping, and other outdoor work. Declarant shall further have the right to install a fence and locked gate over all or part of the Maintenance Yard Easement.

5. EAST BEACH EASEMENT

5.1.East Beach Easement. Declarant hereby reserves a perpetual easement over that portion of the East Beach located on Dock Parcel, described and depicted on Exhibit < >, for the benefit, use and enjoyment of the general public, to be accessed only by foot or by self-propelled, non-motorized watercraft. The East Beach Easement shall be maintained by and at the expense of

the Donee. The general public's use of the East Beach Easement shall be subject to the rules established by the Donee, in consultation with Declarant. The East Beach Easement over the Dock Parcel does not include any right to use of any dock located thereon.

5.2. East Beach Easement Expenses. Expenses for design, construction, maintenance, repair or improvement of the East Beach Easement shall be the sole expense of Donee.

5.3. Public Use On Remainder Property Prohibited. Public access shall not be allowed at any time or for any purpose on the Remainder Property outside the East Beach Easement established herein.

6. DISCREPANCY BETWEEN AS-BUILT AND DESIGNED LOCATIONS OF EASEMENTS. In the event all or part of the as-built location of any road, utility, trail, infrastructure or yard lies outside of its described easement location, the as-built location shall control the location of said easement, with the center of the easement being the center line of the as-built use.

7. APPURTENANT EASEMENTS. The Easements reserved and described in Article 3 are perpetual and shall run with the land and are appurtenant to the Property and/or affected portion of the Property. The dominant estates for these easements shall not be expanded without amendment of this Declaration.

ARTICLE 4: EASEMENT IMPROVEMENTS AND MAINTENANCE:

4.1 Road Easements and Owner Responsibility. Improvements, maintenance and repair of the Road Improvements shall be performed by the Association. Each Lot Owner shall be responsible for their share of the cost of Road Improvements and Road Expenses for the Road Easements. The cost of Road Improvements and Road Expenses for the Road Easements shall be shared equally among all Lot Owners.

4.2 Utilities Easements. Maintenance of that portion of the utility serving a particular Lot located within the Road Easements shall be the responsibility of the Lot Owner served thereby. If the utility serves more than one Lot, then utility maintenance and repair shall be paid by all Lots served by such utility in equal shares.

4.3 Private Easements and Driveway Easements Improvement and Maintenance. Unless otherwise expressly provided, design, construction, improvement, maintenance and repair of the Private Easements shall be performed by the Association. The benefited Lot Owners of a Driveway Easement shall be responsible for design, construction, improvement, maintenance and repair thereof, including without limitation, paving the Driveway Easement, beginning at its intersection with the road in the Main Road Easement; provided that, the Association may by separate agreement with benefited Lot Owners improve or maintain Driveway Easements.

4.4 Construction by Association. The Association may elect to construct Road Improvements and may assess those Lots benefited in proportion to the benefit received, subject to Section 4.1.

4.5 Driveway Construction. Improvements may be made to the Driveway Easements by any benefited Lot Owner so long as such Driveway Improvements meet Whatcom County ("County") Development Standards. Each benefited Lot Owner shall be responsible for their pro rata share of the cost of Driveway Improvements for those segments of the Driveway Easements noted in Section

3.2 herein. Each Lot Owner who makes Driveway Improvements to any road segment or portion thereof shall be reimbursed by other benefited Lot Owners based upon the pro rata share of all benefited Lots.

Reimbursement for Driveway Improvements shall be subject to the following terms and conditions:

(a) The Lot Owner making the Driveway Improvements shall hereinafter be referred to as the "Construction Owner" and the Owners responsible for reimbursement shall hereinafter be referred to as the "Indebted Owner".

(b) The Construction Owner shall upon completion of Driveway Improvements provide (i) an itemized statement of all costs and expenses for construction of such Driveway Improvements; (ii) a calculation of the reimbursement amount attributable to each Lot. This statement shall be mailed to each Indebted Owner by certified mail at the address shown on the records of Whatcom County for real property taxation purposes.

(c) In the event the Indebted Owner disagrees with the assessment or its amount the matter shall be submitted to arbitration. The amount of reimbursement contained in the statement provided by the Construction Owner shall be final and binding unless submitted to arbitration by the Indebted Owner within 45 days of mailing. It is the intent of this Declaration that the Construction Owner be reimbursed for all costs and expenses associated with the Driveway Improvements, less the Construction Owner's share; provided such costs and expenses are reasonable and do not exceed the minimum County requirements for subdivision of Lots owned by the Construction Owner.

(d) To be eligible for reimbursement for Driveway Improvements, the Construction Owner shall obtain a minimum of three (3) bids from qualified contractors for Driveway Improvements not to exceed minimum County standards and shall choose a contractor from among the bidders. The Construction Owner shall provide copies of each bid to affected Lot Owners by mail, as provided in subparagraph (b) herein, at least seven (7) days prior to selecting a contractor. The Construction Owner may select the bidder he deems most qualified, provided that under no circumstances shall the highest bidder be selected to perform the work.

(e) The reimbursement amount shall bear interest at the rate of six percent (6%) per annum, commencing 45 days after mailing of the statement. The Construction Owner is authorized to record a notice on the Lot of the Indebted Owner specifying the amount of the reimbursement and the date of mailing the statement described in subparagraph (b). The reimbursement amount shall be paid to the Construction Owner or the Construction Owner's successor in title upon any one of the following events: (i) issuance of a building permit for a new single-family dwelling; or (ii) recording of an instrument subdividing a Lot subject to reimbursement.

(f) The right to reimbursement for Driveway Improvements ("Latecomers Rights") shall expire fifteen (15) years after the date of mailing of the statement described in subparagraph (b) above.

ARTICLE 5: PRESERVATION OF NATURAL FOREST:

5.1 Preservation of Natural Forest. Homesite development of all Lots on the Remainder Property is intended to be limited in size and thoughtfully integrated into the spectacular surrounding natural forest and marine environment at Governor's Point. Preservation of native trees and

vegetation at Governor's Point is a cornerstone vision of this development. The footprint of all homes and their associated residential surrounding uses shall be sited in harmony with surrounding natural features and shall be limited in size in conformance with this Declaration.

5.2 Lot Owner Establishment of Developable Area Location. The purpose of the Developable Area is to provide a maximum square foot limitation on each Lot within which all development on said Lot must be located, so that areas outside thereof remain in their natural state. Each Lot shall be allowed a maximum Developable Area as shown by a numerical square footage limitation on the face of the Plat, known as the Developable Area. Within the Developable Area for each Lot, native trees and vegetation may be cleared and maintained by the Lot Owner in connection with use of the Lot for single family residential purposes, consistent with the definition of Developable Area at Section 1.2.14 herein. The maximum Developable Area for any one Lot shall not exceed < > square feet as stated on the Plat. At the time of application for a building permit, a Lot Owner shall designate the location of the Developable Area for the Lot, consistent with any Plat conditions or restrictions, and shall submit said designation for review and approval by the Declarant or the ACC pursuant to Article 8. At the request of the Declarant, the Lot Owner or Lot Owner's agents shall meet with Declarant, Declarant's agents, or the ACC on-site for purposes of clarifying the location of the Developable Area. Upon determining that the Developable Area designation is consistent with conditions and restrictions on the Plat, the Development Agreement, and any other approval documents, and the terms of this Declaration, Declarant or ACC shall approve same in writing. Following written approval of the designated Developable Area, the Lot Owner may commence removal of trees and vegetation within said Developable Area to accommodate single family residential improvements. In the event the Declarant is the Lot Owner at the time of building permit application, the foregoing approval process shall not apply. Fences shall not be allowed outside the Developable Area. Nothing herein is intended to supplant or eliminate any approval or permit requirement of Whatcom County or any other governmental permitting agency for development of a Lot. The requirements of this section are in addition to any requirements and approvals a Lot Owner must obtain from Whatcom County and other agencies with jurisdiction for Lot development.

5.3 Prohibition on Removal of Native Trees and Vegetation; and Exceptions. Each and every Lot Owner shall leave that portion of their Lot outside its established Developable Area in its natural state. Landscaping activities outside an established Developable Area are strictly prohibited. Lot Owners shall also be prohibited from harvesting or removing native trees and vegetation from their Lot or any portion of the Property outside their established Developable Area or otherwise in contravention of the Habitat Management Plan provided in the Owner's Manual. The following exceptions from this prohibition apply:

5.3.1 Clearing or trimming dead branches, dead plants, and similar debris;

5.3.2 Enhancement of existing trees and natural vegetation with native plantings, subject to a licensed Arborist recommendation for enhancement;

5.3.3 Removal of Hazardous Trees subject to a licensed Arborist recommendation for removal.

5.4 Relocation of Established Developable Area. Provided approval from Whatcom County and other agencies with jurisdiction is obtained, a Lot Owner may relocate an established Developable Area with the written approval of Declarant or ACC. Such relocation shall require delineation of a new Developable Area in accordance with the same requirements for establishing

the original Developable Area outlined in Section 5.2; provided that any clearing of that portion of a Lot within the original Development Area but outside the boundaries of the newly relocated Developable Area shall be fully replanted and restored with native trees and vegetation according to a plan, which shall include monitoring requirements, prepared by a certified arborist and approved by Declarant or the ACC pursuant to Article 8.

5.5 Enforcement. This provisions in this Article are for the benefit of all Lot Owners and shall be enforceable by the Declarant, the Association, and individual Lot Owners, pursuant to enforcement authority granted herein.

ARTICLE 6: PERPETUAL EASEMENTS FOR DEVELOPMENT RELATED INFRASTRUCTURE AND MITIGATION:

6.1 Stormwater Control Facilities. Declarant hereby reserves an easement for the right to construct, install, maintain and replace of all Stormwater Control Facilities over and across the Donated Property as described in Exhibit < > and depicted in Exhibit < >. The purpose and function of the Stormwater Control Facilities shall be to control stormwater flows and allow for infiltration of surface water runoff. No activities shall be allowed within a Stormwater Control Facilities which would interfere with or impair its purpose or function. There are three types of Stormwater Control Facilities established herein: (1) a stormwater conveyance system consisting of drainage pipe, and possibly structures, catch basins and appurtenances designed to convey stormwater to the native vegetation area; (2) a native vegetation area over a dispersion area maintained in accordance with the latest applicable Department of Ecology Stormwater Manual BMP, within which driveways or roads are prohibited; and (3) a forestry dispersion area within which roads and driveways are allowed but buildings or other impervious surfaces are prohibited. Driveways or roads within a forestry dispersion area must not consolidate runoff into a single channel. Each type of Stormwater Control Facilities burden the Property as described and depicted on Exhibit < > and are for the benefit of all the Property and Lots thereon. Stormwater Control Facilities shall not be used for stormwater management credits or dispersion for other impervious surfaces associated with construction of homes within the Developed Property.

6.2 Maintenance Responsibilities. Maintenance of Stormwater Control Facilities located in Common Elements or in Road Easements, and depicted in Exhibit < >, shall be the responsibility of the Association. The Association shall manage all Common Elements and Road Easements so as not to adversely impact the Stormwater Control Facilities. All Stormwater Control Facilities shall be maintained in conformance with the Stormwater Plan. Maintenance of Stormwater Control Facilities on Lots and management of all stormwater associated with structures, driveways, lawns, and other improvements related to single family residential use on a Lot, shall be the responsibility of the Lot Owner.

6.3 Development. No Owner shall be permitted to develop a Lot in a manner which will overload or damage any part of the Stormwater Facilities; nor shall the design, construction or maintenance of private roads, driveways or other impervious surfaces on any Lot adversely impact the Stormwater Control Facilities. No development activity on any Lot shall cause stormwater discharge or runoff to exceed pre-development forested conditions. No Owner shall collect, concentrate and disburse stormwater in such a way as to alter its natural flow onto an adjacent Lot. Each Owner shall conform with all conditions and requirements of the Plat, the Development Agreement, and any other approval documents, as they pertain directly or indirectly to stormwater and stormwater management. Conformance with the provisions herein shall be reviewed and verified by a licensed engineer prior to issuance of a building permit. All Stormwater Control Facilities

located on a Lot shall be maintained by the Owner of the Lot in conformance with the Stormwater Plan.

6.4 Stormwater Control in Road Easements and Driveway Easements. All Stormwater Control Facilities within Road Easements and Driveway Easements shall be installed to meet the current Washington State Department of Ecology Stormwater Manual for Western Washington and shall be maintained in accordance with Whatcom County Development Standards.

6.5 Stormwater from Non-Road and Non-Driveway Easements. Stormwater (beyond that from all Road Easements and Driveway Easements), from impervious surfaces that result from residential construction-related activities on the Lots, shall infiltrate using infiltration trenches or infiltration drywells in accordance with the current edition of the Washington Department of Ecology Stormwater Management Manual for Western Washington on “Flow Control Design” for “Downspout Infiltration Systems,” unless Whatcom County determines that infiltration is not feasible per the then current edition of the Washington State Department of Ecology Stormwater Management Manual for Western Washington, Volume III, “Procedure for Evaluating Feasibility.” If infiltration proves infeasible, Whatcom County will allow use of a “Downspout Dispersion System” in accordance with the current edition of the Washington State Department of Ecology Stormwater Management Manual for Western Washington, or other acceptable design options. Whatever stormwater system is approved, it must mimic forested, pre-development stormwater runoff conditions.

6.6 Development Techniques. Declarant and Lot Owners shall implement development and construction techniques consistent with the then current Washington State Department of Ecology Stormwater Management Manual for Western Washington and the then current Low Impact Development Manual as developed by Puget Sound Partnerships and said techniques shall be designed by a professional engineer.

6.7 Stormwater Facilities Portion of Owner’s Manual. The Declarant will provide each new Owner to whom it sells a Lot with an Owner’s Manual that details , among other topics, the Stormwater Facilities in the Property. The Stormwater Facilities portion of the Owners’ Manual will establish a maintenance schedule and provide instructions to Owners on how to maintain Stormwater Control Facilities on Lots. At the closing of a transaction for purchase of any Lot from Declarant, or in the future from an Owner of a Lot, the Seller of the Lot will provide a copy of the Owner’s Manual to the Buyer. The Association will keep and maintain copies of the Owner’s Manual and provide it to Owners on request. Copies of the Owner’s Manual may be provided by paper or electronic copy.

6.8 Discrepancy Between As-Built and Described Locations. In the event all or part of the as-built location of any Stormwater Control Facilities lie outside of its described Stormwater Control Facilities location, the as-built location shall control the location of said facility.

6.9 Appurtenant Easement. The Stormwater Facilities Easement reserved in this Article 6 is perpetual and shall run with the land and is appurtenant to the Property and/or affected portion or portions of the Property.

ARTICLE 7: COMMUNITY ASSOCIATION

Declarant formed a Community Association designated herein as the “Association” that include as its members the Owners of all Lots. This organization is a non-profit corporation organized

pursuant to the laws of the State of Washington, known as the Governor's Point Homeowners' Association.

7.1 Purpose. The purpose of the Association shall be the regulation, use, care, design, construction, operation, repair, maintenance and preservation of Common Elements; the regulation, maintenance and repair of facilities thereon; payment of taxes, if imposed, on Road Easements and improvements and any Common Elements; the payment of Common Expenses; and other provisions of this Declaration.

7.2 Membership and Control. Each Owner shall be a member of the Association.

7.3 Shares. There shall be at least sixteen (16) shares in the Association, and each Owner of a Lot shall have 1 share. Upon execution and recording of the agreement described in Section 1.2.46, the Owner of the Pre-existing Residential Lot shall also hold a voting share, raising the total of shares to seventeen (17). Shares in the Association shall be allocated as follows:

Each Owner of a Lot shall be entitled to one (1) share and one (1) vote. Single shares may not be divided. All decisions of the Association shall be made by majority vote of shareholders entitled to vote, provided that no single Lot Owner may cause an action to be taken nor prevent an action from being taken. The provisions of this Declaration may be changed only by affirmative vote of eighty percent (80%) of all shareholders entitled to vote. No share shall be sold or distributed unless it remains connected to a Lot. Fractional shares may be assigned to any new parcels created by subdivision so long as the total number of shares resulting from any division or subdivision of a Lot shall not exceed one (1) share.

ARTICLE 8: ARCHITECTURAL CONTROL

1. Purpose and Intent. Declarant intends to establish a small community enclave of modestly-sized, architecturally unique and innovative homes, of the highest quality in design and construction. The homes will be thoughtfully integrated into the spectacular surrounding natural forest and marine environment in harmony with nature. Declarant intends to control their siting, location, footprint, design, and construction to achieve the foregoing purposes.

2. Before Expiration of Rights Reserved in Article 2. Prior to the Declarant's rights reserved in Article 2 expiring, in order to promote the visual harmony and ensure the prestige of the development at Governor's Point, to promote a quality living environment, and the health, safety, enjoyment and property value for all Lot Owners, architectural control will be accomplished either solely by the Declarant, or alternatively, in Declarant's sole discretion, by establishment of an Architectural Control Committee ("ACC"). Declarant or Declarant's designee shall have the unfettered right to assume full architectural control responsibilities, without establishment of an ACC, over all Lots on the Development Property prior to expiration of Declarant's rights reserved under Article 2. After expiration of Declarant's rights reserved under Article 2, Declarant shall retain the exemption from Article 8 and any required ACC approval, described in Section 8.12.

2.1. If the Declarant chooses to form an ACC, it shall initially be composed of Declarant and not less than two (2) such other persons as shall be designated in writing by the Declarant. Persons appointed by Declarant to the ACC need not be Lot Owners. However, Declarant may delegate to the Association the duty of appointing members to the ACC, in which case, the

Association may only appoint Lot Owners to the ACC. Regardless of the membership of the ACC, the Declarant shall retain the right to unilaterally approve or veto any proposal before the ACC.

2.2. Notwithstanding any other provision herein, Declarant is not required to establish or appoint an ACC, in which case Declarant shall retain full authority over architectural control decisions and approvals.

3. After Expiration of Rights Reserved in Article 2. At the next Board meeting after the expiration of the rights reserved in Article 2, the Board shall select from its members at least two (2) individuals to serve as the voting members of the ACC. The Board may also appoint one or more other Lot Owners to serve as advisory non-voting members of the ACC.

4. Approval Required. For construction not undertaken by Declarant, no Structure or fence shall be erected, placed or altered on any Lot until the construction plans, specifications, and plans showing the location of the Structure or fence have been approved in writing by the Declarant or ACC as to the quality of workmanship and materials, harmony of external design with existing structures and location with respect to topography and finished grade elevation. The Declarant or ACC's approval of Plans not prepared by Declarant shall not constitute any warranty or representation whatsoever by the Declarant, the ACC, or any of its members, that such Plans were examined or approved for engineering or structural integrity or sufficiency or compliance with applicable governmental laws, codes, ordinances and regulations, and each Owner hereby releases any and all claims or possible claims against the ACC, the Declarant, or any of them, and their heirs, successors and assigns, of any nature whatsoever, based upon engineering or structural integrity or sufficiency or compliance with applicable governmental laws, codes, ordinances and regulations.

5. Submission of Plans Required. Before commencing Construction of any Structure or fence on any Lot by anyone other than Declarant, the Owner shall submit to the Declarant or the ACC two complete sets of detailed building, construction, surface water run-off control and specifications and a site plan showing the location of all proposed Structures (the plans, specifications and site plans are individually and collectively referred to herein as the "Plans"). Residential construction of Structures and fences shall be restricted to the Developable Area on each Lot.

6. Time for Review of Plans.

6.1. Prior to the expiration of rights reserved in Article 2, the Declarant or the ACC shall approve or disapprove the building location, plans, specifications, and details within fifteen (15) days of the receipt thereof. The Declarant or ACC shall not be required to hold a meeting, and the Owner who submitted the Plans does not have a right to be present when the Plans are considered.

6.2. After the expiration of rights reserved in Article 2 and once the Board has appointed the ACC, the following procedures apply. Within seven (7) days of the receipt of the Plans, the ACC shall schedule a meeting to consider the Plans. The Owner who submitted the Plans shall be informed of the time and date of the meeting and may be present while the Plans are considered. The meeting shall occur no later than twenty-one (21) days after the ACC receives the Plans, unless the Owner agrees to a later date. The ACC shall issue its decision within three (3) days of the meeting.

6.3.Plans, specifications and details not approved or disapproved within the time limits set forth herein shall be deemed approved as submitted; except that, under no circumstances shall any residential building construction occur outside the Developable Area on each Lot.

6.4.The time periods specified herein may be tolled as described in this subsection. The Declarant or the ACC may by written notice require the Owner to clearly identify on the ground the horizontal and vertical structural footprint of the Structure. Issuance of said written notice shall toll the expiration of the time periods listed in this Section until the requested identification is made and the Declarant or ACC has been so informed and has had a reasonable opportunity to inspect the footprint.

7. Approval or Denial. For proposed construction by anyone other than Declarant, the Declarant or the ACC shall have the right to disapprove any plans, specifications or details submitted to them in the event the same are not in accordance with all of the provisions of the Declaration; if the design or color scheme of the proposed building or other structure is not in harmony with the natural surroundings of such Lots or with the adjacent buildings or structures; if the plans and specifications submitted are incomplete; or in the event the Declarant or ACC deems the plans, specifications or details or any part thereof, to be contrary to the interests, welfare or rights of all or any part of the Property subject hereto or to the Owners thereof. The decision of the Declarant or ACC shall be final. Upon issuance of the decision, one set of plans, specifications, and details with the approval or disapproval endorsed thereon shall be returned to the person submitting them and another copy shall be retained by the Declarant or ACC for their permanent files.

8. Conditions. Any approval by the Declarant or ACC may be conditioned upon compliance with any reasonable conditions which the Declarant or ACC may deem appropriate, including but not limited to the posting of bonds or other acceptable security to assure performance in accordance with the approved plans and specifications.

9. Fee. As a means of defraying its expenses, the Declarant or ACC may institute and require a reasonable fee, not to exceed Three Hundred Dollars (\$300.00) due at the time of Plan submission. No additional fee shall be required for resubmission of Plans revised in accordance with Declarant or ACC recommendations, but an additional fee may be imposed if Plans are changed and resubmitted upon the Owner's initiative.

10. Liability. Neither the Declarant or ACC nor its agents shall be liable to any party for any action or for any failure to act under or pursuant to the provisions of this Declaration; provided only that the Declarant or ACC and its agents shall have proceeded hereunder in good faith and without malice.

11. Compliance with all Local, State and Federal Laws and Regulations also Required. Approval by the ACC or Declarant shall not relieve an Owner from the obligation to obtain any required governmental permits. For construction by anyone other than Declarant, the Owner shall deliver all approvals and permits required by law to the Declarant or ACC, as appropriate, prior to the commencement of any construction requiring such approval or permit. If any application to any governmental authority for a permit to make any such structural addition, alteration or improvement to any Lot or improvement located on any Lot requires execution by the Association, and provided consent has been given by the Declarant or ACC, then the application shall be executed on behalf of the Association, without incurring any liability on the part of the ACC, Declarant or the Association to any contractor, subcontractor or materialman

on account of such addition, alteration or improvement, or to any person having a claim for personal injury or property damage arising therefrom.

12. Declarant Exempt. All proposed construction performed by the Declarant or at the direction of the Declarant is exempt from this Article 8. At all times, the Declarant may develop any Lot or Common Element without seeking the approval of the ACC. This exemption shall be effective even after the Declarant's rights under Article 2 expire. However, depending on which entity is performing architectural control at the time, the Declarant shall either retain or file with the ACC the plans and schematics of the development it undertakes.

ARTICLE 9: CONSTRUCTION

9.1 Size and Type of Construction.

9.1.1 No mobile, pre-manufactured, or modular-type homes shall be constructed, installed or located on any Lot.

9.1.2 The exterior walls and exterior finishes of all Structures shall be primarily constructed from natural materials, including without limitation wood products, earth materials, and stone. The primary aesthetic of all Structures shall be to blend in with the surrounding natural environment. Exterior finishes not requiring application of paint or stain are strongly encouraged; the application of paint or stain shall only be allowed when needed to preserve construction material. Any paint or stain required on the exterior of a Structure for preservation shall be in natural colors blending in with native landscape.

9.1.3 The total maximum square footage for residential Structures shall be 2,900 square feet of conditioned living space ("Conditioned Living Space") per Lot. Conditioned Living Space shall include interior space within an enclosed structure intended for human habitation. This 2,900 square foot limitation on Conditioned Living Space shall not include garages or shops, nor shall it include covered exterior courtyards, covered walkways, gazebos, outdoor shelters, storage sheds, or similar structures.

9.1.4 In total, the floor area of all Structures on a Lot shall not exceed 4,000 square feet. Included in this limitation is the Conditioned Living Space, and the interior space within any garages, shops, storage sheds, and similar buildings.

9.1.5 No Structure shall be designed or constructed on any Lot in such a manner that any portion thereof is visible from Chuckanut Drive.

9.1.6 All Structures shall be constructed in accordance with the Whatcom County Code, rules and regulations and other applicable codes. In the event of a conflict between any applicable codes and this Declaration, the codes shall govern.

9.2 No Deviation from Approved Plans. Any person obtaining approval of the Declarant or ACC shall not deviate materially from the approved plans and specifications without the prior written consent of the Declarant or ACC.

9.3 Timing of Construction. Any person obtaining approval of the Declarant or ACC for construction on a Lot shall substantially complete any such construction or alteration within twelve

(12) months of such approval, unless a different period is specified in the approval. If work is not completed within the time period required by the Declarant or ACC, then the approval shall lapse.

9.4 Mitigation. Mitigation for construction of any Structure, driveway, or other construction requiring a permit from the County on a Lot, or improvements to Common Elements, may be located on that Lot or at any location on the Donated Property. In the event the mitigation is to be located on the Donated Property, Whatcom Land Trust shall be consulted regarding the type and location of the mitigation.

ARTICLE 10: COMMON AREAS, EASEMENTS, AND COMMON EXPENSES

10.1 Common Elements. The Declarant reserves and establishes and the Association shall maintain Road Easements for construction of roads, drainage, gates, and common landscaping for the use and enjoyment of all Lot Owners. Declarant may reserve additional Common Elements, Driveway Easements, and Private Easements so long as such reservation is made prior to closing the initial sale of a Lot so burdened following recording of this Declaration. All Common Elements and Private Easements, except as otherwise provided, shall be maintained by the Association for the use and enjoyment of all Lot Owners.

10.2 No Interference with Common Elements or Easements. No Lot Owner shall obstruct or interfere with the Road Easements, Driveway Easements, Private Utility Easements, Maintenance Yard Easement, Artistic Parcel, or any Common Elements, nor shall any Lot Owner place or cause or permit anything to be placed on or in the above listed easements, Artistic Parcel or Common Elements without the approval of the Board of Directors of the Association and benefited Lot Owners. Nothing shall be altered or constructed in or removed from the above listed easements, Artistic Parcel, or Common Elements except with the prior written consent of the Board of Directors of the Association and benefited Owners.

10.3 Maintenance, Repair, Replacement, Protection and Preservation. The Association is responsible for the development, maintenance, repair, and replacement of the Road Easements, Private Easements, and any Common Elements.

10.4 No Partition. The Common Elements shall remain undivided and shall not be abandoned by act or omission, and no Lot Owner or other person may bring any action for partition or division of the Common Elements.

10.5 Rights and Obligations of the Association. The Association, subject to the rights and obligations of Owners set forth in the Declaration, shall be responsible for the maintenance and repair of the Road Easements, Private Easements, and any Common Elements, any improvements thereon, and shall keep all said Road Easements, Private Easements, and Common Elements in good condition, order and repair, pursuant to the terms and conditions hereof. All Common Expenses and Road Expenses shall be paid by the Association. All funds for Common Expenses and Road Expenses shall be collected from assessments paid by Lot Owners, as provided herein. Tract Owners shall not be so assessed. The Association may exercise any other right or privilege given to it expressly by this Declaration, its Articles of Incorporation or Bylaws, and every other right or privilege reasonably to be implied by the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

10.6 Incurring and Payment of Common Expenses. The Board of Directors shall acquire and shall pay for, as Common Expenses, all goods and services deemed necessary or desirable for the

proper functioning of the Association, including but not limited to trash and recyclable materials collection.

10.7 Acquisition of Property. The Board may acquire and hold in the name of the Association, for the benefit of the Owners, tangible and intangible personal property and real property and interests therein, and may dispose of the same by sale or otherwise. Such property shall thereafter be held, sold, leased, rented, mortgaged or otherwise dealt with for the benefit of the Association as the Board may direct.

ARTICLE 11: ASSESSMENTS AND LIENS FOR COMMON EXPENSES AND ROAD EXPENSES

11.1 Proportionate Share of Expense. The total amount of the estimated funds required for payment of the Common Expenses, Road Expenses, and Specially Allocated Expenses of the Association set forth in the Annual Budget adopted by the Board for the fiscal year shall be assessed against the Lots in proportion to each Lot's share ownership and in conformance with this Declaration.

11.2 Levying of Lot Assessments for Expenses – Charge Against Lot. There are hereby created "Lot Assessments" for Common Expenses, Road Expenses, and Specially Allocated Expenses as may be from time to time authorized by the Board of Directors. Common Expenses and Road Expenses assessed shall be those expenses determined by the Board of Directors, pursuant to the definition of "Common Expenses" in Section < > and "Road Expenses" in Section < > herein, to be for the benefit of the Association as a whole, consistent with the terms herein. Specially Allocated Expenses shall be assessed as determined by the Board of Directors against only the Lots which benefit from the expense. Lot Assessments shall be allocated among all Lots within the Association in accordance with the terms set forth in this Section. Failure to pay such Assessments in a timely manner may result in imposition of late charges as prescribed by the Board of Directors.

11.3 Payment. Assessments shall be paid in such manner and on such dates as may be fixed in writing by the Board of Directors and notice of such given to the Owners. The Board of Directors may adopt further payment policies which permit payment in installments under conditions to be determined by the Board of Directors.

11.4 Lot Assessments are also Personal Obligation of Owner. Each Assessment shall be the joint and several obligation of the Owner(s) of the Lot to which the same are assessed as of the time the Assessment is due. Suit to recover a personal judgment for any delinquent Assessment shall be maintainable in any court of competent jurisdiction without foreclosing or waiving the lien securing such sums. No Lot Owner may exempt himself or herself from liability with respect to the Common Expenses, Road Expenses, or Specially Allocated Expenses by waiver of the enjoyment of the right to use any Common Element, Limited Common Element, or Road Easements or by leasing, rental or abandonment of his or her Lot, or otherwise. The failure or delay of the Board to adopt the Annual Budget for any year shall not constitute a waiver or release in any manner of a Lot Owner's obligation to pay his or her allocable share of the Common Expenses, Road Expenses, or Specially Allocated Expenses as herein provided, and in the absence of an Annual Budget or adjusted Annual Budget, each Owner shall continue to pay (with or without notice) an Assessment at the rate established for the preceding fiscal year until an Assessment is made under a current Annual Budget or adjusted Annual Budget and notice thereof has been sent to the Lot Owner.

11.5 Statement of Unpaid Assessments. The Association, upon written request, shall furnish to a Lot Owner or a mortgagee a statement signed by an officer or authorized agent of the Association setting forth the amount of unpaid Assessments against that Lot.

11.6 Liability Following Conveyance of Lot. A selling Lot Owner shall not be liable for the payment of any part of the Common Expenses, Road Expenses, and Specially Allocated Expenses assessed against his or her Lot subsequent to a sale, transfer or other conveyance by him of such Lot. The purchaser of a Lot shall be jointly and severally liable with the selling Lot Owner for all unpaid Assessments against the Lot up to the time of the Conveyance without prejudice to the purchaser's right to recover from the selling Lot Owner the amounts paid by the purchaser therefore. The holder of a mortgage or other purchaser of a Lot who obtains the right of possession of the Lot through foreclosure shall not be liable for Lot Assessments that became due prior to such right of possession. Such unpaid Assessments shall be deemed to be Common Expenses, Road Expenses, and/or Specially Allocated Expenses collectible from all the Lot Owners, including such mortgagee or other purchaser of the Lot. Foreclosure of a mortgage does not relieve the prior Owner of personal liability for Assessments accruing against the Lot prior to the date of such sale as provided above.

11.7 Lien. All Assessments, together with interest at the highest rate allowable under the law, along with costs, reasonable attorney's fees, and late charges, shall immediately be a charge and shall immediately be a continuing lien upon the Lot against which each Assessment is made. If an Assessment is payable in installments, the Association has a lien for the full amount of the Assessment from the time the first installment thereof is due.

11.8 Perfection of Lien. Recording of this Declaration constitutes record notice and perfection of the lien for Assessments. While no further recording of any claim of lien for Assessments shall be required to perfect the Association's lien, the Association may record a notice of claim of lien for Assessments under this Section with the Whatcom County Auditor.

11.9 Priority of Lien. Such lien shall be superior to all other liens and encumbrances on such Lot, except for (a) liens and encumbrances recorded before the recordation of this Declaration; (b) liens for real property taxes; (c) any security interest recorded before the date on which the unpaid Assessment became due, except as described in RCW 64.90.485(3) or successor statute; or (d) other liens to the extent the laws of the state of Washington give priority to those liens. All other entities acquiring liens or encumbrances on any Lot after the recording of this Declaration shall be deemed to consent that such liens or encumbrances shall be inferior to future liens for Assessments, as provided herein, whether or not prior consent is specifically set forth in the instruments creating such liens or encumbrances.

11.10 Collection of Residential Lot Assessments and Enforcement. Each Lot Owner hereby expressly vests in the Association and its agents, the right and power to bring all actions against each Owner personally for the collection of such Assessments as a debt, and to enforce lien rights of the Association by all methods available for the enforcement of such liens, including foreclosure by an action brought in the name of the Association in like manner as a mortgage of real property. The liens provided for in this Section shall be in favor of the Association, and shall be for the benefit of the Association. The Association shall have the power to bid at foreclosure sale and to acquire and hold, lease, mortgage and convey the same. In the event the Association employs an attorney to enforce any lien, or the collection of any amount due, the Association shall be entitled to recover reasonable attorney's fees and costs incurred, including costs for title examination and insurance.

11.11 Enforcement of Lien. The lien arising under this Section shall be enforced by the Association or its authorized representative either (i) judicially in the manner set forth in Chapter 61.12 RCW, or (ii) non-judicially in the manner set forth in Chapter 61.24 RCW. The Association may elect to take a deed in lieu of foreclosure in any such proceeding. The Association or its authorized representative shall have the power to purchase the Lot at the foreclosure sale and to acquire, hold, lease, mortgage, or convey the same. In a judicial foreclosure action, upon an express waiver in the complaint of any right to a deficiency judgment, the period of redemption shall be eight (8) months.

11.12 Limitation of Lien Enforcement. A lien for unpaid Assessments and the personal liability for payment thereof is extinguished unless proceedings to enforce the lien are instituted within six (6) years after the amount of the Assessment sought to be recovered becomes due.

11.13 Rent Subject to Lien for Assessments. From the time of commencement of an action by the Association to foreclose a lien for nonpayment of delinquent Assessments against a Lot that is not occupied by the Owner thereof, the Association shall be entitled to the appointment of a receiver to collect from the lessee thereof the rent for the Lots as and when due. If the rental is not paid, the receiver may obtain possession of the Lot, refurbish it for rental up to a reasonable standard for rental Lots, rent the Lot or permit its rental to others, and apply the rents first to the cost of the receivership and attorneys' fees thereof, then to the cost of refurbishing the Lot, then to applicable charges, then to costs, fees, and charges of the foreclosure action, and then to the payment of the delinquent Assessments. Only a receiver may take possession and collect rents under this Subsection, and a receiver shall not be appointed less than ninety (90) days after the delinquency. The exercise by the Association of the foregoing rights shall not affect the priority of preexisting liens on the Lot.

11.14 Remedies Cumulative. The remedies provided are cumulative and the Board may pursue them concurrently, along with any other remedies which may be available in law or equity although not expressed herein.

ARTICLE 12: GENERAL USE RESTRICTIONS AND REQUIREMENTS

1. Development Conditions.

1.1. There shall be no more than sixteen (16) residential lots (the "Lots") and two (2) Tracts (Tracts B and C) on the Remainder Property. Upon execution and recording of the agreement described in Section 1.2.46, the Owner of the Pre-existing Residential Lot shall be considered the 17th Lot Owner and Association member, but not part of the Remainder Property, subject to the terms herein.

1.2. The Association shall maintain, repair or replace improvements to keep Common Elements and overwater structures in reasonably good condition and repair.

1.3. The Association shall observe, implement, and maintain a preference for native vegetation in Common Elements. All Lot Owners shall observe, implement, and maintain native vegetation on their Lots outside of the Developable Area.

1.4. Setbacks.

1. The shore setback for Lots 1-7 on the Plat shall be seventy feet (70') measured from the Ordinary High-Water Mark (OHWM). The shore setback for Lots 8-16 on the Plat shall be seventy-five feet (75') measured from the OHWM. Said measurements from OHWM shall be consistent with published guidance by the Department of Ecology, and shall be determined at the time specific developments are proposed. The "shore setback" is the same as the landward boundary of the "shore buffer" or "marine buffer." All shore setbacks are perpetual and shall survive termination of this Agreement.

2. A maximum total of 500-square feet of the Developable Area will be allowed, subject to the building constraints of using natural materials, within the shore setback for each Lot. This is limited to roof eaves or architectural cladding, decks, patios, covered walkways, stairs, and accessory water-oriented structures such as kayak storage. Any storage structure shall not be Conditioned Living Space.

3. All setbacks referenced herein shall be perpetual in duration in accordance with a note on the face of the Plat recorded at Whatcom County Auditor's File No. _____.

1.5. Only one dock or float shall be constructed on the east side of Governors Point, on or adjacent to the Remainder Property, and that dock or float shall not exceed 12 feet by 50 feet, not including any access ramp or boardwalks, and will be constructed to blend into the natural environment.

1.6. One joint-use dock may be sited on the west side of the Property which will be designed so as to blend into the natural environment at a future date and location to be determined by the Declarant prior to the expiration of the Declarant's rights reserved in Article 2. Such joint-use dock shall be no longer than thirty feet (30') in length and can serve up to two Lots.

1.7. Up to six (6) private mooring buoys shall be allowed at locations to be determined by the Declarant prior to the expiration of the Declarant's rights reserved in Article 2.

1.8. Accessory uses shall be allowed, including in the setback areas subject to the limitation in Section 12.1.4.2 herein.

1.9. Residential Structures located on any Lot on the Development Property shall be limited to a total of 2,900 square feet of Conditioned Living Space per Section 9.1.3. Total floor area for all Structures on a Lot shall be limited to 4,000 square feet per Section 9.1.4.

1.10. Clustering of Lots shall be allowed pursuant to the current Whatcom County Code.

1.11. Each single-family residence on the Development Property may be comprised of more than one building, such that certain elements of a single-family residential dwelling unit like a sleeping area, is located in an individual, detached building; provided that, all such individual buildings shall be located on a single Lot and shall be connected by covered or uncovered walkways. Each such detached building, except for garages, shops, covered exterior courtyards, covered walkways, gazebos, outdoor shelters, storage sheds, or similar structures, shall be counted toward the 2,900 square foot limit on residential structures set forth in Sections 9.1.3 and 12.1.9.

1.12. Individual or community septic systems will be allowed when approved by Whatcom County Health Department. Sewer service may be extended to the Property at some future date.

1.13. The drive lane surface of the Main Road within the Main Road Easement through the Property shall be eighteen feet (18') wide. In the event that geological or topographical features prevent construction of an eighteen foot (18') wide road surface, mitigation in the form of one-way roads, traffic control devices, or pullouts may be used instead. Roads shall otherwise be constructed to meet current Whatcom County Road Standards.

2. Upkeep of Buildings and Lots. Each Owner shall, at the Owner's sole expense, keep the exterior of any structures on the Owner's Lot, as well as the Lot itself, in a clean and tidy condition, free of rodents and pests, and in good order, condition and repair and shall do all redecorating, landscaping, and maintenance at any time necessary to maintain the appearance and condition of said structures and the Lot itself, and in such a manner as to not endanger neighboring structures or Lots.

3. Lighting. Exterior lighting of Lots and buildings thereon shall be approved by the ACC prior to installation, and shall be limited during the hours of 10:00 p.m. and 7:00 a.m. to low-glare style lights, generally pointing in a downward fashion in order to limit glare toward other Lots. Exterior Christmas or holiday lights shall be permitted from December 1 through January 10th of the following year.

4. Parking. Commercial-type trucks, campers, trailers, motorhomes, boats or motorcycles shall be parked so as not to be visible from the roadway, Tracts or Lots. No such vehicles shall be parked overnight on the Main Road Easement or on adjoining any Lot; provided that such vehicles belonging to guests may occasionally be so parked. All vehicles shall be parked so as not to interfere or impede ingress or egress within said Easements. Notwithstanding the foregoing, parking facilities within said Easements may be approved by the Declarant or ACC pursuant to Article 8 and parking in such approved parking facilities shall not be subject to this Section.

5. Signs and Structures. No signs or billboards shall be placed upon any Lot except for the following which shall be allowed: (i) one identification sign bearing the Owner's name located upon the Owner's Lot if the design, size and configuration thereof is unobtrusive and first approved by the Declarant or ACC pursuant to Article 8; (ii) one sign of not more than five square feet advertising the property for sale or rent; and (iii) political yard signs for a thirty (30) day period in advance of an election, so long as the sign face does not exceed more than five (5) square feet.

6. Animals. Not more than two (2) dogs and two (2) cats may be kept on any Lot. Other household pets may be kept as well. However, no pets of any kind may be kept, bred, or maintained for commercial purposes on any Lot. Dogs, cats or other household pets shall not be permitted to harass, chase or intimidate people or wildlife. All cats shall be kept indoors except when in transit by Owner. Dogs shall remain on the Lot of their owner(s) or on Public Easements. Persistent animal noise such as barking dogs or roosters crowing may constitute a nuisance and shall be prohibited. Livestock raised for commercial purposes is not permitted on any Lot.

7. Tower and Flagpole Prohibition. Towers shall be prohibited from all Lots or Tracts, including but not limited to the following:

7.1. Cellular telephone receiving towers

7.2. Solar energy generating towers

7.3. Wind energy generating towers

7.4. Radio broadcast and/or repeating towers

7.5. Towers for other purposes, including for utility purposes.

In addition, flagpoles of any height attached or connected to the ground shall be prohibited. Small flags on poles not more than four (4) feet long attached to the side of a Structure are allowed.

8. Radio and Television Aerials and Satellite Dishes. No television or radio aerial shall be erected or placed on any Lot or Tract. No rotary beams, separate towers or other similar devices shall be constructed on any Lot or Tract without the written approval of the Declarant or ACC pursuant to Article 8. No satellite receiving dishes over thirty inches (30") in diameter in size or other such electronic receiving devices shall be located on any Lot or Tract in a location that is visible from roadways. All aerial and satellite dish installations must receive prior written approval from the Association. Satellite dishes over thirty inches (30") in diameter shall be screened from view by adjacent Lot owners or Tracts with appropriate landscaping. Satellite dishes and receiving devices that are less than thirty inches (30") in diameter shall be exempt from this regulation as long as they are mounted on the main home structure or accessory building and/or ground mounted with appropriate landscape screening.

9. Underground Utilities. No outdoor overhead wire or service drop for the distribution of electric energy or for telecommunications purposes nor any pole, tower or other structure supporting said outdoor overhead wires shall be erected, placed or maintained on any Lot. All Owners shall use underground service wires to connect any structure to electric or telephone utility facilities.

10. Discharging Firearms. No discharge of firearms shall be permitted.
11. Storage of Inoperable Equipment. No inoperable or abandoned vehicles, automobiles, trucks, trailers, machinery or equipment, or parts thereof shall be stored outside on any Lot or Tract.
12. Commercial/Industrial Use Prohibition. No commercial or industrial enterprise shall be allowed or conducted on any Lot which necessitates access by the public, customers, vendors, or other services. The front gate and Road Easements shall be for residential use only. Road Easements shall not be used by non-Lot Owners to access any Lot for the purpose of conducting commercial or industrial activities thereon; except as may be necessary to serve the residential purposes of a Lot Owner or the Association.
13. Utility Work. All water, electrical and sewer lines within the boundaries of each Lot shall be maintained in good order and repair by the Owner thereof, and any work respecting the repair or maintenance of such lines shall be performed with diligence and without any undue disturbance to the occupants of other Lots except as may be reasonably necessary to accomplish such repair or maintenance work.
14. Surface Water Runoff. No Lot Owner shall improve his or her Lot in such a way as to cause surface water runoff that damages or impairs the function of any Stormwater Control Facilities or damages or inconveniences another Lot Owner.
15. Reconstruction Requirement. If a building or other major improvement located upon a Lot is damaged or destroyed by fire, earthquake or otherwise, the Owner thereof shall restore the site either (a) by repairing or reconstructing such building or improvement or (b) by clearing away the debris and restoring the site to an acceptable condition compatible with the remainder of the Property. Unless the Board of Directors of the Association permits a longer time period, such work must commence within four (4) months and be completed within twelve (12) months after the casualty. The four (4) month period may be extended for a reasonable period thereafter in the event that repairs or reconstruction have not commenced because of factors beyond the control of the Owner, provided that the Owner has exercised and does thereafter continue to exercise due diligence in an effort to commence required work. No improvement or structure which has been partially or totally destroyed shall be allowed to remain in an unimproved state for more than twelve (12) months from the time of such damage or destruction.
16. Open Fires. Open burning shall be in accordance with all applicable governmental regulations, seasonal shutdowns, and burn bans, and so as not to constitute a nuisance to adjoining Lot Owners.
17. Building Sites. Structures on each Lot shall be located only within the Developable Area for that Lot, consistent with the final recorded Plat and the Development Agreement.
18. Offensive or Illegal Activity. No noxious, offensive or illegal activity shall be carried on in any Lot, Tract, Road Easement or Common Element or Limited Common Element, nor shall anything be done therein which may be or become an unreasonable source of annoyance or nuisance to other Owners.

19. Hazardous Substances. A person shall maintain or store on or in the Development Property only such property and materials which may be legally possessed by such person. No person shall improperly store within or release from a Lot any petroleum distillates, liquid or aromatic hydrocarbons, medical wastes or infectious biological agents, acids, caustics, carcinogens, mutagens, heavy metals, or any other inflammable, toxic, explosive, radioactive, or other type of substance which may be hazardous to either the Development or Donated Property or to the public health or safety, or the health or safety of any Lot Owners, any and all such substances being known herein as Hazardous Substances.

20. Loud Music and Other Noise. Playing or making loud music at any hour shall be strictly prohibited. No person shall cause any unreasonably loud noise anywhere on the Property, nor shall any person permit or engage in any activity, practice or behavior for the purpose of causing annoyance, discomfort or disturbance to any person lawfully present on any portion of the Development Property. Notwithstanding the foregoing, weddings, celebrations of personal milestones and other such occasional events of significance are excluded from these provisions so long as not less than two (2) weeks prior notice is provided to the Association and affected Lot Owners.

21. Mining. No Lot shall be used for the purposes of boring, mining, quarrying, exploring for or removing oil or other hydrocarbons, minerals, gravel or earth.

22. No Chemical Dumping – Cause of Action for Violation. No person shall dump, spill, or dispose of petroleum products, hazardous chemicals, pesticides, or any substance for which storage is prohibited under Section 12.19 herein at any location on Governors Point or the adjoining waters. The Association shall have a cause of action against any Lot Owner that causes or knowingly allows any part of any Lot or any part of the Development Property to be used for such dumping, spilling, or disposal. Remedies available to the Association in such action shall include injunctive relief, abatement, recovery of damages for all environmental harm caused and all clean-up costs necessary to restore the environmental condition of the Development Property, and any other relief otherwise available in law or equity. The Association shall be entitled to recover from the Lot Owner its costs and attorneys' fees incurred in bringing any legal action under this Section.

23. No Pesticides or Harmful Chemicals. No person shall use or apply any pesticides, known carcinogens, or other harmful chemicals for the purpose of maintaining landscaping or for any other reason on any Lot.

24. Phosphorous-Free Fertilizer Required. No person shall apply any fertilizer, mulch, or soil amendment to properties that is labeled as containing more than 0% phosphorous or other compounds containing phosphorous, such as phosphate. No fertilizer of any type, mulch, or soil amendment shall be applied when the ground is frozen. No person shall apply, spill or otherwise deposit fertilizer, mulch, or soil amendments on impervious surfaces. Any fertilizer, mulch, or soil amendment applied, spilled, or deposited, either intentionally or accidentally, on impervious surfaces shall be immediately and completely removed.

25. Common Elements and Road Easements. Common Elements and Road Easements shall be used for their intended purpose. No Owner shall make any exclusive or proprietary use of any Common Element or Road Easement. No Lot Owner shall obstruct any Common Element or Road Easement nor shall any Owner place or cause or permit anything to be placed on or in any Common Element or Road Easement without the approval of the Board of Directors.

Nothing shall be altered or constructed in or removed from the Common Element or Road Easement except with the prior written consent of the Board of Directors.

26. Lot Owners Shall Remain within Established Easements. When venturing off of their own Lot, Lot Owners shall remain within Common Elements, or other areas reserved for their use by easement. Lot Owners shall not walk outside of established easements as a means of accessing established trails or roads. The purpose of this prohibition is to prevent the establishment of unauthorized "rogue" trails outside of established easements.

27. Trash Collection. The Association may, at its option, arrange for the collection of trash and recycling for all Lots or Tracts on the Remainder Property. In the event the Association undertakes such arrangements, the cost of such Trash Collection shall be the sole responsibility of each Lot Owner.

28. Noxious Weeds and Invasive Species. No Lot Owner shall plant any vegetation which is considered a noxious weed or invasive plant species which is difficult to control the propagation and spread thereof. Furthermore, each Lot Owner shall be required to promptly remove any noxious weeds growing on their Lot. Noxious weeds and invasive plants are defined at <https://www.whatcomcounty.us/923/Current-Weed-List>. Any Lot Owner violating this Section shall be financially responsible for the control and removal of same from his and other Lots to which the noxious weed or invasive plant species has spread.

29. Fireworks. There shall be no display fireworks or public display of fireworks as defined in Chapter 70.77 RCW, on the Property.

30. Road Speed Limits and Weight Restrictions. The Association may establish and post (i) maximum speed limit restriction on vehicles within the Road Easements; and (ii) maximum vehicle weight restrictions for travel within the Road Easements.

31. Owner's Manual. Each Lot Owner shall be provided by Declarant with an Owner's Manual, and shall abide by all terms, conditions, and requirements therein, as applicable.

32. Rules and Regulations. Rules and regulations governing use and activities on the Development Property, and any amendment thereto, shall be consistent with this Declaration, and shall be developed and approved by the Association.

33. Donated Property CC&R's. Subject to the terms of the Donation Agreement, prior to conveyance of Donated Property to Donee, the Donated Property CC&R's shall be recorded against the Donated Property. Further, this Declaration shall be recorded prior to conveyance of the Donated Property. As it pertains to the Donated Property, in the event of an irreconcilable conflict between this Declaration and the Donated Property CC&R's, the Donated Property CC&R's shall control.

ARTICLE 13: GENERAL ENFORCEMENT

13.1 Remedies and Enforcement.

13.1.1 Generally. All terms herein shall be enforceable in law and equity, and all legal and equitable remedies shall be available in such proceedings. More specific enforcement provisions contained herein shall be deemed supplemental to this general right of enforcement,

except as otherwise provided. In any such action to enforce any provision of this Declaration, or to enforce compliance or specific performance of the Articles or Bylaws of the Association, and Rules or Regulations adopted by the Association, the prevailing party shall be entitled to recover its reasonable costs and attorney's fees incurred.

13.1.2 Process for Correction of Violations. If any Owner shall fail to perform the obligations or conform with the provisions as required by Articles 11 and 12 of this Declaration, or any other Section of this Declaration, Bylaws, or Rules and Regulations, then the Board shall have the right, but not the obligation, to take the actions described in this Section. The Board may issue or cause to be issued a written notice to the delinquent Owner describing the delinquencies or violations and the actions required to cure them. The notice shall also inform the Owner that if the Owner does not timely cure the delinquencies and violations or file an appeal with the Board as provided below, that the Board may take corrective action to cure the delinquencies and shall assess the cost of the corrective action together with interest against the Owner's Unit as a Special Assessment. The notice shall provide that the Owner may (i) at the Board's option, either cure the delinquencies and violations by a specific date or propose a plan curing the delinquencies and violations by a specific date, which the Board must approve by a date provided in the notice, and/or (ii) file a written appeal to the Board at least fifteen (15) days after the date of mailing the notice, presenting a defense as to why the Owner is not delinquent or in violation. The Board shall issue a written decision on any such appeal within thirty (30) days of receipt, which decision shall be final.

In the event that the Owner does not timely correct the delinquency and violations, timely obtain Board approval of a plan for correcting the delinquency, timely file a written appeal to the Board, or in the event the Owner's appeal is denied by the Board, the Board may, fifteen (15) days after such deadline passing or appeal denial, cause the delinquencies and violations described in the notice to be cured. Within fifteen (15) days of the completion of work, the Board shall issue to the Owner a demand for reimbursement, together with interest thereon at a rate to be set by the Board from the date of the Association's advancement of funds for such work to the date of reimbursement of the Association by the Owner. If the delinquent Owner or Owners fail to reimburse the Association for such costs within ten (10) days after demand therefore, the Association may, at any time after such advance, record a claim of lien (which shall be an Association Lien) signed by an authorized agent of the Association for the amount of such charge together with interest thereon and enforce the Association Lien in accordance with the provisions of this Declaration.

13.2 Mediation Process. Violations of any Section within Article 12, which are alleged by a Lot Owner, and not also by the Board, shall first be submitted to mediation to the Board or its designee, so long as the designee is acceptable to the parties, prior to institution of legal court proceedings. To initiate mediation proceedings the complaining Lot Owner shall mail written notice of the complaint to the President of the Board and to the alleged offending Lot Owner. At least one mediation session shall be scheduled within twenty-one (21) days of receipt of said written complaint by the President of the Board and the alleged offending Lot Owner. In the event mediation is unsuccessful or the mediation is not convened in said twenty-one (21) days due to no fault of the complaining Lot Owner, then said Lot Owner may pursue any and all enforcement options available, including initiating legal action. Each party shall pay for its own costs of mediation and shall equally share the cost of any paid mediator. This prior mediation requirement does not apply to violations of provisions of the Declaration which are not specifically listed in Article 12. This prior mediation requirement does not apply to the Association at all. Nothing shall prevent Lot Owners from utilizing the mediation process outlined herein for any other violation of this Declaration, at their option.

13.3 Amendment. The terms of this Declaration, the Bylaws, or Rules of the Association may be amended by a vote of at least eighty percent (80%) of the voting shares of the Association. However, no provision of Section 12.1 may be amended without the approval of Whatcom County and the Washington State Department of Ecology, and no provision of Sections 5.2, 9.1.3, 9.1.4, and 12.1 may be amended without the approval of Whatcom County.

13.3 Venue and Governing Law. Venue for any court action arising under the terms of this Declaration shall be Whatcom County Superior Court. This Declaration shall be construed in accordance with the laws of the state of Washington.

13.4 Severability. If any section, subsection, sentence, clause or phrase of this Declaration is for any reason held to be invalid or unlawful, such decision shall not affect the validity of the remaining portions of this Declaration. The Declarant hereby declares that it would have entered this Declaration and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases has been declared invalid or unlawful.

ARTICLE 14: BENEFITS AND BURDENS RUN WITH THE LAND

The easements, covenants, conditions, restrictions, and reservations contained herein shall run with the land and shall be binding upon the Property and each portion thereof and all persons or entities owning, purchasing, leasing, subleasing or occupying any Lot on the Property, and upon their respective heirs, successors, and assigns in perpetuity. After the date on which this Declaration has been recorded, these easements, covenants, restrictions, reservations and conditions may be enforced by Whatcom County, the Association, or Declarant who shall have the right to enforce the same, and also may be enforced by the Owner of any Lot. The Association is authorized to expend Association funds to enforce these easements, covenants, restrictions, reservations and conditions. Acceptance of an interest in a Lot or other portion of the Property shall be deemed acceptance of the terms and provisions of this Declaration, and any conveyance hereafter of any portion or interest in the Property shall be subject to these easements, covenants, conditions and restrictions, and reservations.

Dated this ____ day of _____, 20____.

GOVERNORS POINT LAND, LP

By _____
Randy Bishop, President

STATE OF WASHINGTON)

) §

COUNTY OF WHATCOM)

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

Dated: June ____, 2019.

Name: _____
NOTARY PUBLIC in and for the State of
Washington. My Commission expires _____.