

Return Address

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200701020098
Skagit County Auditor

1/2/2007 Page 1 of 12 11:41AM

CHICAGO TITLE CO.

ACCOMMODATION RECORDING

Document Title: Declaration of Protective Covenants, Restrictions, Easements and Agreements with Respect to Short Plat No. PL-01-0902

Reference No.:

Chicago Title Company has placed this document for recording as a customer courtesy and accepts no liability for its accuracy or validity

Grantor:

Anacortes Properties N.W., LLC

Grantee:

ELIZABETH L. ORME, A SINGLE PERSON

Legal Description:

Lots 1 and 2, Skagit County Short Plat No. PL-01-0902
Recording No. 200204170072

Tax Parcel Nos.

2972-000-099-01000

**DECLARATION OF PROTECTIVE COVENANTS, RESTRICTIONS,
EASEMENTS AND AGREEMENTS
WITH RESPECT TO SHORT PLAT NO. PL-01-0902**

This Agreement is made and entered into by and between Anacortes Properties N.W., LLC, the owner of Lot 1, and ELIZABETH L. ORME, A SINGLE PERSON, the owner of Lot 2, for the purpose of creating protective covenants, restrictions, easements and agreements relating to their property.

1. Parties. The parties to this Declaration are the current owners of the property described in paragraph 2 below.
2. Property. The property owned by each of the parties is identified below.

A. Lot 1

PARCEL "A":

Lot 1, Skagit County Short Plat No. PL-01-0902, approved April 17, 2002 and recorded April 17, 2002 under Auditor's File No. 200204170072, records of Skagit County, being a portion of Tract E of "RANCHO SAN JUAN del MAR, SUBDIVISION NO. 1," and Lot 11, Skagit County Short Plat No. 6-90, recorded in Volume 9 of Short Plats, page 326.

Situate in the County of Skagit, State of Washington.

PARCEL "B":

Those portions of the first class tidelands lying in front of, adjacent to and abutting Parcel "A" above described as shown on the face of the plat.

Situate in the County of Skagit, State of Washington.

Lot 1, Parcels A and B, are herein collectively referred to as "Lot 1."

B. Lot 2

Lot 2, Skagit County Short Plat No. PL-01-0902, approved April 17, 2002 and recorded April 17, 2002 under Auditor's File No. 200204170072, records of Skagit County, being a portion of Tract E of "RANCHO SAN JUAN del MAR, SUBDIVISION NO. 1," and Lot 11, Skagit County Short Plat No. 6-90, recorded in Volume 9 of Short Plats, page 326.

Situate in the County of Skagit, State of Washington.

Lot 1 and Lot 2 are collectively referred to herein as the "Property."

The Short Plat is attached hereto as Exhibit 1 and incorporated herein by reference as though set forth in full and is hereinafter referred to as the "Short Plat."

3. Purpose. The parties believe that the lots and improvements thereon which constitute the Property comprise a unique residential environment and setting. The parties' purpose and intent in entering into this Declaration is to implement certain measures to protect, preserve and enhance that environment and setting, and to provide for amicable resolution in the spirit of cooperation of any disagreements which may arise during the occupancy, use, possession, alteration or improvement of any portion of the Property.



4. Exclusive Easement Over Open Space for Benefit of Lot 2. The owner of Lot 1 hereby grants and conveys to the owner of Lot 2 an exclusive easement over and across a portion of Lot 1 lying to the west of Lot 2, as depicted in Exhibit 1, and hereinafter referred to as the "Easement Area." The northwesterly boundary of the Easement Area is a continuation, in a straight line, of the northwesterly boundary of Lot 2 over Lot 1 in a westerly direction to a point intersecting the western edge of the Property. This grant of easement is subject to the following:

A. The Easement Area is situated in an "open space designated" area as more specifically defined and described in the Short Plat. The use of the Easement Area shall at all times comply with, and be subject to, all applicable codes, regulations and laws, whether promulgated by local, state or federal authorities applicable to the Easement Area.

B. Lot 2 shall have the exclusive use of the Easement Area.

C. Lot 1 shall have no right or responsibility regarding the Easement Area, specifically including the use, occupation, improvement, or control, for any purpose, of the Easement Area.

D. Lot 2 shall be solely responsible for maintenance, improvement, control, and all aspects of all activities that occur or fail to occur in the Easement Area. Lot 2 shall defend and hold Lot 1 harmless from all actions, claims, damages, and attorney's fees arising out of or relating to the Easement Area.

E. Nothing in this Agreement is intended to create water access for the benefit of Lot 2 over Lot 1 outside of the Easement Area.

5. Non-Exclusive Easement for Ingress/Egress. The Short Plat depicts a "Non-exclusive mutually beneficial ingress/egress and utilities easement" as Tract "X." Tract "X" begins at Marine Drive and ends at the easterly border of the Lot 1 building site. Tract "X" is also referred to in Note 17 of the Short Plat. Note 17 refers to the creation of a homeowners association. The parties do not wish to create a homeowners association at this time. The parties agree that the use, improvement, maintenance, replacement, repair and activities with regard to Tract "X" shall be subject to the following:

A. Maintenance. Repair, replacement and upkeep are hereinafter referred to as "Maintenance." Maintenance shall also include reasonably necessary upgrades or improvements consistent with the Maintenance required herein.

1) Tract "X" and all improvements shall be maintained in their current condition, structural integrity, and aesthetic appeal. The roadway shall be cleaned



and cleared from time to time.

2) The cost of maintenance shall be shared equally between Lot 1 and Lot 2, except that damage due to the negligence of any party hereto or person acting pursuant to the authority of any party hereto, shall be paid solely by that party.

3) Except in emergency circumstances, prior to entering into an agreement with a service provider for Maintenance, a party shall obtain two bids, unless two bids are not available, for the proposed work. The party shall deliver copies of the bids to the other party together with a description of the work to be accomplished. If the parties agree in writing to accept one of the bids, then the Maintenance shall proceed and the costs of Maintenance divided as set forth herein. In an emergency circumstance, one party acting alone may hire a service provider to make such emergency repairs as may be reasonably necessary to stabilize and minimize damage to Tract "X." In such circumstance, the cost shall be shared equally by the parties.

If the parties are unable to agree whether or not Maintenance is necessary and reasonable, then the matter shall be resolved in accordance with paragraph 11, Dispute Resolution, of this Agreement.

4) For purposes of this section, the gate constructed at the entrance to Tract "X" from Marine Drive shall be considered an improvement to Tract "X."

5) Each party shall be solely responsible for the driveway and access way lying outside of Tract "X."

6) Acquisition of equipment, such as sweepers, snow blowing equipment, and the like, shall require unanimous consent. Once acquired Maintenance of the equipment shall be subject to the terms of these covenants.

7) Tract "X" is a portion of Lot 1 and is not segregated for real estate tax purposes. The parties agree that four (4) % of real estate taxes accrued on Lot 1 shall be attributable to real estate taxes for Tract "X." Each party shall pay one-half of the real estate taxes attributable to Tract "X." The owner of Lot 2 shall pay the owner of Lot 1, in cash, an amount equal to four (4) % of the tax falling due according to the public records, of the real estate tax, assessments and all other charges falling due on April 30 and October 31 of each year. Payment shall be made within ten days and if not so made, the owner of Lot 2 shall be deemed to be in default. Interest on this default shall accrue commencing on the 10th day.



B. Restriction on Parking. Lot 2 shall not park or store any items on Tract "X", whether on the main roadway, its shoulder, or widened areas at any time. Lot 1 may, permanently or temporarily, store items, including vehicles, trailers and boats, on the widened portion(s) of Tract "X."

6. Lot 2 Setback. No permanent or temporary structure, including but not limited to decks, patios, gazebos, barbecue facilities, and/or recreational areas shall be constructed or maintained within the area on Lot 2 designated as the "setback area" on Exhibit 2. The setback area lies between line "Y" and the northwesterly border of Lot 2. Line "Y" runs parallel to the entire northwesterly border of Lot 2 located at a distance of eight feet northwesterly of the northwesterly end of the roof on the existing residence constructed on Lot 2, all as depicted on Exhibit 2. The line designated "Y" on Exhibit 2 is not to scale.

7. Additional Covenants.

A. Residential Use. Each lot shall be known and described as a residential lot. No structures or buildings of any kind shall be erected, altered, placed or permitted to remain on any residential lot other than one detached, single family dwelling for single family occupancy only, a private garage or carport attached or detached for not more than four standard sized automobiles or three standard sized automobiles and one recreational vehicle. A home office not involving visits to the lot by the public or by customers, clients or other patrons of the owner, is authorized. Timesharing is prohibited.

B. Homeowner Association. Nothing herein shall prevent or limit the parties' rights to create a homeowner association.

C. Wiring. All utility wiring to residence and accessory buildings of any type shall be underground.

No television antennas (including satellite communication dishes or other similar devices more than three feet in diameter) or radio aerials or amateur radio broadcast or receiving apparatus shall be erected, maintained or replaced on the Property. Rotary beams or other similar devices shall not be constructed on the Property.

D. Animals. Only domestic animals may be permitted on any lot. Barnyard animals, including miniaturized barnyard animals, are prohibited. Animals are not permitted to disturb the quiet and general enjoyment of the Property.

E. Offensive Activity. No noxious or offensive activity shall be carried on on the Property, nor shall anything be done or allowed on the Property, including



keeping loud animals, which may be or become an annoyance or nuisance to the other party. The parties shall endeavor to maintain the peaceful and quiet nature of the Property at all times.

F. Signage. No sign of any kind shall be displayed on any lot or Tract "X" for public view, or in the public line of sight, except for one sign of not more than six square feet in size advertising the lot for sale or rent may be placed on the lot.

G. Exploration. No oil drilling, oil development operation, oil refining, quarrying or mining operations of any kind shall be permitted upon either lot. No oil wells, tanks, tunnels, mineral excavations, shafts or other structures designed for boring for oil, gas or minerals shall be erected, maintained or permitted on any lot.

H. Garbage Disposal. Trash, garbage or other waste shall only be kept in sanitary containers which shall be maintained in a neat, clean and sanitary condition; provided that the maintenance of compost piles shall not be deemed a violation of this provision. All containers and compost piles must be buried or screened so as not to be visible from any other portion of the Property.

8. Complete Agreement. This Declaration represents the entire agreement between the parties and is intended to supercede and replace all previous discussions, negotiations, agreements and the like without limitation.

9. Modification, Amendment or Termination. This Declaration may be modified or amended only by a written instrument signed by the owners of the Property. Such amendment or modification shall only be effective upon its recording or filing in the official records of Skagit County, Washington.

10. Agreements to Run with the Land. The easements and covenants created hereby shall run with the above-described Property and shall be binding upon the grantees herein, and run for the benefit of the grantors herein, and all persons and parties claiming by or through either of them, in perpetuity.

11. Dispute Resolution. The parties deem it in their best interests to resolve disputes amicably among themselves without recourse to litigation or arbitration. Should any dispute arise among the lot owners, every effort shall be made to resolve the dispute amicably. If the parties are unable to reach a decision that is satisfactory to both within fifteen days of the initial effort by one party, then either lot owner may commence mediation through any private mediation service, in which both lot owners shall participate. The mediation must be concluded within thirty days after an owner requests mediation. Any lot owner dissatisfied with the mediation outcome who wishes to pursue a



legal or equitable remedy in court shall and must commence such action within sixty days of the date the mediation was scheduled (failure of one party to attend mediation shall not extend this time period) and any such action not commenced within the sixty day period shall be forever barred.

12. Enforcement.

A. The provisions of this declaration may be enforced by the owner(s) of either lot of the Property against the owner(s) of the other lot of the Property.

B. To the extent the obligations, which shall include assessments, under this Declaration are imposed on individual lot owners, which shall include in all circumstances contract purchasers, said costs, together with interest thereon, and including costs of collection thereof, as hereinafter provided, shall be a charge against the lot to which they apply and shall be a continuing lien upon the lot, and which shall bind such Property in the hands of such owner or contract purchaser and his successors in interest. Such obligations, together with such interest and costs of collection thereof as hereinafter provided, shall further be a personal obligation of the person who is the owner or contract purchaser of said lot at the time the obligation fell due. That personal obligation shall not pass to successors in title unless expressly assumed by them.

C. The liability for obligations shall commence on the first day of the calendar month following the date on which an invoice, whether for initial deposit or payment for work accomplished, was mailed to the lot owner or contract purchaser notifying said person of the obligation as provided in various portions of this Declaration.

D. If the obligations are not paid within thirty days after they were first due and payable, such obligations shall bear interest at the rate of twelve percent per annum. The individual lot owner(s) may bring an action at law against the one personally obligated to pay the same and/or may institute an action to foreclose the lien against the Property, and there shall be added to the amount of such claim all costs and expenses in connection with suit, and also a reasonable sum as attorney's fees, which shall be included in any judgment or decree entered in such suit.

E. The provisions of this Declaration are declared to be mutual, equitable covenants and servitudes for the benefit of each owner of a lot subject to said covenants and their successors in interest. Enforcement of these covenants, conditions and restrictions may be by any proceedings at law or in equity against any person or persons violating or attempting to violate any covenant, condition or restriction, either to restrain violation or recover damages, or obtain an order for specific performance and against the land to enforce any lien created by these covenants. Failure of a lot owner to enforce any



covenant or restriction herein shall in no event be deemed a waiver of their right to do so thereafter. Each owner instituting such proceedings at law or in equity shall be entitled to their costs incurred, together with reasonable attorney's fees to be fixed by the court, provided the action taken is successful.

13. Subdivision. No lot may be subdivided.

14. Applicable Law. This declaration shall be governed and interpreted in accordance with the laws of the State of Washington.

15. Severability. The invalidity of any provision hereof shall not invalidate or impact the remainder of this Declaration.

16. Notices. Any notice required in accordance with the provisions herein shall be mailed by registered or certified mail to the other Property owner at the address of the Property, or to such other place as the other owner may from time to time direct in writing. Notice shall be deemed received two days after the postmark affixed on the envelope by the United States Post Office.

OWNER OF LOT 1:

Anacortes Properties N.W., LLC

By: David W. Rice, Manager

David W. Rice, Manager

By: Carolyn A. Rice, Manager

Carolyn A. Rice, Manager

OWNER OF LOT 2:

Elizabeth L. Orme
ELIZABETH L. ORME



STATE OF WASHINGTON)

: ss.

COUNTY OF King)

I hereby certify that I know or have satisfactory evidence that David W. Rice is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he is authorized to execute the instrument and acknowledge it as the Managing Member of Anacortes Properties N.W., LLC, to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

Dated: December 14, 2006

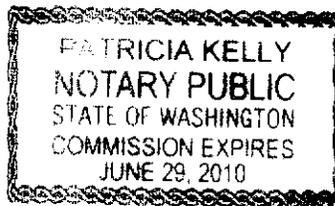


Printed name: Patricia Kelly

Notary Public in and for the State of

Washington, residing at Anacortes WA

My appointment expires: 6-29-2010



STATE OF WASHINGTON)

: ss.

COUNTY OF King)

I hereby certify that I know or have satisfactory evidence that Carolyn A. Rice is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that she is authorized to execute the instrument and acknowledge it as the Manager of Anacortes Properties N.W., LLC, to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

Dated: December 14, 2006

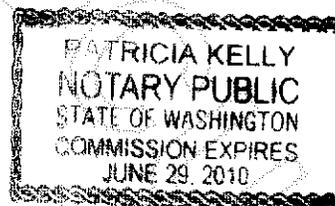


Printed name: Patricia Kelly

Notary Public in and for the State of

Washington, residing at Anacortes WA

My appointment expires: 6-29-2010



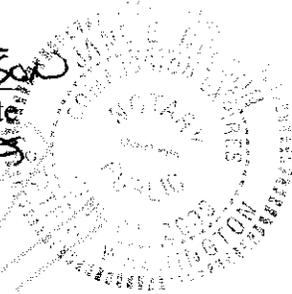
STATE OF WASHINGTON)

SKAGIT : ss.
COUNTY OF KING)

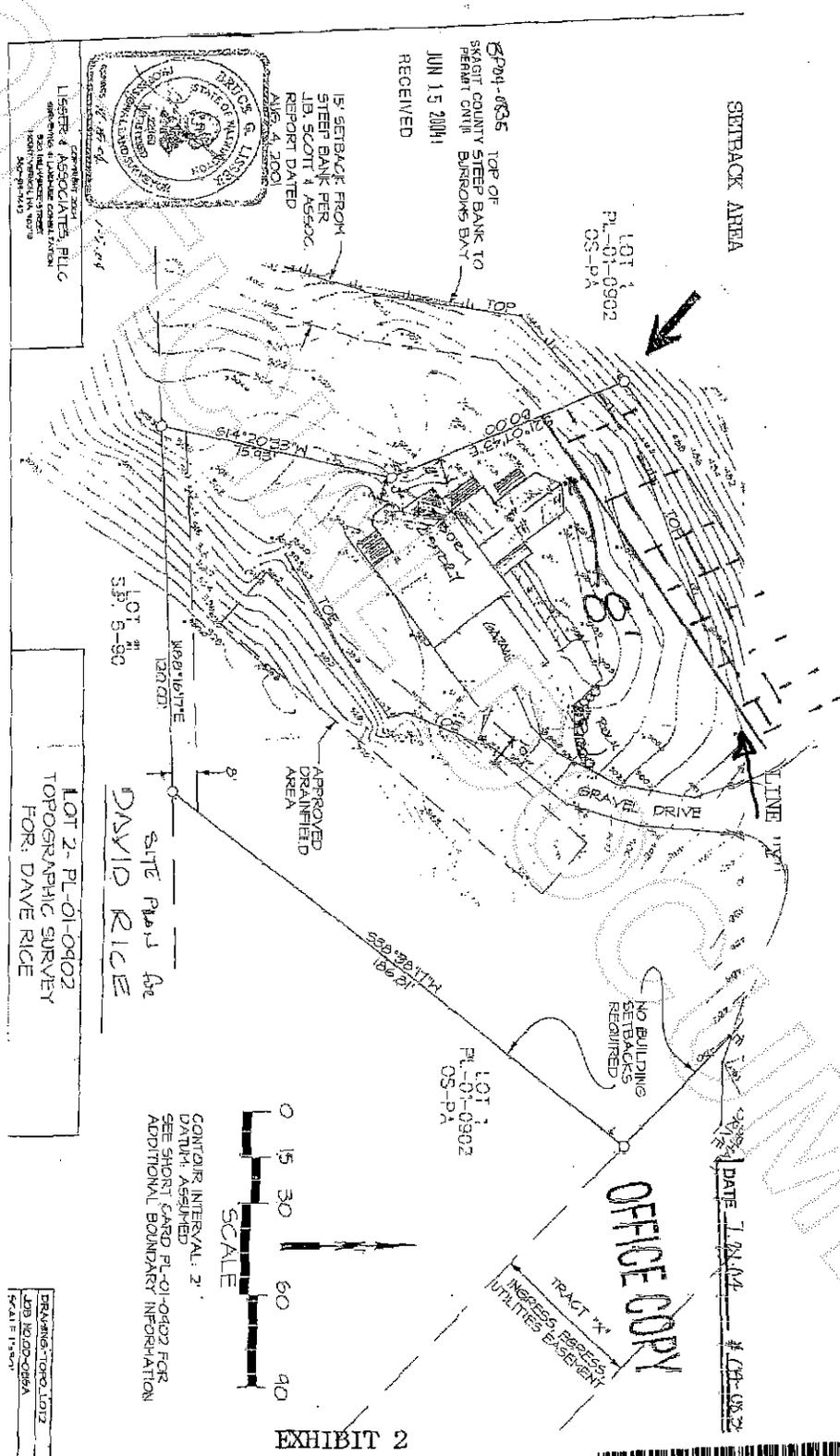
On this day personally appeared before me Elizabeth L. Orme, to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that she signed the same as her free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 29th day of December, 2006

Jane E. Nelson
Print Name: JANE E. NELSON
NOTARY PUBLIC in and for the State
of Washington, residing at ANACOSTA
My Appointment Expires: 6/1/09



UNRECORDED



LISTER & ASSOCIATES, PLLC
 2000 10th Avenue, Suite 200
 Everett, WA 98203
 (360) 835-1145



15' SETBACK FROM
 STEEP BANK PER
 I.B. SCOTT & ASSOC.
 REPORT DATED
 AUG. 4, 2001

SETBACK AREA

LOT 1
 PL-01-0902
 OS-PA

LOT 2
 PL-01-0402
 OS-PA

LOT 2 - PL-01-0402
 TOPOGRAPHIC SURVEY
 FOR: DAVE RICE

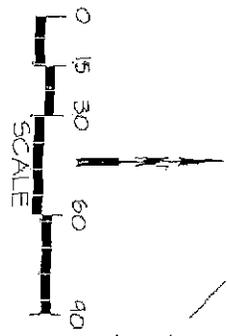
DAVID RICE
 SITE PLAN

NO BUILDING SETBACKS REQUIRED

OFFICE COPY

DATE: 7/24/07 # 07-0822

CONTOUR INTERVAL: 2'
 DATA ASSUMED
 SEE SHORT CARD PL-01-0402 FOR
 ADDITIONAL BOUNDARY INFORMATION



DRAWING: TOPO LOT 2
 JOB: 1000-016A
 SCALE: 1"=30'

EXHIBIT 2



200701020098
 Skagit County Auditor