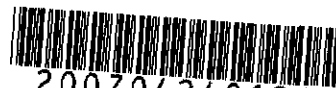


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DOCUMENT TITLE: DECLARATION OF PROTECTIVE COVENANTS,
CONDITIONS AND RESTRICTIONS
FIRST PARTIES: RICHMOND JPJ ENTERPRISES, INC.
SECOND PARTY: THE PUBLIC
ABBREVIATED LEGAL: PTN GOV. LOT 1, SEC 1 TWP 35 N, R 4 E
ASSESSOR'S TAX PARCEL NUMBER: P35452

Declaration of Protective Covenants, Conditions and Restrictions

For the purpose of providing a desirable residential area, RICHMOND JPJ ENTERPRISES, Inc., a Washington corporation, ("Declarants") hereby establishes the following protective covenants, conditions and restrictions which shall hereafter apply to and protect the real property situated in the County of Skagit, State of Washington described as:

The South ½ of Government Lot 1 of Section 1, Township 35 North, Range 4 East, W.M., EXCEPT County Road (now State Highway), AND EXCEPT the East ½ of the South ½ of the South ½ of said Government Lot 1.

The parties hereto therefore enter into the following agreements:

I. DEFINITIONS

For the purposes of the agreements found hereafter, the following definitions shall apply:

1.1 Lot, residential lot, tract or parcel shall mean any parcel of land, or portion thereof, of that certain property as described on attached Exhibit A.

1.2 Street(s) or road(s) shall mean any recorded access easement(s) created by the Declarants herein and providing access to most of the lots subject to this document.

II. INTERPRETATION

2.1 Liberal Construction.

The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating the planned development of the property herein before described.

2.2 Covenant Running With The Land.

It is intended that this Declaration shall be operative as a set of covenants running with the land, or equitable servitudes, which shall be binding on the Declarants, their successors and assigns, and all subsequent owners of the property, together with their grantees, heirs, successors, executors, administrators, devisees or assigns, all in the manner hereinafter set forth.

III. DECLARATION

Declarants hereby certify and declare that the following conditions, covenants and restrictions shall inure and be binding upon the respective owners of each lot, and further declare that all of the property described herein before as held, and shall be held, conveyed, encumbered, leased, rented, used, occupied and improved subject to



the following limitations, restrictions, conditions, easements and covenants for the purpose of enhancing and protecting the value, desirability and attractiveness of the property and every part thereof. All of the following limitations, restrictions, conditions and covenants shall run with the land and shall be binding on all parties having or acquiring any right, title or interest in the property, or any part thereof.

IV. EASEMENTS AND RESERVATIONS

4.1 Reservation of Drainage Easements. An easement for surface water and storm drainage is hereby reserved and established over the property for the benefit of the tracts or lots, permitting the lot owners to distribute and direct surface water over and across existing storm drain ways. No lot shall be improved in such a way as to cause excess surface water run-off that may damage or inconvenience other lots or contiguous properties and the owners thereof.

4.2 Well Protection Zones. It is hereby reserved for the benefit of the lots, their successors and assigns, the establishment of a well protection zone 100 feet in radius around any well, or any other footage requirement as imposed by the Skagit County Health Department, located on a lot or tract. The owners of the property within this well protection zone, their successors and assigns, will not construct, maintain or suffer to be constructed or maintained, within 100 feet radius of the existing well, any potential source of contamination, including, but not limited to, sewer line(s), privy, storm water facility, landfill, underground fuel tanks, structure for the storage of liquid or dry chemicals, application or storage of herbicides or pesticides or septic tanks. Drainfields for onsite sewage disposal systems shall be located at least 100 feet from the well.

4.3 Reservation of Well Easement. A reciprocal easement is hereby reserved from the road to the well site, permitting the lot owners access to their own shared wells for maintenance or repair purposes.

V. BUILDING RESTRICTIONS

5.1 Buildings and structures shall be located on each lot in accordance with the Skagit County Code.

5.2 Each lot shall be used primarily for residential purposes. Home based businesses and other types of business enterprises allowed by Skagit County are discussed in Section 6.1. All buildings and structures shall be constructed in accordance with applicable Skagit County building code regulations. The stick built on site and new manufactured residential structures shall have at least 1,200 square feet, as measured to the outside walls, not including porches, decks, patios, garage or other accessory building(s). All homes shall have an attached or detached garage for not



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less than two (2) standard size passenger automobiles. The manufactured structures must be set on a permanent foundation.

5.3 All buildings and structures shall be completed on the exterior, including paint or other suitable finish, within nine (9) months of commencement of construction

5.4 Roofs shall have a minimum 3/12 slope on all structures. Roofs shall be of asphalt composition, cedar shake or shingle (or substitute), metal or tile.

5.5 House siding shall be of cedar, L.P. type siding, beveled siding, Masonite type hard board siding, channeled siding, Hardi Plank, stucco or vinyl siding. The entire house must be painted or stained. The colors shall be consistent with and in general conformity to the remainder of the neighborhood.

VI. GENERAL USE RESTRICTIONS AND REQUIREMENTS

6.1 No trade, craft, business, profession, commercial or manufacturing enterprise or business or commercial activity of any kind shall be conducted or carried on upon any residential lot, or within any building located on a residential lot, unless said activity is in compliance with and a permit has been issued by Skagit County regarding home based businesses or a Conditional Use Permit has been obtained from Skagit County.

6.2 No goods, equipment, trailers of any description, or materials or supplies used in connection with any trade, service, or business, wherever the same may be conducted, be kept, parked, stored, dismantled or repaired upon any residential lot unless said goods, equipment, trailers, materials or supplies be enclosed or screened in such a manner that the same are not visible from any street or any other lot within the property. Goods, equipment, trailers, or materials and supplies will be excepted from this Section when being used directly for, and only during the period of, new construction on any lot. Nothing shall be done on any residential lot, which may be or may become an annoyance or nuisance to the neighborhood. None of the activities described in this Section herein shall be permitted on any street or other public area.

6.3 There shall be no storage or retention of any automobile hulk, whether abandoned or not, or equipment of any nature, or used furniture or appliances of any nature unless the same are completely enclosed within a building or at all times not visible from any road, street or other parcels. Automobile hulks and equipment referred to herein shall include any wrecked, dismantled or inoperative motor vehicles or equipment, or any part thereof, which cannot be made an operative motor vehicle or operative piece of equipment without the addition of parts or mechanisms and the application of a substantial amount of labor to effect repairs. Substantial amount of labor to effect repairs shall mean mechanical labor in excess of eight (8) hours of time.

6.4 The street(s) shall NOT be used for storage of automobiles, boats, trucks, trailers, or recreational vehicles. No owner of any residential lot shall permit any automobiles, boats, trucks, trailers or recreational vehicles owned by such lot owner



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any member of the lot owner's family or any guest, acquaintance, or invitee to be parked upon any lot within the property for a period in excess of forty-eight (48) hours in any consecutive 30 day period unless such vehicle is in a lot and enclosed in a garage or outbuilding or screened in such a manner that it is not visible from any street or any other lot.

6.5 Hooved animals, livestock, or poultry of any kind shall not be permitted on Lots 2 and 3. Lot 1 is permitted to have hooved animals, livestock, or poultry. Commercial hog and/or pig farms are not allowed. Cats, dogs, birds or other household pets may be kept if they are not kept in numbers or under conditions so as to become a hazard to health, safety and/or quiet enjoyment of any lot subject to this declaration. Any kennel or dog run must be screened from view from the street(s). All dogs must be kept so as to minimize excessive noise from barking or they shall be considered a nuisance according to the terms of these covenants, conditions and restrictions.

6.6 No signs or billboards shall be placed on any lot except for one "for sale" or "for rent" sign, less than four (4) square feet in size and shall only be in place until the property is sold or rented. Under no circumstances shall an owner be allowed to place any signage on a lot advertising the owner's home based business, unless screened from view from other lots or street(s). One identification sign bearing the owner's name and address may be placed on the owner's lot. During periods of political campaigns, owners may display signs of a political nature subject to the size limitations herein.

6.7 No lot shall be used as a dump for trash or rubbish of any kind. All garbage and other waste shall be kept in appropriate containers for proper disposal. Yard rakings, such as rocks, lawn and shrub clippings, and dirt and other material resulting from landscaping work shall not be dumped into or upon the streets, ditches or the adjacent property. The removal and proper disposal of all such material shall be the sole responsibility of the individual lot owner. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

6.8 No noxious or offensive activity shall be carried on upon any residential lot. No activity shall be allowed to become an annoyance or nuisance or decrease the value of the property of any neighbor or of the neighborhood in general.

6.9 All residences within the subdivision shall subscribe to the solid waste and recycling collection services, if available.

6.10 Any additional property, hereafter conveyed to Declarants or any other purchaser of any of the lots covered by this document, shall be subject to all of the terms and conditions of the protective covenants, conditions and restrictions set forth herein.



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VII. General Provisions

7.1 The Declarants and/or owner of any lots or lots subject to this declaration, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provision of this declaration; provided however, that the Declarant's right to enforce the provision of this declaration shall terminate at such time as the Declarant shall cease to be an owner of a lot or lots subject to this declaration; and provided further, however, the termination of the Declarant's power to enforce this declaration shall in no way affect the power of any other lot owner to enforce the terms and conditions of this declaration. In any action to enforce the terms and conditions of this declaration, the party prevailing shall be entitled to an award of such party's costs, including attorney's fees, against the non-prevailing party for all costs incurred with respect to the enforcement of this declaration. Failure of the Declarant or any such owner or contract purchaser to enforce any covenant, condition or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

7.2 Invalidity of any one of these covenants, conditions or restrictions by judgment or court order shall in no way effect any other provision, which shall remain in full force and effect.

7.3 The covenants, conditions and restrictions of this declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the owner of any lot subject to this declaration including the Declarant, their respective legal representatives, heirs, successors and assigns, for a term of thirty (30) years from the date this declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years, unless an instrument terminating all covenants, conditions and restrictions, which is signed by not less than sixty (60) percent of the owners of the property subject to the declaration, shall have been recorded with the Skagit County Auditor. Amendments may be adopted if the instrument is signed by not less than sixty (60) percent of the owners. Amendments shall take effect when they have been recorded with the Auditor of the County of Skagit County.

7.4 Nothing herein contained shall impair or defeat the lien of any mortgage or deed of trust now or hereafter recorded covering any lot or lots. Title to any property obtained as a result of any foreclosure proceeding shall specifically be held subject to all of the provisions herein.

7.5 So long as the Declarants retain ownership of any of the lots, the Declarants specifically reserve for themselves, their successors and assigns, the absolute and conditional right to alter, modify, change, revoke, rescind or cancel any and all of the restrictive covenants contained in this Declaration, or hereinafter included in any subsequent declaration, provided that nothing herein shall prejudice or otherwise impair



the security of any mortgagee of record as to any lot or lots. Within forty-five (45) days of any change in the Declaration, the Declarants shall provide written notice of the change to the lot owners.

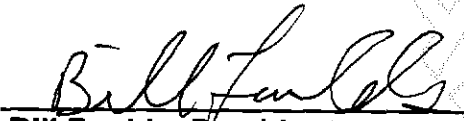
VIII. JOINT ROAD MAINTENANCE AGREEMENT

8.1 All costs of maintaining, repairing, improving or otherwise connected with the ingress, egress and utility easements which provides access to this property or to the lots within this property shall be borne equally by all owners of lots within this property containing a separate county tax parcel number. Said costs shall therefore become an enforceable lien against any owner(s) of any lot(s) whose owners refuse or fail to participate in the maintenance, repairs or improvements made by agreement of the other owners. This provision shall be construed as a covenant running with the land.

IN WITNESS WHEREOF, the undersigned, being the declarants herein, have hereunto set their hands and seal this 29th day of March, 2007.

RICHMOND JPJ ENTERPRISES, INC.

BY:


Bill Foulds, President



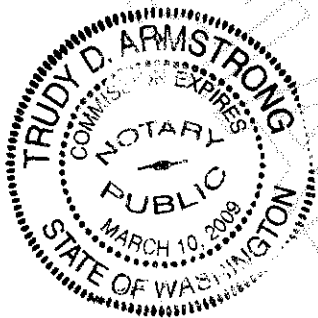
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STATE OF WASHINGTON)

County Of Skagit)

On this 29th day of March, 2007, before me, the undersigned Notary Public in and for the State of Washington, duly commissioned and sworn personally appeared **Bill Foulds**, the **President of Richmond JPJ Enterprises, Inc.**, the corporation that executed the foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute the said instrument.




Notary Public in and for the State of
Washington residing at Bellingham, WA



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