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File

BY-LAWS  
OF  
CORDATA BUSINESS PARK ASSOCIATION  
(A NON-PROFIT CORPORATION)

1. MEMBERSHIP.

1.1 Each owner (including the incorporator) of a parcel, by virtue of being such an owner and for so long as it is such an owner, shall be deemed a member of the Association. Ownership of such parcel shall be the sole qualification for membership. Any person or entity who holds such an interest merely as security for the performance of any obligation shall not be a member. Membership shall be appurtenant to and may not be separated from ownership of a parcel, except as provided by these By-Laws.

1.2 Classes of Voting Members. The Association shall have two (2) classes of voting membership:

(a) Class A. Class A members shall be all those members described in Section 1.1 above with the exception of the incorporator. Class A members shall be entitled to one (1) vote for each full one-half (1/2) acre contained in its parcel.

(b) Class B. Class B members shall be the incorporator. Class B members shall be entitled to one (1) vote for each full one-half (1/2) acre of parcels owned in the Park.

1.3 Transfer of Membership. Membership in the Association shall not be transferred, encumbered, pledged or alienated in any way, except as specified below:

(a) Membership shall pass automatically to the purchaser upon transfer of record fee title to a parcel.

(b) A mortgagee of a parcel who becomes the owner of a parcel by foreclosure or deed in lieu of foreclosure shall automatically become a member.

(c) The lessee of any improvement upon a parcel may become a member under the terms of a written lease that satisfies the following requirements:

(i) the term of the lease (either primary term or primary term together with option periods available to the lessee) is for thirty (30) years or more;

(ii) the lessee is obligated to pay the assessments provided for under this declaration;

(iii) the lessee is obligated to comply with all of the covenants, conditions and restrictions contained in this declaration, at lessee's expense;

(iv) the lease specifically assigns membership to the lessee divesting ownership of membership; and

(v) the lease or a memorandum thereof has been recorded, subjecting the leasehold estate to this declaration and the covenants, conditions and restrictions herein contained.

(d) A ground lessee under a ground lease of all or a portion of a parcel for a term of thirty (30) years or more, where the lease satisfies the conditions of Section 1.3(c) above.

1.4 Assignment of Voting Rights. Voting rights in the Association shall not be assigned, except:

(a) To the lessee of all or a portion of an improvement located upon a parcel, where the lease specifically contains such an assignment of voting rights and provides that the lessee shall comply with all the covenants, conditions and restrictions contained in this declaration.

(b) The owner of a parcel may, by written notice to the Association, designate a person (who need not be an owner) to exercise the vote for such parcel (such designation shall be revocable at any time by notice to the Association by the owner, and may be conclusively relied upon by the Association as authorizing the person or persons so named to exercise the vote of such parcel).

(c) The vote of any owner may be exercised by the owner's legal representative, such as a guardian, conservator, executor of the owner's estate, etc. In the case of a corporate owner, the vote may be exercised by the president or any other duly authorized officer thereof. In the case of a partnership, the vote may be exercised by any general partner or its duly authorized representative.

1.5 Joint Owner Disputes. Each vote shall, if at all, be cast as a single vote, and fractional votes shall not be allowed. The Association shall have no duty to resolve disputes among joint owners. In the event that joint owners are unable to agree among themselves how their vote shall be cast, they shall lose their

right to vote on the matter in question. If any owner cast a vote representing a certain parcel, it will thereafter be conclusively presumed for all purposes that he or they were acting with the authority and consent of all other owners of the parcel.

1.6 Meetings of Members. Member meetings shall be held at such times and places as shall be determined by the Directors, but not less frequently than annually. Notice of any meeting, stating the place, day and hour and purpose of the meeting, shall be delivered to each member, either personally or by mail, not less than ten (10) nor more than fifty (50) days before the date of the meeting. If a schedule of regular meetings is adopted, the schedule shall be given to each member after the annual meeting and ten (10) days prior to the next preceding regular meeting, or any time when requested by a member. The annual meeting of the Association shall be held on the third Monday in January of each year.

## 2. BOARD OF DIRECTORS.

2.1 The business of the Association shall be managed by a Board consisting of five (5) Directors. Each Director shall be elected to serve until the next annual meeting and until a successor shall be elected and shall qualify.

2.2 The election of Directors shall occur at the annual meeting of the membership. Each member present shall have one (1) vote for each directorship to be filled.

2.3 Vacancies in the Board of Directors shall be filled by the remaining members of the Board at any regular or special meeting, and each person so elected shall be a Director until a successor is elected at the next annual meeting of the membership.

2.4 The annual meeting of Directors shall take place on the third Monday of January of each year at the registered office of the Association, or at such other place as the Directors designate.

2.5 Regular meetings of the Board of Directors other than the annual meeting of Directors may be held at any place, whether in this state or elsewhere, as a majority of the Directors may from time to time appoint.

2.6 The lesser of three directors or two-thirds (2/3) of the filled positions on the Board of Directors shall be necessary to constitute a quorum for the transaction of business.

2.7 Meetings of the Board of Directors may be called by the Chairman or Secretary of the corporation at any time, and may be held after the giving of sufficient notice to each Director to provide a reasonable opportunity to attend.

2.8 Any action which must or may be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the Directors. Such consent shall have the same effect as a unanimous vote. The presence of any Director at any meeting of the Board shall be deemed waiver of notice of the time, place, and business to be conducted at such meeting.

### 3. OFFICERS.

3.1 The Officers of this corporation shall be Chairman, Vice Chairman, Recording Secretary, Corresponding Secretary and Treasurer who shall be elected by the Board of Directors at the annual meeting of the Board, to serve until the next annual meeting, and until their successors are elected and have qualified. Vacancies in any office may be filled by the Board of Directors at any meeting.

3.2 Chairman. The Chairman shall preside at all Directors' meetings, shall have general management of the affairs of the corporation, shall sign all written contracts of the corporation, shall appoint and discharge all agents and employees, subject always to the approval of the Board of Directors, and subject to the right of the Board of Directors to remove or discharge the same, and shall perform all of such other duties as are incident to the office or as may be required of the Chairman by the Board of Directors.

3.3 Vice Chairman. In the absence or incapacity of the Chairman, the Vice Chairman shall perform the duties of the office of Chairman.

3.4 Recording Secretary. The Secretary of the corporation shall keep the minutes of all meetings of the Board of Directors. The Secretary shall attend to the giving of and serving of all notices of the corporation, shall have charge of all corporate record books, shall be custodian of the corporate seal, shall attest with signature all written contracts of the corporation, and shall perform all such other duties as are incident to the office or required by the Board of Directors.

3.5 Corresponding Secretary. The Corresponding Secretary shall receive contributions to the endowment, prepare and send acknowledgments and supervise the preparation and distribution of information to the public.

3.6 Treasurer. The Treasurer shall keep regular books of account, and shall submit them, together with all other records and papers, to the Board of Directors at any meeting when required to do so. The Treasurer shall, if required to do so by the Board of Directors, give such bond for the faithful performance of the

duties as the Board may determine, and shall perform all such other duties as are incident to the office or as may be required by the Board of Directors.

3.7 In addition to the foregoing officers, the Board of Directors may, from time to time, elect such other officers as they may see fit, with such duties as the Board may deem proper.

4. DUTIES OF THE ASSOCIATION. The Incorporator has caused to be filed a Declaration of Protective Covenants for the Cordata Business Park Association (the "Declaration"). The Association shall have the obligation, subject to and in accordance with the Declaration, the Articles and these By-Laws, to perform each of the following duties for the benefit of the owner of each parcel as follows:

4.1 Association Real Property. To accept delivery of and exercise dominion over all real property and interests conveyed to the Association by the Incorporator, which real property and/or interests therein shall include, but not be limited to, the common areas, and easements for operation, maintenance and access purposes.

4.2 Association Personal Property. To accept delivery of and exercise dominion over all personal property transferred and assigned to the Association by declarant.

4.3 Title to Property Upon Dissolution. To convey, upon dissolution of the Association, the assets of the Association to an appropriate public agency or agencies to be used for purposes similar to those for which the Association was created, or to a non-profit corporation, association, trust or other organization organized and operated for such similar purposes.

4.4 Operation of Common Area. To operate and maintain, or provide for the operation and maintenance of, all common areas which may be conveyed to it by the Incorporator or in which it owns easements either for operation and maintenance purposes or for the benefit of members, and to keep all improvements of whatever kind and for whatever purposes from time to time located thereon in good order and repair.

4.5 Payment of Taxes. To pay all general and special real property taxes and assessments levied upon any property conveyed, or otherwise transferred to the Association, to the extent not assessed to the members thereof. Such taxes and assessments may be contested or compromised by the Association; provided, however, that they are paid or a bond insuring the payment is posted prior to the sale or other disposition of any property to satisfy the payment of such taxes.

4.6 Insurance. To obtain and maintain in force the following policies of insurance in prudent amounts in accordance with sound business practices, but in no event in less than the minimum amounts set forth below:

(a) Fire and extended coverage insurance on all improvements owned by or leased to the Association, the amount of such insurance to be not less than ninety percent (90%) of the aggregate full insurable value, meaning actual replacement value, exclusive of the cost of excavations, foundations and footings. Such insurance shall insure the Association.

(b) Bodily injury liability insurance, with limits of not less than Five Hundred Thousand Dollars (\$500,000) per person and One Million Dollars (\$1,000,000) per occurrence; and property damage liability insurance with a deductible of not more than One Thousand Five Hundred Dollars (\$1,500) and a limit of not less than Fifty Thousand Dollars (\$50,000) per occurrence, insuring against liability for bodily injury, death and property damage arising from the activities of the Association or with respect to property under its jurisdiction.

(c) Workers' compensation insurance to the extent necessary to comply with any applicable laws.

(d) A fidelity bond in the penal amount of Twenty-Five Thousand Dollars (\$25,000) or more, naming the members of the Board and such other persons as may be designated by the Board as principals, and the Association as obligee.

(e) Such other insurance, including business interruption insurance, indemnity and other bonds as the Board shall deem necessary or expedient to carry out the Associations' functions as set forth in the Declaration, the Articles and these By-Laws.

The liability insurance referred to in (b) above shall name as separately protected insureds the Incorporator, the Association, the Board and the Design Review Committee, and their representatives, members and employees, with respect to any liability arising out of the maintenance or use of any Association property. Every policy of insurance obtained by the Association shall contain an express waiver, if available, of any and all rights of subrogation against the Incorporator, its agents and representatives, any person, firm or corporation affiliated with the Incorporator in the development of the Cordata Business Park, the Board, the Design Review Committee, and their representatives, members and employees.

The fire and liability insurance policies may be blanket policies covering the Association properties, any properties located within the real property owned and/or administered by the Association, and any property of Incorporator, located within or nearby the real property, in which case the Association and

Incorporator shall each pay their proportionate share of the premium. With respect to insurance proceeds paid in connection with a loss of Association property only, the Association shall be deemed trustee of the interests of all members in any insurance proceeds paid to it under any such policies, and shall have full power to receive and to receipt for their interest in such proceeds and to deal therewith.

4.7 Design Review Committee. To ensure that at all reasonable times there is available a duly constituted and appointed Design Review Committee.

4.8 Enforcement of Covenants and Rules. To perform such other acts as may be reasonably necessary to enforce any of the provisions of the Incorporator.

4.9 Maintenance and Repair. To maintain, repair and landscape the Association's common property and all improvements thereto.

4.10 Right to Establish Maintenance District. To establish or cause to be established a maintenance district to maintain, repair, restore, manage, and operate the common areas. The costs incurred by such maintenance district shall be assessed against each parcel and collected with real property taxes in the manner provided by law. Upon formation of any such maintenance district, the duty of the Association to maintain, repair, restore, operate, and manage the common areas or at least those portions thereof included in the maintenance district shall terminate.

4.11 Security Service. To develop and administer a security program to provide security services to occupants of the Business Park in size and scope to be determined by the Board (and without liability therefor) and to assess the members for the cost of such services as described in Section 5.1.

4.12 Audit. To provide for an annual independent audit of the accounts of the Association and any of its employees designated by the Board and to deliver a copy of such audit to each member within thirty (30) days after completion thereof. Any member may, at any time and at its own expense, cause an audit or inspection to be made of the books and records of the Association by a certified public accountant; provided, however, that such audit or inspection is made during normal working hours and without unnecessary interference with the operations of the Association.

4.13 Financial Statements. To cause financial statements for the Association to be prepared and copies to be distributed to members as follows:

(a) A pro forma operating statement (budget) for each fiscal year shall be distributed not less than sixty (60) days before the beginning of the fiscal year;

(b) A balance sheet (as of an accounting date which is the last day of the month closest in time to six (6) months from the date of closing of the first sale of a parcel), and a statement of a schedule of assessments received and receivable, identified by parcel and name of owner assessed (for the period from said first closing date to said accounting date); and

(c) A balance sheet as of the last day of the Association's fiscal year, and an operating statement for said fiscal year shall be distributed within ninety (90) days after the end of such fiscal year.

5. POWERS AND AUTHORITY OF THE ASSOCIATION. The Association shall have all of the powers of a Washington non-profit corporation, subject only to such limitations appearing in the Articles, these By-Laws and the Declaration. It shall have the power to do any and all lawful things which may be authorized, required or permitted to be done by the Association under and by virtue of the Declaration, the Articles and these By-Laws and to do and perform any and all acts which may be necessary or proper for, or incidental to, the exercise of any of the express powers of the Association. Without in any way limiting the generality of any of the foregoing provisions, the Association shall have the power and authority, without the obligation, at any time, to do the following:

5.1 Assessments. In accordance with the provisions of Articles 13 and 14 of the Declaration, and in the proportions set forth therein, to levy regular assessments against the owners of parcels and, if necessary, to collect amounts so assessed against the owners of parcels, or any of them.

5.2 Right of Entry and Enforcement.

(a) After twenty-four (24) hours' written notice, to enter without being liable to any owner upon any parcel for the purpose of enforcing by peaceful means the provisions of the Declaration or any rules or regulations promulgated by the Board or any committee thereof.

(b) Pursuant to Article 15 of the Declaration, the Association shall also have the power and authority from time to time, in its own name and on its own behalf or on behalf of any owner or owners who consent thereto, to commence and maintain actions and suits to restrain and enjoin any breach or threatened breach of the Declaration, the Articles or there By-Laws, or any rules or regulations promulgated by the Board or any committee



thereof, and to enforce by mandatory injunctions or otherwise, all of the provisions of the Declaration, the Articles and these By-Laws and such rules and regulations.

(c) The Association shall be entitled to immediate reimbursement by the owners who or which are in violation of any provisions of the Declaration, the Articles or these By-Laws, or any rules or regulations, to the full extent of any costs or expenses, including, but not limited to, reasonable attorneys' fees incurred by the Association in enforcing said provisions. In the alternative, the Association shall be entitled to levy single benefit assessments against defaulting owners (1) in advance of actually performing the corrective work, which assessments shall be equal in amount to the anticipated cost of performing the corrective work, and/or (2) subsequent to such work, in which event the assessment shall be equal to the amount actually expended or incurred. The assessment and lien procedures provided for in Articles 13 and 14 of the Declaration shall be available to the Association for the purpose of collecting the amounts becoming due to it.

5.3 Easements and Rights-of-Way. To grant and convey to the extent of its interest therein to any person, easements, rights-of-way, parcels or strips of land in, on, over or under any Association property for the purpose of constructing, erecting, operating or maintaining thereon, therein and thereunder:

(a) Roads, streets, walks, driveways, accessways, parkways and park areas.

(b) Underground lines, cables, wires, conduits or other devices for the transmission of electricity for lighting, heating, power, telephone and other purposes.

(c) Sewers, storm and water drains and pipes, water systems, sprinkling systems, water, heating and gas lines or pipes.

5.4 Legal and Accounting Services. To retain and pay for legal and accounting services necessary or proper in the operation of the Association property, enforcement of the provisions of the Declaration, or in performing any of the other duties or rights of the Association.

5.5 Rule Making. To make, establish, promulgate, amend and repeal the Association rules as provided in Section 6.1 hereof.

5.6 Transportation Management Program. To develop and enforce a transportation management program that may include any or all of the following:

(a) A program to subsidize a connector bus service from the Business Park to a transit station and assess the cost thereof as described in Article 13 of the Declaration or to recover all or a portion of the costs of such system from users thereof;

(b) Regulations concerning employee parking, employee vehicle identification, priority parking spaces marked for use by car pools; and

(c) Analysis of the number of employees, their respective schedules of anticipated arrival at and departure from work on the site and development of schedules within peak hour intervals to alleviate existing or potential peak hour vehicle congestion, including car pool and van pool programs.

5.7 Manager. To employ a manager or other person and to contract with independent contractors or managing agents to perform all or any portion of the duties and powers of the Association, provided that any such general management contract shall not exceed a three-year term, and shall be terminable immediately for cause and without cause on thirty (30) days' notice.

6. RULES.

6.1 The Board may adopt such rules as it deems proper, for the use of the Association property and for all other property within the development. A copy of said rules, as they may from time to time be adopted, amended or repealed, shall be mailed or otherwise delivered to each owner.

7. AMENDMENT OF BY-LAWS.

7.1 These By-Laws may be amended by the Board of Directors at any annual meeting or at any special meeting properly called for that purpose, at which a quorum is present, by the affirmative vote of a majority of the Directors present.

8. FISCAL YEAR.

8.1 The fiscal year of the corporation shall be set by the Board of Directors.

9. CORPORATE SEAL.

9.1 If a corporate seal should be adopted, it should be the usual impression by means of raised letters.

ADOPTED this 13 day of May, 1988, by unanimous vote of the Directors.

David R. Syre  
President

Attest:

Therese L. Coss  
Secretary

**FIRST AMENDMENT TO  
BY-LAWS OF  
CORDATA BUSINESS PARK ASSOCIATION  
(A NON-PROFIT CORPORATION)**

This Amendment is made this 12th day of December, 1990 by Cordata Business Park Association, a Washington Non-Profit Corporation ("CBPA") to the By-laws of CBPA as adopted May 13, 1988.

**THE BY-LAWS ARE AMENDED AS FOLLOWS:**

1. The last sentence of Section 1.6 is revised to read as follows:

The annual meeting of the Association shall be held on the fourth Monday in January of each year.

2. Section 4.12 is revised to read as follows:

4.12 Review of Financial Records - An annual audit, review, or compilation of the Association's financial statements and records is not required unless and to the extent such services are required pursuant to a majority vote of the Directors at any meeting of the Directors or pursuant to a majority vote of the Association's voting Members taken at any meeting of the Members. Any Member of the Association, or its authorized representative, may examine the books and records of the Association upon prior written notice provided to the Association at its business office and upon making arrangements with the custodian of such books and records to examine the books and records during normal business hours at the business office of the Association. Any member may, at any time and at its own expense, cause an audit or inspection to be made of the books and records of the Association by an independent accountant; provided however, that such audit or inspection is made during normal business hours and without unnecessary interference with the operations of the Association."

4. Section 4.13 is revised to read as follows:

4.13 Financial Statements - To cause financial statements for the Association to be prepared and copies to be distributed to members as follows:

(a) A proforma operating statement (budget) for the next fiscal year shall be distributed not less than ten (10) days prior to each Annual Meeting of members;

(b) A schedule of assessments received and receivable, identified by parcel and name of owner assessed shall be distributed not less than ten (10) days prior to each Annual Meeting of members; and

(c) A balance sheet as of the last day of the Association's fiscal year, and an operating statement for said fiscal year shall be distributed to Members within ninety (90) days after the end of each fiscal year.

Executed and approved by the Directors of the CBPA at a Director's meeting on December 12, 1990.

CORDATA BUSINESS PARK ASSOCIATION

By:   
Jean Gorton, President

ATTEST:

  
James Wynstra, Recording Secretary

**SECOND AMENDMENT TO  
BY-LAWS OF  
CORDATA BUSINESS PARK ASSOCIATION  
(A NON-PROFIT CORPORATION)**

This Amendment is made this 4<sup>th</sup> day of January, 1995 by Cordata Business Park Association, a Washington Non-Profit Corporation ("CBPA") to the By-laws of CBPA as adopted May 13, 1988.

**THE BY-LAWS ARE AMENDED AS FOLLOWS:**

1. The first sentence of section 2.1 is revised to read as follows:

2.1 The business of the Association shall be managed by a Board consisting of seven (7) Directors.

Executed and approved by the Directors of the CBPA at the Director's meeting  
January 4, 1995.

**CORDATA BUSINESS PARK ASSOCIATION**

By: Jean Gorton  
Jean Gorton, President chair

**ATTEST:**

By: Tim Potts  
Tim Potts, Acting Recording Secretary

SECRETARY  
of STATE



NONPROFIT CORPORATION ANNUAL REPORT

Filing Fee -- \$10.00

RETURN TO: CORPORATIONS DIVISION  
P.O. BOX 40234  
OLYMPIA, WA 98504-0234

Make Checks payable to Secretary of State

NAME OF REGISTERED AGENT:

DAVID SYRE

CORPORATION ACCOUNT#:

2-399362-9

UNIFIED BUSINESS IDENTIFIER #:

601 083 305

CORPORATION NAME AND REGISTERED OFFICE ADDRESS:

CORDATA BUSINESS PARK ASSOCIATION

STATE OF INCORPORATION:

WA

%DAVID SYRE  
4350 CORDATA PARKWAY

INC./QUAL. DATE:

05-02-1988

BELLINGHAM WA 98226

TO AVOID AUTOMATIC DISSOLUTION/REVOCATION  
YOU MUST FILE AN ANNUAL REPORT BY MAY 31, 2002.  
PLEASE COMPLETE ALL SECTIONS. PLEASE TYPE OR PRINT LEGIBLY.

SECTION A

If registered agent or address printed above has changed, complete this section. These actions must have been authorized by the Board of Directors.

NEW REGISTERED

NEW REGISTERED

OFFICE ADDRESS \_\_\_\_\_

AGENT'S NAME \_\_\_\_\_

(Street address-a Post Office box cannot be accepted as a registered office address)

EFFECTIVE DATE \_\_\_\_\_

NEW AGENT'S SIGNATURE (X) \_\_\_\_\_

SECTION B MUST BE COMPLETED

ADDRESS OF PRINCIPAL PLACE

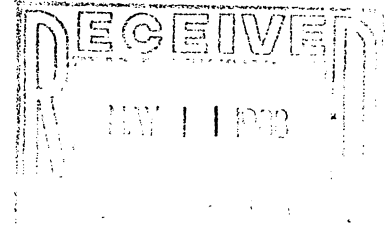
**BRETT & DAUGERT**  
A T T O R N E Y S   A T   L A W

DEAN BRETT  
STEVE BRINN  
LARRY DAUGERT  
TIMOTHY C. FARRIS

MARY KAY BECKER  
RAND JACK  
BRUCE SMITH

300 NORTH COMMERCIAL • POST OFFICE BOX 5008 • BELLINGHAM, WASHINGTON 98227-5008  
TELEPHONE: (206) 733-0212 FAX: (206) 647-1902

May 9, 1988



David R. Syre  
The Trillium Corporation  
Suite 200  
1307 Cornwall  
Bellingham, WA 98225

Re: Cordata Business Park Association

Dear David:

Please find enclosed the original filed-stamped copy of the articles of incorporation for your records as well as the original by-laws for your adoption as sole director. You should execute the enclosed resolution to make that adoption. Note that in paragraph 2.3 the by-laws state that vacancies in the board of directors shall be filled by the remaining members of the board. The by-laws provide for a board consisting of five directors. You should select the other four directors by executing the enclosed resolution.

If you have any questions about this, please call me.

Yours truly,

BRETT & DAUGERT



J. Bruce Smith

JBS:pls  
BS:SYRE

Enclosures



**CORDATA**

**PROTECTIVE COVENANTS**

JUNE 18, 1986

1546328

CORDATA

PROTECTIVE COVENANTS

PATTI RAO ASSOCIATES, INC.  
DEVELOPMENT PLANNING CONSULTANTS

Patti Rao Associates, Inc.

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PROTECTIVE COVENANTS  
OF  
CORDATA BUSINESS PARK

Phone 878-6690  
384-1403  
SCAN 644-6690

*Whatcom County*

COUNTY COUNCIL

311 Grand Avenue  
Bellingham, Washington 98225



1546328

Donald G. Hansey  
C. J. Johnson  
R. W. "Bob" Muerschen  
J. V. "Jim" Hawley, Jr.  
William P. Roehl  
Daniel M. Warner  
Tom Burton

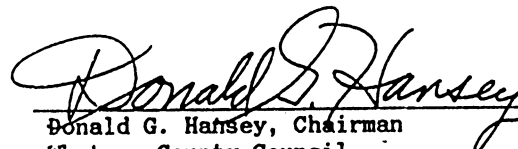
CORDATA

Protective Covenants

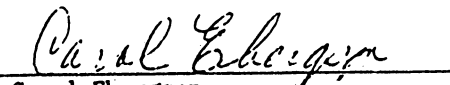
This document is an official element of the Cordata Planned Unit Development Master Plan, adopted May 15, 1986, by the Whatcom County Council. The comprehensive Design Management Documents which include: Development and Design Guidelines, Protective Covenants, Design Review Procedures, Landscape Guidelines, and Signage Guidelines; serve as the primary implementing instruments of the Cordata Planned Unit Development Master Plan and provides the direction for the successful development of the Cordata Business Park.

In concert with the above listed Design Management Documents, this instrument is intended to guide the Design Review Committee, the builder-developer and local governments in achieving an attractive built and natural environment consistent with the design principles of the Cordata Planned Unit Development Master Plan.

Adopted this 15th day of May, 1986.

  
Donald G. Hansey, Chairman  
Whatcom County Council

Attest:

  
Carol Ebergson  
Clerk of the Council

LICR 018 PAC 1805

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**Patti Rao Associates, Inc.**

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DECLARATION OF PROTECTIVE COVENANTS  
FOR THE  
CORDATA BUSINESS PARK  
WHATCOM COUNTY, WASHINGTON

THIS DECLARATION made this \_\_\_\_\_ day of \_\_\_\_\_, 1986,  
by the TRILLIUM CORPORATION, a Washington Corporation  
("Declarant").

DECLARATIONS OF RESTRICTIONS

Cordata Business Park

THIS DECLARATION, made this \_\_\_\_\_ day of \_\_\_\_\_,  
1986, by the TRILLIUM CORPORATION, a Washington corporation  
(hereinafter "Declarant"), as the owner of real property in Whatcom  
County, Washington, described in Exhibit "A" attached hereto and  
incorporated by reference as though set forth in full.

The property described in Exhibit "A" is subject to this Declaration of  
Protective Covenants ("Declaration") and will be known as "CORDATA  
BUSINESS PARK".

CORDATA BUSINESS PARK ("CBP") is being developed as a planned  
business complex which will provide employment opportunities for the  
resident of Whatcom County and the surrounding area. This Declaration is  
designed to complement local government and municipal regulations, said  
restrictions shall be binding upon all owners, lessees, occupants, users of  
the property subject to these Restrictions, and their successors in interest  
as set forth in this Declaration. It is assumed that users of development  
sites in the CBP will be motivated to preserve these qualities through  
mutual cooperation and by enforcing not only the letter but the spirit of  
this Declaration.

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I.

STATEMENT OF PURPOSES AND INTENTIONS

1.1 Ownership of Real Property. Declarant is the Owner of real property located in Whatcom County, State of Washington, described in Exhibit "A".

1.2 Intention of Declarant. Declarant has deemed it desirable to establish protective covenants upon the Real Property, as such term is defined in Section 2.36 below, and each and every portion thereof. Such protective covenants shall constitute a general scheme for the subdivision, improvement, leasing, sale, and management of the Real Property and the use, occupancy, and enjoyment thereof, and enhance and protect the value, desirability, and attractiveness of the Real Property, and each part thereof, and the quality of its environment.

1.3 Statement of Purpose. The purpose of this Declaration is to ensure the proper use and appropriate development and improvement of all Real Property that constitutes CBP, to protect the Owner of each Parcel against any improper development and use of surrounding Parcels, to prevent the erection on the Real Property of structures built of incompatible design, appearance or materials, and so as to provide a harmonious development that will promote the general welfare of the Owners and Tenants thereof and will protect the present and future value of each Real Property. To encourage the erection of attractive improvements at appropriate locations. To prevent haphazard and in general to provide adequately for a high type and quality of improvement of the Property in accordance with the Planned Unit Development guided by a Master Development Plan.

1.4 Supplement to Planned Unit Development Provisions. This Declaration is a supplement to the Planned Unit Development and its provisions prepared and enforced by Whatcom County and the City of Bellingham. All Whatcom County and City of Bellingham zoning regulations must be met, as specified, in its Planned Development Permit and in the planned unit development ordinance. If a conflict occurs between any provision of this Declaration and any provision of governmental laws, rules, or regulations, including such planned unit development permit conditions and planned unit development ordinance, the legally valid provision that contains the more rigid or restrictive requirements for use and development of the Real Property shall prevail.

1.5 Adoption and Implementation of Master Development Plan. Declarant and the DRC may adopt and promulgate a Master Development Plan for Cordata that may govern the location, mix, type, intensity, quality, and density of uses in and on Cordata and the nature and location of desired infrastructure improvements such as utilities, pedestrian ways, streets, lighting, storm drainage, open space, and communications systems in and on Cordata, and may govern, where appropriate, the timing of such development. The Master Development Plan shall implement and shall be consistent with the statement of purpose set forth in Article I of this Declaration. A copy of the Master Development Plan shall be made available for review by interested persons at all reasonable times at a place located at or near Cordata. From time to time and in its discretion the Declarant and the DRC may amend the Master Development Plan in any manner consistent with the statement of purpose set forth in Article I of this Declaration; provided that the Declarant and the DRC shall not adopt or amend a Master Development Plan so as to prohibit or to require abatement of or a change in any Existing Property Uses or any Existing Improvements or any Property Uses or Improvements for which the Declarant and DRC have granted approval of the schematic design submittal and/or the Property Use plans and/or the design development submittal unless the prohibition or requirement of abatement or change results from a termination by a public or quasi-public entity that use of the land subject thereto is necessary for a public or quasi-public purpose, such as pedestrian walkways, and that entity has commenced negotiations or necessary legal action to obtain a right-of-way, easement, or other interest in the affect property that will accommodate the public or quasi-public purpose. Any amendment of the Master Development Plan shall require the affirmative vote of a majority of the members of the DRC. The Master Development Plan shall be consistent with and implement the statement of purpose set forth in Article I of this Declaration, the Design Criteria set forth in Article 7 hereof, and any additional design criteria or standards adopted as part of the Development and Design Guidelines and Design Review Procedures pursuant to Section 7.7 hereof.

2.

DEFINITIONS

2.1 In General. The words defined in this Article 2 shall have the meaning specified for all purposes in this Declaration unless the context requires otherwise or unless expressly provided to the contrary.

- a. Appointing Authority. the term "Appointing Authority" shall mean the entity or entities that from time to time possess the power, pursuant to Section 4.1 hereof, to appoint members of the Design Review Committee. At the time of this Declaration, the Appointing Authority is the Hearing Examiner or other official appointed by the Whatcom County Council; upon annexation or other changes in jurisdictions governing the Cordata Business Park, the Appointing Authority may be changed to an official selected by the Chief Executive Officer or the legislative body having jurisdiction at that time.

2.2 Architect. The term "Architect" shall mean a Person holding a certificate to practice architecture in the State of Washington.

2.3 Articles. The term "Articles" shall mean the Articles of Incorporation of the Association and their amendments.

2.4 Assessment. The term "Assessment" shall refer to any or all of the Assessments hereafter defined:

- a. "Regular Assessment" shall mean the charge against each owner and his Parcel, including Improvements thereon, representing that portion of the Common Expenses attributable to such Owner and his Parcel as provided in this Declaration.
- b. "Enclave Benefit Assessment" shall mean the charge against a particular Owner and his Parcel, including Improvements thereon, representing that portion of the Enclave expenses attributable to such Owner and his Parcel as provided in this Declaration.
- c. "Single Benefit Assessment" shall mean the charge against a particular Owner and his Parcel, including Improvements thereon, directly attributable to such Owner for certain costs incurred by the Association or by Declarant, as provided in this Declaration.

- d. "Capital Improvement Assessment" shall mean a charge against each Owner and his Parcel, including Improvements thereon, representing a portion of the cost to the Association for the installation or construction of any capital improvements on any of the Common Area which the Association may from time to time authorize as provided in this Declaration.
- e. "Reconstruction Assessment" shall mean the charge against each Owner and his Parcel, including Improvements thereon, representing a portion of the cost to the Association for the reconstruction of any portion or portions of the Common Area or Parcels as provided for in this Declaration.
- f. "Common Area Expenses or Common Expenses" shall mean and refer to actual and estimated costs of: (i) maintenance, management, operation, repair and replacement of the Common Area; (ii) unpaid Assessments, management administration of the Association, including, without limitation, compensation paid by the Association to managers, accountants, attorneys and other employees; (iii) utilities, trash pickup and disposal, drainage, gardening and other services benefiting the Common Area; (iv) fire, casualty, liability, worker's compensation and other insurance covering the Common Area; (v) reasonable reserves as appropriate; (vi) bonding of the Members of the management body; (vii) taxes paid by the Association; (viii) amounts paid by the Association for the discharge of any lien or encumbrance levied against any Common Area; (ix) amounts paid or incurred by the Association in collection Assessments, including amounts expended to purchase a Parcel in connection with the foreclosure of an Assessment lien against such Parcel; (x) amounts paid or incurred by the Association by reason of the failure of an Owner to do, or not to do, an act as required by this Declaration, the Articles, Bylaws and Association rules; and (xi) expenses incurred by the Association for any reason whatsoever in connection with the Common Area, this Declaration, the Articles or Bylaws, or in furtherance of the purposes of the Association or in the discharge of any obligations imposed on the Association or the Board by this Declaration.

2.5 Association. The term "Association" shall mean the Cordata Business Park Association, a Washington nonprofit corporation, its successors and assigns.

2.6 Association Rules. The term "Association Rules" shall mean the rules adopted by the Association pursuant to Section 12.3 hereof.

2.7 Board. The term "Board" shall mean the Board of Directors of the Association.

2.8 Bylaws. The term "Bylaws" shall mean the Association's Bylaws and their amendments.

2.9 Beneficiary. The term "Beneficiary" shall mean a Mortgagee under a Mortgage or a beneficiary under a deed of trust encumbering a Parcel.

2.10 Building Site. The term "Building Site" shall mean any parcel of land that is part of Cordata Business Park, the size, dimensions, and boundaries of which must be approved by the DRC.

2.11 City. The term "City" shall mean and refer to the City of Bellingham, Washington.

2.12 Common Area. The term "Common Area" shall mean and refer to maps and text describing common areas in the Master Development Plan and the Development and Design Guidelines and any future parcels designated as Common Area that is annexed pursuant to Article 23 hereof together with any property and improvements not within the Real Property that are required by the City, County, or other governmental agency, entity, or authority to be operated or maintained, or both, by Declarant or the Association.

2.13 Cordata Business Park. The term "Cordata Business Park" or "CBP" shall mean the Real Property described on Exhibit "A" together with such other real property as may from time to time be annexed and become part of this Declaration as provided in Article 24 below.

2.14 County. The term "County" shall mean and refer to the Whatcom County, State of Washington.

2.15 Declarant. The term "Declarant" shall mean The Trillium Corporation, a Washington corporation, its successors and assigns including a purchaser from Declarant of Declarant's retained interests in one or more Lots if such purchaser is designated in a recorded writing to be a successor Declarant and if such purchaser agrees in such recorded writing to accept assignment of Declarant's rights and duties as Declarant as to the interests purchased.



2.16 Declaration. The term "Declaration" shall mean this Declaration of Protective Covenants as it may be amended from time to time as provided herein.

2.17 Design Guidelines. The term "Design Guidelines" shall mean the Development and Design Guidelines adopted by the Design Review Committee, as amended from time to time, in accordance with Section 4.10, hereof.

2.18 Design Review Committee. The term "Design Review Committee" or "DRC" shall mean the committee created pursuant to Section 4.1 hereof.

2.19 Exhibit. The term "Exhibit" shall mean those documents so designated herein and attached hereto. Each of such exhibits is by this reference incorporated in this Declaration as if set forth in full.

2.20 Existing Improvement. The term "Existing Improvement" shall mean any Improvement all of the plans for which were approved by the DRC or any predecessor of the DRC (if such approval was required at the time the Improvement was constructed or installed) and the construction or installation of which is complete or substantially complete as of the date of this Declaration.

2.21 Existing Property Use. The term "Existing Property Use" shall mean the general category of use (i.e., office, restaurant, etc.) of any parcel or element of real property that is part of Cordata that is permitted by applicable zoning, the Master Development Plan, the P.U.D. and this Declaration and that is taking place on an ongoing basis as of the date of this Declaration.

2.22 Improvement. The term "Improvement" shall mean and include every structure and all appurtenances thereto of every kind and type and any other physical change upon, over, across, above or under Cordata or upon existing improvements located in or on Cordata. This definition shall include, but shall not be limited to, the following facilities and activities, whether of a permanent or temporary nature: buildings, outbuildings, parking structures and garages, parking lots and other parking areas, streets, roads, traffic control devices and signs, driveways, bikeways, access roads, loading areas, signs, canopies, awnings, trellises, fences, lawns, landscaping (including landscaping of balconies, plazas, and other portions of buildings), plazas, patios, recreational facilities such as tennis courts and swimming pools, walkways, pedestrian malls, sidewalks, shelters, security and safety devices and bridges, construction trailers and other temporary construction outbuildings, screening walls, retaining walls,

stairs, decks, benches and other exterior furniture, hedges, windbreaks, plantings, planted trees and shrubs, poles, exterior air conditioning, water softener fixtures or equipment, aerials, antennas, lighting fixtures, drainage structures, communications equipment including but not limited to microwave dishes and relay equipment, coaxial and fiber optic cables, satellite transmitting and/or receiving ground stations, poles, pumps, wells, tanks, reservoirs, pipes, lines, meters, towers, and other facilities used in connection with water, sewer, gas, electric, telephone, regular or cable television, or other utilities, and color, texture, material, or other changes to any Improvement. Improvements shall include, but not be limited to, Existing Improvements.

2.23 Maintenance and Operation Activity. The term "Maintenance and Operation Activity" shall mean any activity or function that takes place on an ongoing basis or intermittently for the purpose of maintaining or operating any Improvement during construction or installation of the Improvement or after such construction or installation has been completed or substantially completed, or for the purpose of enabling or facilitating any Property Use to take place.

2.24 Manager. The term "Manager" shall mean the Person, corporation, partnership, or other business entitled employed as such pursuant to Section 12.2.i hereof.

2.25 Master Development Plan. The term "Master Development Plan" shall refer to a general and comprehensive document or documents that may include drawings showing existing and future land uses, building uses and densities, streets, pedestrian and transit ways, open space, utilities, drainage, and the like.

2.26 Member. The term "Member" shall mean every Person or entity who qualifies for membership pursuant to Section 12.2, of this Declaration, including Declarant so long as Declarant qualifies for membership pursuant to said Article.

2.27 Mortgage. The term "Mortgage" shall mean and include any Mortgage or deed of trust or other conveyance of a Parcel or any interest therein including, without limitation, the improvements developed thereon to secure the performance of any obligation, which conveyance will be void or will be reconveyed upon completion of such performance.

2.28 Mortgagee. The term "Mortgagee" shall mean and include a mortgagee and the beneficiary of a deed of trust secured by any Mortgage.

2.29 Mortgagor. The term "Mortgagor" shall mean and include mortgagors under Mortgages, including trustors under deeds of trust.

2.30 Owner. The term "Owner" shall mean and include Declarant and any Person or Persons who is the record owner of fee title to a parcel. Where the term Owner is used in the context of creating duties, obligations, or restrictions on the use of the Real Property, the term Owner shall be deemed to include employees, servants, agents, representatives, invitees, licensees and lessees of an Owner.

2.31 Parcel. The term "Parcel" shall mean a portion of the Real Property that is a legally described parcel of real property or is designated as a Parcel or parcel on any recorded subdivision map or parcel map; provided, however, that "Parcel" shall not include any part of the Common Area.

2.32 Parcel Grounds. The term "Parcel Grounds" shall mean all portions each Parcel outside the exterior walls of any building constructed on such Parcel.

2.33 Person. The term "Person" shall mean a corporation, partnership, trust, association, or other entity as well as an individual or individuals.

2.34 Planned Unit Development (PUD). One or a group of specified uses, such as residential, resort, commercial or industrial, to be planned and constructed as a unit. Zoning or subdivision regulations with respect to lot size, building bulk, etc., may be varied to allow design innovations and special feature in exchange for additional and/or superior site amenities or community benefits.

2.35 Property Use. The term "Property Use" shall mean the intended functions of, or activities that take place on a temporary or ongoing basis on, in, or with respect to, any parcel or element of real property that is part of Cordata. Property Uses shall include, but shall not be limited to, Existing Property Uses.

2.36 Real Property. The term "Real Property" shall mean the property that is subject to this Declaration of Protective Covenants, initially consisting of the property described in Exhibit "A", and subsequently such other parcels that may be annexed and bound by this Declaration, as described in Article 23 below.

2.37 Record. The terms "Record", "Recorded", and "Recordation" shall mean, with respect to any document, the recordation of such document in the Office of the County Recorder of Whatcom County, Washington. Such recordation may also be referred to herein as "file" or "filed".

2.38 Regulations. The term "Regulations" shall mean all present and future applicable laws, statutes, codes, ordinances, rules, regulations, limitations, restrictions, orders, judgments, or other requirements of any governmental authority having jurisdiction over the Real Property of the Cordata Business Park or the use or operation thereof, including those embodied in any agreements between Declarant or its predecessors in interest or affiliates and any governmental entity respecting development of the Real Property.

2.39 Signs. The term "Signs" shall mean all names, insignia, flags, trademarks, and descriptive words or material of any kind affixed, inscribed, erected, or maintained on any Parcel or any Improvement thereon.

2.40 Site. The term "Site" shall mean each separate Parcel except that two or more contiguous Parcels under common ownership shall be deemed to be a single Site to the extent developed as a single project.

2.41 Street. The term "Street" shall mean any Street, driveway, lane, place, or other thoroughfare shown on any recorded subdivision map or recorded parcel map.

2.42 Submittals. The term "Submittals" shall include all documents required to be submitted to Declarant or to the Association or the Design Review Committee for approval pursuant to the provisions of this Declaration.

2.43 Tenant. The term "Tenant" shall mean any person or entity holding a leasehold interest in any of the Real Property subject to this Declaration.

3.

CREATION OF PROTECTIVE COVENANTS  
TO RUN WITH THE LAND

3.1 Creation of Protective Covenants. Declarant hereby declares that all of the Real Property located in the Whatcom County, State of Washington, described in Exhibit "A", attached hereto and incorporated herein by this reference, together with such other Property that may be annexed and bound by this Declaration, as described in Article 23 below, collectively the "Real Property", is now held and shall hereafter be held, transferred, sold, leased, conveyed, encumbered, used, and occupied subject to the limitations, restrictions, easements, covenants, conditions, liens, and charges set forth herein. Each and all of such conditions, covenants, restrictions, limitations, liens, and charges is and are hereby declared to be for the benefit of each and every portion of the Real Property. Each and all of such limitations, restrictions, covenants, conditions, easements, and charges shall pass and run with each and every portion of the Real Property, and shall apply to, benefit, and bind the heirs, assigns, successors-in-interest, and lessees of Declarant, and of any subsequent owner thereof and the occupants of any portion of such Real Property.

4.

DESIGN REVIEW COMMITTEE

4.1 Creation. The Hearing Examiner, or other official appointed by the Whatcom County Council, shall appoint a committee, to consist of eight persons, to serve as a Design Review Committee for the purposes and with the rights and powers set forth in this Declaration. Any member of the committee may be discharged or replaced at any time, with or without notice, by a vote of at least a majority of the members of the Design Review Committee. The membership of the Design Review Committee shall be composed of the following: two (2) members from the Cordata Business Association; three (3) members representing Whatcom County; one (1) member representing the City of Bellingham; one (1) member representing the community at large.

4.2 Chairman. The Appointing Authority shall designate one of the appointed regular members of the DRC to be Chairman of the DRC. The person appointed Chairman shall serve in that capacity from the date of his or her appointment until next June 30 or until such time as he or she has resigned as Chairman or has been removed or a successor has been appointed as provided herein, whichever occurs sooner. As of June 30 of each year the Appointing Authority shall determine whether to reappoint as Chairman the person then serving in that capacity or to appoint someone else to that position, and shall take action accordingly. The Appointing Authority may remove a person as Chairman of the DRC at any time with or without cause. The Appointing Authority also may appoint any regular member of the DRC as Acting Chairman to perform the duties of the Chairman in the absence of the Chairman.

4.3 Design Approval Required. No Improvement, construction, excavation, landscaping, fill or other work of Improvement shall be made, constructed, or permitted on any Parcel of the Real Property without first obtaining the written approval of the Design Review Committee in accordance with the then current edition of the Development and Design Guidelines and the Design Review Procedures.

4.4 Scope of Design Review. The Person applying to construct or perform any Improvement shall provide to the Design Review Committee, in accordance with the then current edition of the Development and Design Guidelines and the Design Review Procedures, such Submittals as may be required.

4.5 Plan Review. The Design Review Committee shall conduct its review in accordance with the procedures specified in the then current edition of the DRC Procedures.

4.6 Basis for Approval. Approvals shall be based on the provisions of the then current edition of the Development and Design Guidelines and the Design Review Procedures. The Design Review Committee shall not arbitrarily or unreasonably withhold its approval of such plans and specifications. All approvals given under this Article 4 shall be in writing; provided, however, that any request for approval which has not been rejected within thirty (30) days from the date of submission thereof to the Design Review Committee, shall be deemed approved. The Design Review Committee shall, however, have the right to extend the time within which it must approve or disapprove, if it deems the information submitted is insufficient to make a proper evaluation or decision. In such case, the Committee shall notify the party making such Submittals in writing of the specific additional items needed.

4.7 Fees. A design review fee shall be paid to the Design Review Committee at the time plans are submitted for approval based on the schedule included in the Design Review Procedures.

4.8 Certificates of Compliance.

- a. Prior to the pouring of foundations for any such work of Improvement, the party receiving the approval under this section shall supply the Design Review Committee with a certification by a duly licensed civil engineer or land surveyor verifying that the proposed Improvements are located on the correct Parcel and that the foundation will be located on such Parcel in accordance with the Submittals previously approved by the Design Review Committee.
- b. Upon completion of any such Improvements, the party receiving the approval under this section shall supply the Design Review Committee with a certification by a duly licensed or registered Architect (including a registered landscape architect in the case of Improvements consisting of landscaping) that the Improvements as designed by such Architect have been completed in accordance with the working drawings and final plans and specifications previously approved by the Design Review Committee pursuant to this Article 4.
- c. Following receipt of the certificates described in subparagraphs (a) and (b) of this section, within thirty days after written

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demand is delivered to the Design Review Committee and upon payment of required fees, the Design Review Committee shall execute and deliver an estoppel certificate certifying: (i) all Improvements made or other work done on or within a Site complies with this Declaration; or (ii) such Improvements do not so comply in which event the certificate shall identify the noncomplying Improvements and set forth the cause(s) for such noncompliance. Any lessee, purchaser or encumbrancer in good faith and for value shall be entitled to rely on said certificate with respect to the matters set forth therein and such matters shall be deemed conclusive as between Declarant, the Design Review Committee and all subsequent parties in interest. In no event shall the Design Review Committee be required to deliver such certificate unless and until it has received the certificates from the party making such improvements as required by subparagraphs (a) and (b) in this Section 4.8.

- d. Notwithstanding anything herein to the contrary, after the expiration of one year from the date of issuance of the building permit by Whatcom County or other governmental authority for any Improvement, such Improvement shall, in favor of lessees, purchasers and encumbrancers in good faith and for value, be deemed to be in compliance with all provisions of this Section 4.8, unless actual notice of such noncompliance or noncompletion, executed by Declarant shall appear of Record in the Office of the County Recorder of Whatcom County, Washington.

4.9 Limitation of Liability. Neither Declarant nor the Design Review Committee, any member thereof, any consultant thereto nor the Appointing Authority, any director, officer, agent, or employee thereof shall be liable for any damage, loss or prejudice suffered or claimed on account of: (a) the approval or disapproval of any application or submittals, whether or not defective; (b) the construction or performance of any work whether or not pursuant to approved Submittals; or (c) the execution and filing of a certificate of compliance pursuant to Section 4.8, whether or not the facts therein are correct. Every person who files an application or Submittals with the Design Review Committee for approval agrees, and every Owner agrees that he will not bring any action or suit against Declarant, the Association, the Board or the Design Review Committee, or any of its representatives or agents, to recover any such damages.

4.10 Amendment and Modification of Design Guidelines. Every Owner and any other Person who purchases, accepts a conveyance of,



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leases, uses, occupies, encumbers, or accepts an encumbrance on any Real Property subject to this Declaration from and after the date of the recordation of this Declaration shall be conclusively deemed to have understood and recognized that it is the intention of Declarant and the Design Review Committee that the Design Guidelines will mature and be modified and amended as the development of the Cordata Business Park proceeds. Such modifications and amendments may result from the requirements of the City, the County or any other governmental agency; as the result of additional knowledge of the land and physical requirements of future technologies; uses not now anticipated; future economic impacts; and changing design philosophies. The Design Guidelines effective as of the date of the initial recordation of this Declaration are those dated June 18, 1986. Any and all modifications and amendments of the Design Guidelines shall be made available to prospective purchasers, lessees, occupants, users, and encumbrancers of the Real Property. Each Person who purchases, leases, owns, occupies, uses, encumbers or accepts an encumbrance of the Real Property, or any part thereof, shall be deemed to have had access to and actual and constructive knowledge of the Design Guidelines as they may be modified and amended in the future; and all such Persons shall take and hold their interest in any Parcel subject to amendment of the Design Guidelines after the date of their acquisition of such interest. Existing Improvements shall be deemed to be exempt from subsequent amendments to or modifications of the Design Guidelines until and unless additions, alterations, renovations or other changes are proposed to such Improvements, at which time the current Guidelines shall be deemed to be in force.

5.

SUBMITTAL REQUIREMENTS

5.1 Adopted Requirements. The DRC shall promulgate and adopt, as part of the Development and Design Guidelines and Design Review Procedures, requirements that specify the type and form of information that must be submitted in order for the DRC and its staff and consultants to consider and to act upon an Improvement or Property Use proposal. From time to time these requirements may be amended by the DRC. A current copy of the adopted requirements shall be furnished to each person who wishes to request DRC approval of plans for an Improvement or Property Use.

5.2 Design and Planning Coordination. Owners who contemplate making Improvements or engaging in Property Uses and their architects, planners, and other design and land use personnel shall meet with the DRC's Master Planner and/or its staff early in the design and planning process, while plans are tentative and preliminary, in order to assure full understanding of the requirements of this Declaration and to coordinate with and inform the DRC of preliminary design and property use plans.

5.3 Schematic Design Submittal. The submittal requirements of the DRC Design Review Procedures shall include a section specifying the information that must be submitted in writing to the DRC at the time of schematic design of an Improvement and designation of Property Use. When this submission is complete, the DRC shall render a decision on the schematic design submittal and Property Use plans and shall respond to the applicant pursuant to the procedures set forth in the Design Review Procedures. Schematic design submittals and Property Use plans that the DRC disapproved may be resubmitted to the DRC with necessary modifications or revisions designed to eliminate the reasons for the disapproval. Approval of a schematic design submittal and Property Use plans shall be valid for a period set out in the Design Review Procedures from the date of approval, during which period the applicant must submit its design development submittal as required by Section 5.4 below. If the applicant does not submit a design development submittal within said period, the validity of the approval of the schematic design submittal and Property Use plans shall terminate and the applicant shall be required to submit another schematic design submittal and Property Use plan if it desires to construct any Improvement or engage in any Property Use on the subject property.

5.4 Design Development Submittal. The submittal requirements of the DRC Design Review Procedures shall include a section specifying the

information that must be submitted in writing to the DRC after approval of the schematic design submittal ("design development submittal"). Approval of a design development submittal shall be valid for a period of time as set out in the Design Review Procedures from the date of approval. If an application for a Building Permit of the Improvement to which the design development submittal pertains does not occur within said period, the validity of the approval of the design development submittal shall terminate and the applicant shall be required to submit another design development submittal if it desires to construct an Improvement on the subject property.

5.5 Additional Submittal Requirements. In addition to the foregoing submittal requirements, the DRC may promulgate and adopt, as part of the DRC Design Review Procedures, additional submittal requirements that are not inconsistent with the requirements set forth in this Article. These requirements may include, but not be limited to, submission of sketch plans and construction drawings at various times during the approval process, and the requirements may establish periods of validity for approvals of such submissions. Furthermore, in the DRC Design Review Procedures, the DRC may delegate to its staff and/or consultants the authority to approve or disapprove any such additional submittals, provided that the applicant shall have the right to appeal to the DRC any action on such additional submittals by the staff and/or consultants other than an unconditional approval thereof.

5.6 Modified Submittal Requirements. The DRC may waive or excuse compliance with the submittal requirements set forth in the DRC Design Review Procedures if the DRC determines that some or all of the information or materials required by the DRC Design Review Procedures is not necessary or appropriate in specific situations, and in such situations the DRC may establish and permit compliance with different or alternative submittal requirements.

6.

PROPERTY USES - CRITERIA

6.1 Property Use Criteria. To qualify for consideration for approval by the DRC, any proposed Property Use shall be consistent with and authorized by any applicable zoning and other governmental land use statutes, ordinances, regulations, rules, or other authority; shall be generally consistent with and authorized by the Cordata Master Development Plan and the Planned Unit Development; and shall contribute to the implementation of and be consistent with the Statement of Purpose set forth in Article I. of this Declaration.

7.

DESIGN CRITERIA

7. Design Criteria - Improvements. The following criteria, and any other criteria adopted by the DRC in accordance with Section 4.0 herein, shall be utilized by the DRC as the means of determining the suitability and acceptability of all proposed improvements in or on Cordata, and shall constitute the basic design criteria and standards for the Master Development Plan and the P.U.D.

7.1 Architectural and Spatial Characteristics - General.

- a. Integrated Complex. Emphasis on all development in or on Cordata as a totally integrated complex is encouraged. Building design expressions in terms of massing, scale, color and circulation shall relate to adjacent buildings and to the total development. Orientation of improvements shall acknowledge basic site considerations, adjoining building uses and siting, and overall circulation patterns in or on Cordata.
- b. Densification. Where appropriate, site and building planning shall be undertaken in a manner that allows and encourages phased densification of the development over time.
- c. Site Design. Site planning shall respect the relationship of the site to existing buildings and streets. Buildings shall be designed to conform to and complement the site topography. Site planning shall encourage solar orientation of uses and, to the extent possible, shall preserve existing views and vistas.
- d. Building Groups. When multiple structures are planned as part of a single ownership or project, they shall be designed in a unified architectural and spatial manner.
- e. Vehicular Access. Vehicular access to the site shall be carefully designed in relationship to vertical and horizontal curves, sight distances, median cuts, other driveways, and other common traffic engineering criteria so that unsafe traffic conditions are minimized and the efficient, smooth flow of traffic is encouraged. Commonly accepted traffic engineering criteria shall be met, and curb and median cuts shall be minimized by means such as shared access drives and entryways.

- f. Pedestrian Circulation. Site and building design shall accommodate pedestrian circulation on site from parking areas and to plazas, open space, and pedestrian pathways, and to adjoining buildings, in general accordance with the Master Development Plan. Where identified as part of the Master Development Plan, existing and proposed pedestrian circulation systems and easements shall be integrated into site design. Pedestrian and automobile circulation shall be separated to the greatest extent possible.
- g. Vehicle Parking. Vehicle parking shall be screened from view to the extent possible by architectural or landscape design. Parking spaces shall not be used for permanent or temporary storage of trucks, trailers, buses, and other semi-mobile equipment; provided, however, that the parking of equipment on a regular basis in a parking area may be allowed if adequate screening by landscaping or fencing is provided after the same has been approved by the DRC. The development and use of underground parking and parking structures architecturally compatible with the surrounding buildings, land usage, and natural environment shall be encouraged.
- h. Multi-Use Path and Easements. Where identified as part of the Master Development Plan, existing and proposed paths and easements shall be integrated into site design.
- i. Signs. All signs shall be designed and constructed to be compatible with the desired character of development in or on Cordata. The DRC, in its sole discretion, may prohibit all ongoing leasing signs. All proposed plans for signs to be erected, including details of design, materials, location, size, height, color, and lighting, as is the case for all plans for all other Improvements, must be approved in writing by the DRC prior to construction of the sign.
- j. Materials. Materials used in Improvements in or on Cordata shall be of high quality and shall be durable so as to result in appreciation in value of the Improvements over time.
- k. Permitted Uses and Performance Standards. No noxious or offensive activities or uses shall be conducted on any property that is part of Cordata, nor shall anything be done thereon which may be or become an annoyance or nuisance to the Owners of Other Building Sites or their Tenants by reason of unsightliness or an unacceptable level of amount of fumes,

odors, glare, vibration, gases, radiation, dust, solid or liquid waste, smoke, or noise.

- l. Building Codes. Any Improvement, including structural, electrical, plumbing and mechanical systems, shall be of an appropriate type of construction or installation as defined in applicable codes, ordinances, rules, and regulations.
- m. Architect/Engineer. Any Improvements shall be designed by a licensed architect and/or engineer unless the DRC, in its sole discretion, determines that the nature of the Improvement is such that the services of a licensed architect and/or engineer are not necessary in the design of the Improvement.
- n. Mechanical Equipment. No heating, air conditioning, electrical, or other equipment shall be installed on the roof of any building or structure in or on Cordata or hung on exterior walls thereof, unless the same is screened, covered, and installed in a manner which shall first have been approved in writing by the DRC, except that solar energy collectors or panels may be installed on the roof of any building or structure or in any other exposed location, if the design of such collectors or panels is approved by the DRC. Any such mechanical equipment must be designed to be an integral part of the building or structure.

## 7.2 Loading and Storage Areas.

- a. Loading. Truck loading and receiving areas shall be screened from view by architectural or landscape features. Such areas shall not be permitted in the front yard of a building, except with prior written approval of the DRC.
- b. Waste Storage. Temporary waste and rubbish storage facilities may be allowed with the prior written approval of both the design and location thereof by the DRC, provided that such facilities are screened from view and from wind by architectural or landscape features. All waste and rubbish containers shall be kept covered and out of sight from public streets, bikeways, pedestrian pathways, and transit corridors at all times.
- c. Materials Storage. No materials, supplies, equipment, finished products or semi-finished products, raw material, or articles of any nature shall be stored or permitted to remain on any Building Site outside of the building or buildings constructed thereon.

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7.3 On-Site Utility Connections. All permanent electrical, telephone, or other communications connections and installations of wires to buildings shall be made underground from the nearest available power source. No transformer, electric, gas, or other meter of any type of apparatus shall be located on any power pole nor hung on the outside of any building, but the same shall be placed on or below the surface of the land, and where placed on the surface shall be adequately screened and fenced.

7.4 On-Site Drainage. Each Owner may be required to provide adequate drainage facilities, including such elements as on-site ponds, if necessary, and/or controls and systems for storm water runoff resulting from precipitation. All site and building drainage shall include storm water controls and/or systems that are in accordance with the Master Development Plan and its supplements and all applicable governmental statutes, rules, regulations, and other authority.

7.5 Deep Wells and Related Structures. Deep wells and related structures designed to utilize the heat from underground water supplies as heating source for Improvements in or on Cordata shall be allowed any place in or on Cordata so long as the DRC approves the structure, its location and screening, and there is no significant adverse effect on the functioning of existing Improvements.

7.6 Landscaping. Landscaping shall be designed to unify the building and its site, existing adjacent buildings, and existing adjacent landscaping. Plant and paving materials shall be appropriate in type and amount to local climatic conditions and to the overall design and theme of development in or on the Cordata Business Park. The DRC, in its sole discretion, may require that a Building Site landscaping plan include landscaping for non-paved areas located in any public right-of-way adjacent and contiguous to the Building Site to which the plan applies, as long as such areas are adjacent and contiguous to the property boundary line of the Building Site and do not extend beyond the nearest curb line to said boundary line.

- a. Design. Building Site landscaping plans shall be of sufficient detail and quality to enable the DRC to understand the plans to its satisfaction and to render a knowledgeable decision thereon. The DRC, in its sole discretion, shall determine, in terms of detail and quality, the acceptability of such plans. If the plans are unacceptable, the DRC may require that the plans be revised and/or improved before it will review them and render a decision thereon.



- b. Installation. Building Sites shall be landscaped in accordance with plan submitted to and approved in writing by the DRC. All landscaping shall be completed as soon as weather conditions permit and in any event within the time permitted by the DRC. Such landscaping may include grading, paving, irrigation, seeding or sodding, water features, planting of trees, shrubs, and other customary landscape treatment for the entire site, including adequate screening of parking areas. The approved plan for landscaping the site may not be altered without submission of the revised plan to the DRC for written approval.

7.7 Additional Design Criteria. In addition to the aforesaid design and planning criteria, the DRC may promulgate and adopt, as part of the Development and Design Guidelines and Design Review Procedures, additional design criteria that are not inconsistent with the criteria set forth in this Article and that implement both the statement of purpose set forth in Article I of this Declaration the Master Development Plan. These criteria may vary by geographical area of Cordata if the DRC determines that such variance is consistent with the Master Development Plan. From time to time these additional criteria may be amended by action of the DRC.

7.8 Relaxations. The DRC may authorize relaxations from compliance with any of the design criteria set forth in this Declaration or in any additional criteria promulgated and adopted as part of the DRC Design Review Procedures pursuant to Section 7.7 herein including, but not limited to, restrictions on height, bulk, size, shape, floor area, land area, placement or location of Improvements, setbacks, building envelopes, colors, materials, vehicle parking, signs, lighting, temporary Improvements, or similar restrictions other than use or density, when circumstances such as topography, natural obstructions, hardship or aesthetic, environmental, or planning objectives or considerations may warrant, at the sole discretion of the DRC. Such relaxations must be evidenced in writing and must be signed by at least four (4) voting members of the DRC who approved the relaxation. If such a relaxation is granted, no violation of this Declaration or of the DRC Design Review Procedures shall be deemed to have occurred with respect to the matter for which the relaxation was granted. The granting of such a relaxation shall not operate to waive or to render unenforceable any of the terms and provisions of this Declaration or the Design Review Procedures for any purpose except as to the particular property, provision, and instance covered by the relaxations. Notwithstanding any provision to the contrary in this Declaration, the DRC shall not delegate to any single DRC member or group of DRC members or to any other designated person or persons the power to grant relaxations pursuant to this section. No relaxation granted by the DRC shall be interpreted as a variance from the minimum standards of official Whatcom

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County regulations or City of Bellingham regulations unless such minimum standard regulations have already been altered by flexibility authorized by the P.U.D. ordinance and permit approval.

## 8.

GENERAL RESTRICTIONS

8.1 Nuisances. No noxious or offensive trade or activity shall be carried on upon any Parcel or any part of the Real Property, nor shall anything be done thereon which may be, or may become, an annoyance or nuisance to or which shall in any way interfere with the quiet enjoyment of any of the Owners of his respective Parcel. In this regard, all noises, sounds and vibrations shall be appropriately muffled in such a manner so as not to be objectionable as to intermittent beat, frequency, shrills or volume. Each use shall be operated in such a manner that the ground vibration, heat and glare inherently and recurrently generated from such use is not perceptible beyond the foundation or perimeter Parcel of the building in which the use is located. Spotlights, floodlights, or other methods of illumination may be used to illuminate buildings, landscaping areas, Signs and parking areas, provided that such devices are equipped with proper lenses and provided further that any such illumination shall first be approved by the Design Review Committee. A "nuisance" shall include, without limitation, any of the following conditions:

- a. Emission of dust, sweepings, dirt or cinders into the atmosphere.
- b. Escape or discharge of fumes, odors, gasses, vapors, acids or other substances into the atmosphere if such escape or discharge may be detrimental to the health, safety or welfare of persons, may interfere with the comfort of persons within the vicinity, may be harmful to property or vegetation may interfere with the quiet enjoyment of any Parcel in the Common Area, or violates any Regulations.
- c. The perception, at any point outside the boundaries of any Parcel, whether at, above or below ground level, of noise from activity, machine, device or combination thereof located on that Parcel that unreasonably interferes with the use or enjoyment of any other Parcel, except noise from motor vehicles.
- d. Wind-borne dust, sprays or mists and visible emissions of smoke or gasses originating on a Parcel in unreasonable amounts, excluding the exhausts emitted by motor vehicles, but including emissions from the disposal of trash and waste materials.

- e. Ground vibrations inherently and recurrently generated on a Parcel that are perceptible without instruments at any point outside the boundaries of such Parcel, whether at, above or below ground level, excepting those connected with the construction of improvements, such as driving piles.
- f. The accumulation of rubbish or debris of any kind.
- g. Any other violation of Article 8 hereof.

8.2 Storage and Loading Areas

- a. Unless specifically approved by Declarant in writing, no materials, supplies or equipment including trucks or motor vehicles, shall be stored in any area on a Site except inside a closed building or behind a visual barrier screening such areas so that they are not visible from the neighboring properties, pedestrian or bicycle paths, or streets. Any storage areas screened by visual barriers shall be located on the least visible portions of the Site. Location, size, and screening of storage areas must be approved by the Design Review Committee.
- b. Loading areas and docks shall be set back and screened to minimize the effect from the Street, and subject to the approval of the Design Review Committee.

8.3 Drainage. There shall be no interference with drainage over any portion of the Real Property unless adequate provision is made for proper drainage and is approved by the Design Review Committee.

8.4 Signs

- a. Except for Signs erected or constructed by or on behalf of Declarant, no advertising Sign shall be permitted other than those identifying the name, business and products that the Person or firm occupying the Parcel and those offering the Parcel for sale or for lease. The size, style and location of all Signs including identifying markings on buildings or building sites, other than those erected by or on behalf of Declarant, shall be of such size, design and color and in such location as is specifically approved in writing by the Design Review Committee.
- b. All Signs shall conform to prescribed setback lines unless otherwise authorized by the Design Review Committee as prescribed herein.

- c. The foregoing provisions apply to Signs, notices, letterings or advertisements exposed on or at any window, door or exterior portion of any building.

8.5 Parking Areas

- a. Adequate offstreet parking shall be provided to accommodate the parking needs for employees, visitors and company vehicles on the Site. If parking requirements increase as a result of a change in use or the number of employees, additional off-street parking shall be provided to satisfy the intention of this Section 8.5.
- b. No parking shall be allowed on any streets or any access driveways. The Declarant and the Association shall have the right, but not the obligation, to enforce this provision by causing the ticketing and/or removal of any vehicle parked on any street or access driveway in violation of this section. This section shall not be construed to prohibit the parking of emergency or public utility vehicles on streets or the access driveways or the temporary stopping of public transportation vehicles where the same is necessary to fulfill their purpose.
- c. Parking areas shall be paved so as to provide dust-free, all-weather surfaces.
- d. Parking areas shall comply with all setback requirements under any Regulations and under the Design Guidelines, except where a variance that complies with the Regulations have been approved in writing by Declarant and the Design Review Board.
- e. Parking areas shall be shielded or screened so as not to be visible from a neighboring property, except as may be expressly permitted in writing by Declarant and the Design Review Board.
- f. The number of parking places provided for each Site and the specific location of the same shall be designated in plans for each Site which are submitted for approval by the Design Review Board as described in Article 5 above, and shall comply with the Design Guidelines, except as may be expressly permitted in writing by Declarant and the Design Review Board.

8.6 Mineral Exploration. No oil or gas development operations, oil refining, or mining operations of any kind shall be permitted upon or in any Parcel, nor shall oil or gas wells, tanks, tunnels or mineral excavations or shafts be permitted upon or below the surface of any Parcel unless commencing at least 500 feet below the surface of the Real Property.

8.7 Antennae. No television, radio or other electronic antenna or device of any type shall be erected, constructed, placed or permitted to remain on any of the buildings, structures or other Improvements constructed on the Parcels unless and until the same shall have been approved in writing by Declarant and the Design Review Committee.

8.8 Hazardous Use. In the event that any use shall cause an increase in fire or other insurance premiums otherwise payable on the insurance procured by the Association or by any other Owner, the party causing such increase shall be liable for payment of the same, to the Association or to the other Owner, as the case may be. The parties so charged with additional premium costs shall have the right to contest the validity of such increase before the Board in a manner prescribed by the Board. A levy made against such Owner for such increase in premium shall be deemed to be an Assessment on said Parcel, subject to immediate payment and to the foreclosure procedure contained in Section 14.3.

8.9 Excavation. No excavation shall be made except in connection with the construction of an Improvement and upon completion thereof, the exposed opening shall be backfilled and the disturbed ground shall be graded, leveled and landscaped.

8.10 Refuse. All rubbish, trash, garbage and other waste (collectively "refuse") shall be regularly removed from each Parcel. All outdoor refuse collection areas shall be visibly screened so as not to be visible from any Street or from any of the Parcels. The location and screening of all refuse areas shall be approved by the Design Review Committee. No refuse collection areas shall be permitted between a Street and the front of a building, except as may be approved in writing by the DRC. These covenants encourage the recycling of waste materials produced at Cordata by the same or other businesses at Cordata.

8.11 Exterior Illumination. All exterior illumination must conform to plans approved in writing by the Design Review Committee.

8.12 Temporary Structures and Obstructions. No structure of a temporary character, trailer, camper, boat or similar equipment shall be permitted to remain upon any Parcel without the prior written approval of Declarant and the Design Review Committee. There shall be no

obstruction of any walkway or driveway in the Real Property which would interfere with the circulation of foot or automobile traffic except such obstruction as may be reasonably required in connection with repairs of such driveways and walkways.

3.13 Maintenance. The grounds and the exterior of all improvements on each Parcel shall be regularly maintained, painted and repaired (including replacement where required) in good, slightly and well-kept order, repair and condition. Any Owner, before undertaking any alteration or maintenance of the exterior area of an Improvement or Parcel shall submit the plans and specifications for such work to the Design Review Committee and obtain its written approval prior to the commencement of any such work. In the case of exterior painting, no such approval is required if the color and quality of the paint remains the same as the original. If the Improvements on each Parcel are not maintained in accordance with these requirements or such other requirements as may be promulgated from time to time by Declarant, then Declarant or the Association shall have the right, after ten days' prior written notice to any Owner, to enter upon the Parcel and perform the required maintenance and repair. The expenses of such maintenance and repair shall be borne by such Owner who shall reimburse the Person performing same upon demand therefor. All amounts expended or incurred by the Declarant or the Association for such purposes shall be deemed to be a Single Benefit Assessment upon said Parcel, subject to immediate payment and to the foreclosure procedure described in Section 14.3 hereof.

3.14 Landscaping. Every Parcel on which an Improvement shall have been placed shall be landscaped in accordance with plans and specifications submitted to and approved by the Design Review Committee pursuant to Article 8 hereof. All unpaved areas between street curbs and setback lines shall be fully and adequately landscaped. Hose bibs, sprinklers and other reasonable and adequate landscape maintenance facilities shall be provided in the vicinity of all landscaped areas. Landscaping as approved by the Design Review Committee shall be installed within ninety days of occupancy or completion of the Improvement, whichever occurs first, unless the DRC approves in writing another completion date. If an Owner fails to submit landscaping plans after such plans are requested by the Design Review Committee, or if an Owner fails to install and maintain landscaping as required by the Design Review Committee, then Declarant or the Association may install or maintain landscaping the Parcel on Owner's behalf and assess him therefor. All amounts so expended or incurred by Declarant or the Association shall be deemed a Single Benefit Assessment against the Parcel, subject to immediate payment and to the foreclosure procedure described in Section 14.3 hereof. After completion, each such landscaping shall be maintained in a slightly and well-kept condition.

8.15 Right of Entry. Each Owner hereby grants a right of access to his Parcel and unit to the Association, the Design Review Committee, to Declarant and to their authorized representatives or to any other Person authorized by them for the purpose of making inspections to ascertain compliance with this Declaration, but without obligation to do so, or for the purpose of correcting any condition originating upon any Parcel, or for the purpose of performing installations, alterations, or repairs to the mechanical, electrical or plumbing services in and about the Common Area or elsewhere provided that the request for entry is made in advance and that any such entry is at a time reasonably convenient to the Owner. In the case of an emergency, such right of access shall be immediate, whether the Owner is present at the time or not. Each Owner shall supply the Board with a pass key to any buildings or structures located upon his Parcel and thereafter shall not alter any lock or any door leading into such structures without first providing the Board with a key therefor. Such right of entry shall include the right to inspect any building, Site, or Parcel or the Improvements thereon for the purposes of ascertaining whether or not the provisions of this Declaration have been or are being complied with and any party making such entry shall not be deemed guilty of a trespass by reason of such entry.

8.16 Leases. This Declaration is intended to be binding upon any lessee or tenant of any Parcel or portion thereof. In order to ensure the binding effect on tenants and leases, each Owner agrees, by acceptance of the deed by which he acquires title to a Parcel, not to rent or to lease all or any portion of his Parcel to any Person except pursuant to a written lease or rental agreement that (a) expressly refers to this Declaration and contains a covenant that the lessee or tenant that he accepts the leasehold estate subject to this Declaration; and (b) contains a covenant that the lessee or tenant agrees to perform and comply with the restrictions herein and adequate provisions to permit entry or other actions by the lessor for the purpose of performing and complying with these restrictions.

8.17 Further Construction. Nothing in this Declaration shall limit the right of Declarant, its successors and assigns, to complete construction of the Improvements to the Common Area or to any Parcel or to alter them or to construct additional Improvements as Declarant deems advisable at any time. The rights of Declarant in this Declaration may be assigned by Declarant to any successor (or to all or any part of Declarant's interest in the Real Property), by express assignment incorporated in a recorded deed that transfers an interest to a successor.



## 9.

COMMON AREA

9.1 Easement of Enjoyment. Subject to the provisions of Section 9.3 hereof, each Owner shall have the right and easement of enjoyment in and to the Common Area.

9.2 Title to Common Area. Declarant shall convey ownership of the Common Area to the Association after completion of any improvements to be constructed thereon, and the Association shall thereafter be responsible for its operation and maintenance.

9.3 Extent of Easement. The rights and easements of enjoyment created hereby shall be subject to the following:

- a. The right of the Association to prescribe rules for the use, enjoyment and maintenance of the Common Area.
- b. The right of the Association to sell and convey the Common Area or any part thereof provided such sale or conveyance is approved by a majority of the total eligible votes of the Members of the Association, voting in Person or by proxy, at a meeting duly called for such purposes, written notice of which shall be given to all Members at least 30 days in advance and shall set forth the purpose of such meeting.
- c. The right of the Association, in accordance with its Articles and Bylaws, to borrow money for the purpose of improving the Common Area or any part thereof and any facilities thereon, and in aid thereof, to Mortgage or execute a deed of trust covering such Common Area; provided, however, that the rights of the Mortgagee or beneficiary shall be subordinate to the rights of the Members.
- d. The right of the Association to take such steps as are reasonably necessary to protect the Common Area or any part thereof against foreclosure.
- e. The right of the Association to suspend the easements of enjoyment of any Member during which time any Assessment levied under Section 12.2 hereof remains unpaid as described in Article 14.

- f. Declarant expressly reserves for itself, its successors and assigns, together with the right to grant and transfer the same, non-exclusive easements over the Common Area and the Parcels as necessary to maintain and repair the Common Area and to perform all other tasks, including the enforcement of this Declaration, in accordance with the provisions of this Declaration. Such easements shall be established and used so as not to unreasonably interfere with the use and enjoyment by the Owners of their Parcels or the Common Area and any damage caused thereby shall be repaired by Declarant or the Association.
- g. Declarant expressly reserves for itself, its successors and assigns, together with the right to grant and transfer the same, non-exclusive easements over and under the Real Property for the installation, repair and maintenance of electric, telephone, water, gas, sanitary lines and facilities, drainage facilities, water wells and irrigation systems, walkways, landscaping, electrical conduit, cable television or other communication equipment, and related facilities and conduit, whether above or below the land or the ground, as may be deemed desirable or necessary by Declarant in its sole discretion to enhance the use and value of the Real Property, or any part thereof.
- h. Declarant hereby reserves, for itself, its successors and assigns, together with the right to grant non-exclusive easements and to petition the proper authorities for any and all Street Improvements such as grading, seeding, tree planting, sidewalks, paving, sewer and water installation whether it be on the surface or subsurface which in the sole opinion of Declarant are necessary or desirable in or on the Real Property. Declarant reserves the right to install such utilities across any part of the Real Property when such utilities are, in the opinion of Declarant, necessary for any portion of the Real Property.
- i. Each of the easements provided for in this Declaration shall be deemed to be established upon the recordation of this Declaration, and shall thenceforth be deemed to be covenants running with the land for the use and benefit of the Parcels and the Owners thereof and the Common Area superior to all other encumbrances applied against or in favor of any portion of the Real Property. Notwithstanding anything herein expressly or impliedly to the contrary, this Declaration shall be subject to all easements heretofore or hereafter granted by Declarant or its successors or assigns.

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9.4 Indemnification. Each Owner shall be liable to the remaining Owners and to the Association for any damage to the Common Area that may be sustained by reason of the negligence of that Owner, his agents, lessees, licensees, and any of their representatives, servants, employees, guests, invitees or clients, to the extent that any such damage is not covered by insurance. Each Owner, by acceptance of his deed, agrees for himself and for his assigns and successors to indemnify and hold harmless each and every other Owner and the Association from and defend them against a claim of any Person or personal injury or property damage occurring within the Parcel of that particular Owner or within the Common Area and any exclusive easements over the Common Area pertinent to such Parcel, unless the injury or damage is fully covered by insurance.

10.

REGULATION OF IMPROVEMENTS

10.1 Proceeding With Work. Upon receipt of approval from the Design Review Committee, the party making such submittals shall, as soon as practicable, satisfy all conditions thereof and diligently proceed with the commencement and completion of all construction, reconstruction, refinishing, alterations and excavations pursuant to said approval. In all cases, work shall be commenced within one year from the date of such approval. If the party obtaining such approval fails to commence construction within one year from the date of approval, any approval given shall be deemed revoked unless the Design Review Committee, upon written request prior to the expiration of such year, extends the time for such commencement. No such extension shall be granted except upon a finding by the Design Review Committee that there has been no change in the circumstances upon which the original approval was granted.

10.2 Completion of Construction. After commencement of construction of any structure, the owner shall diligently prosecute the work thereon, to the end that the structure shall not remain in a partly finished condition any longer than reasonably necessary for the completion thereof. Structures which are intended to be added to at a later date shall look complete prior to occupancy of any given stage of construction.

10.3 Construction Without Approval. If any improvement shall be altered, erected, placed or maintained upon any lot or Parcel, or any new use commenced on any lot or Parcel, otherwise than in accordance with the approval by the DRC pursuant to the provisions of this Section, such alteration, erection, maintenance or use shall be deemed to have been undertaken in violation of this Section and without the approval required herein, and upon written notice from the DRC, any such structure so altered, erected, placed or maintained upon any lot or Parcel in violation hereof shall be terminated so as to extinguish such violation. If within fifteen (15) days after the notice of such violation the Owner or lessee of the lot or Parcel upon which such violation exists shall not have taken reasonable steps toward the remove or termination of the same, the Association shall have the right, through its agents and employees, to enter upon such Parcel, subject to any security controls imposed by the government of the United States (or any agency thereof) with respect to any operation being conducted thereon, and to take such steps as may be necessary to extinguish such violation. The Association or any such agent shall not thereby be deemed to have trespassed upon any such lot or Parcel

and shall be subject to no liability to the Owner to lessee or occupant of such lot for such entry and any action taken in connection with the removal of any violation. The cost of any abatement or removal hereunder shall be a binding personal obligation of such Owner, lessee or occupant as well as a lien (enforceable in the same manner as a mortgage) upon the lot in question.

10.4 Excavation and Underground Utilities. No excavation shall be made except in connection with construction of an approved improvement, and upon completion thereof exposed openings shall be backfilled and disturbed ground shall be graded and leveled. All telephone and other utility lines shall be installed underground except the transformer or terminal equipment related thereto may be installed above ground if screened from view from adjacent streets or properties. No Owner other than Declarant shall enter into any contract or agreement with any city, county or other governmental agency or public utility with reference to sewer lines or connections, water lines or connections or Street Improvements (including, without limitation, curbs, gutters, parkways, Street lighting or other utility connection lines or easements) relating to the Real Property or any Site without the prior written consent of Declarant.

11.

CORDATA BUSINESS PARK ASSOCIATION

11.1 Organization. Cordata Business Park Association shall be a nonprofit Washington corporation charged with the duties and vested with the powers prescribed by law and set forth in the Articles, Bylaws and this Declaration. Neither the Articles nor the Bylaws shall, for any reason, be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration.

11.2 Membership. Each Owner (including the Declarant) of a Parcel, by virtue of being such an owner and for so long as it is such an Owner, shall be deemed a Member of the Association. Ownership of such Parcel shall be the sole qualification for membership. Any Person or entity who holds such an interest merely as security for the performance of any obligation shall not be a Member. Membership shall be appurtenant to and may not be separated from ownership of a Parcel, except as provided herein.

11.3 Classes of Voting Members. The Association shall have two classes of voting memberships:

- a. Class A. Class A Members shall be all those Members described in Section 11.2 above with the exception of Declarant. Class A Members shall be entitled to one vote for each full one-half acre contained in his Parcel.
- b. Class B. The Class B Member shall be Declarant. The Class B Member shall be entitled to one vote for each full one-half acre of Parcels owned in it.

11.4 Transfer of Membership. Membership in the Association shall not be transferred, encumbered, pledged, or alienated in any way, except as specified below:

- a. Membership shall pass automatically to the purchaser upon transfer of record fee title to a Parcel.
- b. A Mortgagee of a Parcel who becomes the Owner of a Parcel by foreclosure or deed in lieu of foreclosure shall automatically become a Member.

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- c. The lessee of any Improvement upon a Parcel may become a Member under the terms of a written lease that satisfies the following requirements:
  - (i) The term of the lease (either primary term or primary term together with option periods available to the lessee) is for thirty years or more;
  - (ii) The lessee is obligated to pay the Assessments provided for under this Declaration;
  - (iii) The lessee is obligated to comply with all of the covenants, conditions, and restrictions contained in this Declaration, at lessee's expense;
  - (iv) The lease specifically assigns membership to the lessee, divesting Owner of membership; and
  - (v) The lease or a memorandum thereof has been Recorded, subjecting the leasehold estate to this Declaration and the covenants, conditions and restrictions herein contained.
- d. A ground lessee under a ground lease of all or a portion of a Parcel for a term of thirty years or more, where the lease satisfied the conditions of Paragraph 11.4.C above.

Any attempt to transfer or assign membership in the Association not in accordance with the provisions of this paragraph is void.

11.5 Assignment of Voting Rights. Voting rights in the Association shall not be assigned, except: (i) to the lessee of all or a portion of an Improvement located upon a Parcel, where the lease specifically contains such an assignment of voting rights and provides that the lessee shall comply with all the covenants, conditions, and restrictions contained in this Declaration; (ii) the Owner of a Parcel may, by written notice to the Association, designate a person (who need not be an Owner) to exercise the vote for such Parcel (such designation shall be revocable at any time by notice to the Association by the Owner, and may be conclusively relied upon by the Association as authorizing the person or persons so named to exercise the vote of such Parcel); (iii) the vote of any Owner may be exercised by the Owner's legal representative, such as a guardian, conservator, executrix of the Owner's estate, etc. In the case of a corporate owner, the vote may be exercised by the president or other duly authorized officer thereof. In the case of a partnership, the vote may be exercised by any general partner or its duly authorized representative.

11.6 Joint Owner Disputes. Each vote shall, if at all, be cast as a single vote, and fractional votes shall not be allowed. The Association shall have no duty to resolve disputes among joint Owners. In the event that joint Owners are unable to agree among themselves how their vote shall be cast, they shall lose their right to vote on the matter in question. If any Owner casts a vote representing a certain Parcel, it will thereafter be conclusively presumed for all purposes that he or they were acting with the authority and consent of all other Owners of the Parcel.

11.7 Meetings of Members. The Bylaws of the Association shall establish rules and procedures that shall govern the frequency of meetings of the Cordata Business Park Association, notice of said meetings, quorums, and the presiding officer and attendance thereat.



## 12.

DUTIES AND POWERS OF THE ASSOCIATION

12.1 Duties of the Association. The Association shall have the obligation, subject to and in accordance with this Declaration, the Articles and Bylaws, to perform each of the following duties for the benefit of the Owner of each Parcel as follows:

- a. Association Real Property. To accept delivery of and exercise dominion over all Real Property and interests conveyed to the Association by Declarant, which Real Property and/or interests therein shall include, but not be limited to, the Common Areas, and easements for operation, maintenance and access purposes.
- b. Association Personal Property. To accept delivery of and exercise dominion over all personal property transferred and assigned to the Association by Declarant.
- c. Title to Property Upon Dissolution. To convey, upon dissolution of the Association, the assets of the Association to an appropriate public agency or agencies to be used for purposes similar to those for which the Association was created, or to a nonprofit corporation, association, trust or other organization organized and operated for such similar purposes.
- d. Operation of Common Area. To operate and maintain, or provide for the operation and maintenance of, all Common Areas which may be conveyed to it by Declarant or in which it owns easements either for operation and maintenance purposes or for the benefit of Members, and to keep all Improvements of whatever kind and for whatever purposes from time to time located thereon in good order and repair.
- e. Payment of Taxes. To pay all general and special Real Property taxes and Assessments levied upon any property conveyed, or otherwise transferred to the Association, to the extent not assessed to the Members thereof. Such taxes and Assessments may be contested or compromised by the Association; provided, however, that they are paid or a bond insuring the payment is posted prior to the sale or other disposition of any property to satisfy the payment of such taxes.

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- f. Insurance.** To obtain and maintain in force the following policies of insurance in prudent amounts in accordance with sound business practices, but in no event in less than the minimum amounts set forth below:
- (i)** Fire and extended coverage insurance on all Improvements owned by or leased to the Association, the amount of such insurance to be not less than ninety percent (90%) of the aggregate full insurable value, meaning actual replacement value, exclusive of the cost of excavations, foundations and footings. Such insurance shall insure the Association.
  - (ii)** Bodily Injury liability insurance, with limits of not less than Five Hundred Thousand Dollars (\$500,000.00) per Person and One Million Dollars (\$1,000,000.00) per occurrence; and property damage liability insurance with a deductible of not more than One Thousand Five Hundred Dollars (\$1,500.00) and a limit of not less than Fifty Thousand Dollars (\$50,000.00) per occurrence, insuring against liability for bodily injury, death and property damage arising from the activities of the Association or with respect to property under its jurisdiction.
  - (iii)** Workers' compensation insurance to the extent necessary to comply with any applicable laws.
  - (iv)** A fidelity bond in the penal amount of Twenty-five Thousand Dollars (\$25,000.00) or more, naming the Members of the Board and such other persons as may be designated by the Board as principals, and the Association as obligee.
  - (v)** Such other insurance, including business interruption insurance, indemnity and other bonds as the Board shall deem necessary or expedient to carry out the Association's functions as set forth in this Declaration, the Articles and Bylaws.

The liability insurance referred to in (ii) above shall name as separately protected insureds the Declarant, the Association, the Board and the Design Review Committee, and their representatives, Members and employees, with respect to any liability arising out of the maintenance or use of any Association property. Every policy of insurance obtained by the

Association shall contain an express waiver, if available, of any and all rights of subrogation against Declarant, Declarant's agents and representatives, any Person, firm or corporation affiliated with Declarant in the development of the Cordata Business Park, the Board, the Design Review Committee, and their representatives, Members and employees.

Said fire and liability insurance policies may be blanket policies covering the Association properties, any properties located within the Real Property owned and/or administered by the Association, and any property of Declarant, located within or nearby the Real Property, in which case the Association and Declarant shall each pay their proportionate share of the premium. With respect to insurance proceeds paid in connection with a loss of Association property only, the Association shall be deemed trustee of the interests of all Members in any insurance proceeds paid to it under any such policies, and shall have full power to receive and to receipt for their interest in such proceeds and to deal therewith.

- g. Design Review Committee. To ensure that at all reasonable times, there is available a duly constituted and appointed Design Review Committee.
- h. Enforcement of Covenants and Rules. To perform such other acts, whether or not expressly authorized by this Declaration as may be reasonably necessary to enforce any of the provisions of this Declaration.
- i. Maintenance and Repair. To maintain, repair and landscape the Association's Common Property and all improvements thereto.
- j. Right to Establish Maintenance District. Declarant reserves the right to establish or cause to be established a maintenance district to maintain, repair, restore, manage, and operate the Common Areas. The costs incurred by such maintenance district shall be assessed against each Parcel and collected with Real Property taxes in the manner provided by law. Upon formation of any such maintenance district, the duty of the Association to maintain, repair, restore, operate, and manage the Common Areas or at least those portions thereof included in the maintenance district shall terminate.

- k. Security Service. To develop and administer a security program to provide security services to occupants of the Business Park in size and scope to be determined by the Board (and without liability therefore) and to assess the Members for the cost of such service as described in Section 12.2.
- l. Audit. The Board shall provide for an annual independent audit of the accounts of the Association and any of its employees designated by the Board and for delivery of a copy of such audit to each Member within thirty (30) days after completion thereof. Any Member may, at any time and at his own expense, cause an audit or inspection to be made of the books and records of the Association by a certified public accountant; provided, however, that such audit or inspection is made during normal working hours and without unnecessary interference with the operations of the Association.
- m. Financial Statements. The Board shall cause financial statements for the Association to be prepared and copies shall be distributed to Members as follows: (i) a pro forma operating statement (budget) for each fiscal year shall be distributed not less than sixty (60) days before the beginning of the fiscal year; (ii) a balance sheet (as of an accounting date which is the last day of the month closest in time to six (6) months from the date of closing of the first sale of a parcel), and a statement of a schedule of Assessments received and receivable, identified by Parcel and name of Owner assessed (for the period from said first closing date to said accounting date) shall be distributed within sixty (60) days after said accounting date; and (iii) a balance sheet as of the last day of the Association's fiscal year, and an operating statement for said fiscal year shall be distributed within ninety (90) days after the end of such fiscal year.
- n. Other. To carry out the duties of the Association set forth in this Declaration, the Articles and Bylaws.

12.2 Powers and Authority of the Association. The Association shall have all of the powers of a Washington nonprofit corporation, subject only to such limitations appearing in the Articles, Bylaws or this Declaration. It shall have the power to do any and all lawful things which may be authorized, required or permitted to be done by the Association under and by virtue of this Declaration, the Articles and Bylaws of the Association, and to do and perform any and all acts which may be necessary or proper for, or incidental to, the exercise of any of the express powers of the

Association. Without in any way limiting the generality of any of the foregoing provisions, the Association shall have the power and authority, without the obligation, at any time, to do the following:

- a. Assessments. All in accordance with the provisions of Article 13 hereof, and in the proportions set forth therein, to levy Regular Assessments against the Owners of Parcels and, if necessary, to collect amounts so assessed against the Owners of Parcels, or any of them;
- b. Single Benefit Assessments. To levy Single Benefit Assessments against Owners of Parcels as provided in Article 13 hereof.
- c. Enclave Benefit Assessments. To levy Enclave Benefit Assessments against Owners of Parcels as provided in Article 13 hereof.
- d. Right of Entry and Enforcement
  - (i) After twenty-four (24) hours written notice, to enter without being liable to any Owner upon any Parcel for the purpose of enforcing by peaceful means the provisions of this Declaration or any rules or Regulations promulgated by the Board or any committee thereof.
  - (ii) The Association shall also have the power and authority from time to time, in its own name and on its own behalf or on behalf of any Owner or Owners who consent thereto, to commence and maintain actions and suits to restrain and enjoin any breach or threatened breach of this Declaration, the Articles or Bylaws, or any rules or Regulations promulgated by the Board or any committee thereof, and to enforce by mandatory injunctions or otherwise, all of the provisions of this Declaration, the Articles and Bylaws and such rules and Regulations.
  - (iii) The Association shall be entitled to immediate reimbursement by the Owners who or which are in violation of any provisions of this Declaration, the Articles or Bylaws, or any rules or Regulations, to the full extent of any costs or expenses, including, but not limited to, reasonable attorneys' fees incurred by the Association in enforcing said provisions. In the alternative, the Association shall be entitled to levy Single Benefit Assessments against defaulting Owners (1) in advance of actually performing the corrective work, which

Assessments shall be equal in amount to the anticipated cost of performing the corrective work, and/or (2) subsequent to such work, in which event the Assessment shall be equal to the amount actually expended or incurred. The Assessment and lien procedures provided for in Articles 13 and 14 hereof shall be available to the Association for the purpose of collecting the amounts becoming due to it as contemplated under this Section 12.2.d.iii.

- e. Easements and Rights-of-Way. To grant and convey to the extent of its interest therein to any Person, easements, rights-of-way, parcels or strips of land in, on, over or under any Association property for the purpose of constructing, erecting, operating or maintaining thereon, therein and thereunder:
  - (i) Roads, streets, walks, driveways, accessways, parkways and park areas.
  - (ii) Underground lines, cables, wires, conduits or other devices for the transmission of electricity for lighting, heating, power, telephone and other purposes.
  - (iii) Sewers, storm and water drains and pipes, water systems, sprinkling systems, water, heating and gas lines or pipes.
  - (iv) Any similar improvements or facilities.
- f. Legal and Accounting Services. To retain and pay for legal and accounting services necessary or proper in the operation of the Association property, enforcement of the provisions of this Declaration, or in performing any of the other duties or rights of the Association.
- g. Rule Making. To make, establish, promulgate, amend and repeal the Association rules as provided in Section 12.3 hereof.
- h. Transportation Management Program. To develop and enforce a transportation management program that may include any or all of the followings: (i) a program to subsidize a connector bus service from the Business Park to a transit station and assess the cost thereof as described in Article 13 or to recover all or a portion of the costs of such system from users thereof; (ii) Regulations concerning employee parking, employee vehicle identification, priority parking spaces marked for use by car

pools; and (iii) analysis of the number of employees, their respective schedules of anticipated arrival at and departure from work on the Site and development of schedules within peak hour intervals to alleviate existing or potential peak hour vehicle congestion, including car pool and van pool programs.

- i. Manager. To employ a manager or other person and to contract with independent contractors or managing agents to perform all or any portion of the duties and powers of the Association, provided that any such general management contract shall not exceed a three year term, and shall be terminable immediately for cause and without cause on thirty days' notice.

12.3 Rules. The Board may adopt such rules as it deems proper, for the use of the Association property and for all other property within the development. A copy of said rules, as they may from time to time be adopted, amended or repealed, shall be mailed or otherwise delivered to each Owner and may, but need not be, recorded. Upon such mailing, delivery or recordation, said rules shall have the same force and effect as if they were set forth in and were part of this Declaration.

12.4 Limitation of Liability of Board Members and Manager. No Member of the Board, nor any agent, representative or employee of the Association shall be personally liable to any Owner or Member or to any other Person for any damage, loss or prejudice suffered or claims on account of any act or omission of the Association, the Board or any other agents, representatives or employees of the Association, or the Design Review Committee.

13.

COVENANTS FOR ASSESSMENTS

13.1 Creation of the Lien and Personal Obligations of Assessments. Declarant for each Parcel owned by it within the Real Property hereby covenants, and each Owner of any Parcel within the Real Property by acceptance of a deed or other conveyance therefor, whether or not it shall be so expressed in any such deed or other conveyance, is and shall be deemed to covenant and agree to pay to the Association Assessments, as defined in Section 2.4 above, including Regular Assessments, Single Benefit Assessments, Enclave Benefit Assessments, Capital Improvement Assessments and Reconstruction Assessments as may be fixed, established and collected from time to time as provided in this Declaration. The Assessments, together with such interest thereon and costs of collection thereof, shall be a charge on the Parcel and shall be a continuing lien upon the Parcel against which each Assessment is made. The lien shall become effective upon recordation of a notice of claim of lien in accordance with Article 14 hereof. Each Assessment, together with such interest and costs, shall also be the personal obligation of the Person or entity who was the Owner of such Parcel at the time when the Assessment or any portion thereof fell due and shall bind his heirs, devisees, personal representatives, successors and assigns; however, the personal obligation shall not pass to his successors in title unless expressly assumed by them.

13.2 Purpose of Assessments. The Regular Assessments levied by the Association shall be collected, accumulated and used exclusively for the purpose of providing for and promoting the health, safety and social welfare of the Members of the Association, including the improvement and maintenance of the Common Area and facilities thereon devoted to this purpose.

13.3 Regular Assessments. The amount of Regular Assessments shall be determined by the Board of the Association after giving due consideration to the current maintenance costs and future needs of the Association; provided, however, the Board may not, without the vote or written assent of a majority of the voting power of the Association residing in Members other than Declarant, impose a regular annual Assessment per Parcel which is more than twenty percent (20%) greater than the regular Assessment for the immediately preceding fiscal year.

13.4 Date of Commencement of Regular Assessments and Due Dates. The Regular Assessments provided for herein shall commence following the conveyance of the first Parcel within the Real Property to an Owner other than Declarant.



The Regular Assessments shall be levied on a calendar year basis ("Assessment period") and shall be due and payable quarterly in advance on December 31, March 31, June 30 and September 30, or in such other manner as the Board of the Association may from time to time establish. The Regular Assessments for the first Assessment period (including any partial calendar year preceding the first full calendar year) shall be levied and fixed by resolution of the Board of the Association on the basis of one-half acre or major fraction thereof held by each Owner and shall be in an amount which bears the same relationship to said Assessment as the remaining number of months in that year bears to twelve (12); provided, however, that after consideration of current maintenance costs and future needs of the Association, said Assessment may be reduced by resolution of the Board of the Association. The first Regular Assessment shall be due and payable as determined by resolution of the Board of the Association. The due date of any Enclave Assessment or other special assessment under Section 12.2 shall be fixed in the resolution authorizing such Assessment.

13.5 Assessment Procedures. At least thirty (30) days in advance of each Assessment period following the first Assessment period, the Board shall estimate the total Common Area expenses to be incurred by the Association for such forthcoming Assessment period and shall at that time determine and fix the amount of the regular Assessment against each Parcel subject thereto for such Assessment period. Written notice of such regular Assessment shall be sent to every owner subject thereto at least fifteen (15) days in advance of each Assessment period. Each Owner shall thereafter pay to the Association his regular Assessment in quarterly installments as hereinbefore provided. In the event the Board shall determine at any time that the Regular Assessments levied for the current Assessment period are, or will become, inadequate to meet all Common Area expenses for any reason, it shall immediately determine the approximate amount of such inadequacy, issue a supplemental estimate of the Common Area expenses and revise and fix the amount of Regular Assessments against each Owner.

13.6 Certificate of Payment. Upon demand, the Association shall furnish to any Owner liable for Regular or Special Assessments a certificate in writing signed by an officer of the Association setting forth whether said Assessments or any portion thereof have been paid. Such certificate shall be conclusive evidence of payment of any Assessments or portion thereof therein stated to have been paid. A reasonable charge may be made by the Board of the issuance of any such certificate.

13.7 Assessment of Parcels Owned by Declarant. The Declarant shall possess all the rights of an Owner with respect to each Parcel owned

by the Declarant, until the same is conveyed to a purchaser of such Parcel. The Declarant, however, shall not be liable for or charged with any Assessment, Common Area charge or common expense, or any portion thereof, with respect to any Parcel owned by it. This exemption from the obligation to pay common charges shall cease with respect to a Parcel owned by the Declarant: (a) when such Parcel is conveyed by the Declarant to a third party purchaser; or (b) at such time as the Declarant leases the Parcel; applies to the Design Review Committee for permission to erect an Improvement on the Parcel or commences construction of an Improvement on the Parcel or commences construction of an Improvement on the Parcel; whichever shall first occur. In no event shall this exemption inure to the benefit of any party other than Declarant. While this exemption is in effect with respect to any Parcel owned by Declarant, the Board shall, to the extent attainable, secure a rider to the master liability policy extending the coverage of such policy to such Lots and improvements thereto held by Declarant, as long as the same remain unoccupied. Such rider shall name Declarant as an additional insured, and the cost of such coverage (if any) shall be borne by Declarant. The terms of this paragraph shall supersede any contrary direction, expressed or implied, contained in any other provision of this Declaration.

**13.8      Nonuse and Abandonment.** No Owner may waive or otherwise escape personal liability for the Assessments provided for herein by nonuse of the Common Area or abandonment of his Parcel.

**13.9      Uniform Rate of Assessment.** Both Regular and Special Assessments shall be fixed at a uniform rate for all Parcels.

**13.10    Exempt Property.** The following property subject to this Declaration shall be exempt from the Assessments, charges and liens created herein:

- a. All properties dedicated to and accepted by a local public authority.
- b. All Common Areas.
- c. All properties exempted from taxation by the laws of the State of Washington, upon the terms and to the extent of such legal exemption.

Notwithstanding any provision herein, no Real Property or improvements devoted to commercial or industrial use shall be exempt from said Assessments, charges or liens.

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14.

NONPAYMENT OF ASSESSMENTS

14.1 Delinquency and Remedies of Association. If any Assessment, Regular, Single Benefit, Enclave Benefit, Capital or Reconstruction, or any portion thereof, including Common Area charges, is not paid on the date when due, then such Assessment or portion thereof shall become delinquent and shall, together with interest and costs of collection as provided below, thereupon become a continuing lien on the Parcel against which such Assessment was made as more particularly described in Article 13 above. If the Assessment or any portion thereof is not paid within thirty (30) days after the delinquency date, it shall bear interest from the date of delinquency at the then legal rate and, in addition to all other legal and equitable rights or remedies, the Association may, at its option, bring an action at law against the Owner personally obligated to pay the same; or, upon compliance with the notice provisions set forth in Section 14.2 below, to foreclose the lien against the Parcel, and there shall be added to the amount of such Assessment or any portion thereof and interest thereon all costs and expenses, including reasonable attorneys' fees incurred by the Association in collection of the delinquent Assessment. In lieu of judicially foreclosing the lien, the Association, at its option, may foreclose such lien by proceeding under a power of sale as provided below in Section 14.3, such power of sale being given to the Association as to each and every Parcel for the purpose of collecting delinquent Assessments. Declarant and each Owner vests in the Association, its successors or assigns, the right and power to bring all actions of law or lien foreclosures against such Owner or other Owners for purposes of collecting delinquent Assessments.

14.2 Notice of Claim of Lien. No action shall be brought to foreclose the lien or to proceed under the power of sale less than thirty (30) days after the date of a notice of claim of lien, executed by a duly authorized representative of the Association, is recorded with the Whatcom County Recorder, said notice stating the amount claimed (which may include interest and costs of collection, including reasonable attorneys' fees), a good and sufficient legal description of the Parcel being assessed, the name of the Record Owner or reputed Owner thereof, and the name and address of the Association as claimant. A copy of said notice of claim shall be deposited in the United States mail, certified or registered, with postage thereon fully prepaid, to the Owner of the Parcel.

14.3 Foreclosure Sale. Any such sale provided for above shall be conducted in accordance with the provisions of Sections 14.3 through

14.6, inclusive, RCW Title 61, or any similar statute which may be adopted subsequent to the date hereof, applicable to the exercise of powers of sale in mortgages and deeds of trust, or in any other manner permitted or provided by law. The Association, through its duly authorized agents, shall have the power to bid on the Parcel at foreclosure sale and to acquire and hold, lease, Mortgage and convey the same.

14.4        Curing of Default. Upon the timely curing of any default for which a notice of claim of lien was recorded by the Association, the officers of the Association are hereby authorized to file or Record, as the case may be, an appropriate release of such notice, upon payment by the defaulting Owner of a fee to be determined by the Association, to cover the costs of preparing and filing or recording such release together with the payment of such other costs, interest or fees as shall have been incurred.

14.5        Cumulative Remedies. The Assessment lien and the rights to foreclosure and sale thereunder shall be in addition to and not in substitution for all other rights and remedies which the Association and its assigns may have hereunder and by law or in equity.

14.6        Subordination of the Lien to Mortgages. The lien of the Assessments provided for herein shall be subordinate to the lien of any first deed of trust or first Mortgage now or hereafter placed upon any of the Parcels within the Real Property subject to Assessment; provided, however, that such subordination shall apply only to the Assessments which have become due and payable prior to a sale or transfer of such Parcel pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such Parcel from liability for any Assessments thereafter becoming due nor from the lien of any such subsequent Assessment.

## 15.

ENFORCEMENT

15.1 Default and Remedies. In the event of any breach, violation or failure to perform or satisfy any of the terms, covenants, conditions, and restrictions of this Declaration which has not been cured within thirty (30) days after written notice from Declarant, the Board, the Association, or any Owner or Member to do so, Declarant, the Association, or any Owner or Member, at the sole option and discretion of each of them, may enforce any one or more of the following remedies or any other rights or remedies to which they may be entitled by law or equity, whether or not set forth herein. All remedies provided herein or by law or equity shall be cumulative and not mutually exclusive.

- a. Damages. Declarant, the Board, the Association, or any Owner or Member may, independently or collectively, bring a suit for damages for any compensable breach of, or noncompliance with, any of the provisions of this Declaration or for declaratory relief to determine the enforceability of any of the provisions of this Declaration.
- b. Equity. It is recognized that a violation by an Owner of any of the provisions of this Declaration may cause Declarant, the Association, or any other Owner or Member to suffer material injury or damage not compensable in money and that Declarant, the Association, any Member, or any of them, shall be entitled to bring an action in equity or otherwise for an Injunction or for specific performance to enforce compliance with the provisions of this Declaration.

15.2 Waiver. No waiver by Declarant, the Board, or the Association or an Owner of a breach of any of these covenants, conditions and restrictions and no delay or failure to enforce any of these covenants, conditions and restrictions shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other of these covenants, conditions and restrictions. No waiver by Declarant, the Board, the Association, or an Owner of any breach or default hereunder shall be implied from any omission by any of them to take any action on account of such breach or default if such breach or default persists or is repeated and no express waiver shall affect a breach or default other than as specified in said waiver. The consent or approval by Declarant, the Board, the Association, or an Owner to or of any act by an Owner requiring

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Declarant's consent or approval shall not be deemed to waive or render unnecessary Declarant's consent or approval to or of any subsequent similar acts by Owner.

**15.3** Costs of Enforcement. In the event any legal or equitable action or proceeding shall be instituted to enforce any provision of these covenants, conditions and restrictions, the party prevailing in such action shall be entitled to recover from the losing party all of its costs, including court costs and reasonable attorneys' fees.

**16.**

**DESTRUCTION OF COMMON AREA IMPROVEMENTS**

16.1 Destruction of Common Area Improvements. In the event of a partial or total destruction of Improvements upon the Common Area, it shall be the duty of the Association to restore and repair the same to their former condition as promptly as is practicable and in a lawful and workmanlike manner. The proceeds of any insurance maintained pursuant hereto shall be used for such purpose, subject to the prior rights of mortgagees whose interests may be protected by said policies. In the event that the amount available from the proceeds of such insurance policies for such restoration and repair shall be at least eighty-five percent (85%) of the estimated cost of restoration and repair, a Reconstruction Assessment may be levied by the Association to provide the necessary funds for such reconstruction and repair, over and above the amount of any insurance proceeds available for such purpose, and such Assessment may be enforced under the lien provisions contained in Articles 14 and 15, or in any other manner provided in this Declaration. In the event that the amount available from the proceeds of such insurance policies for such restoration and repair shall be less than eighty-five percent (85%) of the estimated cost of restoration and repair, the Improvements shall not be replaced or restored unless approved by the vote or written consent of Members entitled to exercise two-thirds (2/3) of the voting power of the membership of the Association. Notwithstanding the foregoing, unless at least seventy-five percent (75%) of the mortgagees holding a first lien based on one (1) vote for each Mortgagee, have given their prior written approval, the Association shall not be entitled to use hazard proceeds for losses to any Common Area for other than the repair, replacement or reconstruction of such Improvements. In the event of a determination not to replace or restore the Improvements on the Common Area, the Common Area shall be cleared; provided, however, that there shall exist in such Common Area adequate vehicular and pedestrian rights-of-way for the Owners of Parcels to insure legal access thereto, and the costs thereof shall be paid for with the insurance proceeds, and any deficiency may be raised by the levy of Reconstruction Assessments in an amount determined by the Board of the Association, and such Assessments may be enforced under the lien provisions contained in Articles 14 and 15, or in any other manner provided in this Declaration. In the event any excess insurance proceeds remain, the Board shall retain such sums in the general funds of the Association. Notwithstanding anything to the contrary contained in this Article 16, the distribution of any insurance proceeds for any damage or destruction to the Common Area shall be subject to the prior rights of the mortgagees.

## 17.

EMINENT DOMAIN - COMMON AREA

17.1 Eminent Domain - Common Area. The term "taking" as used in this Article shall mean condemnation by eminent domain or sale under threat of condemnation. In the event of a threatened taking of all or any portion of the Common Area, the Members hereby appoint the Board of the Association and such persons as the Board of the Association may delegate to represent all of the Members in connection with the taking. The Board shall act in its sole discretion with respect to any awards made in connection with the taking and shall be entitled to make a voluntary sale to the condemnor in lieu of engaging in a condemnation action. Any awards received on account of the taking shall be paid to the Association. In the event of a taking of less than all of the Common Area, the rules as to restoration and replacement of the Common Area and the improvements thereon shall apply as in the case of destruction of improvements upon the Common Area. In the event of a total taking, the Board shall retain any award in the general funds of the Association. Notwithstanding anything to the contrary in this Article 17, the distribution of any award or awards for a taking of all or any portion of the Common Area shall be subject to the prior rights of mortgagees under deeds of trust. On a sale or on a taking that renders more than fifty percent (50%) of the Parcels in the Business Park uninhabitable, the right of any Owner to partition through legal action shall revive immediately.



18.

NON-SEVERABILITY OF COMPONENT INTEREST IN A LOT

18.1 Prohibition Against Severance. An Owner shall not be entitled to sever his Parcel from his membership in the Association, and shall not be entitled to sever his Parcel from his undivided interest in the Common Area for any purposes. None of the component interests can be severally sold, conveyed, encumbered, hypothecated or otherwise dealt with, and any violation or attempted violation of this provision shall be void. Similarly, no Owner can sever any easement appurtenant to his Parcel over the Common Area from his Parcel, and any attempt so to do shall be void.

18.2 Conveyances. After the initial sales of the Parcels, any conveyance of a Parcel, or of the component interest in the Common Area, by the Owner of any Parcel, shall be presumed to convey the entire Parcel; however, nothing contained in this section shall preclude the Owner of any Parcel from creating a cotenancy in the ownership of the Parcel with any other Person or persons.

19.

DURATION, MODIFICATION AND TERMINATION

19.1 Duration of Declaration. This Declaration shall continue and remain in full force and effect at all times with respect to all Real Property and each part thereof, now and hereafter made subject thereto (subject, however, to the right to amend and repeal as provided for herein) until January 1, 2007. Unless within one (1) year prior to January 1, 2007, there shall be recorded an instrument directing the termination of this Declaration signed by Owners of not less than two-thirds (2/3) of the total acreage of Real Property then subject to this Declaration, this Declaration shall be continued automatically without any further notice for an additional period of ten (10) years and thereafter for successive periods of ten (10) years, unless within one (1) year prior to the expiration of any such period this Declaration is terminated as set forth above in this paragraph.

19.2 Amendment and Termination. This Declaration or any provision hereof or any covenant, condition or restriction contained herein may be terminated, extended, modified or amended as to the whole of said Real Property or any portion thereof only by an instrument in writing signed by Owners (including Declarant) holding not less than two-thirds (2/3) of the voting power of the Class A and Class B membership. No such termination, extension, modification or amendment shall be effective until a proper instrument in writing has been executed, acknowledged and recorded in the Official Records of Whatcom County, Washington.

20.

EXEMPTION

20.1 Exemption of Declarant. Nothing in this Declaration shall limit the right of Declarant or its affiliates to complete excavation, grading and construction of minor improvements on any property within the development owned by Declarant or to alter the same or to construct such additional minor improvements as Declarant deems advisable in the course of development of the Cordata Business Park, so long as any Parcel in the Business Park remains unsold. Declarant and its affiliates shall have the right to make reasonable use of any and all Association property, including areas within the Cordata Business Park, for ingress, egress, sales, development and minor construction purposes and all other purposes incidental thereto. Declarant need not seek or obtain Design Review Committee approval of any minor improvements constructed or placed by Declarant on any property within the development owned by Declarant so long as any Parcel in the Real Property remains unsold and so long as the Declarant owns any Parcel. Notwithstanding any of the foregoing, such exemption shall not be interpreted to grant the Declarant exemption from DRC review and approval for the purposes of building construction and other major improvements.

21.

OWNER'S COVENANTS OF ACCEPTANCE

21.1 Project Documents. By its acceptance of a deed to a Parcel, each Owner and its successors and assigns is and shall be conclusively deemed to have examined and accepted this Declaration and any amendments thereto, and all of the other Project Documents as they are described in Article 5 of this Declaration.

21.2 Constructive Notice and Acceptance. Every Person who now or hereafter owns, occupies, or acquires any right, title, or interest in or to any portion of the Real Property is and shall be conclusively deemed to have consented and agreed to every covenant, condition and restriction herein contained, whether or not any reference to this Declaration is contained in the instrument by which such Person acquired an interest in said property.

21.3 Mutuality; Reciprocity; Runs with Land. All restrictions, conditions, covenants and agreements contained herein are made for the direct, mutual and reciprocal benefit of each and every part and Parcel of the Real Property; shall create reciprocal rights and obligations between the respective Owners of all Parcels and privity of contract and estate between all Owners of said Parcels, their heirs, successors and assigns; and shall, as to the Owner of each Parcel, his heirs, successors and assigns, operate as covenants running with the land for the benefit of all other Parcels.

1546328

Patti Rao Associates, Inc.

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22.

GENERAL PROVISIONS

22.1 Captions. The paragraph headings or captions used herein are for convenience only and are not a part of this instrument and do not in any way limit, define or amplify the scope or intent of the terms and provisions hereof.

22.2 Invalidity of Provision. If any provision of this Declaration as applied to Declarant or any Owner or to any circumstance shall be adjudged by a court of competent jurisdiction to be void or unenforceable for any reason, the same shall in no way affect (to the maximum extent permissible by law) any other provision of this Declaration, the application of any such provision under circumstances different from those adjudicated by the court, or the validity or enforceability of this Declaration as a whole.

22.3 Notices. All notices, consents, requests, demands and other communications provided for herein shall be in writing and shall be deemed to have been duly given if and when personally served or 24 hours after being sent by United States certified or registered mail, return receipt requested, postage prepaid, to the intended party at its last known address.

22.4 Waiver. Neither Declarant nor its successors or assigns shall be liable to any Owner, licensee or occupant of Real Property subject to the Declaration by reason of any mistake in judgment, negligence, nonfeasance action or inaction or for the enforcement or failure to enforce any provision in this Declaration. Every Owner, lessee, licensee or occupant of any of said Real Property by acquiring his interest therein agrees that he will not bring any action or suit against Declarant to recover any such damages or seek equitable relief against Declarant on account of the provisions of this Declaration.

22.5 Mortgagee Protection. No breach of this Declaration and any other provisions contained herein shall defeat or render invalid the lien of any deed of trust or Mortgage now or hereafter executed upon any portion of the Real Property; provided, however, that if any portion of the Real Property is sold under a foreclosure of or under the provisions of any deed of trust or Mortgage, any purchaser at such sale and his successors and assigns shall hold any and all Real Property so purchased subject to all of the provisions of this Declaration.

22.6 Force Majeure. The time for performance of any acts herein specified to be done shall be extended for a reasonable period of time in

the event of acts of God or other similar or dissimilar acts beyond the reasonable control of Declarant or any Person, financial inability excepted, but in no event shall such time for performance be extended for a period of time longer than one year beyond the time specified.

22.7 No Rights Given to Public. Nothing contained in this Declaration shall be deemed to be a gift or dedication of any portion of the Real Property to the general public or for any public use or purpose.

22.8 Singular Includes Plural. Whenever the context of this Declaration requires, the singular shall include the plural and the masculine shall include the feminine and the neuter.

22.9 Nuisance. The result of every act or omission, whereby any provision, condition, restriction, covenant, easement or reservation contained in this Declaration is violated in whole or in part, is hereby declared to be and constitutes a nuisance, and every remedy allowed by law or equity against the nuisance either public or private shall be applicable against every such nuisance and may be exercised by the Association or any Owner, Member, or Declarant. Such remedies shall be deemed cumulative and not exclusive.

22.10 Attorneys' Fees. In the event action is instituted to enforce any of the provisions contained in this Declaration, the party prevailing in such action shall be entitled to recover from the non-prevailing party thereto reasonable attorneys' fees and costs of such suit.

22.11 Effective Declaration. This Declaration is made for the purposes set forth in Article I and Declarant makes no warranties or representations, expressed or implied, as to the binding effect or enforceability of all or any portion of this Declaration or as to the compliance of any of these provisions with public laws, ordinances and Regulations applicable thereto.

22.12 Personal Covenant. To the extent the acceptance of a conveyance of a Parcel creates a personal covenant between the Owner of such Parcel and Declarant or other Owners, such personal covenant shall terminate and be of no further force and effect from and after the date when a Person or entity ceases to be an Owner except to the extent this Declaration may provide otherwise with respect to the payment of money to the Association.

22.13 Termination of Declarant's Responsibility. In the event Declarant shall convey all of its rights, title and interest in and to the Real Property to any Person, or to the extent Declarant shall own any Parcel with Improvements located thereon which Improvements are held by Declarant for its own use, for long-term appreciation, or for lease, and

Patti Rao Associates, Inc.

**1546328**

Declarant shall hold no Parcel for immediate sale to any other Person, then Declarant shall be relieved of the performance of any further duty or obligation hereunder, and the Association shall assume all of the duties, powers and obligations of Declarant hereunder.

1546328

Patti Rao Associates, Inc.

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23.

EXTENSION OF COVENANTS TO ADJOINING LANDS

23.1 Procedure for Extension of Covenants to Adjoining Lands. Any Owners or Owners of land that adjoins the land already subject to this Declaration (which for this purpose would include land separated only by a street, roadway, right-of-way or easement) may apply to the DRC to have said adjoining land made subject hereto. With the written approval of the DRC to subject such adjoining land to this Declaration, the Owner or Owners thereof may make such land subject hereto by executing an instrument in writing for that purpose and by recording the same in the Real Property records of Whatcom County or Bellingham, Washington. Upon such recordation, this Declaration shall run with the land already subject hereto and with such adjoining land as if said Declaration had always applied to all of said land from its inception, and shall inure to the benefit of and be binding upon such land, and anyone having an interest therein, as tenants or otherwise, their respective heirs, successors, and assigns. The sworn statement of persons declaring themselves to be the DRC and approving the subjecting of such land to this Declaration shall be conclusive evidence of compliance with this provision.



These protective covenants are approved this 13th day of August, 1986.

By X. David R. Lyne

DAVID R. SYRE

~~Thomas B. Crowley~~  
THOMAS B. CROWLEY  
by David Syre

STATE OF WASHINGTON )  
 ) SS  
COUNTY OF WHATCOM )

On this 13 day of August 1986, personally appeared before me David R. Surr, to me known to be the President of the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned.

Given under my hand and official seal this 13 day of August 1988

Charles A. Woburn  
Notary Public in and for the State  
of Washington, residing at  
Bellingham

LIBR. 01814874

1546328

STATE OF WASHINGTON )  
 ) 88  
COUNTY OF WHATCOM )

On this 13 day of August 1986, personally appeared before me  
David R. Syre to me known to be the individual  
described in and who executed the within and foregoing instrument and  
acknowledged to me that he signed the same as his free and voluntary  
act and deed for the purposes therein mentioned.

Given under my hand and official seal this 13 day of August  
1986.

Cynthia M. Wilson  
Notary Public in and for the State  
of Washington, residing at  
Bellingham

STATE OF WASHINGTON )  
 ) 88  
COUNTY OF WHATCOM )

On this 13 day of August 1986, before me, the undersigned, a  
Notary Public in and for the State of Washington, duly commissioned and  
sworn, personally appeared David R. Syre  
to me known to be the individual described in, and who executed the  
within instrument for him self and also as the Attorney in Fact for  
Thomas B. Cowley and acknowledged to me that he signed and sealed  
the same as his own free and voluntary act and deed for him self, and  
also as his free and voluntary act and deed as Attorney in Fact  
for said Thomas B. Cowley in the capacity and for the uses and purposes  
therein mentioned, and that said principal is not deceased nor incompetent.

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

Cynthia M. Wilson  
Notary Public in and for the State of  
Washington, residing at Bellingham

040...1875



Construction Surveyors  
NORTHWEST, INC.  
1500 "I" Street

EXHIBIT A

Bellingham, Washington 98225  
May 8, 1980

**1546328**

LEGAL DESCRIPTIONS FOR TRILLIUM CORPORATION

WILDER PROJECT - #8010

SOUTHERLY PARCEL

All of Blocks 50, 51, 70, 71, 74, 75, 78 and 79, Plat of Bakerview Addition to the City of Bellingham, Whatcom County, Washington as per the map thereof, recorded in Book 7 of Plats, Pages 40 to 45, inclusive, in the Auditor's Office of said county and state.

ALSO all of Blocks 44, 45, 47 and 48 of said Bakerview Addition, EXCEPT the Westerly 30 feet of said Blocks 44 and 48 and EXCEPT the Easterly 30 feet of said Blocks 45 and 47, TOGETHER WITH vacated June and Allans Roads abutting the above portions of said Blocks 44, 45, 47 and 48.

ALSO that portion of Block 73, said Bakerview Addition lying Easterly of the following described line: Beginning at the Northwest Corner of said Lot 73; Thence North  $89^{\circ}45'25''$  East along the North line of said Block 73, a distance of 631.81 feet to the True Point of Beginning; Thence South  $00^{\circ}32'12''$  West 1256.1 feet to a point on the South line of said Block 73 that is 633.85 feet East of the Southwest Corner of said Block 73;

ALSO that portion of Block 80, said Bakerview Addition lying Easterly of the following described line: Beginning at the Northwest Corner of said Block 80; Thence North  $89^{\circ}40'52''$  East along the North line of said Block 80 a distance of 631.63 feet to the True Point of Beginning; Thence South  $00^{\circ}16'42''$  West 1257.04 feet to a point on the South line of said Block 80 that is 631.75 feet East of the Southwest Corner of said Block 80;

ALSO that portion of Blocks 81 and 82, said Bakerview Addition described as follows: Beginning at the Southeast Corner of said Block 82; Thence North  $00^{\circ}15'35''$  East along the Easterly line thereof 658.14 feet; Thence South  $89^{\circ}55'42''$  West 2586.13 feet to the Westerly line of said Block 81; Thence South  $00^{\circ}17'04''$  West along said Westerly line 654.28 feet to the Southwest Corner thereof; Thence North  $89^{\circ}40'52''$  East along the Southerly line of said Blocks 81 and 82 a distance of 2586.48 feet to the Point of Beginning.

SUBJECT TO Easements of record.

BOOK 018 PAGE 1876

Containing approximately 532 acres.

Exhibit A Continued

Lots 5, 6, 7, 8 and 10, Block 2, "Bakerview Addition to the City of Bellingham," according to the Plat thereof, recorded in volume 7 or plats, pages 40 to 45, inclusive, records of Whatcom County, Washington.

Situate in Whatcom County, Washington.

Lot A and Lot 13, Block 46, Bakerview Addition to the City of Bellingham, Whatcom County, Washington, as per the map thereof recorded in Book 7 of Plats, pages 40 to 45 inclusive, in the Auditor's Office of said County and State.

Lots 9, 10, 11 and 12, Block 46, Bakerview Addition to the City of Bellingham, Whatcom County, Washington as per map thereof recorded in Book 7 of Plats, Page 40 and 45 inclusive in the Auditors Office, records of Whatcom County, Washington.

Tract 1, "Seeger's Baker View Tracts," Whatcom County, Washington, as per the map thereof, recorded in Book 7 of Plats, page 48 in the Auditor's File of said county and State, together with the East half of the Northeast quarter of the Southwest quarter of the Southeast quarter of Section 12, Township 38 North, Range 2 East of W.M. less roads.

1602065

Amended Article 19  
Protective Covenants of the Cordata Business Park

This amended and restated Article 19 of the Protective Covenants of the Cordata Business Park dated as of 1/17/88, 1988, is by the Trillium Corporation, a Washington corporation ("Declarant").

RECITALS

WHEREAS Declarant is the owner of certain real property commonly referred to as Cordata Business Park located in Whatcom County, Washington and more fully described in Attachment A attached hereto and by this reference made a part hereof (the "Entire Property"). AND,

WHEREAS All portions of the entire property are subject to the Declaration of Protective Covenants of the Cordata Business Park dated August 13, 1986 and recorded on August 14, 1986 under Whatcom County Auditor's File Number 1546328. AND,

WHEREAS The language of Article 19 of the Declaration of Protective Covenants as filed is not consistent with the conditions of the approval granted by Whatcom County for the Cordata Business Park. AND,

WHEREAS It is the desire of the Declarant, and other parties with ownership interest in the Cordata Business Park, that Article 19 be amended to be consistent with those conditions of approval.

NOW, THEREFORE, Declarant hereby amends and restates Article 19 of the Declaration of Protective Covenants of the Cordata Business Park as follows:

19.

DURATION, MODIFICATION AND TERMINATION

19.1 Duration of Declaration. This declaration shall continue and remain in full force and effect at all times with respect to all Real Property and each part thereof, now and hereafter made subject thereto (subject, however to the right to amend and repeal as provided for herein) until January 1, 2007. Unless within one (1) year prior to January 1 2007, there shall be recorded an instrument directing the termination of this Declaration signed by Owners of not less than two-thirds (2/3) of the total acreage of Real Property then subject to this Declaration and approved by Whatcom County or a successor municipal jurisdiction, this Declaration shall be continued automatically without any further notice for an additional period of the (10) years and thereafter for successive periods of ten (10) years, unless within one (1) year prior to the expiration of any such period this Declaration is terminated as set forth above in this paragraph.

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19.2 Amendment and Termination. This Declaration or any provision hereof or any covenant, condition or restriction contained herein may be terminated, extended modified or amended as to the whole of said Real Property or any portion thereof only by an instrument in writing signed by Owners (including Declarant) holding not less than two-thirds (2/3) of the voting power of the Class A and Class B membership. No such termination, extension modification or amendment shall be effective until reviewed and approved by Whatcom County or a successor municipal jurisdiction and a proper instrument in writing has been executed, acknowledged and recorded in the Official Records of Whatcom County, Washington. Provided that if, upon review, the municipal jurisdiction determines the change to be minor, no approval by the jurisdiction shall be required. If the jurisdiction determines the change to be major it shall be processed as an amendment to the P.U.D..

IN WITNESS WHEREOF, Declarant has executed this Amendment of Article 19 of the Declaration of Protective Covenants of the Cordata Business Park as of the date first above written.

Dated this 1 day of July, 1988.

Revision approved by Whatcom County pursuant to condition #39 of the Cordata P.U.D. approval dated June 16, 1986. NOTE: The county recognizes that the reference to Article 20 in that condition is an error. The Article number referenced should be 19.

John Tyler  
John Tyler Deputy Administrator  
Division of Buildings and Code Admin.

THE TRILLIUM CORPORATION  
a Washington Corporation

By: David R. Syre  
David R. Syre  
President

CORDATA I LIMITED PARTNERSHIP

By: David R. Syre  
David R. Syre, General Partner

DAVID R. AND KAY E. SYRE

David R. Syre

*Vol 68 page 17229*

1602065

*Kay E. Syre by David R. Syre*  
Kay E. Syre by David R. Syre  
her attorney in fact

STATE OF WASHINGTON )  
 ) SS  
COUNTY OF WHATCOM )

On this 5 day of July, 1988, before me, personally appeared David R. Syre, to me known to be the President of the corporation that executed the within and 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 this instrument.

In Witness Whereof, I have hereunto set my hand and affixed my official seal the day and year first above written.

*Stephen M. Nelson*  
Notary Public in and for the State  
of Washington, residing at Bellingham.

My Commission Expires: 7.1.90

STATE OF WASHINGTON )  
 ) SS  
COUNTY OF WHATCOM )

This is to certify that on the 5 day of July, 1988, before me, the undersigned, a Notary Public, personally appeared David R. Syre, to me known to be the general partner of Cordata I Limited Partnership, a limited partnership and acknowledged the said instrument to be the free and voluntary act and deed of said general partner for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute the said instrument.

Witness my hand and official seal hereto affixed the day and year first above written.

*Stephen M. Nelson*  
Notary Public in and for the State of  
Washington, residing at Bellingham.

My Commission expires: 7.1.90

*Vol 68 page 1730*

1602065

STATE OF WASHINGTON )  
 ) SS  
COUNTY OF WHATCOM )

On this 27 day of July, 1988, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared David R. Syre, to me known to be the individual described in, and who executed the within instrument for himself and also as the Attorney in Fact for Kay E. Syre and acknowledged to me that he signed and sealed the same as his own free and voluntary act and deed for himself, and also as his free and voluntary act and deed as Attorney in Fact for said Kay E. Syre in the capacity and for the uses and purposes therein mentioned, and that said principal is not deceased nor incompetent.

In Witness Whereof, I have hereunto set my hand and affixed my official seal the day and year first above written.

Stephen M. Miller  
Notary Public in and for the State of  
Washington, residing at Bellingham.

My commission expires: 6-10-90

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