Evelyn L. Arnold, Auditor, Chelan County, WA. AFN # 2310462 Recorded 08/28/2009 at 03:08 PM, COVEN Page: 1 of 34 Filing Instrument \$95.00 FIRST AMERICAN TITLE - WENATCHEE

Filed for and return to:

OGDEN MURPHY WALLACE, P.L.L.C. 1 Fifth Street, Suite 200 PO Box 1606 Wenatchee WA 98807-1606

1242453 DN

The information contained in this boxed section is for recording purposes only pursuant to RCW 36.18 and RCW 65.04, and is not to be relied upon for any other purpose, and shall not affect the intent of or any warranty contained in the document itself.

Grantor(s): The Port of Chelan County Grantee(s): The Port of Chelan County

Reference Number(s) of Documents Assigned or Released: N/A

Abbreviated Legal Description: Ptn of Lot E-1 of Certificate of Exemption 2003-012, Chelan County,

WA, a/k/a Parcel B, BLA 2008-50, Chelan County, WA

Complete or Additional Legal Description on Exhibit "A" of Document.

Assessor's Parcel Number(s): 232028110800

COVENANTS, CONDITIONS AND RESTRICTIONS SKILLS CENTER PROPERTY OLDS STATION BUSINESS PARK, PORT OF CHELAN COUNTY

1. INTRODUCTION.

1.1 The Port of Chelan County ("Port"), is the owner of real property legally described as follows (the "Property"):

See Exhibit "A" attached hereto and incorporated herein by this reference.

The Port hereby establishes limitations, conditions, restrictions and covenants ("Covenants") that will run with the Property and are binding upon all persons owning or using the Property. In the event any part of the Property is sold, these Covenants shall remain as binding covenants on the Property after the sale. The Covenants are for the benefit of the Property and all other real property currently owned by the Port located within the Olds Station Business Park located east of Easy Street and South of Penny Road, Olds Station, Chelan County, Washington (collectively referred to as the "Benefited Property", as appropriate). A

AFN # 2310462 Page: 2 of 34

general depiction of the Property is attached as Exhibit "B," which is attached hereto and incorporated herein by this reference.

- 1.2 These Covenants do not modify or supercede any easements or other documents of record that encumber or are for the benefit of the Property.
- 1.3 The Port reserves the right, in its sole determination, to grant variances from the Covenants that are not inconsistent with existing state or county legal or regulatory limitations to provide maximum flexibility for expansion and adaptation of the Property for public instructional purposes. In addition to complying with these Covenants, all Occupants must comply with zoning, building restrictions, permit and similar regulations and requirements now or hereafter enacted by recognized governmental authorities. Where any provision of the Covenants regulate any matter that is also regulated by a zoning or building regulation, the higher (i.e. the more restrictive) standard shall apply.
- The use, development and improvement of the Property shall be in conformity 1.4 with the Covenants. In recognition of the Buildings currently existing on the Property, it is the intent of these Covenants to allow the Owners and Occupants the ability to preserve and maintain the Buildings that currently exist on the Property. The Port also recognizes that the existing Buildings are not easily modified and therefore supports the creative and adaptive reuse of said Buildings. In furtherance of this recognition, there are several instances throughout these Covenants where the Buildings that currently exist on the Property are exempt from the applicable covenant, condition or restriction. For example, buildings existing as of January 1, 2008 shall not be subject to many of the Covenants set forth in Sections 7, 8, 9 and 10, below. Remodels or alterations to Buildings in existence as of January 1, 2008, that preserve or maintain the existing structures and employ creative and adaptive reuse of Buildings for public instructional purposes (as defined in Section 3.5, below) shall be reviewed primarily as part of the process outlined in Sections 20 through 23, below, and the variance process outlined in Section 28, below. It is not the intent of the Port to create a situation where the Property is in violation of these Covenants on the date these Covenants are recorded. In other words, any noncompliance with the Covenants existing as of the date this document is recorded shall not be a violation of the Covenants.

2. **DEFINITIONS.**

- 2.1 "Building" or "Structure" are synonymous and mean any building or structure on the Property, and include, but are not limited to, such things as the main structures on a Lot and all additions thereto, including covered walkways, parking garages and all ancillary and secondary Buildings and Structures.
- 2.2 "Other Improvements" means any physical addition to a Lot other than a Building or Structure. Other Improvements include, but are not limited to, paved areas, walkways, fences, pillars, free-standing light fixtures and the like.

AFN # 2310462 Page: 3 of 34

- 2.3 "Setback" means the distance between the outermost portion of a Building and a Property Line (as defined in Section 8.1, below). See Section 8, below.
- 2.4 "Height" means the total vertical distance between the uppermost portion of any Building or Other Improvement and the average of the finish perimeter grade levels of all sides of the Building or Other Improvement.
- 2.5 "Street" means any street, road, drive, or thoroughfare which by nature of its location within the confines of the development is for the use of the general public and includes the access roads established by the Port.
- 2.6 "Lot" means any portion of the Property specifically described or otherwise allocated or delineated for use within defined or depicted boundaries. The Property is currently one legal parcel of record and future division of the Property into two or more parcels of record is expressly prohibited, unless the advance written approval of the Port is obtained (which approval the Port is not required to give).
- 2.7 "Occupant" means any person or entity using the Property, whether that use is temporary or long term, including the use by one who is a tenant, owner, permittee, licensee, guest, invitee, trespasser, or entity holding another relationship to a Lot which would make that person or entity a prime or dominant user of the Lot or any Structures thereon.
- 2.8 "Owner" means the owner of record of a Lot or any Structure on a Lot, and the owner(s) of record of the Property.
- 2.9 "Sign" means any device which publicly displays material or information regardless of the method of the display and regardless of where located, which is visible from outside a Building.
- 2.10 Unless otherwise clear from approved Plans (as defined below) or from the context, the "front" of a Building is the exterior portion of a Building with the main visitor entrance, the "back" of a Building is the exterior portion opposite the front, and the "side" of a Building means that portion of the exterior of a Building which is not the front, the back, or the roof.
- 2.11 The word "remodel" shall be broadly construed to encompass all significant visible exterior or interior alterations or changes to a Building, Other Improvements, or the Lot, including but not limited to any alternation requiring a building permit from the local governmental entity with jurisdiction to issue building permits.
 - 2.12 A "Nuisance" shall include, but not be limited to, any of the following conditions:
 - 2.12.1 Any use, excluding reasonable construction activity, on the Property that emits dust, sweepings, dirt, or cinders into the atmosphere, or discharges liquid, solid

AFN # 2310462 Page: 4 of 34

wastes, or other matter into any stream, river, or other waterway that may adversely affect the health, safety, comfort of, or intended use of the Benefited Property.

- 2.12.2 The discharge of waste or any substance or materials of any kind into any public sewer serving the Property or any part thereof in violation of any regulation of any public body having jurisdiction over such public sewer; or
- 2.12.3 The escape or discharge of any fumes, odors, gases, vapors, steam, acids, or other substance into the atmosphere, which discharge may be detrimental to the health, safety, or welfare of any person or may interfere with the comfort of persons within the area, including the Benefited Property, or may be harmful to property or vegetation; or
- 2.12.4 The radiation or discharge of intense glare or heat, or atomic, electromagnetic, microwaves, ultrasonic, laser, or other radiation. Any operation producing intense glare or heat or such other radiation which is performed only within an enclosed or screened area and then only in such manner that the glare, heat, or radiation emitted will not be discernible from any point exterior to the Building within which the operation is conducted is not a Nuisance; or
- 2.12.5 Offensive and objectionable noise or vibration. Noise shall be measured on any boundary of the Lot on which the use generating the noise is located. Noise and vibration which is muffled so as not to become objectionable due to intermittence, beat frequency, shrillness, or intensity, may be considered not to be a Nuisance. The sound pressure level shall be measured with a sound level meter and an octave band analyzer that conforms to specifications published by the American Standards Associations, as they currently exist or are hereafter amended. Such resources as American Standard Sound Level Meter for Measurement of Noise and Other Sounds, Z24.3-1944, and American Standards Specifications for an Octave-Band Filter Set for the Analysis of Noise and Other Sounds, Z24.10-1953, American Standards Association, Inc., New York, N.Y., or other resources as may be determined reasonable by the Port shall be used
- 2.12.6 Speakers broadcasting outside a Building, except as permitted by Section 3.3, below.

3. INTENDED USE.

3.1 Except as otherwise specifically provided herein or approved in writing by the Port, sixty percent (60%) of the total enclosed, interior, building space of all Buildings on the Property shall be used for public instructional purposes. With regard to the other forty percent (40%) of the enclosed, interior, building space of all Buildings on the Property, the intended and permitted use shall include administrative, educational, research, office, and commercial purposes. For purposes of these Covenants the clause "public instructional purposes" shall mean instructional and vocational educational opportunities, including facilities directly related thereto (such as a student cafeteria) conducted and provided by a school district, or educational services

AFN # 2310462 Page: 5 of 34

district, or similar public entity providing public instruction, organized and existing under the laws of the State of Washington.

- 3.2 Retail, health care and services, fitness and athletic centers, veterinary care and services, and food services, including fast food, prepared-food, take-out, drive-through, and restaurant facilities, shall be permitted within twenty percent (20%) of the total enclosed, interior building space of all Buildings on the Property, except as provided below for Prohibited Uses, only if a variance is obtained from the Port. The uses that may be included within the twenty percent (20%) limitation if a variance is obtained, is part of the forty percent (40%) limitation set forth in Section 3.1. In other words, one-half of the forty percent (40%) limitation set forth in Section 3.1 may be used for the purposes set forth in this Section 3.2 if a variance from the Port is obtained.
- 3.3 An Owner or Occupant may hold special events that are open to the public on the Property, subject to the following conditions:
 - 3.3.1 All parking shall occur on the Premises, unless the Port provides advance written approval for alternative parking arrangements.
 - 3.3.2 Occupant/Owner shall obtain all necessary permits to conduct said special events.
 - 3.3.3 Occupant/Owner shall comply with Washington law regarding noise from the special event; provided, however, that if the Port receives complaints regarding noise from the special event, Occupant/Owner shall take the steps necessary to respond to the complaint.
 - **3.3.4** The hours of operation for said special event shall be limited to 10:00 a.m. to 11:59 p.m.
 - 3.3.5 Occupant/Owner shall not exceed permitted occupancy levels for the Building on the Lot.
 - 3.3.6 There shall be no outdoor amplified music or sound. Low level, background music is permitted from outside speakers so long as the music cannot be heard from adjoining properties.
 - 3.3.7 Any temporary outdoor structures shall be in place for an amount of time not to exceed 72 consecutive hours.
 - **3.3.8** The Occupant/Owner must comply with the Covenants.
 - 3.3.9 The Port reserves the right to modify the above conditions, and to impose additional conditions if the special events interfere with the use and enjoyment of the

AFN # 2310462 Page: 6 of 34

Property or neighboring properties; provided, however that any new conditions imposed by the Port shall be reasonable and tailored to address the interference with the use and enjoyment of the Property or neighboring properties.

- 3.3.10 For purposes of this Section 3.3, "special event" is the occasional gathering of guests and invitees for a special or unique purpose, such as a wedding, anniversary, open-house, and the like. Any special event that does not comply with the above conditions is prohibited, unless advance written approval is obtained from the Port. The Port reserves the right to evaluate the conditions set forth above and the definition of a special event to determine whether modifications or additions are necessary to provide more certainty regarding the type of special event that may be held, and in so doing, adopt said modifications or additions.
- 3.4 The Property shall remain as a single lot of record and shall not be subdivided or the boundaries of the Property altered or modified in any manner without the advance written approval of the Port, which approval the Port is not required to give.
- 3.5 The Wenatchee School District and the Port have entered an Option Agreement for the purchase of the Property by the Wenatchee School District. The Option Agreement expires on or before August 15, 2008, unless the option to purchase is exercised by the Wenatchee School District as set forth in the Option Agreement. These Covenants, and in particular the restrictions and conditions set forth in this Section 3, were specifically negotiated by and between the Port and the Wenatchee School District as part of the Option Agreement. The Wenatchee School District has accepted these Covenants and agrees that if the transaction set forth in the Option Agreement closes, then the Property will be conveyed to the Wenatchee School District subject to the terms and conditions of these Covenants.

4. REGULATION OF OPERATIONS AND USES.

It is the primary intent of the Covenants that the Property be used for first class, high-quality public instructional purposes. This intent shall not, however, prevent the construction and operation of uses and support or service facilities consistent with Section 3.2 of the Covenants, provided a variance is obtained from the Port for such use or support or service facility. Each approved use shall be performed or carried out entirely within a Building that is designed and constructed to enclose all operations and uses. Each approved use shall not cause or produce a Nuisance to the Benefited Property.

5. PROHIBITED USES.

No use of or condition at the Property is permitted which is a Nuisance or which violates governmental rules or regulations, or which use or operation is considered to be unsafe or excessively hazardous.

AFN # 2310462 Page: 7 of 34

Without limiting the generality of the foregoing, and without it being an exclusive listing of prohibited uses, the following operations and uses shall not be permitted on the Property:

- 5.1 Automotive services, gas stations;
- 5.2 Trailer courts or recreation vehicle campgrounds;
- 5.3 Junk yards, wrecking yards, or recycling facilities;
- 5.4 Refining or storage of petroleum, gas, or oil or of their by-products, or derivatives:
- 5.5 Commercial excavation of building or construction materials, provided that this prohibition shall not be construed to prohibit any excavation necessary in the course of approved construction pursuant to these Covenants;
 - 5.6 Distillation of bones;
- 5.7 Dumping, disposal, incineration or reduction of garbage, sewage, offal, dead animals, or other refuse;
 - 5.8 Fat rendering;
 - 5.9 Stockyard or slaughter of animals;
 - 5.10 Smelting of iron, tin, zinc, or any other ore or ores;
 - 5.11 Cemeteries;
 - **5.12** Jail or honor farms;
 - 5.13 Truck terminals;
- **5.14** Automobile, go-cart, motorcycle, or quartermidget tracks and other or similar vehicle endurances or race tracks;
- 5.15 The sale of cars, trucks, boats, motorhomes, recreation vehicles, or any other vehicle, whether or not new or used;
 - **5.16** Commercial parking lots and structures;
- 5.17 Construction related services such as contractor's office and yard, cabinetshop, welding shop and the like;

AFN # 2310462 Page: 8 of 34

- 5.18 Recreational uses such as bowling alley, movie theater, night club, and tavern; and
 - 5.19 Food Service Establishments characterized by two or more of the following:
 - 5.19.1 A volume of business involving food purchased on site and taken off site for consumption which a reasonable person could conclude exceeds 20% of the total volume of business, whether or not it actually does exceed 20%. For purposes of this section if a Food Service Establishment services in excess of an average of 40 vehicles per day between the hours of 7:30 a.m. and 6:00 p.m., it shall be deemed to have in excess of 20% of its business involving food purchased on site and taken off site for consumption, unless it can be clearly shown to the reasonable satisfaction of the Port that despite the average number of vehicles exceeding 40 vehicles per day, that the customers are being served in a sit-down restaurant environment.
 - 5.19.2 A volume of business involving grill frying, flame broiling and/or deep frying of meat (including fish), potatoes, onions or similar items which a reasonable person could conclude exceeds 20% of the total volume of business, whether or not it actually does exceed 20%;
 - **5.19.3** Areas designated for non-food related entertainment such as play areas for children or video game centers.
 - **5.20** Any other use not identified in Section 3.

6. GENERAL TERMS.

- 6.1 These Covenants are deemed to be contracts between the Port and each Occupant and Owner, and among all Occupants and all Owners.
- 6.2 To the extent it is necessary to exercise subjective judgment to determine if any provision of these Covenants is being complied with, the good faith subjective judgment of the Board of Commissioners of the Port shall be determinative. In the interpretation of the Covenants, the following rules of construction and interpretation shall apply:
 - **6.2.1** All permitted uses set forth in Section 3.1, all special events authorized in Section 3.3, all approvals obtained from the Port (including approvals pursuant to Section 3.2, above), and all variances granted by the Port shall be strictly and narrowly construed;
 - 6.2.2 All prohibited uses identified in Section 5, shall be broadly construed to encompass uses not specifically mentioned but which are within the broadest meaning and intent of the description or prohibition;

AFN # 2310462 Page: 9 of 34

6.2.3 In the event of litigation deference by a Court shall be given to the good faith action of the Board of Commissioners of the Port in its interpretation of the Covenants, granting or denying of any approval sought, and granting or denying of any variance.

7. GENERAL DESIGN AND CONSTRUCTION STANDARDS.

- 7.1 All improvements, alterations or changes of any Lot, the construction, or alteration of Buildings or Other Improvements, and any remodel on the Property shall occur only in compliance with these Covenants.
- 7.2 All Buildings and Other Improvements shall be designed in accordance with the requirements of the latest edition of the Uniform Building Code adopted by the municipal jurisdiction regulating the Building Code at the Property, and with other applicable government rules and regulations.
- 7.3 All Buildings and Other Improvements shall be architecturally designed so to be compatible with the surroundings, including existing Structures, and shall be designed to create a Building which, for the intended use, is professional in appearance and aesthetics. Colors shall be chosen to blend with or complement the surroundings, unless otherwise approved in writing by the Port. The Port may, from time to time, approve design criteria which may be relied upon by Occupant as being acceptable to the Port, for Buildings and Other Improvements.
- 7.4 The design criteria set out below shall apply to all Buildings and Other Improvements, unless it is otherwise clear from the context that they do not.
 - 7.4.1 Metal siding may be used as a design element accent. "Accent," for purposes of the Covenants, shall mean that the total area of this material shall not exceed 35% of all surface exposed to view as a primary building elevation (e.g., the south facing elevation of a building). By written approval of the Port, pursuant to Sections 20 through 23, below, mitigation of this restriction may be granted on a project-by-project basis, provided that under no circumstances shall the aggregate of all metal siding exposed to view for the total of all primary building elevations exceed 35%. The intent of this provision is not to exclude the use of a pre-engineered metal building system, or its equivalent, where it is used as the Building's primary and secondary framing support structure only, and where metal siding is not used for exterior wall and roof systems, except for accent.
 - 7.4.2 Only medium gray or dark gray metal roofing colors with a light reflectance value below 40 are allowed. Only metal roofing materials with finishes applied by the manufacturer at the roofing factory, which have final coatings that include a mixture of Kynar or Hylar (or equal) and a color-fast, corrosion, chalking, and fading resistant agent are acceptable.

- 7.4.2.1 If another roofing color is desired, the desired color shall be submitted to the Review Committee and the Review Committee shall evaluate how the requested color complements the architectural design of the proposed building, and whether the requested roofing color is consistent with and complementary to neighboring properties. The Review Committee shall make a recommendation to the Board (as defined in Section 23.2, below) regarding the requested roofing color as part of the process outlined in Sections 20 to 23, below.
- 7.4.3 Rooflines in Buildings under two stories shall have roofline modulation. Modulation may take the form of roof penetrations, such as square or rectangular openings of six (6) square feet or larger with or without cover and/or a vertical change in the roofline as follows:
 - 7.4.3.1 Two (2) feet in roofs with a primary elevation eave line length of thirty (30) feet or less;
 - 7.4.3.2 Three (3) feet or two combinations of two (2) feet in roofs with a primary elevation eave line length of between thirty (30) feet and fifty (50) feet;
 - 7.4.3.3 Four (4) feet or multiple combinations of two (2) feet and/or three (3) feet in roofs with a primary elevation eave line length longer than fifty (50) feet.
- 7.4.4 Hip roofs are discouraged without some vertical modulation in the form of an entry canopy of a different height than the primary roof and the use of roof penetrations.
- 7.4.5 Buildings that are more than one story can modulate the "roof line" by terracing or stepping the floor and/or using parapet levels to create a "stair step" appearance.
- 7.4.6 Certain masonry materials may be acceptable when used as an exterior building material exposed to view. Such materials include:
 - 7.4.6.1 A smooth face red to red-brown color Common Brick;
 - **7.4.6.2** Split and/or Ground face concrete masonry units; colored as Natural, Khaki, Burnt Orange, Rose Brown and Cocoa (all earth tone colors) as manufactured by Mutual Materials Co., or equal, standard and non-standard sizes, including scoring. No smooth or regular face blocks (such as generic concrete masonry) may be used except as may be allowed for accent by the Port. No other shapes are allowed;
 - 7.4.6.3 Combinations of any of the above are encouraged.

- 7.4.7 Exterior Wall Modulation. Exterior wall modulation to create diversity and interest of proposed building exteriors is required. The following standards apply to exterior walls of Buildings and Other Improvements covering in excess of 500 square feet:
 - 7.4.7.1 Front Facades. Modulation is required if the front façade width exceeds thirty (30) feet with no principal entrance facing the street, or forty (40) feet with a principal entrance facing the street.
 - 7.4.7.2 Side Facades. On corner lots, side facades which face the street shall be modulated if greater than forty (40) feet in width for one story structures, and thirty (30) feet in width for structures with more than one story.
 - 7.4.7.3 Interior Facades. All interior facades (not facing a street) wider than forty (40) feet shall be modulated provided that the maximum modulation width shall be forty (40) feet.
 - 7.4.7.4 Eaves. The buildings eave line as part of one story structures shall be modulated exactly as is the corresponding primary elevation wall immediately below the eave.
 - 7.4.7.5 Modulation Standards. Minimum Depth of Modulation shall be four (4) feet. When balconies are part of the modulation and have a minimum area of at least forty-eight (48) square feet, the minimum depth of modulation shall be two (2) feet. The minimum width of modulation shall be five (5) feet. The Maximum width of Modulation shall not be greater than thirty (30) feet.
- **7.4.8** Windows shall be designed to create visual harmony from one Building to another.
- 7.4.9 Window frames may be metal, pre-finished in white or a color that complements the balance of the proposed Building's exterior wall systems. No metallic anodized frames, bronze, black or mill finish aluminum are acceptable.
 - **7.4.9.1** The glass products used are encouraged to be High Performance (or equal) clear or light color tint relying on Low E (or equal) coatings and gas fill to comply with applicable Energy Codes.
 - 7.4.9.2 Other tints of glass may be acceptable after considering factors including, without limitation, the actual glass and frame system including overall window frame appearance. of the proposal.

AFN # 2310462 Page: 12 of 34

- 7.4.9.3 There shall be no operable windows or windows that can be opened other than sliding or swingable glass doors which are used for pedestrian access to a balcony, patio or other similarly used exterior space.
- 7.4.10 The Port may grant a variance from the design criteria set forth above to provide mitigation on a specific project if the Port determines strict adherence to the criteria would not be in the best interests of the development of the Property; provided that any variance shall not significantly deviate from the overall effect of the design criteria. Buildings in existence as of January 1, 2008, are generally exempt from the design criteria; provided, however, in the event of an alteration or remodel of or any work performed on said existing Buildings, the design criteria shall apply to the extent determined by the Port so long as the alteration, remodel, or work is architecturally and esthetically consistent with the surroundings and the goals expressed in Section 1.4, above.

8. MINIMUM SETBACK.

8.1 No Building or Other Improvement and no part thereof, shall be constructed or placed closer than permitted to a property line. "Interior property line" shall mean the common boundary between any Lot within the Property or in common with the Port Parcel or neighboring property. "Property line" shall mean the boundary of every Lot.

No Building or Other Improvement shall be constructed or placed closer than twenty-five (25) feet from Penny Road; except parking, provided the landscaping requirements of Section 12.3 have been satisfied. No Building or Other Improvement shall be constructed or placed closer than twenty (20) feet from a Property line in common with the Port Parcel.

- 8.2 Subject to specific requirements, restrictions and approvals set forth in the Covenants, the following are specifically excluded from the setback requirements set forth in Section 8.1:
 - **8.2.1** Roof overhang, provided said overhang does not extend more than eighteen (18) inches into the setback area;
 - **8.2.2** Steps and walkways;
 - **8.2.3** Fences;
 - **8.2.4** Landscaping and irrigation systems;
 - **8.2.5** Planters that do not exceed three (3) feet in height;
 - **8.2.6** Lighting;

AFN # 2310462 Page: 13 of 34

- **8.2.7** Signs; and
- **8.2.8** Underground utility facilities and sewers.
- 8.3 The Port may grant a variance from the setback criteria set forth above to provide mitigation on a specific project if the Port determines strict adherence to the criteria would not be in the best interests of the development of the Property; provided that any variance shall not significantly deviate from the overall goals of the setback criteria. Buildings in existence as of January 1, 2008 are generally exempt from the setback criteria; provided, however, in the event of an alteration or remodel of or any work performed on said existing Buildings, the setback criteria shall apply to the extent determined by the Port so long as the alteration, remodel, or work is consistent with the surroundings and the goals expressed in Section 1.4, above.

9. BUILDING DIMENSIONS.

The ratio of the floor area of a Building to the size of the Lot shall not exceed thirty five percent (35%). For example, the maximum floor area of a Building on a 40,000 square foot Lot would be 14,000 square feet (35% of 40,000). The floor area ratio shall be determined by dividing the gross floor area of all Buildings on a parcel by the land area of that parcel. Covered parking, underground parking, under-Building parking, and outside storage areas are not included in the calculation of permitted floor area. Determination of Building height should also be in response to individual site characteristics, such as topographical and vegetative features, and solar orientation as well as Building function. Structures in existence as of January 1, 2008, are exempt from this requirement.

10. EXTERIOR APPEARANCE.

- 10.1 Except as allowed by the design criteria set out in Section 7, all exterior walls of Buildings shall be finished masonry, face brick or stone, or other surfacing approved by the Port. Wooden frame with wood exterior construction for business office Structures is permitted only by obtaining a variance from the Port.
- 10.2 Any portion of a Building facing a Street shall be designed to present an aesthetically pleasing facade to the Street, and whenever possible the Building shall be designed so that traffic and parking shall occur on a side of a Building not facing a Street.
- 10.3 The architectural character of each proposed Building or Structure shall be contemporary, rather than traditional, in style; eclectic styles, such as gothic or colonial, will not be permitted. Architectural designs will be evaluated in terms of the sensitive integration of form, textures, and colors with the particular landscape and topographical character of each site.
- 10.4 To maintain a high standard of construction and appearance and to provide interesting and tasteful exteriors, the exterior walls of each Building are to be constructed of durable, permanent materials, tastefully handled (carefully selected brick, or other architectural

AFN # 2310462 Page: 14 of 34

surfaces). No temporary or flammable material will be approved. All penetrations through the roof (for example, mechanical equipment or skylights) must be organized in a manner that is integral to the architectural form of the Building and/or screened, and shall be approved by the Port pursuant to Section 20.

- 10.5 All exterior service, utility access, mechanical equipment, utility meters, storage tanks, air conditioning equipment, and similar items shall be screened with landscaping or attractive architectural features integrated into the structure itself.
- 10.6 The Port may grant a variance from the criteria set forth above to provide mitigation on a specific project if the Port determines strict adherence to the criteria would not be in the best interests of the development of the Property; provided that any variance shall not significantly deviate from the overall goals of the above criteria. Buildings in existence as of January 1, 2008 are generally exempt from the above criteria; provided, however, in the event of an alteration or remodel of or any work performed on said existing Buildings, the above criteria shall apply to the extent determined by the Port so long as the alteration, remodel, or work is architecturally and esthetically consistent with the surroundings and the goals expressed in Section 1.4, above.

11. PARKING, ACCESS, AND RIGHT OF WAYS.

- Occupant, employees, students, and visitors at the Lot shall be provided by the Owner or Occupant of each Lot. The intent of this provision is to eliminate the need for any on-street parking; provided, however, that nothing herein shall be deemed to prohibit on-street parking of public transportation vehicles. A minimum of one parking stall per 300 gross square feet of Building area is desired, except for Buildings in existence as of January 1, 2008. Parking areas and driveways must be paved with a hard, dust free year-round surface (e.g. asphalt, brick or concrete) striped, and maintained in good condition, free from litter, and must be adequately lighted. Unless not reasonably possible, employee and student parking areas shall not face a street, but shall be located at the side of Buildings away from a Street, unless otherwise approved in writing by the Port pursuant to Section 20. In the event visitor parking is to be located on a side of a Building facing a Street, adequate space must be provided for parking and traffic flow. Consideration of underground and under-Building parking is encouraged.
- 11.2 On-street parking is permitted only where the Street has been improved with curb, gutter, and sidewalks, provided that any on-street parking must be approved in writing by the Port pursuant to Section 20. On-street parking is subject to restriction by the Port and the entity responsible for snow removal on that Street. If parking requirements increase as a result of a change in the use of a Lot or in the number of persons employed by or enrolled with the Owner or Occupant, additional off-street parking shall be provided by the Owner or Occupant, in order to satisfy the intent of this section.

AFN # 2310462 Page: 15 of 34

- 11.3 Required off-street parking shall be provided on the Lot, or on a contiguous Lot. Where parking is provided on a contiguous Lot for the benefit of the Lot concerned, a proponent shall provide a certified copy of a recorded instrument, duly executed and acknowledged by the person or persons holding title to the contiguous Lot upon which the parking area is located, stipulating to the permanent reservation of the use of the contiguous Lot for parking on the Lot concerned.
- 11.4 Unless otherwise approved in writing by the Port pursuant to Section 20, below, (a) on-site access roads shall be separated from the parking areas by a raised curb, walkway, planting area, or a combination of all three; and (b) all parking areas shall be screened from road rights-of-way and adjacent developed parcels by earth berms or evergreen planting to assure that the visual effect of large paved areas and standing automobiles is minimized. Each parking space provided shall be designated by lines painted upon the paved surface which shall be of the following spacing:

Standard parking space: 9 feet wide x 19 feet long Compact parking space: 8 feet wide x 16 feet long

11.5 A maximum of thirty-five percent (35%) of the parking stalls may be compact. Accessible parking shall be provided as required by Washington State Regulations.

12. LANDSCAPING.

- 12.1 The portion of each Lot not covered by a Building, Other Improvements, sidewalk, or other paving, shall be adequately landscaped pursuant to a Plan approved by the Port as provided in Section 20 of these Covenants.
- 12.2 Within ninety (90) days following completion of construction, or by the date each Structure is occupied, whichever shall occur first, each Lot shall be landscaped in accordance with the Plans. The area of each Lot between any street and any minimum setback line as set forth hereafter shall be landscaped and maintained with an attractive combination of trees, shrubs and other ground cover. All portions of a Lot not fronting a street and not used for parking, storage, or Buildings shall be landscaped in a complementary and similar manner.
 - 12.3 The following minimum landscaping requirements shall apply to the Property:
 - 12.3.1 All setback areas shall be landscaped and maintained in accordance with Section 12.3, except for the purpose of automobile access to the Property and pedestrian walkways to Building entrances, where applicable.
 - 12.3.2 All unpaved areas lying within adjacent Street rights-of-way shall be landscaped and maintained to the finished curb line of the Street by the Owner or Occupant of the adjacent Lot.

AFN # 2310462 Page: 16 of 34

- 12.3.3 If an outdoor off-street parking area contains twenty (20) or more parking stalls, the interior of such parking area shall be landscaped and maintained. Landscaped islands shall be required at regular intervals. Landscaped islands may contain lighting for the parking area. Subject to review and approval of the Port pursuant to Section 20, individual required landscape islands may be aggregated into fewer larger islands with the overall intent of softening the effect of large paved parking areas. Earth berms are encouraged for use with landscape islands.
- 12.3.4 Landscaping may include pedestrian walkways connecting bays of parking to each other or to the Building.
- 12.3.5 Unless otherwise approved by the Port pursuant to Section 20, below, the perimeter of parking areas adjacent to streets or access roads shall be landscaped with solid screen evergreen plant material so as to screen said areas from view from adjacent streets and access roads. Such screening shall extend at least forty-eight (48) inches above the high point of the finished pavement in said parking area. Landscaped earth berms at least thirty-six (36) inches high may substitute for the solid screen planting. The height and treatment of the berm shall be shown on the required landscape plan and must be approved by the Port pursuant to Section 20.
- 12.3.6 The Port may grant a variance from the landscaping criteria set forth above in Section 12.3 to provide mitigation on a specific project if the Port determines strict adherence to the criteria would not be in the best interests of the development of the Property; provided that any variance shall not significantly deviate from the overall effect of said criteria. Buildings in existence as of January 1, 2008 are generally exempt from said criteria; provided, however, in the event of an alteration or remodel of or any work performed on said existing Buildings, the criteria shall apply to the extent determined by the Port so long as the landscaping is esthetically consistent with the surroundings and the goals expressed in Section 1.4, above.
- 12.4 All Landscaping shall be constructed and maintained to the following minimum standards:
 - 12.4.1 All lawn areas shall be established by sodding with a high quality sod blend and not by seeding.
 - 12.4.2 Plant material shall be uniform in shape, in good healthy condition, and well adapted to the Wenatchee climate zone. No plant material with invasive roots shall be used.
 - 12.4.3 Ground cover sizes and types should be selected according to growth rate, spacing and amount of area to be covered.

AFN # 2310462 Page: 17 of 34

- 12.4.4 There should be an interesting variety of plant material used in the landscape plan, including large and small deciduous trees; large, medium and small shrubs; large and small evergreen trees; large, medium and small evergreen shrubs; and ground covers. The landscape plan shall anticipate size of plant material at maturity, not at purchase. Thorny plants shall not be placed next to pedestrian areas. Landscape material shall be of long-lived varieties. Plants and other landscaped elements shall be permanent in nature. Short-lived materials, such as annual flowers, may be used to accent or supplement the basic permanent landscape plan.
- 12.4.5 All landscaped areas are to be automatically irrigated by an underground system providing one hundred percent (100%) irrigation coverage. The entire irrigation system must be designed and constructed in accordance with all local building code requirements and installed and maintained by the Owner.
- 12.4.6 After completion, landscaping shall be maintained in a sightly and well-kept condition. If the required landscaping is not maintained in a sightly and well-kept condition, the Port shall be entitled to the remedies set forth in the Covenants.

13. LIGHTING.

Well-designated soft lighting of the Building exterior will be permitted, provided the light source is not visible (e.g. shielded or concealed) and complements the architecture. The lighting should not draw inordinate attention to the Building. Parking lot and roadway lighting shall be provided by free-standing fixtures with cut-off light sources to assure that the source is not seen from the street or adjacent parcels. All parking lot and roadway lighting shall be provided by a cool and concealed source with a minimum lighting of 1.2 lumens per square foot surface area and shall be placed on dark poles. The height and spacing of said poles shall be approved pursuant to the process outlined in Sections 20 through 23, below. The material and color of the fixtures will be evaluated in terms of their compatibility with the architecture and natural site characteristics. The lighting of pedestrian walkways shall be provided by warm, semi-concealed or visible sources with a minimum 1.0 lumen average per square foot of surface and shall be placed on dark poles, with a maximum height of twelve (12) feet. The Port reserves the right to grant an extension of time for compliance with this Section, not to exceed two (2) years from the date of the first sale of the Property by the Port.

14. SIGNS.

- 14.1 Signs shall only be placed on the wall of a Building, or on the ground. No roof signs or window signs are permitted.
- 14.2 Wall signs shall identify only the business or the company on the premises. Ground signs may identify the Building, office complex, business or service. Wall signs shall be placed upon that segment of the wall occupied by the business. Ground signs shall be placed on the same Building site and in proximity to the business or service identified.

Covenants, Conditions, Restrictions

AFN # 2310462 Page: 18 of 34

- 14.3 Wall signs shall be fixture signs. Signs projecting more than twelve (12) inches form a wall shall not be allowed. Signs affixed to a Building shall be limited to identifying the Occupant, its activity or product.
- 14.4 For a Building with multiple Occupants, each Occupant may be identified with a wall Sign not exceeding twelve (12) square feet in area. In addition, the Building complex or use may be identified with up to two ground signs. The total area of each permitted ground sign shall not exceed one hundred (100) square feet.
- 14.5 Wall Signs shall be permitted to the maximum height of the Building on which they are located. Ground Signs shall not exceed eight (8) feet in height.
- 14.6 No Sign shall be located closer than fifteen (15) feet from any property line, unless approved by the Port pursuant to Section 20.
- 14.7 Directional signs may be permitted upon review and approval of the Port pursuant to Section 20.
- 14.8 Signs may be illuminated but shall not be portable, moving, rotating, flashing, animated, blinking, floating or fluctuating. Internally lit signs are preferred.
- 14.9 Signs painted upon a wall may be permitted upon review and approval of the Port pursuant to Section 20. Specifically, the Port may exempt painted signs from the dimensional standards set forth above.
- 14.10 The location, type, size, design and material of all signs shall be approved by the Port pursuant to Section 20.

15. FENCES.

No fences or walls shall be permitted on any Lot unless such fence or wall is necessary for security or screening purposes. The Port reserves the right to approve the location and design of all fences in its discretion, and no fence shall be constructed without obtaining the Port's approval pursuant to Section 20.

16. UTILITIES.

16.1 All permanent utility systems and related services, including water, sewer, storm water collection, retention, and detention, power, telephone, television cable, gas, and the like shall be underground or in the Building. Any external transformers, meters, and similar apparatus must be at ground level or below with approved screening for ground level installation. Temporary utilities, such as temporary power for construction or special events must be approved by the Port pursuant to Section 20, or a variance must be obtained. Temporary utilities

AFN # 2310462 Page: 19 of 34

shall be removed at the earlier of the completion of the designated time period. The nature and extent of the temporary utilities shall be limited to that permitted by the Port.

- 16.2 No antenna for the transmission or reception of information, data, or communications, including telephone, television, microwave, or radio signals shall be placed on any Lot, whether or not actually used, unless such antenna shall be so located that it cannot be seen from five (5) feet zero (0) inches above ground or ground-floor level at a distance of two hundred (200) feet in any direction, and a variance is obtained from the Port.
- 16.3 The Port reserves the sole right to grant consents for the construction and operation of public utilities, including, but not limited to, interurban or rapid transit, poles or lines for electricity, telephone, or telegraph, above-or below-ground conduits, and gas pipes in and upon the Easements or any and all streets now existing or hereafter established upon which any portion of the Property may now or hereafter front or abut. The Port reserves the exclusive right to grant consents and to petition the proper authorities for any and all street improvements, such as grading, seeding, tree planting, sidewalks, paving and sewer and water installation, whether it be on the surface or subsurface, which in the opinion of the Port are necessary next to or near the Property.

17. STORAGE.

Outside storage is permitted only within an area completely screened from view by fencing which is at least six (6) feet in height. Fencing must be of sound construction, compatible with the Buildings, and shall be of a kind and style approved in writing, in advance of installation, by the Port. Under any and all circumstances, prior written approval from the Port pursuant to Section 20 is required for any outside storage which is visible from the elevation of a Street or access road.

18. REFUSE COLLECTION AREAS.

All outdoor refuse collection areas shall be visually screened so as not to be visible from neighboring property, Streets, or a access road. No refuse collection area shall be permitted between a Street or access road and the Building.

19. TRUCK LOADING.

Permanent loading and unloading areas, including zones, docks, and pits are prohibited, unless approved by the Port pursuant to Section 20 or unless a variance is obtained.

20. APPROVAL OF PLANS REQUIRED.

20.1 Design plans and specifications ("Plans") for any proposed change to a Lot or any remodel of an existing Structure or Other Improvement, or for a new Structure or Other Improvement shall be submitted, in advance, to the Port. No modification or change shall be

Covenants, Conditions, Restrictions

AFN # 2310462 Page: 20 of 34

made to a Lot and no Structure or Other Improvement shall be built or remodeled, when the remodeling will in any way alter the exterior appearance (other than routine maintenance, upkeep, painting, and the like), without complying with these Covenants, including, without limitation Sections 20 through 28.

- 20.1.1 Unless otherwise agreed in writing by the Port, Plans submitted to the Port shall contain the seal of a registered architect, structural engineer, or professional engineer and shall include an overall Lot plan, including a landscaping plan, means of pedestrian access, parking, setback locations, Building location, Building dimensions, and the like. Such Plans shall include architectural or engineering renderings sufficient to allow the Port to determine the construction plan for any Building and to determine the appearance of the facade.
- 20.1.2 Plans shall include a description of the building materials, colors of Buildings and Other Improvements, and such other reasonable information and specifications requested by the Port as may fairly and accurately depict any Building and Other Improvement planned for construction or change. The Plans shall include landscaping, grading, traffic and parking plans (including points of ingress and egress), utility corridors, storm-water run-off and drainage plans, outdoor lighting and such other details as the Port may reasonably request to ensure compliance with the Covenants. The documentation accompanying the Plans shall detail any deviations from the Covenants and shall set forth a request for a variance for each deviation in compliance with Section 28.
- **20.1.3** Plans shall include a projected timetable for completion of Building, Other Improvements, and Finished Development.
- 20.2 No Building or Other Improvement shall be erected, placed, remodeled, altered, maintained, permitted to remain on any Lot until the Plans have been submitted to and approved in writing by Port. Plans shall be reviewed and rejected or allowed, as hereafter provided.

21. BASIS FOR APPROVAL.

- 21.1 Approval of the Plans shall be based, among other things, upon compliance with the Covenants, including adequacy of site dimensions, adequacy of structural design, conformity and harmony of external design with neighboring structures, affect of location and use of proposed improvements upon neighboring property, adequacy of screening of mechanical, airconditioning, or other rooftop installations, and conformity of the Plans to the purpose and general plan and intent of the Covenants. No Plans will be approved that do not provide for the underground installation of power, electrical, telephone and other utility line form the property line to Buildings or Other Improvements.
- 21.2 The Port shall have the right to reject Plans on any reasonable grounds including, but not limited to the following:

Covenants, Conditions, Restrictions Skills Center Property 101208{MKAW0101648.DOC;5/00080.004029/} AFN # 2310462 Page: 21 of 34

- 21.2.1 Failure to comply with any of the restrictions set forth in the Covenants;
- 21.2.2 Failure to include information in such plans and specification as may have been reasonably requested by the Port;
- 21.2.3 Objection to the exterior design, the appearance of materials, or materials employed in any proposed Structure or Other Improvement;
- 21.2.4 Objection on the ground of incompatibility of any proposed Structure or use with existing Structures or uses upon neighboring property;;
- 21.2.5 Objection to the location of any proposed Structure with reference to any other part of the Benefited Property;
 - 21.2.6 Objection to the grading or landscaping plan for any Lot;
- 21.2.7 Objection to the color scheme, finish, proportions, style of architecture, height, bulk or appropriateness of any Structure;
- 21.2.8 Objection to the number or size of parking spaces, or to the design of the parking area;
- 21.2.9 Any other matter that, in the judgment of the Port, would render the proposed improvements or use not to be harmonious with the general plan for improvement of the Property or with improvements located upon the Benefited Property or other property in the vicinity.

22. REVIEW FEE.

An architectural review fee shall be paid to the Port simultaneously with the submission of the Plans. The architectural review fee shall be a minimum of \$250 plus the sum of One Hundred Dollars (\$100) per acre or portion thereof that the Owner desires to develop, based on the gross square footage of the Lot being developed. The amount of the architectural review fee may be amended from time to time by the Port.

23. APPROVAL.

- 23.1 The Plans shall initially be reviewed by an evaluation committee composed of an architect, an appraiser or real estate professional, the Port Director, the Port Property Manager, or such other individuals as the Port may select ("Review Committee").
- 23.2 The Review Committee shall attempt to review and respond to the Plans in a reasonable time under the circumstances. The Review Committee may recommend approval, rejection, or approval of some but not all of the proposed Plans to the Board of Commissioners

AFN # 2310462 Page: 22 of 34

of the Port (the "Board"), request additional information, or recommend approval of the Plans as submitted with or without revisions. All recommendations by the Review Committee shall be made to the Board and shall be addressed at the next regularly scheduled public meeting of the Board following the recommendation of the Review Committee. The Board shall consider the recommendation of the Review Committee, and shall, within a reasonable time, approve or reject some or all of the Plans, or approve the Plans with such modification or conditions, including a condition requiring a performance bond as set out below in Section 25, as the Port may determine. The Board may request additional information it deems is necessary to act on the Plans. Upon approval or conditional approval by the Board of the Plans, a copy of the Plans, together with any conditions, shall be deposited for permanent record with the Port.

23.3 Any change to a Lot or construction or remodel of a Structure or Other Improvement shall be made only in compliance with approved Plans.

24. TIME LIMIT FOR RECOMMENDATION.

The Review Committee shall make a written recommendation concerning the Plans submitted to it for review within forty-five (45) days after the same have been submitted; provided, however, that the Review Committee may, within the forty-five (45) day period, provide written notice to the Owner-applicant of the fact that more time is required to review the Plans ("Notice of Extension"). The Notice of Extension shall specifically designate the period of time needed by the Review Committee beyond the original forty-five (45) days to complete its review of the Plans.

25. PROCEEDING WITH WORK.

- 25.1 Upon written approval of the Plans by the Board pursuant to Section 23, the Owner or Occupant, or both, to whom the same is given, shall, as soon as practicable, satisfy any and all conditions of such approval and shall diligently proceed with the commencement and completion of all work, excavation, construction, refinishing and alterations to implement the approved Plan. In all cases, work to implement approved Plans shall commence within six (6) months from the date of the Port's approval of the Plans, and if work is not so commenced, Plan approval shall be deemed revoked, unless a variance is obtained before the expiration of the six (6) month period. In all cases, work to implement approved Plans shall be completed within two (2) years from the date of the Port's approval of the Plans, unless a variance is obtained before the expiration of the two (2) year period.
- 25.2 At the request of the Port the Owner or Occupant who has received written Plan approval shall obtain a performance bond to assure completion of the work to implement approved Plans within the above-referenced two (2) year period. The performance bond shall be for the benefit of the Port. In the event the Port makes a claim against the performance bond, the proceeds of the performance bond need not be applied by the Port, in whole or in part, to the completion of the matters set forth in the Plans.

AFN # 2310462 Page: 23 of 34

26. PORT NOT LIABLE.

The Port shall not be liable for any damage, loss, or prejudice suffered or claimed by any person on account of:

- 26.1 The approval or rejection of any Plans, drawings, and specifications, whether or not in any way defective;
- 26.2 The construction of any improvement, or performance of any work, whether or not pursuant to approved plans, drawings, and specifications; or
 - **26.3** The development of any property owned by the Port.

27. CONSTRUCTION WITHOUT APPROVAL.

If any Building or Other Improvement shall be erected, placed, or maintained upon any Lot, or any new use commenced upon any Lot, other than in accordance with the Plan approval by the Port pursuant to the provisions of the Covenants, such alteration, erection, placement, maintenance, or use shall be deemed to have been undertaken in violation of the Covenants and upon written notice from the Port, any such improvement so altered, erected, placed, maintained, or used upon any Lot in violation of the Covenants shall be removed or altered so as to conform to the Covenants, at the cost of the Owner, and any such use shall cease or be amended so as to conform to the Covenants. Should such removal or alteration or cessation or amendment or use not be accomplished within thirty (30) days after receipt of such notice, then the party in breach of the Covenants shall be subject to the enforcement procedures set forth herein.

28. VARIANCE.

- 28.1 The Board shall have the authority to grant variances from the requirements of the Covenants where it can be shown that, owing to special and unusual circumstances related to a specific piece of property, the literal interpretation of the Covenants would cause undue or unnecessary hardship or where varying from the Covenants is determined by the Port to be consistent with the intent of the Covenants and consistent with the overall development of the Property. No variance shall be granted to allow the use of Property for prohibited purposes on the Property. In granting a variance, the Port may attach conditions which it finds necessary to protect the best interests of the Benefited Property and to otherwise achieve the purposes of the Covenants. The Port shall have the authority to grant variances in accordance with this section when the request for such variance is an integral part of, and made at the same time as, an application for approval of Plans submitted pursuant to Section 20. Each variance application shall be accompanied by an application fee equal to \$500 which may be amended from time to time by the Port.
 - 28.2 The Port shall consider the following factors in granting a variance:

AFN # 2310462 Page: 24 of 34

- 28.2.1 The variance is necessary to recognize substantial changes to other property in the neighborhood or general vicinity;
- 28.2.2 The plight of the applicant is due to unique circumstances such as topography, Lot size or shape, or size of Buildings, over which the applicant has no control;
- 28.2.3 The hardship asserted by the applicant is not the result of the applicant's or the Owner's action or inaction;
- 28.2.4 The authorization of the variance shall not be materially detrimental to the purposes and objections of the Covenants, or be injurious to the Benefited Property; and
- **28.2.5** The hardship asserted by the applicant results from the application of the Covenants to the Property.
- 28.2.6 The variance will not create a situation which is incompatible with the intent of the Covenants and the overall development of the Property.
- **28.2.7** The variance is in furtherance of Section 1.5, above, regarding the creative and adaptive reuse of the Buildings in existence as of January 1, 2008.
- 28.3 A request for a variance may be initiated by an Owner or his or her authorized agent by filing an application with the Port Director. The Port Director shall make a recommendation to the Board to be addressed at the next regularly scheduled Board meeting. In his or her discretion, the Port Director may submit the variance application for review to the Review Committee established in Section 20 for a recommendation to the Board.
- **28.4** Before a request for a variance is acted upon by the Board, it shall be considered at a public meeting.
- **28.5** The Board, on its own motion, may recess a meeting on a request for a variance in order to obtain additional information. Upon recessing for this purpose, the Board shall announce the time and date when the meeting will be resumed.
- 28.6 The Board shall cause written notification of its action to be mailed to the applicant for a variance within five (5) days after the decision has been rendered.
- 28.7 Any applicant, or his or her agent, may at any time request withdrawal or postponement of consideration of the variance application, but in no event may the applicant postpone consideration of the variance application for more than thirty (30) days.

AFN # 2310462 Page: 25 of 34

28.8 The Board shall make its decision on a variance application within thirty (30) days following the Port Director's recommendation. A majority of the Board shall be necessary for any decision on the variance application.

29. MAINTENANCE.

- 29.1 The Occupant of a Lot shall be directly and primarily responsible for all maintenance and upkeep of the Lot, the Building and Other Improvements, including, without limitation, the maintenance of all parking areas, driveways and walkways in a clean and safe condition, including the paving and repairing or resurfacing of such areas when necessary with the type of material originally installed thereon or such substitute as shall, in all respects, be equal in quality, appearance, and durability, the removal of debris and waste material and the washing and sweeping of paved areas, and the painting and repainting of striping markers and directional signals as required.
- 29.2 Each Occupant shall remove at regular and frequent intervals, at its expense, rubbish or vegetation which is not part of an approved landscaping plan and debris of any character whatsoever which may grow or otherwise be deposited or accumulated on the Occupant's Lot. The Occupant shall perform all necessary maintenance of all landscaping, including the trimming, watering, and fertilization of all grass, groundcover, shrubs, or trees, the removal of dead or waste materials, and the replacement of any dead or diseased grass, groundcover, shrubs, or trees on the Occupant's Lot.
- 29.3 Exterior surfaces of any Structure or Other Improvement on a Lot shall be maintained in first-class condition. Any damage to the exterior shall be repaired and removed. Damaged bricks shall be repaired and replaced with like colors. Exterior painting shall be professionally done.
- 29.4 Garbage, waste material and trash shall be maintained in a closed receptacle at a location on each Lot agreed to by the Port pursuant to approved Plans. No waste material, trash containers, or other item shall be stored or left outside of a Structure, other than in approved trash receptacles, except on an occasional and temporary basis to facilitate loading and unloading as needed. All waste material, debris, garbage and the like shall be contained in a fenced enclosure required for outside storage.
- 29.5 Each Occupant shall remove snow and ice from any Structure, from sidewalks, parking areas and roads, on the Occupant's Lot, and from the Lot it uses or occupies, as is reasonable, necessary, and safe.
- 29.6 Any broken windows or glass of a Building or Other Improvements shall be immediately replaced by the Occupant whether the Building or Other Improvement is occupied or not. The Occupant shall clean, maintain, and relamp any external lighting fixtures at regular and frequent intervals, except such fixtures which are the property of any public utility or government body.

AFN # 2310462 Page: 26 of 34

29.7 The Owner or Occupant of any Lot shall at all times keep it and the Buildings, and Other Improvements thereon in a safe, clean, and wholesome condition and comply, at its own expense, in all respects with all applicable governmental, health, fire and safety ordinances, regulations, requirements, and directives.

30. DISPOSABLE WASTE.

Discharge of any waste or waste products by an Occupant onto any Lot or the Benefited Property is prohibited. Discharge of any waste or waste products by an Occupant into the sewer system may occur only with the approval of the appropriate governmental agency(s) having jurisdiction therefore, and shall be at the expense of the Occupant.

31. STORM WATER RUN-OFF.

- 31.1 The Lot shall be designed and graded to appropriately handle storm water and other run-off, and to prevent drainage onto joining properties. The Plans shall make adequate provision for drainage from Structures and other impervious surfaces.
- 31.2 Each Occupant shall be responsible for controlling storm water run-off from the Lot, Structures and Other Improvements utilized by the Occupant in compliance with applicable rules and regulations, at the expense of the Occupant. The method for handling storm water run-off shall be reflected on approved Plans. To the extent available, a community or municipal storm water run-off and drainage system shall be utilized.

32. HAZARDOUS AND TOXIC SUBSTANCES.

- 32.1 No Occupant shall cause or permit any activity on any Lot in the Property which directly or indirectly could result in any of the Property becoming contaminated with hazardous or toxic waste or substances. For purposes of these Covenants, the term "hazardous or toxic waste or substances" means any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, hazardous toxic or radioactive substance or other similar term by any applicable federal, state, or local statute, regulation, or ordinance now or hereafter in effect.
- 32.2 Each Occupant shall promptly comply with all statutes, regulations, ordinances, and rules which apply to the use of hazardous or toxic waste or substances in, on, or around any part of the Property.
- 32.3 Each Occupant shall indemnify and hold the Port and all other Occupants harmless from all obligations relating to a clean-up, removal, or mitigation of any hazardous or toxic substances on or relating to any part of the Property as a result of that Occupant's use, disposal, transportation, generation or sale of hazardous or toxic waste or substances.

AFN # 2310462 Page: 27 of 34

33. SAVINGS.

Nothing in these Covenants shall be construed so as to require the commission of any act contrary to law, and wherever there is any conflict between any provisions of these Covenants and any statute, law, public regulation or ordinance, or court decree, the latter shall prevail, but in such event, the provisions of these Covenants affected shall be curtailed and limited only to the extent necessary to bring it within legal requirements. If any provision of these Covenants is determined by a court of competent jurisdiction to be unenforceable, the remainder of the provisions shall continue to be enforceable.

34. ENFORCEMENT.

- 34.1 These Covenants are perpetual and run with the Benefited Property; provided however that no third party who acquires all or any portion of the Benefited Property from the Port in the future shall have standing to enforce these Covenants. The Port has the right but not the obligation to enforce these Covenants. Any failure by the Port to enforce compliance with any of the provisions of these Covenants immediately upon having notice of any noncompliance shall in no event be deemed a waiver of the right of the Port to do so thereafter, but shall merely be deemed a waiver of the Port's right to enforce compliance prior to the Port actually doing so. Under no circumstances shall the Port have any responsibility or liability to any Owner, Occupant or third party for failure to specifically enforce these Covenants.
- 34.2 The Port, in its sole discretion, shall have the right to compel specific performance of these Covenants by any Owner or Occupant through an action in the Superior Court of the State of Washington, in Chelan County.
- 34.3 If any Owner or Occupant of the Property shall fail to perform the maintenance and repair required by the Covenants ("Defaulting Owner"), then the Port ("Enforcing Owner") may, after fifteen days advance written notice is personally served on such Defaulting Owner setting forth the extent of the noncompliance with the Covenants, perform such maintenance and repair and charge the Defaulting Owner with costs of such assessment or such work, together with interest thereon at the rate of twelve percent (12%) per annum form the date of advancement of funds for such payment or such work to the date of reimbursement of the Enforcing Owner. The reimbursement shall be for all expenses including without limitation, costs of clean-up, maintenance, and repair of any Lot, and attorneys' fees, engineering fees, architectural fees, and the like incurred by the Enforcing Owner as a result of any noncompliance with these Covenants.
- 34.4 If the Defaulting Owner shall fail to reimburse the Enforcing Owner for such costs within ten (10) business days after written demand therefor is mailed by first class mail postage pre-paid to the Defaulting Owner at the address of the Building on the Lot or is personally served on the Defaulting Owner, the Enforcing Owner may at any time within 90 days after the written demand, but not later than two years after such advance, file for record in the

Chelan County Auditor's Office, Washington, a "Claim of Lien" signed by the Enforcing Owner before a notary public. The Claim of Lien shall be effective to establish a lien against the interest of the Defaulting Owner' Lot, Building, and Other Improvements, together with interest at twelve percent (12%) per annum on the amount of such advance from the date thereof, recording fees, cost of title search obtained in connection with such lien or the foreclosure thereof, court costs, reasonable attorney's fees that may be incurred in the enforcement of such a lien, and all other costs and fees as set forth in Sections 34.3 and 34.4. The Claim of Lien shall be for the benefit of the Enforcing Owner and may be enforced and foreclosed in a like manner as a real estate mortgage is foreclosed is the State of Washington. If a Claim of Lien is cured by full payment, the Enforcing Owner shall record a rescission of the Claim of Lien with the Chelan County Auditor. Provided, however, that if the owner of the Property is a Municipal Corporation which is governed by statutes or other rules of law preventing the filing of liens on property owned by such Municipal Corporation, the lien rights set out in this Section 34.4 shall not be applicable.

- 34.5 In the event it is necessary for the Port to engage the services of an attorney to enforce any of the provisions of these Covenants, whether or not legal action is instituted, the Owner and Occupant shall be obligated to pay to the Port's costs and reasonable attorneys' and experts fees involved in the enforcement efforts.
- 34.6 The Claim of Lien and the rights to foreclose thereunder shall be in addition to, and not in substitution of other rights and remedies that the Port may have hereunder and by law, including any suit to recover a money judgment.
- 34.7 In seeking or implementing compliance with these Covenants, the Port shall have no liability for injury or damage to any property of any Owner or Occupant occasioned by that Owner or Occupant's failure to comply with the Covenants and the Port's efforts to obtain compliance, except to the extent of the Port's willful or intentional acts causing property damage under circumstances where property damage could reasonably have been avoided in obtaining compliance with the Covenants.
- 34.8 In the event of litigation, the venue of any action commenced to enforce the terms of these Covenants shall be in Chelan County, Washington.

[The remainder of this page left blank intentionally]

AFN # 2310462 Page: 29 of 34

35. AMENDMENTS OF COVENANTS.

Except as otherwise provided herein, the Covenants may only be amended by the unanimous consent of (a) all Owners, and (b) the Port of Chelan County.

ADOPTED this 12 day of Cluquest

PORT OF CHELAN COUNTY

J. C. Baldwin, Commissioner

Craig Larsen, Commissioner

Mike Mackey, Commissioner

AFN # 2310462 Page: 30 of 34

STATE OF WASHINGTON)
)ss
County of Chelan)

I certify that I know or have satisfactory evidence that J. C. Baldwin is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as a Commissioner of the Port of Chelan County to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this 12 day of <u>lugust</u>, 2009. (printed name) Dayle S. Wishing NOTARY PUBLIC, State of Washington My appointment expires 3-3-2013 STATE OF WASHINGTON)ss. County of Chelan

I certify that I know or have satisfactory evidence that Craig Larsen is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as a Commissioner of the Port of Chelan County to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this 12 day of August, 2009.

(printed name) Dayle 5.9 NOTARY PUBLIC, State of Washington

My appointment expires 3-3-2013

AFN # 2310462 Page: 31 of 34

STATE OF WASHINGTON)	
)ss.	
County of Chelan)	

I certify that I know or have satisfactory evidence that Mike Mackey is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as a Commissioner of the Port of Chelan County to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this /2009 day of dugust, 2009.

(printed name) Dayle S. Rusking

NOTARY PUBLIC, State of Washington

My appointment expires 3-3-20/3

AFN # 2310462 Page: 32 of 34

EXHIBIT "A" Legal Description of Property

A PORTION OF LOT E-1 OF CERTIFICATE OF EXEMPTION 2003-012 CHELAN COUNTY WASHINGTON, RECORDED OCTOBER 10, 2003 UNDER AUDITOR'S FILE NO. 2157669, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THAT PORTION OF THE FOLLOWING DESCRIBED LAND LYING EAST OF THE RIGHT WAY FOR TECHNOLOGY CENTER WAY, A COUNTY ROAD BY ORDER OF ESTABLISHMENT FILED JUNE 6, 2003 UNDER AUDITOR'S FILE NUMBER 2146903, SITUATED IN THE NORTHEAST QUARTER OF SECTION 28, TOWNSHIP 23 NORTH, RANGE 20 EAST, W.M., CHELAN COUNTY, WASHINGTON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BASIS OF BEARING BEING WASHINGTON GRID NORTH ZONE N.A.D. 83/91 MULTIPLY BY A COMBINED SCALE FACTOR OF 1.0000261866 TO DERIVE GROUND DISTANCE IF DESIRED.

COMMENCING AT THE NORTH QUARTER CORNER OF SAID SECTION 28; THENCE NORTH 89°35'21" EAST 1319.11 FEET ALONG THE CENTER LINE OF PENNY ROAD TO A FOUND REBAR AND CAP IN MON CASE MARKED FORSGREN LS 10819 AT THE INTERSECTION OF PENNY ROAD AND TECHNOLOGY CENTER WAY; THENCE CONTINUING ALONG SAID CENTER LINE NORTH 89°54'50" EAST A DISTANCE OF 19.93 FEET TO A FOUND 5/8" IRON PIN IN MON CASE BEING THE EAST 1/16TH CORNER ON THE NORTH LINE OF SAID SECTION 28; THENCE CONTINUING ALONG THE CENTER LINE OF SAID PENNY ROAD NORTH

THENCE TURNING 90° TO THE RIGHT A DISTANCE OF 30 FEET TO A SET REBAR AND CAP MARKED NWG LS 38982 ON THE SOUTH RIGHT OF WAY OF SAID PENNY ROAD AND THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION.

THENCE SOUTH 0°11'12" EAST A DISTANCE OF 152.75 FEET TO A SET REBAR AND CAP MARKED NWG LS 38982 AT THE DRIP LINE OF A COVERED PARKING; THENCE FOLLOWING SAID COVERED PARKING SOUTH 89°50'58" EAST A DISTANCE OF 20.95 FEET TO A SET REBAR AND CAP MARKED NWG LS 38982; THENCE SOUTH 0°22'13" EAST A DISTANCE OF 149.20 FEET TO A SET REBAR AND CAP MARKED NWG LS 38982 AT A POINT EIGHT TENTHS MORE OR LESS SOUTH OF AN EXISTING SIX FEET HIGH CHAIN LINK FENCE;

THENCE NORTH 89°18'20" EAST POINT EIGHT TENTHS SOUTH OF AND PARALLEL WITH SAID FENCE A DISTANCE OF 160.60 FEET TO A SET REBAR AND CAP MARKED NWG LS 38982;

Covenants, Conditions, Restrictions Skills Center Property 101208{MKAW0101648.DOC;5\00080.004029\}

89°34'52" EAST A DISTANCE OF 124.36 FEET;

AFN # 2310462 Page: 33 of 34

THENCE NORTH 02°14'18" EAST A DISTANCE OF 7.90 FEET TO A SET REBAR AND CAP MARKED NWG LS 38982 ONE HALF FOOT MORE OR LESS SOUTH OF AN EXISTING BACK OF CURB;

THENCE NORTH 89°29'31" EAST PARALLEL WITH AND ONE HALF FOOT SOUTH OF SAID CURB A DISTANCE OF 199.56 FEET;

THENCE NORTH 05°08'31" EAST A DISTANCE OF 20.91 FEET;

THENCE NORTH 89°53'05" EAST A DISTANCE OF 162.64 FEET TO A POINT; SAID POINT BEING 110 FEET NORTHWESTERLY OF THE CENTERLINE OF RAILWAY TRACTS AS CONSTRUCTED MEASURED AT RIGHT ANGLES;

THENCE NORTH 39°41'18" EAST PARALLEL TO SAID RAILWAY A DISTANCE OF 357.24 FEET TO A SET REBAR AND CAP MARKED NWG LS 38982 AT THE SOUTH RIGHT OF WAY LINE OF PENNY ROAD;

THENCE ALONG SAID RIGHT OF WAY LINE SOUTH 89°34'52" WEST A DISTANCE OF 775.53 FEET TO A SET REBAR AND CAP MARKED NWG LS 38982 AND THE TRUE POINT OF BEGINNING:

ALSO KNOWN AS PARCEL B OF BOUNDARY LINE ADJUSTMENT 2008-50, CHELAN COUNTY, WASHINGTON RECORDED MAY 30, 2008, UNDER AUDITOR'S FILE NO. 2283126.

APN: 232028110800

