

Filed for Record at Request of and copy returned to:  
LUKINS & ANNIS, P.S.  
1600 Washington Trust Financial Center  
717 W Sprague Ave.  
Spokane, WA 99201-0466  
Attention: James S. Black

**RECIPROCAL EASEMENT AGREEMENT  
WITH COVENANTS, CONDITIONS AND RESTRICTIONS**

**Declarant:** Sahale Townhomes LLC, a Washington limited liability company, as  
Declarant

**Abbreviated Legal  
Description:** LTS 1 THRU 45, BLK 14 OF FINAL PLAT OF RIVER CROSSING 3RD  
ADD IN SE 1/4 S 8, T 25 N, R 45 E, WM

**Assessor's Tax**

**Parcel ID Numbers:** 55084.4001, 55084.4002, 55084.4003, 55084.4004, 55084.4005,  
55084.4006, 55084.4007, 55084.4008, 55084.4009, 55084.4010,  
55084.4011, 55084.4012, 55084.4013, 55084.4014, 55084.4015,  
55084.4016, 55084.4017, 55084.4018, 55084.4019, 55084.4020,  
55084.4021, 55084.4022, 55084.4023, 55084.4024, 55084.4025,  
55084.4026, 55084.4027, 55084.4028, 55084.4029, 55084.4030,  
55084.4031, 55084.4032, 55084.4033, 55084.4034, 55084.4035,  
55084.4036, 55084.4037, 55084.4038, 55084.4039, 55084.4040,  
55084.4041, 55084.4042, 55084.4043, 55084.4044, 55084.4045

**EXHIBIT "A"**

**LEGAL DESCRIPTION**

**LOTS 1-45, BLOCK 14 OF THE FINAL PLAT OF RIVERCROSSING 3RD ADDITION RECORDED IN BOOK 32 OF PLATS, PAGES 86 TO 91, ON JULY 8, 2006, BY DOCUMENT NUMBER 5416584, RECORDS OF SPOKANE COUNTY, WASHINGTON.**

**EXCEPT THE EAST 6.00 FEET OF THE SOUTH 84.77 FEET OF LOT 24, BLOCK 14 OF THE FINAL PLAT OF RIVER CROSSING 3RD ADDITION, RECORDED IN BOOK 32 OF PLATS, PAGES 86 THRU 91.**

**SITUATE IN THE CITY OF LIBERTY LAKE, SPOKANE COUNTY, WASHINGTON**

THIS RECIPROCAL EASEMENT AGREEMENT WITH COVENANTS, CONDITIONS, AND RESTRICTIONS AFFECTING LAND ("Agreement"), effective as of the date set forth below ("Effective Date"), is made and executed by SAHALE TOWNHOMES LLC, a Washington limited liability company ("Declarant") and is agreed to and acknowledged by RiverCrossing, L.L.C., a Washington limited liability company, ("RiverCrossing, LLC") and River Crossing Owners' Association, a Washington nonprofit corporation ("Association").

RECITALS:

A. Sahale Property. The parcel of real property subject to this Agreement ("Sahale Property") is legally described as set forth in Exhibit "A", which, by this reference, is made a part of this Agreement. As of the date of Effective Date, Declarant is the owner of all of the Sahale Property. The Sahale Property is and will be improved with multi-family buildings (each, a "Building") and each Building contains more than one townhome and resides on more than on separate parcel of land ("Lot"). The Declarant intends to sell the Lots to purchasers, each of which will become the owner of a Lot ("Owner").

B. River Crossing. The Sahale Property is adjacent to and is intended to be included in the real estate development commonly known as River District. A portion of the River District development is subject to that certain Master Declaration of Covenants, Conditions, and Restrictions ("Master Declaration") made by RiverCrossing, LLC dated June 26, 2003, and recorded in the real property records of Spokane County, Washington, on July 3, 2003, under recording number 4920238. Pursuant to the Master Declaration, RiverCrossing, LLC formed the Association.

C. Intent and Purpose. Declarant intends, by recording this Agreement, to subject the Sahale Property to and approve the annexation of the Sahale Property into the Master Declaration, to create mutually-beneficial easements on, over, under, and across the Sahale Property for the mutual benefit of the Owners, and to create mutually-beneficial easements on, over, under, and across the Buildings for the mutual benefit of each Owner located within each Building.

ARTICLE I.  
DEFINITIONS

Unless the context clearly indicates otherwise, capitalized terms as used in this Agreement have the meanings set forth in this Article. Unless the context clearly indicates otherwise, capitalized terms not otherwise defined in this Agreement have the meanings set forth in the Master Declaration:

1.1 Access Areas. The term "Access Areas" means all of the paved and concrete roadways on the Sahalé Property, including without limitation the Parking Areas, but specifically excludes, without limitation, the Driveways.

1.2 Agreement. The term "Agreement" means this Reciprocal Easement Agreement with Covenants, Conditions, and Restrictions.

1.3 Association. The term "Association" means the River Crossing Owners' Association, a Washington nonprofit corporation.

1.4 Board or Board of Directors. The term "Board" or "Board of Directors" has the meaning set forth in the Master Declaration.

1.5 Building or Buildings. The term "Building" or "Buildings" means the multi-family residential improvements located on the Sahalé Property.

1.6 Common Area or Common Areas. The term "Common Area" or "Common Areas" has the meaning set forth in the Master Declaration and also includes, without limitation, the Access Areas and open space in the Sahalé Property, but excludes, without limitation, (for some purposes) the Driveways, as more specifically defined in Section 3.1, below.

1.7 Declarant. The term "Declarant" means Sahale Townhomes LLC, a Washington limited liability company.

1.8 Declaration of Annexation. The term "Declaration of Annexation" has the meaning set forth in the Master Declaration.

1.9 Driveways. The term "Driveways" means the paved or concrete portions of the Sahalé Property that are directly in front of each garage and extending from the face of the garage to the access alleyway and that benefit only an individual Lot.

1.10 Effective Date. The term "Effective Date" means the date set forth below on the signature page of this Agreement.

1.11 Lot. The term "Lot" means each separate parcel of land contained in the Sahalé Property held by any record Owner(s) and will be a "Lot" as that term is used in and for the purposes of the Master Declaration.

1.12 Master Declaration. The term "Master Declaration" means that certain Master Declaration of Covenants, Conditions, and Restrictions made by RiverCrossing, LLC, dated June 26, 2003 and recorded in the real property records of Spokane County, Washington, on July 3, 2003 under recording number 4920238.

1.13 Owner. The term "Owner" means the persons or entities who from time-to-time are the record owner(s) of the fee title to all or any portion of the Sahalé Property and each Lot, including without limitation the Declarant.

1.14 Owner's Guests. The term "Owner's Guests" means all invitees, licensees, relatives, agents, and assigns of any Owner.

1.15 Parking Areas. The term "Parking Areas" means the paved or concrete portions of the Access Areas that are designated by the Association for the parking of automobiles.

1.16 Project. The term "Project" has the meaning set forth in the Master Declaration.

1.17 RiverCrossing, LLC. The term "RiverCrossing, LLC" means RiverCrossing, L.L.C., a Washington limited liability company.

1.18 Sahalé Architectural Committee. The term "Sahalé Architectural Committee" has the meaning set forth in Section 2.5, below.

1.19 Sahalé Property. The term "Sahalé Property" means the real property legally described in the attached Exhibit "A".

1.20 Sahalé Townhome Committee. The term "Sahalé Townhome Committee" has the meaning set forth in Section 2.4, below.

1.21 Special Assessment. The term "Special Assessment" has the meaning set forth in the Master Declaration.

## ARTICLE II. DECLARATION OF ANNEXATION

2.1 Annexation. Declarant intends to incorporate the Sahalé Property into a common plan of development for the Association and, by this Agreement, to impose upon the Sahalé Property the mutually-beneficial restrictions imposed by the Master Declaration. Declarant

hereby declares that the Sahalé Property shall be held, conveyed, mortgaged, encumbered, leased, rented, used, occupied, sold and improved subject to the Master Declaration, incorporated into this Agreement by this reference. All of the limitations, covenants, conditions, restrictions, and easements contained in the Master Declaration shall constitute covenants which run with the Sahalé Property and are perpetually binding upon the Declarant, Owners, and their successors-in-interest and assigns, and all parties having or acquiring any right, title or interest in or to any part of the Sahalé Property.

2.2 Annexation by RiverCrossing, LLC. Pursuant to Section 15.1 of the Master Declaration, RiverCrossing, LLC has recorded a Declaration of Annexation in the real property records of Spokane County, Washington, annexing the Sahalé Property into the Project.

2.3 Special Assessments on Sahalé Property. Pursuant to Section 6.6 of the Master Declaration, the Board may levy a Special Assessment for maintaining the Common Areas located on the Sahalé Property; provided that any such Special Assessment for maintaining the Common Areas must be made upon all Lots on the Sahalé Property and must be allocated equally to each Lot on the Sahalé Property.

2.4 Sahalé Townhome Committee. The Board of Directors shall establish an advisory committee to the Board for matters that specifically concern or impact the Sahalé Property ("Sahalé Townhome Committee") and the Board may establish reasonable rules and regulations relating to the Sahalé Property. The Sahale Townhome Committee shall be formed not later than one (1) year form the sale of the first lot in the Sahale Townhome project. The Sahalé Townhome Committee has the authority to make recommendations to the Board regarding the Sahalé Property and the Board is hereby instructed to consider (but is not obligated to accept) the recommendations. The Sahalé Townhome Committee does not have any of the rights or obligations of the Board and nothing in this Agreement is intended to constitute or does constitute a grant, assignment, or delegation of any such rights or obligations. The Sahalé Townhome Committee will have no more than five (5) and no less than three (3) members, as determined by the Board of Directors. The members of the Sahalé Townhome Committee will be appointed by the Board of Directors. A member of the Sahalé Townhome Committee must have an ownership interest a Lot in the Sahalé Property. The Board will determine the method, timing, location, and procedure of the Sahalé Townhome Committee appointments and meetings;

provided that the Sahalé Townhome Committee will have meetings scheduled no less than once a calendar year.

2.5 Sahalé Architectural Committee. In the event that there is an independent architectural control committee pursuant to Section 4.3 of the Master Declaration, the Board shall also establish an advisory committee to the architectural control committee for matters that specifically concern or impact the Sahalé Property ("Sahalé Architectural Committee"). The Sahalé Architectural Committee has the authority to make recommendations to the architectural control committee regarding the Sahalé Property and the architectural control committee is hereby instructed to consider (but is not obligated to accept) the recommendations. The Sahalé Architectural Committee does not have any of the rights or obligations of the architectural control committee, and nothing in this Agreement is intended to constitute or does constitute a grant, assignment, or delegation of any such rights or obligations. The Sahalé Architectural Committee will have no more than five (5) and no less than three (3) members, as determined by the Board. The members of the Sahalé Architectural Committee will be appointed by the Board from those individuals who have an ownership interest in a Lot located within the Sahalé Property.

2.6 Committee Members. The members of the Sahalé Townhome Committee and Sahalé Architectural Committee are subject to the standards of care applicable to members of the Board and architectural control committee, respectively. Likewise, any disclaimer of, limitation on, insurance for, or indemnification for (whether arising from the Declaration, Bylaws, Articles, applicable law, or otherwise) liability applicable to members of the Board and architectural control committee also apply to members of the Sahalé Townhome Committee and Sahalé Architectural Committee, respectively.

### ARTICLE III. SAHALÉ PROPERTY EASEMENTS

3.1 Master Declaration Easements. Without limiting the Master Declaration, the easements set forth in Article 7 of the Master Declaration apply to the Sahalé Property, as if the Declarant under this Agreement were the Declarant under the Master Declaration. For all purposes in the Master Declaration, the Common Areas include, without limitation, the Access Areas and open space in the Sahalé Property, but exclude, without limitation, the Driveways in

the Sahalé Property; provided that the Driveways are included in the definition of Common Areas for the purposes of Sections 5.1 regarding repair and maintenance, 5.2 regarding repair and maintenance, 7.1 regarding common area maintenance, and 10.1 regarding damage to Common Area.

3.2 Access Easements. Declarant hereby grants the Owners, the Owners' Guests, and the Association a nonexclusive easement over and across the Access Areas and Parking Areas as shown on Exhibit "A" attached hereto, along with such other portions of the Sahalé Property as are reasonably necessary, for the purposes of providing access to or from the Lots or other property subject to the Master Declaration.

3.3 Parking Easements. Declarant hereby grants the Owners, the Owner's Guests, and the Association a nonexclusive easement over and across the Parking Areas, along with such other portions of the Sahalé Property as are reasonably necessary, for the purposes of parking vehicles in compliance with the Master Declaration and the rules and regulations applicable to the Parking Areas as set forth by the Association.

3.4 Maintenance Easements. Declarant hereby grants the Association a nonexclusive easement over and across the Common Areas, along with such other portions of the Sahalé Property as are reasonably necessary, for the purposes of maintaining the landscaping and irrigation systems for the Sahalé Property. The easement granted in this Section 3.4 shall not apply to the landscaping in the planting beds around each Building, which will be the responsibility of the individual Owners.

#### ARTICLE IV. SAHALÉ BUILDING MAINTENANCE AND EASEMENTS

4.1 Intent of Declarant. The Declarant intends for all of the Owners of each Building to collectively make the decisions and take the actions set forth within this Article as if each Building constituted a separate sub-association for the sole purposes of maintaining, improving, and repairing such Building; provided that this Agreement and Article do not actually create any association or sub-associations and provided further that nothing in this Agreement or Article restricts or limits the rights of the Association under the Master Declaration (for example and without limitation, this Article does not limit the right of the Association to cause each Building



and Lot to be maintained and assess the cost of maintenance to the Owners of the Building pursuant to Section 5.1 of the Master Declaration).

4.2 Building Maintenance, Improvement, and Repair. The Owners of each Building, in addition to the obligations set forth in Section 5.2 of the Master Association related to each Owner's Lot, are also required to maintain and repair the exterior portions of their Building (as such portions are defined in this Section) in good condition at the collective expense of the Owners of the Building and may make improvements to the same exterior portions of their Building. The exterior portions of the Building subject to this Section are those exterior portions of the Building which cannot reasonably be maintained, improved, or repaired without substantially maintaining, improving, or repairing similar or other affected portions throughout the whole Building exterior; the exterior portions subject to the obligations of this Section include, without limitation, the roof, roof skin, siding, trim, and painting of the exterior, and exclude, without limitation, windows, doors, patios, and balconies. The expenses born under this Section by the collective Owners of the Building, or the expense of any Special Assessment for the maintenance or repair the exterior portions of the Building (as such portions are defined in this Section), will be paid equally by each Lot Owner of the Building (such that, by way of illustration, if there are three Lots for a Building, two of which have one Owner and one of which has two Owners, each "Lot" will be responsible for one-third of the cost so that the two sole Owners will each pay one-third and the two joint Owners will each pay one-sixth of the expenses) unless the expense has arisen from the intentional act of an Owner or of an Owner's Guest, in which event that Owner will be responsible for the entire expense. Without limiting the applicability of the Master Declaration, Article 4 of the Master Declaration, relating to architectural control over any painting or maintenance, applies according to its terms to maintenance, improvement, or repair made pursuant to this Agreement.

4.3 Building Insurance. The Owners of each Building may decide, by majority vote, to obtain insurance related to their Building through one or more common insurance policies which name each and every Owner of the Building as an insured. The insurance premiums for such common insurance policies shall be paid equally by each Lot Owner of the Building.

4.4 Decisions by Building Owners. The Owners of each Building may take any action or pay any expense to comply with the obligations set forth in Sections 4.2 or 4.3 upon a

majority vote of the Owners of the Lots within the Building or, in the case of an emergency, by one or more Owners acting in the interests of all Owners of the Building. A vote may be taken at a meeting, over the phone, by electronic communication, by facsimile, or in writing, as long as all other Owners of the Building are notified of the vote and are given an opportunity to vote. Where there are multiple Owners of a single Lot within the Building, the voting rights allocated to such Lot will all be cast together, according to the agreement of the Owners, and not be split. If the Owners of a single Lot are unable to agree on how the voting rights should be exercised with respect to a particular issue, no vote will be cast on such issue with respect to such Lot and such Lot will not be taken into consideration in determining the vote such that, by way of illustration only, a unanimous vote of all other Lots within the Building would constitute a unanimous vote of the Owners of the Building.

4.5 Building Access Easements. In addition to the encroachment and utility easements set forth in the Master Declaration, and without limiting the same, Declarant hereby grants the Owners of each Building a nonexclusive easement over, under, on, and in the Building for the purposes of repairing, improving, and maintaining the Building and the utilities and the heating, ventilation, and air condition systems in or on the Building.

4.6 Common Wall Easements. Declarant hereby grants the Owners of each Building nonexclusive easements over, under, on, and through each Lot, along with such other portions of each Lot as are reasonably necessary, for the purposes of supporting, repairing, improving, and maintaining the common walls located within and along the exterior of each Building. The easement granted in this Section requires, among other responsibilities and duties, each Owner to provide the support necessary to maintain the structural integrity of all common walls.

4.7 Disputes among Building Owners. In the event of any dispute or disagreement between Owners of a Building arising from or related to any provision in this Article, the Owners shall submit the dispute or disagreement to arbitration before the Sahalé Townhome Committee. The rules of arbitration will be established by the Board within the sole discretion of the Board. The decision of the Sahalé Townhome Committee may be appealed to the Board, which may decline to hear the appeal, or which may uphold or reverse the decision of the Sahalé Townhome Committee, all within the sole discretion of the Board. The decision of the Board will be final and binding upon the parties and may, within the discretion of the Board, be

enforced by a Special Assessment. Notwithstanding any provision to the contrary contained in Section 7.04A, et seq., of the Revised Code of Washington or other applicable law, the substantially prevailing party at arbitration shall be awarded the costs of arbitration, including, without limitation, reasonable attorneys' fees, costs, expenses, audit or accounting expenses (including without limitation arbitration fees and arbitrator fees) incurred in the arbitration process.

#### ARTICLE V. DURATION AND AMENDMENT

5.1 Duration. This Agreement shall continue in full force and effect during the term of the Master Declaration.

5.2 Amendment Procedures. An amendment to this Agreement may be made only by conformance with Section 13.2 of the Master Declaration (as if this Agreement were a part of the Master Declaration); provided that an amendment to this Agreement also requires the vote, in person or by proxy, or the written consent, of Owners owning not less than sixty-seven percent (67%) of the Lots located on the Sahalé Property.

#### ARTICLE VI. MISCELLANEOUS PROVISIONS

6.1 Use of Easements. The easements established by this Agreement shall be for the benefit of and restricted solely to the use of the Owners, Owner's Guests, Association, and their successors, assigns, mortgagees, lessees, sublessors, employees, agents, customers, licensees and business invitees, and the same are not intended and shall not be construed as creating any right in or for the benefit of the general public.

6.2 Not a Public Dedication. Nothing contained in this Agreement shall be deemed to be a dedication of any portion of the Sahalé Property in the general public or for the general public or for any public purposes whatsoever, it being the intention that this Agreement will be strictly limited to and for the purposes expressed herein.

6.3 Dominant and Servient Estates. Each and all of the easements and rights granted or created herein are appurtenances to the applicable portions of the Sahalé Property, the Lots, and Buildings, and none of such easements and rights may be transferred, assigned or encumbered, except as an appurtenance to such portions. For the purposes of such easements

and rights, the property benefited constitutes the dominate estate, and the particular areas of the Sahalé Property which respectively are burdened by such easements and rights constitute the servient estate.

6.4 Covenants Run with Land. Each and all of the covenants, restrictions and provisions contained in this Agreement (whether affirmative or negative in nature): (i) are covenants which run with each Lot and Building; (ii) are made for the direct, mutual and reciprocal benefit of each such Lot and Building; (iii) create mutual equitable servitude upon each Lot and Building; (iv) bind every person having any fee, leasehold mortgage or deed of trust or other interest in any portion of the Sahalé Property at any time or from time-to-time to the extent that such portion is affected or bound by the covenant, restriction or provisions to be performed on such portion; and (v) inure to the benefit of the Owners, Owner's Guests, Association, and its respective successors and assigns as to the respective Lots in the Center and to the benefit of mortgagees, lessees and sublessees under mortgages, leases and subleases covering the Sahalé Property or any portion thereof and beneficiaries and trustees under deeds of trust covering the Sahalé Property or any portion thereof.

6.5 Benefit and Burden. The terms, covenants and conditions contained herein inure to the benefit of and are binding upon each Owner, and any other person having any interest in the Sahalé Property and their respective legal representatives, successors and assigns.

6.6 Severability. If any clause, sentence or other portion of the terms, covenants or restrictions of this Agreement becomes illegal, null or void for any reason, or is held by any court of competent jurisdiction to be so, the remaining portions remain in full force and effect.

6.7 No Waiver. Failure to enforce any provision, restriction, covenant or condition in this Agreement, or in any supplemental or amended Agreement, does not operate as a waiver of any such provision, restriction covenant or condition or of any other provisions, restrictions, covenants or conditions.

6.8 Construction. Wherever used herein, unless the context shall otherwise provide, the singular form shall include the plural, the plural shall include the singular, and the use of any gender will include all genders. The articles and section headings set forth herein are for convenience and reference only and are not intended to describe, interpret, define or otherwise affect the content, meaning or intent of this Agreement or any article, section or provision hereof.

The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion thereof shall not affect the validity or enforceability of any other provision hereof.

6.9 Not a Partnership. The Declarant, Association, and Owners do not by this Agreement, in any way or for any purpose, become partners or joint venturers in the conduct of their respective businesses or otherwise.

6.10 Owner(s) Obligations. All obligations of each Owner(s) under and by virtue of the provisions contained in this Agreement will continue, notwithstanding that such Owner may be leasing, renting or selling such Owner's Lot under contract. The Owner(s) have no obligation for expenses or other obligations accruing after such Owner conveys the fee title for such Lot to another party.


IN WITNESS WHEREOF, Declarant has executed this Reciprocal Easement Agreement with Covenants and Restrictions as of the 16 day of March, 2007.

SAHALE TOWNHOMES LLC, a Washington limited liability company

By Brownstone Homes LLC, its Member

By:   
JASON S. WHEATON, its Manager

RIVER CROSSING OWNERS' ASSOCIATION, a Washington nonprofit corporation

By:   
JAMES M. FRANK, its President

RIVERCROSSING, L.L.C., a Washington limited liability company

By:   
JAMES M. FRANK, its Manager

STATE OF WASHINGTON )  
 : ss  
County of Spokane )

On this 10<sup>th</sup> day of March, 2007, before me personally appeared JASON S. WHEATON, to me known to be the Manager of BROWNSTONE HOMES LLC, the company that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act of said company, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute the said instrument on behalf of said company.

GIVEN UNDER MY HAND AND OFFICIAL SEAL the day and year in this certificate first above written.



Lynne M. Bennett  
Notary Public (Signature)  
Lynne M. Bennett  
(Print Name)

My commission expires: 1/9/11

STATE OF WASHINGTON )  
 : ss  
County of Spokane )

On this 11<sup>th</sup> day of March, 2007, before me personally appeared JAMES S. FRANK, to me known to be the President of RIVER CROSSING OWNERS' ASSOCIATION and the Manager of RIVERCROSSING, L.L.C., the nonprofit corporation and the company that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act of said nonprofit corporation and company, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute the said instrument on behalf of said nonprofit corporation and company.

GIVEN UNDER MY HAND AND OFFICIAL SEAL the day and year in this certificate first above written.



Lynne M. Bennett  
Notary Public (Signature)  
Lynne M. Bennett  
(Print Name)

My commission expires: 1/9/11