SHERIDAN BEACH AND SHERIDAN BEACH NO. 2

Protective Covenants dated October 31, 1935, recorded April 1, 1936, under Auditor's File No. 2891744 by Puget Mill Company.

First: That the respective purchasers from the said Puget Mill Company, its successors and assigns, and the heirs, personal representatives, grantees and successors of each purchaser,

- shall never erect or maintain, or cause or permit to be erected or maintained, upon the upland property covered by any contract of sale or deed from said Puget Mill Company, any building or buildings other than a single detached dwelling house and garage appurtenant thereto, and that no such dwelling house shall be of a value of less than Four Thousand Dollars (\$4,000.00); or ever use or permit said property or such dwelling house and garage or the adjoining shorelands in front thereof, if any, to be used except by one family for domestic purposes only (but in such domestic use thereof will never use or permit said property to be used for the raising of any poultry or any animals for commercial purposes or profit); and as to such shorelands, if any, adjoining and in front of any of said upland property, as such shorelands are shown upon the said plat recorded by Puget Mill Company, will never erect or maintain upon such shorelands any building, public beach or shore resort of any kind or nature whatsoever, excepting only a boathouse, dock and conveniences for yachting, boating and swimming, and that none thereof shall ever be used except for the private use of the family entitled to occupy and occupying the upland property adjoining, such shorelands;
- (b) will not ever permit any such dwelling house or garage to be erected or maintained upon said upland property within three feet of the side or rear lines of any lot or tract sold by Puget Mill Company under agreement of sale or deed, nor within twenty feet of the front lines thereof, as hereinafter defined, or if the property is waterfront property, within twenty feet westerly of the easterly staking line of the adjoining upland property, as such staking line is shown in said recorded plat of said Sheridan Beach or within twenty feet of the street boundary line of said waterfront lots; and, for the purposes of definition with respect thereto, it is declared that the front line of all lots in said Sheridan Beach and Sheridan Beach No. 2 (other than waterfront lots) shall be the line adjoining a dedicated street in all cases where a lot adjoins only one street; but where lots are bounded by two or more streets, the front line shall be the shortest boundary line thereof facing upon a dedicated street, according to the recorded plat, except that with respect to lot fourteen in block two, in Sheridan Beach No. 2, the southeasterly street boundary line thereof shall be the front line:

Sheridan Beach & Sheridan Beach No. 2 AF No. 2891744 - Page Two

- (c) will not ever construct or maintain, or permit to be constructed or maintained, upon said upland property covered by any contract of sale or deed from said Puget Mill Company, or the adjoining shorelands in front thereof, if any, any cess pool, or permit or cause the sewage from said property or adjoining shorelands, if any, or from the improvements thereon erected or maintained, to flow into Lake Washington or into any creek running in front of Sheridan Beach No. 2 or the shorelands in front of Sheridan Beach (provided, however, that there may be maintained upon the upland only, but not upon the shoreland, septic tanks of such a type as shall be approved by the health authorities of the County of King and State of Washington); or ever dump or throw into Lake Washington or any creek running through Sheridan Beach or Sheridan Beach No. 2 or the shorelands in front of Sheridan Beach, or upon said shorelands, any refuse or garbage;
- (d) will not ever permit any part of the upland property covered by any contract of sale or deed from said Puget Mill Company, or of the adjoining shorelands in front thereof, if any, or any improvements upon any thereof, to be used or occupied by any person of the Malay, Hawaiian or any Asiatic race or by any person of any Negro race, or any person of extraction or descent of such race, excepting only employees in the domestic or menial service on the property of persons qualified hereunder as occupants and users and residing on the property.

Notwithstanding the limitations and restrictions hereinbefore in subdivisions (a), (b), (c) and (d) in this paragraph First setforth, it is declared by Puget Mill Company as set forth in subdivisions (e), (f), (g), (h), (i), (j) and (k) of this paragraph First and in paragraphs Second, Third, Fourth, Fifth, Sixth and Seventh hereof, as follows:

- (e) The owners at any time of tracts in Sheridan Beach and Sheridan Beach No. 2, which shall have been heretofore deeded by Puget Mill Company, and which constitute a contiguous group of at least two tracts, shall be entitled to divide such tracts by interconveyances between themselves so as to create a lesser number of tracts, and any single owner of a tract deeded by Puget Mill Company, embracing at least two lots as platted, may divide the same; provided, each of the tracts created by any such divisions shall have a frontage of not less than fifty feet and an area of not less than five thousand square feet, but not otherwise; and provided that in the event of such divisions, each of the tracts created thereby shall be deemed and shall be subject to all of the limitations and restrictions in this paragraph First set forth and the conditions and provisions of this declaration.
- (f) With resepct to lots nine, ten, eleven, twelve, thirteen and fourteen, in Block two, in Sheridan Beach, the garage may be constructed and maintained within said twenty foot limit of the front line of any of said lots in the event the height of the garage shall not extend above the ground elevation of the dwelling house constructed upon the lot.

Sheridan Beach & Sheridan Beach No. 2 AF No. 2891744 - Page Three

- (g) With respect to waterfront lots five to fourteen, both inclusive, in Block three, in Sheridan Beach, and the shorelands in front thereof, the foregoing provisions in subdivision (b) set forth, so far as they relate to the limitation distances for the construction and maintenance of dwelling house and garage, easterly and westerly from the staking line, as shown in the plat recorded by Puget Mill Company, as well as to the street boundary line distance limitations for the erection and maintenance of dwelling house and garage, shall not apply; but upon sale of each of said lots, limitation distance may be fixed by Puget Mill Company.
- Subject to the restrictions and limitations set forth in subdivisions (c), (d) and (e) of this paragraph, it is declared that Lots one, two, three and four, in Block one, Lots one, two and seventeen, in Block two, and Lot thirty-six in Block four, in said Sheridan Beach, or any tracts thereof (but no other portion of said Sheridan Beach or Sheridan Beach No. 2) may be sold by Puget-Mill Company and need as business lots (if designation to that effect be expressed in the agreement of purchase and deed thereof, when given by Puget Mill Company), and if so sold as business lots, the respective buyers thereof, their heirs, assigns, grantees, personal representatives or successors in interest, may erect and maintain thereon buildings for the conduct or carrying on of food stores such as groceries, meat markets, bakeries and creameries, dry goods and notion stores, drug stores, confectioneries, high-class theatres, high-class cafes, automobile garages, dry-cleaning establishments (exclusive of laundry) or gasoline filling stations, but no other business; and said lots or tracts in this subdivision (h) described, if sold as business lots or tracts, shall be subject also to the same side and rear boundary line limitations with respect to building thereon as are provided insubdivision (b) of this paragraph with respect to dwelling houses and garages, but the restrictions and limitations hereinbefore set forth with respect to distance limitations from the front line of said lots or tracts in this subdivision (h) described for the construction and maintenance of buildings shall not apply.
- (i) None of the said restrictions or limitations in this paragraph First set forth shall apply to Lots five to fifteen, inclusive, in Block one, in said Sheridan Beach, or any tracts embracing more than a single lot thereof, with the exception of the restrictions and limitations set forth in subdivisions (c), (d) and (e) of this paragraph First and such other restrictions and limitations as may be fixed by Puget Mill Company upon sale thereof;
- (j) With respect to dwelling houses and garages constructed prior to the date of the filing of this declaration upon any upland tracts in said Sheridan Beach No. 2 or in Sheridan Beach and adjoining shorelands in front thereof, if any, the front, rear and side line boundary distance limitations for construction of dwelling house and garage

Sheridan Beach & Sheridan Beach No. 2 AF No. 2891744 - Page Four

shall not apply, except with respect to any additions thereto or reconstruction thereof made after the date of the filing of this declaration.

It is declared that at any time after the Puget Mill Company (k) shall have sold and deeded sixty percent of the lots as platted in Sheridan Beach and Sheridan Beach No. 2, the then owners of not less than siventy-five percent of the number of said deeded lots (exclusive of Lots five to fifteen, inclusive, Block one, Sheridan Beach), joined by mortgagees, if any mortgages then exist thereon, may, in writing, elect to terminate or modify any or all of the restrictions or limitations fixed in this paragraph First, provided that there be included the written consent of owners of seventy-five percent of the number of deeded lots in said subdivision upon which improvements have been erected (joined by mortgagees, if any mortgages then exist thereon); then, upon the recording of such election, signed and acknowledged, in the office of the Auditor of said King County, such restrictions or limitations in this paragraph First set forth, or modifications thereof, shall forthwith terminate or be modified according to the provisions of such election.

At any time before the Puget Mill Company shall have sold and deeded sixty percent of the number of lots as platted in said subdivision, said restrictions or limitations in this Paragraph First set forth may be terminated or modified as above, provided that the consent in writing of the Puget Mill Company shall have been given to such termination or modification.

Second: The restrictions and limitations set forth in paragraph First hereof shall constitute a complete substitute for those set forth in any deeds or agreements for the sale of lots in Sheridan Beach No. 2 or Sheridan Beach (including the adjoining shorelands in front thereof, if any) heretofore executed by said Puget Mill Company; and the respective buyers from the Puget Mill Company, for themselves, their heirs, assigns, grantees, personal representative and successors in interest, shall be bound by and observe all thereof, both before and after the execution and delivery of deed,

Third: It is declared that notwithstanding any restrictions, limitations or provisions of this declaration, the Puget Mill Company may maintain an office on lot seventeen in Block two, in Sheridan Beach, so long as it shall desire.

Fourth: All of the restrictions and limitations set forth in paragraph First hereof, subject to the exceptions and provisions therein, shall be deemed covenants running with the land and binding upon the respective buyers from the Puget Mill Company, their heirs, assigns, grantees, personal representatives and successors in interest; and in case of a breach of any of said restrictions or limitations, or violation of the foregoing covenants and agreements to be kept by the respective buyers from the Puget Mill Company, their heirs,

Sheridan Beach & Sheridan Beach No. 2 AF No. 2891744 - Page Five

assigns, grantees, personal representatives or successors in interest, then the deed or agreement executed by said Fuget Mill Company for the sale of the property with respect to which the breach or violation may occur shall become null and void, and the title to said property shall revert to the Fuget Mill Company, its successors or assigns, as fully and completely as though the said deed or agreement of sale had never been executed, subject, however, to any actual bona fide mortgage lien then existing against the same, provided that any title in any manner acquired by virtue of any such mortgage lien shall always be subject to all of the covenants, limitations, restrictions and conditions set forth in this declaration, as covenants, limitations, restrictions and conditions restrictions and conditions restrictions running with the land.

Fifth: Subejet to the foregoing modifications and amendments set forth in paragraph First hereof and the provisions of this declaration, all of the terms and covenants of any deeds or agreements of purchase executed by the Puget Mill Company prior to the date of this declaration shall continue in full force and effect, and the Puget Mill Company agree that the sale by it hereafter of all tracts (a "tract" meaning a full lot as platted, or more, or parts of two lots as platted, or more, and conforming to the frontage and area set forth in subdivision (a) of First paragraph of this declaration) in Sheridan Beach No. 2 and Sheridan Beach, including adjoining shorelands in front thereof, if any, shall be under the limitations, restrictions and conditions hereinbefore set forth with such exceptions as are herein set forth or provided for.

Sixth: It is understood that lots one and two, in Block one, in said Sheridan Beach heretofore sold are designated as business lots.

Seventh: The Puget Mill Company agrees that if at any time on or before the 31st day of December, 1941, a majority of the persons (other than the Puget Mill Company) then owning lots or tracts, or agreements of purchase of lots or tracts, in the plats of Sheridan Beach, Sheridan Beach No. 2 and Sheridan Heights, in King County, Washington, shall form an organization complying with the conditions hereinafter set forth with power on the part of such organization to take title to the properties hereinafter in this paragraph described and within said time shall deliver to the Puget Mill Company or its office in Seattle, Washington, satisfactory evidence in writing of the formation of such an organization, then the Puget Mill Company will convey to such organization or to trustees duly elected by the members thereof and designated in a written notice delivered to the Puget Mill Company, Lot one in Block three and Lots thirty-six and thirty-seven in Block seven, in Sheridan Beach, together with the shorelands in front of said three lots, as shown upon the plat recorded by the Puget Mill Company, free from all taxes and unpaid due instalments of assessments, if any, which became delinquent prior to said time, for the private, common use and enjoyment, for park and beach purposes, of the members of said organization and

Sheridan Beach & Sheridan Beach No. 2 AF No. 2891744 - Page Six

their families. Such organization shall be formed either as a social club, as a corporation under the laws of the State of Washington, or as a voluntary association, and shall consist exclusively of owners of lots or tracts and of holders of agreements of purchase, covering lots or tracts in said three subdivisions, and membership therein shall be accorded to all owners of lots or tracts or holders of agreements of purchase covering lots or tracts in said three subdivisions, who shall agree to preform and abide by the bylaws, rules and regulations of such organization. Owners of, or holders of agreements of purchase covering tracts formed under the provisions of subdivision (e) of paragraph First of this declaration shall be eligible to membership in said organization. In the event of the acquisition by such organization of said lots and shorelands in front thereof, then such organization shall be entitled to construct and maintain upon the upland thereof, but not upon the shorelands in front thereof, such club house as it may see fit (subject, however, to the same boundary limitations as are set forth in subdivision (b) of paragraph First of this declaration with respect to dwelling house and garage), and to construct and maintain upon the shorelands in frontoof said lots such dock and conveniences for yachting, boating and swimming as it may see fit for the common use and enjoyment of its members and their families. In the event that satisfactory evidence in writing of the formation of such organization, in accordance with the foregoing provisions, is not submitted to the Puget Mill Company at its offices in Seattle, Washington, on or before the said 31st day of December, 1941, and conveyance of the properties in this paragraph described is not accepted by such organization or the trustees appointed in accordance with said provisions at the office of the Puget Mill Company within fifteen days from the delivery of the said evidence, time being of the essence, then the Puget Mill Company shall be released from the provisions in this paragraph set forth as to the conveyance of said properties, and said properties and all improvements thereon shall belong to Puget Mill Company, but thereafter said property in this paragraph described shall be subject to the restrictions, limitations and conditions in this declaration set forth.

Eighth: All of the restrictions, limitations, conditions and provisions in this declaration set forth shall be observed by and binding upon each buyer of a lot or tract in Sheridan Beach No. 2 and Sheridan Beach, together with the shorelands in front thereof, if any, his heirs, personal representatives, grantees and successors in interest, and the same represent all understandings connected with each sale heretofore or hereafter made by the Puget Mill Company of tracts in said Sheridan Beach No. 2 and Sheridan Beach, together with the shorelands in front thereof, if any.