

SECTION 5. IMPROVEMENTS continued

4.07 Animals. No animals, livestock, or poultry of any kind shall be raised, bred, or kept except that cats, dogs, or other household pets may be kept, but not for any commercial purpose. Household pets shall not be allowed to become an annoyance or nuisance to the neighborhood.

4.08 Incineration. Because of unpleasant odors and unsightliness, no incineration shall be permitted on any lot.

4.09 Fires and Fireplaces. Interior fireplaces, stoves, or other type burners shall be fireproofed with sparkproof screens. All fires shall be extinguished before leaving cabin. No fires shall be burned in any cabin.

4.10 Firearms and Fireworks. Discharging firearms, firecrackers, rockets or any other fireworks in the North Woods area shall be prohibited.

4.11 Commercial Use. No platted lot shall be used for any commercial purpose. The Lessee may rent his cabin from time to time, and in such case shall be responsible that his tenants abide by the terms of this lease.

4.12 Motorbikes. No motorbike or motorcycle riding of any nature shall be allowed on any lot. Ingress and egress.

4.13 Fire Extinguisher. One fire extinguisher (minimum two quart capacity) shall be kept in each cabin.

4.14 Trailers and Tents. No tent, house trailer, or mobile home, whether or not occupied, shall be permitted on any lot except during the period of cabin construction and for general use on a weekend period.

4.15 Solicitation. There shall be no solicitation or distribution of handbills or circulation of literature without the written consent of Lessor.

4.16 Hose Bibs. One hose bib shall be installed on outside wall of each cabin before completion of the cabin.

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5.01 Plans Approved. No building shall be erected, placed, or altered on the cabin site unless construction plans showing the location of the structure have been approved by the Lessor as to conformity with the development, quality of workmanship and materials, harmony of external design and color with existing structures, and location with respect to topography and finish grade elevation. Such approval shall be in writing.

5.02 Building Materials. All building construction shall be of log or wood frame. Wood frame construction simulated brick veneer construction is expressly prohibited. All roofs shall be of wood shingle or shake, or of composition - color to be approved prior to application by the Lessor or such person or persons designated by the Lessor.

5.03 Completion. Cabins must be completed from all outward appearance within a reasonable time such construction is started. Cabin construction must be started within three years from the date of the Cabin Site Lease.

5.04 Tree Removal. The Lessee of each cabin site may remove from said site all trees, shrubs, and other vegetation necessary to prepare the property for building subject to the following conditions:

As required by the State of Washington in the master lease, any tree whose diameter is over 8" at chest height must be marked by Lessee for Lessor's inspection. Lessor will then notify the Washington State Department of Natural Resources and require their standard appraisal of value. Lessee will then pay Lessor for the value of the trees before removal. Any additional clearing beyond that necessary for the construction of improvements shall be prohibited. The intent is to remove as few trees as possible to the extent that the community remain natural and rustic.

5.05 Lot Markers. Lessee will use all reasonable care to make certain that the lot markers, as established by Lessor, are not moved or destroyed.

5.06 Improvements Other Than On Cabin Site. No improvements of any kind shall be constructed or placed upon any area covered by the master lease without Lessor's prior written consent.

5.07 Ownership of Improvements. The master lease provides as follows:

"8.04 Ownership of Sub-lessee Improvements. All buildings and improvements, excluding removable personal property and trade fixtures on the leased site [North Woods] erected by Sub-lessee [Lessee herein] will remain on said site after expiration of this lease [master lease] or termination prior to the term of this lease [master lease] of any sub-lease [this lease] held by the State under the provisions of paragraph 5.09; provided, however, upon the expiration of the lease [master lease], if the State is unsuccessful in re-leasing the lot [this site (North Woods)], as a unit, then each sub-lessee [Lessee herein] shall have a preferential right to be allowed by law to re-lease from the State its sub-leased area; provided, further, upon the termination or expiration of this lease [master lease] or a sub-lease [this lease] assigned under paragraph 5.09, the State as a condition of any re-lease of the leased site or sub-leased site to any other party made during the three year period following the State shall require the subsequent Lessee to purchase the Sub-lessee's [Lessee herein] interest in the improvements as allowed by law. Expiration, as used in this paragraph, shall mean the expiration of the lease as of May 31, 2025."

The parties hereto agree that the terms and conditions of the above quoted paragraph shall be applicable provided:

(a) That Lessee is not in default under any of the terms and conditions of this lease; and

(b) That Lessee's lease expires May 31, 2025. In the event of earlier expiration of this lease, all buildings and improvements located upon the premises shall be the property of Lessor.

The parties hereto further agree that the benefits of paragraph 8.04 of the master lease shall be enforceable solely against the State of Washington.

5.08 Taxes and Assessments. The Lessee shall pay in annual payments all taxes and assessments that are now charged or may become chargeable against the improvements placed upon the cabin site, now or in the future, commencing with the taxes first becoming due and payable after the date hereof, all before such taxes and assessments become past due.

5.09 North Woods Association. The roads in the plat and certain other common areas shall be maintained in the name of The North Woods Association, a non-profit association, of which the Lessees of lots in the plat shall be members. Said Association shall be responsible for the maintenance and repair of roads, the entire water system including but not limited to water systems serving the cabins on the premises, docks and common areas and improvements thereof (if any), as well as other community functions which may be given it by its members. The owners (Lessor) of the tract shall be required to pay dues of not less than one and one-half dollars (1½) per month and assessments levied by the Association for their reasonable share of the costs of the functions and duties of the Association. Said dues shall be paid at the time 50 lots are leased. It is understood and agreed that Lessor shall and it is hereby delegated to fulfill the responsibilities and functions of the North Woods Association until fifty (50) lots in the North Woods area are leased. At that time Lessor shall call a meeting of all Lessees for the purpose of forming said Association.