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and after recording return to :

Spokane RV Resort Home Owners Association
1205 N. Country Club Drive
Deer Park WA 99006

Indexing Data	
Document Title	Covenant for Amenity and Common Utilities Usage
Grantor	Grapevine 7, Inc.
Grantee	Spokane RV Resort Owners Association
Short Legal	<u>Association Property:</u> <i>Phase 1 of Spokane RV Resorts, Deer Park Washington,</i> Block A, Lots 1-21, Block B, Lots 1-18, Block C, Lots 1-11, Block D, Lots 1-5, Block I, Lots 1-11, Tract D
Full legal descriptions on Addendums A-1 and A-2	<u>Grapevine 7 Property:</u> <i>Phase 1 of Spokane RV Resorts, Deer Park Washington,</i> Lots 1, 9 and 18, Block A, Lots 3-6, 9, 11, 12, 14, and 15, Block B, Lots 1-9, Block E, Lots 1-17, Block F, Lots 1-18, Block G, Lots 1-38, Block H, Lots 5-8, Block I.
	<i>Phase 3 of Spokane RV Resorts,</i> Lots 1-25, Block A, Lots 1-19, Block B, Lots 1-17, Block C
	<u>Common Area:</u> <i>DEER PARK GOLF & COUNTRY CLUB CONDOMINIUMS: TR "A" SPOKANE RV RESORT CONDOMINIUMS 1ST AMEND: TR "E" (AFN# 5962210), TR "B" (AFN# 5962210), TR "C" (AFN# 5962210), PRIVATE ROADS (AFN# 5962210) SPOKANE RV RESORT CONDOMINIUMS PHASE 3: TRACT "A" (AFN 6071993) , TRACT "B" COMMON ROAD (AFN 6071993), TRACT "C" (AFN 6071993), DRAINAGE EASEMENT LOTS (AFN 6071993)</i>
Tax Parcel Nos	29361.0301, 29361.0302, 29361.0303, 29361.0304, 29361.0305, 29361.0306, 29361.0307, 29361.0308, 29361.0309, 29361.0310, 29361.0311, 29361.0312, 29361.0313, 29361.0314, 29361.0315, 29361.0316, 29361.0317, 29361.0318, 29361.0319, 29361.0320, 29361.0321, 29362.0401, 29362.0402, 29362.0403, 29362.0404, 29362.0405, 29362.0406, 29362.0407, 29362.0408, 29362.0409, 29362.0410, 29362.0411, 29362.0412, 29362.0413, 29362.0414, 29362.0415, 29362.0416, 29362.0417, 29362.0418, 29362.0501, 29362.0502, 29362.0503, 29362.0504, 29362.0505, 29362.0506, 29362.0507, 29362.0508, 29362.0509, 29362.0510, 29362.0511, 29362.0601, 29362.0602, 29362.0603, 29362.0604, 29362.0605, 29362.1101, 29362.1102, 29362.1103, 29362.1104, 29362.1105, 29362.1106, 29362.1107, 29362.1108, 29362.1109, 29362.1110, 29362.1111, 29362.0701, 29362.0702, 29362.0703, 29362.0704, 29362.0705, 29362.0706, 29362.0707, 29362.0708, 29362.0709, 29262.0801, 29262.0802, 29262.0803, 29262.0804, 29262.0805, 29262.0806, 29262.0807, 29262.0808, 29262.0809, 29262.0810, 29262.0811, 29262.0812, 29262.0813, 29262.0814, 29262.0815, 29262.0816, 29262.0817, 29362.0901, 29362.0902, 29362.0903, 29362.0904, 29362.0905, 29362.0906, 29362.0907, 29362.0908, 29362.0909, 29362.0910, 29362.0911, 29362.0912, 29362.0913, 29362.0914, 29362.0915, 29362.0916, 29362.0917, 29362.0918, 29362.1105, 29362.1106, 29362.1107, 29362.1108, 29362.1001, 29362.1002, 29362.1003, 29362.1004, 29362.1005, 29362.1006, 29362.1007, 29362.1008, 29362.1009, 29362.1010, 29362.1011, 29362.1012, 29362.1013, 29362.1014, 29362.1015, 29362.1016, 29362.1017, 29362.1018, 29362.1019, 29362.1020, 29362.1021, 29362.1022, 29362.1023, 29362.1024, 29362.1025, 29362.1026, 29362.1027, 29362.1028, 29362.1029, 29362.1030, 29362.1031, 29362.1032, 29362.1033, 29362.1034, 29362.1035, 29362.1036, 29362.1037, 29362.1501, 29362.1502, 29362.1503, 29362.1504, 29362.1505, 29362.1506, 29362.1507, 29362.1508, 29362.1509, 29362.1510, 29362.1511, 29362.1512, 29362.1513, 29362.1514, 29362.1515, 29362.1516, 29362.1517, 29362.1518, 29362.1519, 29362.1520, 29362.1521, 29362.1522, 29362.1523, 29362.1524, 29362.1525, 29362.1601, 29362.1602, 29362.1603, 29362.1604, 29362.1605, 29362.1606, 29362.1607, 29362.1608, 29362.1609, 29362.1610, 29362.1611, 29362.1612, 29362.1613, 29362.1614, 29362.1615, 29362.1616, 29362.1617, 29362.1618, 29362.1619, 29362.1701, 29362.1702, 29362.1703, 29362.1704, 29362.1705, 29362.1706, 29362.1707, 29362.1708, 29362.1709, 29362.1710, 29362.1711, 29362.1712, 29362.1713, 29362.1714, 29362.1715, 29362.1716, 29362.1717, 29361.1205, 29362.1201, 29362.1202, 29362.1203, 29362.1204, 29362.1208, 29362.1801, 29362.1802, 29362.1803, 29362.1804

Covenant for Amenity and Common Utilities Usage

Parties to agreement:

Spokane RV Resort Owners Association (Association) - A Washington State non-profit corporation

Grapevine 7, Inc. (G7) – A Colorado for-profit corporation currently operating Deer Park RV Resort utilizing Association assets based on their ownership of property in the Condominium (as defined below), and its successors

Recitals:

A. Association's predecessors in interest were the developers of Spokane RV Resorts, Deer Park Washington, a Condominium (the "Condominium") Phase 1 and Phase 2 of which are shown on the amended plat recorded under Spokane County Auditor's File No. 5962210 in Volume 10 of Condominiums, pages 67-68, records of Spokane County. Phase 3 is shown on the plat recorded under Spokane County Auditor's File No. 6071993 in Volume 10 of Condominiums, pages 71-72, records of Spokane County. The Declaration for the Condominium ("Declaration") was filed under Spokane County Auditor's File No. 4851662, and was amended by documents filed under Spokane County Auditor's File No. 5962209 (amending various provisions of the Declaration, 6071992 and 6249093 (adding Phase 3 to the Condominium), and 6179360 and 6242409 (withdrawing Phase 2 from the Condominium, as defined in the referenced documents).

B. Association's predecessors in interest developed a portion of Phase 1 (aka Park B) of the Condominium into 66 lots for resale as fee owned lots and associated common area (the "Association Property"). The 66 developed lots in the Association Property are described on Addendum A-1 and include 16 lots owned by G7. The balance of Phase 1 was never developed. Association's predecessors in interest developed Phase 3 (aka Park A) into a transient RV park. Association's predecessors in interest withdrew Phase 2 from the Condominium, which has not been developed.

C. Association's predecessors in interest sold to G7 the undeveloped remainder of Phase 1 of the Condominium, and 16 then unsold lots in the Association Property, and Phase 3 of the Condominium (the "G7 Property"). The G7 Property is described on Addendum A-2

D. G7 may develop the undeveloped portion of Phase 1 (other than the 16 lots thereof in the Association Property) and to continue to maintain Phase 3 as a commercial transient RV park, which for-profit uses are incompatible with the non-profit governing structure of Association. In connection with such development and use, G7 wishes to purchase the Common Area and Common Utilities associated with the

Association Property (the "Common Area") to serve as amenities for G7's commercial properties.

E. In connection with, and as a condition to purchase of the Common Area, Association and G7 intend to enter into this Covenant for Amenity and Common Utilities Usage, whereby G7 will manage and maintain the common area Property which is the subject of this Agreement for the joint use of the lots within the Association Property and users of G7's commercial properties.

F. For purposes of clarity, (i) the transaction contemplated under this Agreement does not contemplate that G7 will acquire or manage the common area within the Association Property currently used as a dog park, and legally described as Tract D of Phase 1 of the Condominium, and (ii) G7 waives any claim to be a successor Declarant under Section 21.6 of the Declaration.

Definitions. In addition to terms defined elsewhere in this Agreement, the following terms used in this Agreement shall have the following meanings:

Common Area:

Deer Park RV Resort roads, swimming pool, spa, pavilion, laundry, rest rooms, and other common areas as defined on Park map as of the date of this Agreement purchased by G7 and as described on Addendum A-2

Association:

Spokane RV Resort Owners Association and its successors

Association Property:

Lots within the jurisdiction of Spokane RV Resort Owners Association, including 66 privately owned lots and Tract D common property (NE grassy corner and dog run area not purchased by G7).

Common Utilities:

All potable water supply and sewer systems and installations within the Park and Association. All irrigation systems throughout the Park and Association. All gas, electric and cable TV and Wi-Fi systems installed throughout the Park. Does not include water, sewer, electric, and cable TV hookups at each Association lot.

G7:

Grapevine 7, Inc, and its successors.

G7 Property:

The Property described on Addendum A-2

Park:

The Deer Park RV Resort (formerly known as Spokane RV Resort) as it exists on the date of this Agreement (including Phases 1 and 3 as described above and the Association Property) and its surrounding property, amenities, roads, etc., as documented on Deer Park RV Resort map.

Usage Fees:

Billing Process and Revision Process as defined in Addendum C.

Addendums:

- A. Property Listing of Common Area
- B. Future expansion/construction responsibilities
- C. Usage Fees and Revision Process

Sections of this Agreement:

- 1. Road Usage
- 2. Common Water/Sewage
- 3. Cable TV and Wi-Fi Systems
- 4. Landscape Maintenance
- 5. Trash Pickup and Garbage Service
- 6. Insurance and Other Liability
- 7. Amenity and Common Area maintenance and upkeep.
- 8. G7 Additions or Improvements, also see Addendum B.
- 9. Usage Fees, also see Addendum C.
- 10. Access to Park Common Area
- 11. Association Lot Rental and Amenity Access
- 12. Miscellaneous

*Agreement:***1. Road usage:**

G7 hereby grants a nonexclusive easement for vehicular and pedestrian ingress and egress to the Association to run with the Association Property for full use of all roads in the Park. G7 agrees to maintain all Association Roads at a level consistent with public roads in the adjacent Deer Park Golf and Country Club Division 3 Homeowner's Association.

2. Common Utilities:

The Association Property shall have full access to and right to use Park Common Utilities on the same basis as provided to G7 customers, including, without limitation water and sewage systems installations and hookups. G7 will maintain the infrastructure (underground piping, controls, pumps, etc.) of water/sewage installations.

Association Property lot owners are responsible for any modifications made to water and sewer systems on lot owner property and must notify and receive approval from G7 management and the Association Architectural Control Committee of any requested changes to water supply, irrigation or sewer systems before any changes are made to those systems.

Under this usage agreement G7 is responsible for payment of all water and sewer usage billings from the applicable utility provider and must maintain payments on a current and prompt basis. Evidence of current payment balances must be provided to Association Board of Directors annually (December 31 or each year) or upon request.

3. Cable TV and Wi-Fi Systems:

The Park provides Cable TV and Wi-Fi throughout the Park and Association. This will be made available to Association Property lot owners on the same basis as provided to G7 customers. Park Cable TV and Wi-Fi Systems will be provided and maintained at a performance level consistent with other G7 RV Resorts Parks.

Association members desiring different or improved TV or Wi-Fi access may install their own access systems as available, subject to any approvals required under the Declaration.

4. Landscape Maintenance:

G7 will maintain all areas within the Park and within the Association Property including private lot owner grass areas on a regular maintenance schedule as follows:

- Mowing: grass mowing will occur at least once a week during the grass growing season, normally April 15-October 15, or other period as required.
- Edging: grass edges will be trimmed at least every two weeks during grass growing season.
- Weed control/abatement: grass areas are to be treated for weed control/abatement as needed in order to adequately control the potential for or current weed infestation on Association grassy areas.

Landscape maintenance in the Park and the Association will be maintained at a standard consistent with adjoining Deer Park Golf and Country Club Division 3 Homeowner's Association.

Association lot owners may mow and edge their own grassy areas, but must maintain consistency with G7 mowing/edging standards and schedules.

Association lot owners must maintain grass on their lot that is not readily accessible by G7.

5. Trash Pickup and Garbage Service:

G7 will provide garbage service (daily pick up and provide garbage disposal bins) throughout the Park and Association Property. Garbage disposal bins will be emptied at least weekly or more frequently as needed.

6. Insurance and Other Liability:

G7 will name the Association as "Additional Insured" on their Deer Park RV Resort liability insurance coverage's. G7 will also ensure that all G7 employees performing any work in Association or G7 properties located in Deer Park will be covered by all State of Washington and Federal Worker's compensation coverage requirements. G7 will pay all taxes due with respect to the Common Area when due.

7. Amenity and Common Area Maintenance and Upkeep:

In addition to Landscape Maintenance, G7 will maintain all Common Area at a level consistent with other G7 RV Resorts and will comply with all health and safety regulations.

8. G7 Additions or Improvements to Park or surrounding areas.

Any work done by or under the direction of G7 will be properly permitted and performed in a "workman like manner". (See also Addendum B.)

9. Usage Fees (see also Addendum C):

The Association will be responsible for a Usage Fees for the amenity and Common Area access and usages provided by G7 pursuant to this agreement. If required, Usage Fees may be increased annually above the base fees listed in Addendum C to amounts consistent with increases in United States Department of Labor Cost of Living Indexes for Washington State Region. Any change to Usage Fees in excess of CPI adjustments must be agreed and coordinated between G7 and the Association and upon request, the Association shall have access to G7 expense records supporting Usage Fee changes.

The usage charges and revision processes are defined in Addendum C. to this agreement.

10. Access to Park Amenities:

G7 hereby grants Association members and their guests the same access to Park amenities as given to G7 customers. This includes access to Park swimming pool, spa, pavilion, laundry, rest rooms, and Park common areas and any future amenities installed by G7.

Association members and their guests are required to abide by all G7 Park Rules and Regulations when using Park Amenities and while present in Park grounds and properties.

The Association may establish its own Rules and Regulations to be applied on Association Property. G7 agrees to abide by any Association Rules and Regulations

while on Association property and to enforce any such rules while renting RV Lots within the Association Property.

11. Association Lot Rental and Amenity Access:

As permitted in the Declaration, rental of RV Lots within the Association Property will be allowed by either Association lot owners or G7.

Association and G7 lot owners will ensure that all lots rented within Association are intended to be rented on a long-term basis (thirty days or longer) and in compliance with Section 9.17 of the Declaration.

Renters in Association lots will have full access to Association amenities - as of 1/1/2020, NE Association corner grass area and the dog run (Tract D).

12. Miscellaneous

12.1 Running Covenants

G7 hereby declares the G7 Property shall be, held, conveyed, hypothecated, encumbered, leased, rented, used, occupied, and improved subject to the foregoing covenants, conditions, restrictions, reservations, limitations, obligations and uses, all of which are declared to be and by acceptance of deeds and/or assignments of interests there under are agreed and deemed to be in furtherance of and to effect a common plan for the G7 Property and the Association Property. Said covenants, conditions, restrictions, reservations, limitations and obligations shall benefit the Association Property and run with the G7 Property, and shall be binding upon any person acquiring or owning any interest in the G7 Property, their grantees, successors, heirs, executors, administrators, devisees and assigns.

12.2 Captions and Exhibits.

Captions given to the various Sections herein are for convenience only and are not intended to modify or affect the meaning of any of the substantive provisions hereof. The various exhibits referred to herein and attached hereto shall be deemed incorporated herein by reference as though fully set forth where such reference is made.

12.3 Notices

All notices, demands, statements, and requests (each, a "notice") required or permitted to be given under this Agreement shall be in writing, sent to the address following each party's signature on this Agreement and shall be deemed to have been properly given or served as of the date hereinafter specified: (a) on the date of personal service to the intended recipient, (b) three (3) days after the date the notice is postmarked by the United States Post Office, provided it is sent prepaid, registered or certified mail, return receipt requested, and (iii) on the date the notice is delivered by a reputable professional courier service to the intended recipient, provided it is sent prepaid, return

receipt requested. Each party shall have the right, from time to time, and at any time, upon at least ten (10) days prior written notice thereof in accordance with the provisions hereof, to change its respective address and to reasonably specify any other addresses within the United States of America; provided, however, notwithstanding anything herein contained to the contrary, in order for the notice of address change to be effective it must actually be delivered. Refusal to accept delivery of a notice or the inability to deliver a notice because of an address change which was not properly communicated shall not defeat or delay the giving of a notice.

12.4 Breach, Attorney Fees

In the event of any violation by a party to this Agreement of any of the terms, restrictions, covenants and conditions provided herein, the other party shall have in addition to the right to collect damages, the right to have such violation enjoined by a court of competent jurisdiction, provided prior to the commencement of any such action, fifteen (15) days written notice of the violation will be given to the party allegedly in violation. This Agreement shall be construed in accordance with the laws of the State of Washington. If either party brings any action for any relief against the other, declaratory or otherwise, arising out of this Agreement, the losing party will pay to the prevailing party a reasonable sum for attorney's fees and costs.

12.5 Abandonment

If G7, in whole or in part, ceases to maintain or provide access to the Common Area or provide the Amenities contemplated under this Agreement, The Association shall have the option to purchase such Common Area or Amenities from G7, at their then depreciated book value, less the amount of any outstanding debt or liens, payable in cash at closing. The Association may exercise its option by written notice to G7, at any time following expiration of any required notices of default.

12.6 Waiver

No delay or omission of any party in the exercise of any right accruing upon any default of any other party shall impair such right or be construed to be a waiver thereof, and every such right may be exercised at any time during the continuance of such default. A waiver by any party of a breach of, or a default in, any of the terms and conditions of this Agreement by the other party shall not be construed to be a waiver of any subsequent breach of or default in the same or any other provision of this Agreement.

12.7 Entire Agreement

This Agreement sets forth the entire agreement of the parties with respect to the subject matter thereof, and all prior understandings or agreements are merged herein. This agreement may be amended or modified only in writing signed by both parties.

12.8 Audit

Not more than once each calendar year, the Association shall have the right, upon thirty (30) days' prior notice to Declarant, to review G7's records for the prior year relating to expenses payable under this Agreement, including such documents and records as may be necessary to verify the accuracy and content of each statement hereunder and

G7 shall supply, or make available for review, such documents and records upon request. If it is determined that there was an error in the determination of charges, then an appropriate adjustment will be made within thirty (30) days following determination. G7 shall pay the reasonable accounting cost of any review if such review discloses an overstatement by G7 of three percent (3%) or more in a calendar year.

Done as of 12-5, 2019

Spokane RV Resort Owners Association

Grapevine 7, Inc.

By: Kris Freeman
Title: PRESIDENT SPOKANE HOA

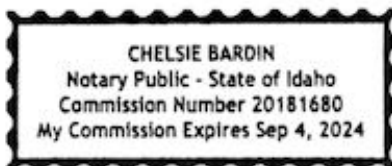
By: Kris Freeman
Title: CEO GRAPEVINE 7 INC

1205 North Country Club Drive
Deer Park, WA, 99006-8181

10555 Horseshoe Bend Road
Boise, ID, 83714

Idaho
STATE OF ~~WASHINGTON~~)
County of ~~Spokane~~ Ada) :ss.

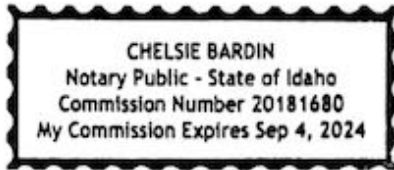
This record was acknowledged before me on 12-5, 2019 by KRIS FREEDMAN as PRESIDENT of Spokane RV Resort Owners Association.



Chloe Bardin
Notary Public in and for the State of ~~Washington~~ Idaho
My commission expires: 9/4/2021

Idaho
STATE OF ~~WASHINGTON~~)
County of ~~Spokane~~ Ada) :ss.

This record was acknowledged before me on 12/5, 2019 by Keis Freedman
as president of Grapevine 7, Inc.



Chelsie Bardin
Notary Public in and for the State of Washington,
My commission expires: 9/4/24

Addendum A-1

Association Property

The following Lots and Tracts within Phase 1 of Spokane RV Resorts, Deer Park Washington, a Condominium, as more particularly shown on the amended plat recorded under Spokane County Auditor's File No. 5962210 in Volume 10 of Condominiums, pages 67-68, records of Spokane County:

Fee Owned Lots (also known as Park B)

Block A, Lots 1-21

Block B, Lots 1-18

Block C, Lots 1-11

Block D, Lots 1-5

Block I, Lots 1-11

Common Area retained by the Association

Tract D

The following 16 lots are owned by G7 at the time of execution of these covenants, and are benefitted by, but not bound by these covenants as provided in Section 12.1 hereof.

Lots 1, 9 and 18, Block A

Lots 3-6, 9, 11, 12, 14, and 15, Block B

Lots 5-8, Block I

Addendum A-2

G7 Property

Undeveloped Phase I Lots:

The following Lots and Tracts within Phase 1 of Spokane RV Resorts, Deer Park Washington, a Condominium, as more particularly shown on the amended plat recorded under Spokane County Auditor's File No. 5962210 in Volume 10 of Condominiums, pages 67-68, records of Spokane County, situate in Spokane County Washington:

Lots 1-9, Block E
Lots 1-17, Block F
Lots 1-18, Block G
Lots 1-38, Block H

Phase III Lots (also known as Park A):

The following Lots and Tracts within Phase 3 of Spokane RV Resorts, Deer Park Washington, a Condominium, as more particularly shown on the amended plat recorded in Volume 10 of Condominiums, pages 71-62, records of Spokane County, situate in Spokane County Washington:

Lots 1-25, Block A
Lots 1-19, Block B
Lots 1-17, Block C

Common Area:

Tax Parcel No.	Legal Description
29361.1205	SPOKANE RV RESORT CONDOMINIUMS 1ST AMEND TR "E" (AFN# 5962210) (SUBSERVIENT COMMON AREA)
29362.1201	DEER PARK GOLF & COUNTRY CLUB CONDOMINIUMS TR "A" (OPEN SPACE)
29362.1202	SPOKANE RV RESORT CONDOMINIUMS 1ST AMEND TR "B" (AFN# 5962210) (SUBSERVIENT COMMON AREA)
29362.1203	SPOKANE RV RESORT CONDOMINIUMS 1ST AMEND TR "C" (AFN# 5962210) (SUBSERVIENT COMMON AREA)
29362.1208	SPOKANE RV RESORT CONDOMINIUMS 1ST AMEND PRIVATE ROADS (AFN# 5962210) (PRIVATE LANES - SUBSERVIENT COMMON AREA)
29362.1801	SPOKANE RV RESORT CONDOMINIUMS PHASE 3 TRACT "A" (AFN 6071993) (SUBSERVIENT COMMON AREA)

29362.1802	SPOKANE RV RESORT CONDOMINIUMS PHASE 3 TRACT "B" COMMON ROAD (AFN 6071993) (SUBSRVIENT COMMON AREA)
29362.1803	SPOKANE RV RESORT CONDOMINIUMS PHASE 3 TRACT "C" (AFN 6071993) (SUBSRVIENT COMMON AREA)
29362.1804	SPOKANE RV RESORT CONDOMINIUMS PHASE 3 DRAINAGE EASEMENT LOTS (AFN 6071993) (SUBSRVIENT COMMON AREA)

All situate in Spokane County Washington.

Tax Parcel No.	Functional Description
29361.1205	Office, Pavilion, Pool, Laundry, Rest Rooms
29362.1201	Strip in undeveloped portion of Phase 1
29362.1202	Grass Strip north of Parcel 29362.1203
29362.1203	Triangle Area
29362.1208	Park B Roads
29362.1801	Mail Station, Grassy Area at North end of Park A (Bocce Ball Court)
29362.1802	Entrance Road to Park B, Roads in Park A
29362.1803	Grassy areas east/west of entry, play area, south dog run
29362.1804	Drainage Easements in Park A, between sites 17 & 19, 54 & 56, 57&59

Addendum B.

Deer Park RV Resort Expansion/Construction Requirements

G7 agrees to the following conditions if and when it initiates an expansion to the Park to add amenities, RV Lots or any other expansion activities requiring building permits in Deer Park, WA or Spokane County.

1. G7 will pursue alternate ingress/egress into and out of construction areas to mitigate traffic impacts in the Park and Association roads.
2. G7 will ensure that any construction debris, mud, dirt, gravel accumulated on Park and Association roads is cleaned up at end of construction work shift, daily.
3. Contractors and any construction personnel are not to start work until 7:30AM Monday – Saturday, and all work must stop by 6PM each day. No work to be performed on any Sunday or National Holiday.
4. G7 will ensure that all required construction and building permits are in place before any work is started in Park or neighboring areas under the control of G7.
5. G7 will ensure that all safety and insurance requirements are in place before any work is started in Park or neighboring areas under the control of G7.

Addendum C.

Methodology for Calculation of Usage Fees

It is the intent of the parties that G7 may charge the Association Usage Fees in an amount that will reimburse G7 for the actual cost of providing the Common Area access and amenities described in this Agreement, prorated between the Association Property and the G7 Property, based on the number of lots in each area with access to or benefit from the common area and amenities. If the number of lots in the G7 Property increase or decrease, the amount payable by the Association shall be adjusted accordingly.

The attached spreadsheet is a summary of the common expenses that G7 and Association have agreed are required to operate and maintain the common amenities, landscaping and common utilities as described in this Agreement. G7 may charge the Association only for the expenses listed on the attached spreadsheet, in amount that may be adjusted from time to time as provided in this Addendum C.

Usage Fees shall not include (a) depreciation; (b) costs of improvements made for the sole benefit of occupants of the G7 Property; (c) costs relating to advertisement, legal fees or development or repair of the transient RV accommodations or other commercial development on the G7 Property that do not benefit occupants of the Association Property; (d) mortgage principal or interest; (e) capital costs other than reserves for repair or replacement of existing facilities, or as agreed between the parties for new facilities; (f) costs of repair reimbursed by third parties; (g) any cost due to G7's failure to fulfill its obligations under this Agreement; or (h) any income, estate or inheritance tax.

Payment Details and Revisions:

The initial monthly Usage Fee (payable by lot) is listed in the attached spreadsheet.

1. Revisions to the amount payable by the Association (as listed on the attached spreadsheet) may be adjusted:
 - a. Annually, G7 may adjust the Usage Fees up or down using the annual percentage adjustment (COLA) to Social Security benefits payable by the Social Security Administration.
 - b. Periodically, by the prorata amount of any (i) LID or similar levy affecting the G7 or Association Properties not in effect as of the date of this Agreement, (ii) any tax increase or decrease affecting the G7 Property, and (iii) increases or decreases in third party charges for utilities or insurance or snow removal.
 - c. Other adjustments or additional fees may be made by only mutual agreement between G7 and the Association.

2. Usage Fees payable process:

Effective January 1, 2020 the Association will pay G7 a Usage Fee for all 66 members of the Association, subject to credit for the amount allocable to any lots owned or controlled by G7.

Lot owners in the Association Property will make their Usage Fee payments to the Association. The Association will be responsible to collect lot owner Usage Fees and for paying the required total Usage Fee amount to G7 on at least a monthly basis.

Lump sum Usage Fee payment to G7 for each month is payable in advance, no later than the tenth day of each month.

Effective January 1, 2020 the initial monthly Usage Fees will be \$100.00 per month per lot.

Addendum C. Spreadsheet
Common Expense Analysis

Common Expenses	Yearly Ave.	127 Lot Share	Per month
Common Expenses			
Non Labor Maintenance			
Buildings	3273	26	2
Grounds (includes Enoch Rd. dust control)	5460	43	4
Janitorial	2394	19	2
Landscape & Irrigation (non labor)	26341	207	17
Pool and Hot Tub	3713	29	2
Snow Removal	1001	8	1
Tools and Equipment	513	4	0
Total Non Labor Maintenance	42695	336	28
Non Labor Utilities			
Cable TV	7325	58	5
Garbage	13423	106	9
Gas & Elec	15537	122	10
Internet	2238	18	1
Water & Sewer	13834	109	9
Total Utilities	52357	412	34
Labor			
Landscape Maintenance	35000	276	23
Pool	2000	16	1
Janitorial	2500	20	2
Total Labor	39500	311	26
Other			
Security Cameras/Gates	1000	8	1
Other overhead expenses (insurance, etc.)	2500	20	2
Capital asset surcharge	12700	100	8
Total Other	16200	128	11
Totals	150752	1187	99

Effective 01/01/2020 the Usage Fee charge will commence at \$100 per lot per month.