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Document Title(s)

DECLARATION OF CC:R'S FOR GRANITE HILL

Reference Number(s) of Related Documents

Grantor(s) (Last Name, First Name, Middle Initial)

FOUR C, LLC.

Grantee(s) (Last Name, First Name, Middle Initial)

FOUR C, LLC, GRANITE HILL OWNERS ASSN.

Legal Description (Abbreviated form is acceptable, i.e. Section/Township/Range/Qtr Section or Lot/Block/Subdivision)

THE NW 1/4, SEC. 21, T. 25 N., R. 45 E., W.M.

Assessor's Tax Parcel ID Number

55212.9046

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Signature of Requesting Party

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR GRANITE HILL

This Declaration of Covenants, Conditions and Restrictions, made on the date hereinafter set forth by Four C, LLC, a Washington Limited Liability Company (hereinafter referred to as "Declarant")

WITNESSETH:

WHEREAS Declarant is the owner of certain property in the County of Spokane, State of Washington, which is specifically described and identified as Granite Hill described in Exhibit "A" attached hereto and incorporated herein by this reference, hereinafter referred to as "Granite Hill", and

WHEREAS Declarant has subdivided Granite Hill into separate lots and streets, and has constructed or will construct thereon certain community improvements and, thereafter, the lots will be sold to the general public (or to builders) for the construction of residential Dwellings establishing a residential community, and

WHEREAS the development shall be hereinafter referred to as Granite Hill, and Each owner shall receive fee or equitable title to an individual lot (with the right and Obligation to construct a Dwelling thereon) and a membership in Granite Hill Owners' Association, which shall be a Washington nonprofit corporation and which will have certain administrative and maintenance responsibilities in Granite Hill, and

WHEREAS Declarant intends by this document to impose upon the Property mutually beneficial restrictions under a general plan of improvement for the benefit of all of the said lots and the owners thereof.

NOW, THEREFORE, Declarant hereby declares that Granite Hill shall be held, conveyed, mortgaged, encumbered, leased, rented, used, occupied, sold and improved, subject to the following declarations, limitations, covenants, conditions, restrictions, and easements, all of which are for the purpose of enhancing and protecting the value and attractiveness of the Property, and Granite Hill, and every part thereof, in accordance with the plan for the improvements of the Property and the division thereof into a residential Plat. All of the limitations, covenants, conditions, restrictions, and easements shall constitute covenants which shall run with the land and shall be perpetually binding upon Declarant and its successors-in-interest and assigns, and all parties having or acquiring any rights, title, or interest in or to any part of the Property or Granite Hill.

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Unofficial Document

ARTICLE 1
DEFINITIONS

1.1 "Assessment" shall mean that portion of the cost of maintaining, improving, repairing, operating, and managing the Property which is to be paid by each Lot Owner as determined by the Association under this Declaration.

1.2 "Association" shall mean and refer to the Granite Hill Owners' Association, Washington nonprofit corporation, the members of which shall be owners of the lots in the Project.

1.3 "Board" or "Board of Directors" shall mean and refer to the governing body of the Association.

1.4 "Bylaws" shall mean and refer to the Bylaws of the Association as amended from time to time.

1.5 "Common Expenses" means and includes the actual and estimated expenses of administration of the Association, and of the maintenance, repair, or replacement of those parts of the Project for which the Association is responsible, and any reasonable reserve for such purposes as found and determined by the Board and all sums designated common expenses by or pursuant to the Project Documents.

1.6 "Common Property": Tract "A", Tract "B" or Tract "C" as depicted on the Recorded Final Plat of Granite Hill.

1.7 "Declarant" shall mean and refer to Four C, LLC, and their successors in interest and assigns with respect to the Property, but shall not include members of the public purchasing Lots in the Project.

1.8 "Declaration" shall mean and refer to this Declaration of Covenants, Conditions, and Restrictions, as it may be amended from time to time.

1.9 "Dwelling" shall mean and refer to any residential structure (and appurtenant improvements) constructed or to be constructed upon any individually owned Lot in the Project.

1.10 "Lot" shall mean and refer to any particular and separately designated parcel resulting from the subdivision of real property according to this Declaration or Supplemental Declaration. Further, the term Lot shall not, however, include property owned by the Association, Common Property or dedicated streets.

1.11 "Member" shall mean and refer to a person entitled to membership in the Association as provided herein.

1.12 "Owner" or "Owners" shall mean and refer to the record owner or holder of fee or equitable title to a Lot in the Project. This shall include any person having a fee simple title to any Lot, but shall exclude persons or entities having any interest merely as security for the performance of any obligation. Further, if a Lot is sold under a contract of sale (which contract or notice thereof is recorded), the contract purchaser, rather than the fee owner, shall be considered the "Owner".

1.13 "Parcel" shall mean a defined portion of the Property within which the contemplated development involves a common use or compatible uses, and which may have been designated as a Parcel by this Declaration, or a recorded Supplemental Declaration.

1.14 "Period of Declarant Control" shall mean the period beginning on the date this Declaration is first recorded in the office of the County Auditor of Spokane County, Washington, and ending on the earlier of (a) the date which is 20 years later, or (b) the date on which the Declarant has recorded the plats on all Expansion Property and has sold ninety percent (90%) of the Lots to the Owners other than Declarant in each of the Plats. When Declarant has determined that no additional property shall be considered Expansion Property, Declarant shall so notify the Association in writing. The period of Declarant Control may be reinstated or extended by agreement between Declarant and the Association, subject to such terms, conditions and limitations as the Board of Directors may impose on the subsequent exercise by Declarant of the Special Declarant Rights. After the termination of the Period of Declarant Control, Declarant, if still an Owner, will continue to have all the rights and duties ordinarily given to Owners under this Declaration.

1.15 "Plat" shall mean any subdivision plat covering any portion of the Property as recorded at the office of the County Auditor, Spokane County, Washington, as the same may be amended by duly recorded amendments thereof.

1.16 "Project Documents" means and includes this Declaration as it may be amended from time to time, the exhibits attached hereto, the Plat, the Association's Articles of Incorporation and Bylaws of the Association, and the rules and regulations for the members as established from time to time.

1.17 "Property" or "Properties" means and includes the real property covered by this Declaration, and all improvements erected thereon and all property, real, personal or mixed, intended for or used in connection with Granite Hill by Supplemental Declaration.

1.18 "Granite Hill" shall mean and refer to the entire Property including all structures and improvements erected or to be erected thereon, and including all phases annexed thereto.

1.19 "Special Declarant Rights" shall mean those rights of Declarant as set forth below.

1.20 "Supplemental Declaration" shall mean any Supplemental Declaration including additional covenants, conditions and restrictions that might be adopted with respect to any portion of the Property or additional real property or improvements which may be made part of the Property as provided herein.

ARTICLE 2

DESCRIPTION OF PROJECT, DIVISION OF PROPERTY AND CREATION OF PROPERTY RIGHTS AND OBLIGATIONS

2.1 Description of Granite Hill, Granite Hill consists of the underlying Property with the residential Dwellings and all other improvements and systems located or to be located thereon, regardless of their ownership.

2.2 Common Property. The Common Property shall consist of real property in which the Association holds an interest or which is held or maintained, permanently or temporarily, for the common use, enjoyment, and benefit of the Owners, and includes, without limitation, private roads, private drives, sidewalks, drainage facilities, Tract "A", Tract "B", and Tract "C", gate and fencing. Common Property may be established from time to time by Declarant on any portion of the Property by describing it on a Plat, by granting or reserving it in a deed or other instrument, or by designating it pursuant to this Declaration or any Supplemental Declaration. Common Property may include easement and/or license rights.

2.2.1 Drainage Facilities and Storm Water Lines. Drainage facilities and storm water lines located within the Common Property as shown on the final Plat, shall be operated, maintained, repaired, and replaced by the Association in accordance with Spokane County design standards and regulations to include, but not limited to, Storm Water Conveyance and Drainage Pond Operations and Maintenance Manual for Granite Hill Development. No alteration shall be allowed to drainage facilities located within the Property that is contrary to design standards and regulations.

2.2.1.1 Association Responsibility. The Association, through Assessments, shall maintain, clean and keep open all storm water lines, pipes and drainage facilities on Common Property and replace them at such times Spokane County deems necessary. The Association's maintenance shall at all times be in compliance with the accepted plans and the previously referenced Operations and Maintenance Manual. The Association's maintenance shall include but is not limited to planting, mowing and irrigating, grass sod or native-type dryland grasses in pond facilities, drainage ditches and swales, storm water pipes, facilities and structures, keeping them free of debris. The Association may plant and maintain shrubbery and trees on the Common Property, provided they do not obstruct the flow and percolation of storm drainage water in

drainage swales. The Association shall remove, dispose and replace soil and grass sod in the drainage facilities at such times as Spokane County deems necessary.

2.2.1.2 Drainage Tracts. Tract "A", Tract "B", and Tract "C", as depicted on the plat for the purpose of installing, operating and maintaining drainage ponds and facilities to convey, store, treat and dispose of storm water runoff. The Declarant grants an easement to Spokane County for ingress and egress, over, under and on all Common Property, Lots, and Tracts for inspection and emergency maintenance of drainage facilities.

2.2.2 Private Roadways. All roadways within the Property are privately owned by the Association.

2.2.2.1 Private Roads. All private roadways designated on the plat as roads or lanes shall be maintained, repaired and improved by the Association to Spokane County Road and Sewer Standards applicable to private roads. The Association shall bear all responsibility for drainage and snow removal. Every Owner, regardless of the location of their Lot, shall contribute to the common expenses which shall include private roadway maintenance.

2.3 Conveyance of Common Property. The Declarant may convey title to the Common Property to the Association at any time, by deed. However, title to the Common Property will be deemed to be transferred and conveyed to the Association at the end of the Period of Declarant Control. Such conveyance shall be accepted by the Association.

2.3.1 Thereafter, title to the Common Property cannot be sold or transferred By the Association except to a successor in interest approved by Spokane County. should the Association cease to exist for any reason without assignment of the Common Property to an approved successor in interest, then and in that event, the Owners of the Lots existing at the time of the Association's termination shall share equally the responsibility and costs for maintaining the Common Property including all drainage facilities.

2.3.2 The Common Property can then not be sold, transferred or conveyed by the Lot Owners, but shall be considered subservient estates for tax purposes to the Lots unless a re-plat is filed.

ARTICLE 3
ASSOCIATION, ADMINISTRATION, MEMBERSHIP AND VOTING RIGHTS

3.1 **Association to Manage Granite Hill.** The Owners of all the Lots covenant and agree that the administration of Granite Hill shall be in accordance with the provisions of this Declaration and the Bylaws of the Association, subject to the standards set forth in this Declaration and all applicable laws, regulations and ordinances of any governmental or quasi-governmental body or agency having jurisdiction over Granite Hill. Notwithstanding the generality of the foregoing, the primary function of the Association shall be the enforcement of the restrictions set forth in this Declaration.

3.2 **Membership.** The Owner of a Lot shall automatically, upon becoming an Owner, be a Member of the Association, and shall remain a Member thereof until such time as his ownership ceases for any reason, at which time his membership in the Association shall automatically cease. Membership shall be in accordance with the Bylaws of the Association.

3.3 **Transferred Membership.** Membership in the Association shall not be transferred, pledged, or alienated in any way, except upon the transfer of ownership of the Lot to which it is appurtenant, and then only to the new Owner. Any attempt to make a prohibited transfer is void. In the event the Owner of any Lot should fail or refuse to transfer the membership registered in their name to the purchaser of their Lot, the Association shall have the right to record the transfer upon its books and thereupon the old Membership outstanding in the name of the seller shall be null or void.

3.4 **Classes of Membership.** The Association will initially have three classes of Members as described below:

3.4.1 **Class A Membership.** Owners of Lots, other than Declarant, shall be known as Class A Members. Each Class A Member shall be entitled to cast one (1) vote for each Lot owned by such Class A Member on the date of the vote.

3.4.2 **Class B Membership.** Declarant shall be known as the Class B Member, and shall be entitled to ten (10) votes per Lot owned by Declarant, including Lots that have been preliminarily platted, but have not been finally platted on the date of the vote. Provided, however, that Class B membership shall cease to exist after the termination of the Period of Declarant Control, and at such time, Declarant, if still an Owner of a Lot or Lots, will become a Class A Member and shall be entitled to one (1) vote for each Lot owned.

3.4.3 **Class C Membership.** The Bylaws may set forth additional classifications of membership from time to time, except no additional classifications shall be created during the Period of Declarant Control unless the Declarant agrees in writing to any new or different class.

3.5 Voting Requirements. Except where otherwise expressly provided in this Declaration or the Bylaws, any action by the Association which must have the approval of the Association membership before being undertaken shall require the vote or written assent of the prescribed percentage of the total voting power (both classes) of the Association.

3.6 Voting Rights. Each Member shall be entitled to vote on Association matters based on the number of votes to which that Member is entitled based on such Member's membership class. Any Owner of a Lot that is leased may assign his voting right to the tenant, provided that a copy of the instrument or assignment is furnished to the Secretary of the Association prior to any meeting at which the tenant exercises the voting right.

3.7 Membership Meetings. Regular and special meetings of Members of the Association shall be held with the frequency, at the time and place, and in accordance with the provisions of the Bylaws of the Association.

3.8 Board of Directors. The affairs of the Association shall be managed by a Board of Directors, which shall be established, and which shall conduct regular and special meetings according to the provisions of the Bylaws of the Association.

ARTICLE 4 **MAINTENANCE AND ASSESSMENTS**

4.1 Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within Granite Hill, hereby covenants, and each Owner of any Lot by acceptance of a deed or contract therefore, whether or not it shall be so expressed in such deed or contract, is deemed to covenant and agree to pay to the Association: (1) General Annual assessments or charges, and (2) Special Assessments for capital improvements and unexpected expenses, such assessments to be established and collected as provided herein and in the Bylaws of the Association. The regular and special assessments, together with interest, costs, and actual attorneys' fees, shall be a charge and a continuing lien upon the Lot against which each assessment is made, the lien to become effective upon levy of the assessment. Each such assessment, together with interest, costs, and actual attorneys' fees; shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment fell due. No Owner of a Lot may exempt himself from liability for the contribution toward the Common Expenses by waiver of the use or enjoyment of any part of Granite Hill or by the abandonment of their Lot.

4.2 Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the health, safety and welfare of all the residents of Granite Hill, and shall include (as part of the regular periodic assessments) an adequate reserve for maintenance, repairs and replacement of those areas and facilities owned and managed by the Association, and which must be replaced on a periodic basis. Specifically, and without limiting the generality of the foregoing, the assessments shall be used to cover expenses of administering the Association, of enforcing the covenants, conditions, and restrictions of Declaration, of

providing for the insurance for the Association, and of providing for the maintenance of Common Property.

4.3 Amounts Paid by Owners. The Board can require, in its discretion or as provided in the Articles of Incorporation or Bylaws, payment of regular Assessments in quarterly or annual installments. Each Owner shall be assessed and shall pay an amount determined annually by the Board of Directors. In computing any change to the amount of regular Assessments, the Board shall prepare an estimate of expenses for operating the Association, including such contributions to a reserve for future capital repairs as the Board may consider appropriate. Said estimate of operating expenses shall be divided by the number of finally platted Lots attributable to all Owners for said year. The Board shall make a reasonable estimate of the number of Owners that will be subject to regular Assessments during the year.

4.4 Special Assessments. In addition to the regular Assessments authorized above, the Board may levy, in any fiscal year, a special Assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement within Granite Hill, including fixtures and personal property related thereto, or to defray any unanticipated or underestimated regular Assessment. Special Assessments may also be levied against an individual Lot and its Owner to reimburse the Association for costs incurred in bringing that Owner and their Lot into compliance with the provisions of this Declaration and the Bylaws, including attorneys' fees and costs.

4.5 Allocation of Assessments. Each Lot, including Lots owned by Declarant, shall bear an equal share of each regular and special assessment (except for special assessments imposed against an individual Lot and its Owner under the preceding subparagraph).

4.6 Date of Commencement of Assessment; Due Dates. The General Annual Assessments provided for herein shall commence as to each Lot in Granite Hill on the first day of the month following closing of the sale of the first Lot in Granite Hill or Phase thereof. Due dates of the Assessments shall be established by the Board of Directors and be set forth in an annual notice, along with the amount of the general annual Assessment.

4.7 Transfer of Lot by Sale or Foreclosure. Sale or transfer of any Lot shall not affect the Assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure shall extinguish the liability for and lien of such Assessments as to payments which become due prior to such sale or transfer (except for Assessment liens recorded prior to the mortgage). Such unpaid dues or charges shall be deemed to be Common Expenses collectible from all of the Lots including such mortgagee. In a voluntary conveyance of a Lot, the grantee of the same shall be jointly and severally liable with the grantor for all unpaid Assessments by the Association against the latter for their share of the Common Expenses up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. However, any such grantee shall

be entitled to a statement from the Association setting forth the amount of the unpaid Assessments due the Association, and such grantee shall not be liable for, nor shall the Lot conveyed be subject to a lien for, any excess of the amount set forth in the statement; provided, however, the grantee shall be eligible for any such Assessment becoming due after the date of any such statement.

4.8 Enforcement of Assessment Obligations; Priorities, Discipline. If any part of any Assessment is not paid and received by the association or its designated agent within thirty (30) days after the due date, an automatic late charge of Ten Dollars (\$10.00) shall be assessed and additional Ten Dollar (\$10.00) sums shall be assessed for each month or fraction thereof from the due date until the Assessment and all late charges are paid. Each Assessment shall constitute a lien on each respective Lot prior and superior to all other liens except (1) all taxes, bonds, Assessments and other levies which, by law, would be superior thereto, and (2) the lien or charge of any mortgage or deed of trust of record made in good faith and for value. Such lien, when delinquent, may be enforced by sale by the Association, its attorney, or other person authorized by this Declaration, or by law to make the sale, after failure of the Owner to pay such Assessment, in accordance with the provisions of Washington law applicable to the exercise of powers of sale in deeds of trust, or by judicial foreclosure as a mortgage, or in any other manner permitted by law. The Association, acting on behalf of the Lot Owners, shall have the power to bid for the Lot at the foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. Suit to recover a money judgment for unpaid Common Expenses, rent and attorneys' fees shall be maintainable without foreclosing or waiving the lien securing the same. The Board may impose reasonable monetary penalties, including actual attorneys' fees and costs, and may temporarily suspend the Association membership rights of a Lot Owner who is in default in payment of any Assessment, after notice and hearing according to the Bylaws.

ARTICLE 5

GRANITE HILL OWNERS' ASSOCIATION

5.1 Organization. Granite Hill Owners' Association shall be initially organized by Declarant as a Washington non-profit corporation under the provisions of the Washington Code relating to general non-profit corporations and shall be charged with the duties and invested with the powers prescribed by law and set forth in the Articles of Incorporation, Bylaws and this Declaration. Neither the Articles of Incorporation nor the Bylaws shall be amended or otherwise changed or interpreted so as to be inconsistent with the Declaration or with any Supplemental Declaration which Declarant might adopt pertaining to Granite Hill.

5.2 Board of Directors and Officers. Subject to the rights and obligations of Declarant as set forth in this Declaration and to the rights and obligations of the other Owners, the Association will be responsible for the administration and operation of the Property. The Board of Directors will exercise all powers, duties and authority of the Association not reserved to Declarant or the Members by this Declaration, the other Project Documents, or other applicable law.

5.3 Appointment of Officers and Directors by Declarant. Until the expiration of the Period of Declarant Control, Declarant will retain the exclusive powers to appoint, remove and replace directors and officers of the Association. Notwithstanding the foregoing, Declarant may voluntarily surrender the right to appoint, remove and replace directors and officers of the Association before the end of the Period of Declarant Control by providing a notice to that effect to the Association and otherwise complying with the procedures for termination of this Special Declarant Right, as set forth in the Bylaws. However, upon voluntarily terminating this Special Declarant Right in advance of the expiration of the Period of Declarant Control, Declarant may require that specified actions of the Association or the Board, as described in an instrument executed and recorded by Declarant in the office of the County Auditor of Spokane County Washington, be approved by Declarant before those actions become effective.

5.4 Powers and Duties of the Association. The Association shall have the powers of a corporation organized under the corporation laws of the State of Washington applicable to non-profit corporations, subject only to such limitations upon the exercise of such powers as are expressly set forth in the Articles of Incorporation, the Bylaws and this Declaration. The Association shall have the power to do any and all things which may be authorized, required or permitted to be done by the Association under Washington law, this Declaration, the Articles of Incorporation and Bylaws, and to do and perform any and all acts which may be necessary to, proper for, or incidental to the proper management and operation of the Common Property, the Association's other assets, its affairs and the performance of the other responsibilities herein assigned, including without limitation:

5.4.1 Expend Association funds to maintain, repair, replace and manage all property identified as Common Property, and all property that may be acquired by the Association.

5.4.2 Enforce the provisions of this Declaration by appropriate means, including without limitation, the expenditures of funds of the Association, the employment of legal counsel, and the commencement of actions.

5.4.3 Maintain such policy or policies of insurance as are required by this Declaration or as the Board deems necessary or desirable in furthering the purposes of and protecting the interests of the Association and its Members.

5.4.4 Have the authority to employ a manager or other persons and to contract with independent contractors or managing agents to perform all or any part of the duties and responsibilities of the Association, subject to the Bylaws and restrictions imposed by any governmental or quasi-governmental body or agency having jurisdiction over Granite Hill.

5.4.5 Adopt reasonable rules not inconsistent with this Declaration, or the Bylaws relating to the use of particular areas within Granite Hill and the conduct of Owners and their tenants and guests with respect to the Property and other Owners.

5.4.6 Establish one or more checking or savings accounts in the name of the Association with any bank, savings association or credit union doing business in Spokane County, Washington and designate signatories thereon.

ARTICLE 6
USE RESTRICTIONS: GENERAL COVENANTS

6.1 **Owners' Rights and Duties.** The rights and duties of the Owners of Lots within Granite Hill are as follows and may only be amended in the manner provided in Section 9 hereof regarding Amendment of this Declaration. In addition, the Board may, from time to time without consent of the Owners, promulgate, modify or delete other use restrictions and rules and regulations applicable to the Property. Such use restrictions and rules shall be distributed to all Owners prior to the date that they are to become effective and shall thereafter be binding upon all Owners until and unless overruled, cancelled or modified by vote or written consent of a majority of Members with voting power in the Association.

6.2 **Construction and Landscaping Requirements and Restrictions.** All dwellings constructed within the Property by any person other than Declarant shall be subject to guidelines established by the Architectural Control Committee for the purpose of establishing property wide harmonious design. Thereafter, the Owners shall maintain their dwellings and the landscaping on their Lots to the standard established by the Declarant and generally prevailing within Granite Hill.

6.2.1 All Dwellings and other buildings constructed on Lots shall be set at such an elevation so as to provide positive drainage away from any drainage entry point to the building (including but not limited to a window well, a window unprotected by a window well, or a doorway). Said positive drainage shall consist of a minimum slope of 5% away from the building for a distance of at least 10 feet from the building. The lots shall be graded so that either a) all runoff is routed away from the building, and conveyed over the lot to a natural drainage swale or approved drainage facility, or b) drainage intercepted on the lot is disposed of on the lot in an approved drainage facility. All drainage facilities for this plat, shall be constructed in accordance with the approved plans on file at the Spokane County Engineer's Office. Any proposed changes to the approved road and drainage plans must be approved by the Spokane County Engineer's Office prior to construction of said changes.

6.3 **Residential Use.** Except as provided in this paragraph, all Lots shall be used for single family residential purposes exclusively with the exception that certain home occupations will be permitted subject to the guidelines and rules established by the Board. Such home occupations may be limited to certain business uses, shall not create any disturbance, noise, or unsightliness, shall not unduly increase traffic flow or parking congestion, and shall not be in violation of any of the provisions of this Declaration or Bylaws. Use of the Lot shall, in all cases, be in compliance with all applicable laws, ordinances, rules and regulations.

6.4 Signs. No sign of any kind shall be displayed to the public view on any Lot within the Property, except that one professional appearing sign advertising the Lot for sale or for rent may be placed by an Owner, builder or licensed real estate broker. This provision regarding signs shall not apply to or restrict the Declarant from installing or maintaining signs during development and sales of Lots for marketing the Property, nor shall this restriction apply to any entrance sign to the entire Property installed or authorized to be installed by Declarant. Owners may place temporary political signs on the Lots during campaign and election times.

6.5 Animals. No animals of any kind shall be raised, bred or kept in any Lot, Dwelling, or on any portion of the Property; provided, however, that conventional household pets may be kept on Lots subject to the following restrictions: Pets shall not be kept, bred or maintained for any commercial purposes. Owners shall be responsible for the immediate cleanup and removal of all fecal matter deposited by pets on any Property other than the Lot of the Owner of the pet. Pets shall be confined to the Owner's Lot in a dog run, or otherwise, unless on leash and accompanied by a responsible person. No domestic pet may be kept if it is a source of annoyance or nuisance. The Board shall have the authority to determine whether a particular pet is a nuisance or a source of annoyance, and such determination shall be final and conclusive. Pets shall be attended at all times and shall be registered, licensed and inoculated from time to time as required by law.

6.6 Vehicle and Equipment Restrictions. No inoperable automobile, boat, or similar equipment, and no vehicle in an extreme state of disrepair, shall be permitted outside of a garage. Provided, however, vehicles and equipment may be moved onto driveways or streets on a transitory and temporary basis (48 hours maximum) for purposes of loading and unloading of passengers or personal property.

6.7 Garbage Cans, Wood Piles, Etc. All garbage cans, wood piles, air conditioning compressors, machinery, equipment and other similar items related to the operation of the dwelling shall be located or screened so as to be concealed from view of the street abutting the Lot where such items are located. All rubbish, trash and garbage shall be regularly removed and shall not be allowed to accumulate. Trash, garbage, debris, or other waste matter of any kind, may not be burned within the Property.

6.8 Unightly or Unkempt Conditions. The pursuit of hobbies or other activities, including specifically without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly or unkempt conditions, shall not be undertaken outside of homes or garages. Garage doors shall be kept closed at all times unless they are in use. In addition, the storage of equipment, machinery, construction supplies or any similar material on a Lot outside of the dwelling and garage constructed thereon is strictly prohibited except as required during the remodeling or refurbishing of improvements on such Lot and then for not more than 90 days.

6.9 Nuisance Prohibited. No noxious, or offensive activity shall be carried on upon any Lot, Tract or Street within the Property nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

ARTICLE 7
ARCHITECTURAL CONTROL

7.1 Architectural Control During Development. During the period of Declarant Control, the Architectural Control Committee shall be appointed by Declarant. All decisions regarding approval or rejection of plans, specifications, landscaping, retaining walls, fencing, and other proposals shall be determined by a majority vote of the members of the Architectural Control Committee.

7.2 Architectural Control Committee after Sale of All Lots. After all Lots are owned by Owners other than the Declarant, the Owners may assume control of and responsibility for the Architectural Control Committee. At that time, the Lot Owners shall appoint members of the Committee, which shall consist of three members. Members of the Architectural Control Committee need not be Owners of Lots.

7.3 Prohibition of Alteration. No structure, improvement, or alteration of any kind (including the initial installation of landscaping within any Lot and any revision of the initial landscaping of any Lot which might obstruct another Lot Owner's view), shall be commenced, erected, painted, or maintained upon the Property until the plans for the same have been submitted to and approved in writing by the Architectural Control Committee.

7.4 Plans and Approval. The Architectural Control Committee, shall base decisions to approve or deny proposals on the quality of the proposed workmanship and the materials to be utilized, the harmony of the proposal to the external design and existing structures, and as to location with respect to topography and finished grade elevation. The Architectural Control Committee shall also have the authority to develop and make available to all Owners within the Property, a set of rules and guidelines to assist Owners in preparing plans under this section. The rules and guidelines shall not be binding upon the Declarant or Committee, but shall set forth general criteria to be considered by the Committee in evaluating a particular application for architectural approval.

7.5 Maintenance of Property. Each Owner shall be responsible for maintaining the exterior appearance of their Lot and all improvements situated on their Lot. In the event that an Owner shall fail or refuse to maintain the Lot or exterior appearance of any improvements, the Architectural Control Committee and/or other Lot Owners shall have the right, upon thirty (30) days' prior written notice sent to the Owner's last known address by certified mail, return receipt requested, repairs and corrections meanwhile not having been undertaken and diligently pursued, to enter upon the Owner's Lot and commence and complete such repairs and/or corrections. All costs associated with investigating, giving

notice, undertaking and completing repairs and/or corrections shall be a special Assessment obligation owed by the Lot Owner personally and shall constitute a lien as a special Assessment against such Lot.

7.6 Minimum Standards. The minimum standards stated in Article 6 shall be binding upon the Architectural Control Committee unless and until amended by Project Documents.

ARTICLE 8
SPECIAL DECLARANT RIGHTS
AND ADDITIONAL RESERVED RIGHTS

8.1 General Provisions. Until the expiration of the Period of Declarant Control, Declarant will have the following Special Declarant Rights:

8.1.1 Completion of Improvement. The right to complete Improvements as indicated on any Plat filed with respect to the Property.

8.1.2 Development Rights. The right to exercise all development rights in connection with the development of the Property ("Development Right"), including without limitation the right or combination of rights hereby reserved by Declarant as follows:

8.1.2.1 The right to create Lots and Common Property on the Property.

8.1.2.2 The right to withdraw real estate contained within the Property initially subject to this Declaration.

8.1.2.3 The exclusive right to modify road, water, sewer, dry utilities and fire systems in accordance with any requirements of Spokane County, as applicable, or any other governing agency having jurisdiction for such systems.

8.1.2.4 The exclusive right to modify road, water, sewer, dry utilities and fire systems as approved by applicable governing agencies having jurisdiction for such systems.

8.1.3 Sales Activities. The right to maintain sales and management offices, signs advertising the project and model residences on the Common Property and on Lots owned by Declarant, whether contained within the Property initially subject to this Declaration, or within the Expansion Property, if any.

8.1.4 Easements. The right to use easements through the Common Property on the Property, for the purpose of making improvements on the Property.

8.1.5 Association Directors and Officers. The right to appoint any officer or Director of the Association, as provided in this Declaration or the Bylaws.

8.1.6 Order of Exercise of Declarant's Rights. Declarant makes no representations and gives no assurances regarding the legal description or the boundaries of the Property or the order or time in which the Property may be developed or incorporated in the Project. Further, the fact that Declarant may exercise one or more of Declarant's Development Rights or other Special Declarant Rights on one portion of the Property will not operate to require Declarant to exercise a Development Right or other Special Declarant Right with respect to any other portion of the Property.

8.2 Reservation of Easement for Expansion and Construction. Declarant hereby reserves for itself and its successors and assigns a perpetual easement and right-of-way for access over, upon and across the Common Property for construction, utilities, drainage, ingress and egress, and for the use of the Common Property. The location of these easements and right-of-ways may be made certain by Declarant or the Association by instruments recorded in Spokane County, Washington.

Declarant further reserves the right to establish from time to time, by dedication or otherwise, utility, ingress and egress, and other easements over and across the Common Property, and to create other reservations, exceptions, and exclusions convenient or necessary for the use and operation of any other property of Declarant.

8.3 Reservations of Easements, Exceptions and Exclusions for Utilities, Infrastructure and Access. Declarant reserves for itself and its successors and assigns, and hereby grants to the Association, acting through the Board of Directors, the concurrent right to establish from time to time, by declaration or otherwise, utility and other easements, permits or licenses over the Common Property, for purposes including but not limited to streets, paths, walkways, drainage, recreations areas and parking areas, and to create other reservations, exceptions, and exclusions in the interest of the Owners and the Association, in order to serve the Owners within the community as initially built and expanded.

Declarant also reserves for itself and its successors and assigns, and grants to the Association, the concurrent right to establish from time to time, by instruments recorded in Spokane County, Washington, such easements, permits or licenses over the Common Property for access by certain persons (other than Owners and Owners' families and guests) who may be permitted to use designated portions of the Common Property as contemplated under this Declaration.

8.4 **Maintenance Easement.** An easement is hereby reserved by Declarant for itself and its successors and assigns and granted to the Association, and any member of the Board of Directors and Manager, and their respective officers, agents, employees and assigns, upon, across, over, in and under the Common Property, a right to make such use of the Property as may be necessary or appropriate to make emergency repairs or to perform the duties and functions which the Association is obligated or permitted to perform pursuant to the Project Documents, including the right to enter upon any Lot for the purpose of performing maintenance to the landscaping or the exterior of improvements to such Lot, as required by the Project Documents.

8.5 **Drainage Easement.** An easement is hereby reserved to Declarant for itself and its successors and assigns and granted to the Association, its officers, agents, employees, successors and assigns to enter upon, across, over, in and under any portion of the Common Property for the purpose of changing, correcting, or otherwise modifying the grade or drainage channels of the Property so as to improve the drainage of water. Reasonable efforts will be made to use this easement so as not to disturb the uses of the Owners, the Association and Declarant, as applicable, to the extent possible; to prosecute such drainage work promptly and expeditiously; and to restore any areas affected by such work to a sightly and usable condition as soon as reasonably possible following such work, Declarant, or its officers, agents, employee, successors and assigns must inform and obtain the approval of the Board of Directors prior to undertaking such drainage work, which approval will not be unreasonably withheld.

8.6 **Declarant's Right Incident to Construction.** Declarant, for itself and its successors and assigns, hereby retains a right and easement of ingress and egress over, in, upon, under and across the Common Property and the right to store materials thereon and to make such other use thereof as may be reasonably necessary or incident to the construction of the improvements on the Property or other real property owned by Declarant; provided, however, that no such rights will be exercised by Declarant in such a way as to unreasonably interfere with the occupancy, use, enjoyment or access to an Owner's Lot by that Owner or his family, tenants, employees, guests, or invitees.

8.7 **Easements Deemed Created.** All conveyances of Parcels hereafter made, whether by Declarant or otherwise, will be construed to grant and reserve the easements contained in this Section, even though no specific reference to such easements or to this Section appears in the instrument for such conveyance.

ARTICLE 9
MISCELLANEOUS

9.1 **Term.** The easements created hereunder shall be perpetual, subject only to extinguishment by the holders of such easements as provided by law. The covenants, conditions, restrictions and equitable servitudes of this Declaration shall run for a term of twenty (20) years from the date this Declaration is recorded, unless amended as herein provided. Thereafter, such covenants, conditions and restrictions shall be automatically extended for successive periods of ten (10) years each, unless amended or extinguished by a written instrument executed by members holding at least three-fourths (3/4) of the voting power of the Association and such written instrument is recorded with the Spokane County Auditor. Further, the Association shall not be dissolved without prior written approval of local governmental entities having jurisdiction over the Project. Nor, shall the Association be dissolved without a responsible successor organization agreeing to perform those maintenance responsibilities arising from applicable governmental requirements.

9.2 **Amendment:**

9.2.1 **By Declarant.** Except as provided in Section 9.3, until the recordation of the first deed to a Lot in the Property, the provisions of this Declaration may be amended, modified, clarified, supplemented, added to (collectively, "amendment") or terminated by Declarant by recordation of a written instrument setting forth such amendment or termination. Any amendment affecting only a particular Parcel may be made by Declarant by an amendment to this Declaration at any time up to the recordation of the first deed to a Lot in such Parcel.

9.2.2 **By Board.** Except where a greater percentage is required by express provision in this Declaration, the provisions of this Declaration, other than this Section 9, may be amended by an instrument in writing signed and acknowledged by any two (2) members of the Board certifying and attesting that such amendment has been approved by the vote or written consent of a majority of the Board and such amendment shall be effective upon its recordation with the Spokane County Auditor. Any amendment to this Section 9 shall require the vote or written consent of Members holding sixty-seven percent (67%) of the voting power of the Association.

9.3 **Trust Deed and Mortgage Protection.** Notwithstanding any other provision of this Declaration, no amendment of this Declaration shall operate to defeat or render invalid the rights of the beneficiary under any deed of trust or mortgagee under any mortgage covering a Lot, made in good faith and for value, and recorded prior to the recordation of such amendment, provided that after foreclosure of any such deed of trust or mortgage, such Lot shall remain subject to this Declaration, as amended.

9.4 **Notices.** Any notices permitted or required to be delivered as provided herein shall be in writing and may be delivered by certified mail, return receipt requested, addressed to any Person at the address given by such Person to the Association for the purpose of service of such notice, or, if no address has been given to the Association, to the residence of such Person or, in the case of an Owner, to the Lot address. Such address may be changed from time to time by notice in writing to the Association, as provided in this Section.

9.5 **Enforcement and Non-Waiver.**

9.5.1 **Violations and Nuisances.** The failure of any Owner of a Lot to comply with any provision hereof, or with any provision of the Articles of Incorporation or Bylaws of the Association, is hereby declared a nuisance and will give rise to a cause of action by the Declarant, the Association or any Owner of a Lot(s) within the Property for recovery of damages or for negative or affirmative injunctive relief or both. However, any other provision to the contrary notwithstanding, only Declarant, the Association, the Board, or a duly authorized agent of any of them, may enforce by self-help any of the provisions hereof, and only if such self-help is preceded by reasonable notice to the Owner.

9.5.2 **Violation of Law.** Any violation of any state, municipal or local law, ordinance or regulation pertaining to the ownership, occupation or use of any Parcel within the Property is hereby declared to be a violation of this Declaration and subject to any or all of the enforcement procedures set forth in this Declaration and any or all enforcement procedures in law or equity.

9.5.3 **Remedies Cumulative.** Each remedy provided herein is cumulative and not exclusive.

9.5.4 **Non-Waiver.** The failure to enforce any of the provisions herein at any time shall not constitute a waiver of the right to enforce any such provision.

9.6 **Interpretation.** The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of the Property. This Declaration shall be construed and governed under the laws of the State of Washington.

9.6.1 **Restrictions Construed Together.** All of the provisions hereof shall be liberally construed together to promote and effectuate the fundamental concepts of the development of the Property as set forth in the recitals of this Declaration.

9.6.2 **Restrictions Severable.** Notwithstanding the provisions of the foregoing Section, each of the provisions of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof shall not affect the validity or enforceability of any other provision herein.

9.6.3 Singular Includes Plural. Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular; and the masculine, feminine or neuter shall each include the masculine, feminine and neuter.

9.6.4 Captions. All captions and titles used in this Declaration are intended solely for convenience of reference and shall not affect that which is set forth in any of the provisions hereof.

9.7 Successors and Assigns. All references herein to Declarant, Owners, Association or person shall be construed to include all successors, assigns, partners and authorized agents of such Declarant, Owners, Association or person.

DATED this 17th day of September, 2013.

DECLARANTS:

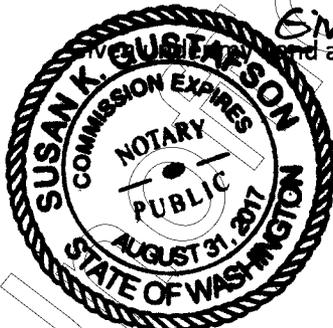
Four C, LLC

By: [Signature]
COREY P. CONDRON, Member/Manager

STATE OF WASHINGTON)
:SS

County of Spokane)

On this day personally appeared before me COREY P. CONDRON as Member/Manager for Four C, LLC to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.



Given by my hand and official seal this 17 day of September, 2013.

[Signature]
NOTARY PUBLIC, State of Washington
Residing in Spokane County
My commission expires: 8-31-2017

SUSAN K. GUSTAFSON

Exhibit "A"

A PORTION OF THE NORTHWEST QUARTER OF SECTION 21, TOWNSHIP 25 NORTH, RANGE 45 EAST, W.M., COUNTY OF SPOKANE, STATE OF WASHINGTON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF TRACT "C" OF SPOKANE COUNTY SHORT PLAT NO. 79-130, RECORDED IN BOOK 1 OF SHORT PLATS, PAGE 90, SAID NORTHWEST CORNER OF TRACT "C" BEING 30.00 FEET EASTERLY OF THE CENTERLINE OF HENRY ROAD;

THENCE NORTH 89°46'55" WEST, 10.00 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF HENRY ROAD;

THENCE NORTH 00°26'02" WEST, ALONG SAID EAST RIGHT OF WAY LINE, 14.05 FEET TO THE TRUE POINT OF BEGINNING;

THENCE CONTINUING NORTH 00°26'02" WEST, ALONG SAID EAST RIGHT OF WAY LINE, 366.60 FEET;

THENCE NORTH 89°27'49" EAST, 12.00 FEET TO THE SOUTHWESTERLY CORNER OF TRACT "C" OF SPOKANE COUNTY SHORT PLAT NO. 771-92, RECORDED IN BOOK 9 OF SHORT PLATS, PAGES 30 AND 31;

THENCE CONTINUING NORTH 89°27'49" EAST, 780.80 FEET TO THE SOUTHEASTERLY CORNER OF SAID TRACT "D";

THENCE SOUTH 12°21'44" WEST, 283.46 FEET;

THENCE NORTH 88°35'56" WEST, 183.20 FEET;

THENCE SOUTH 56°59'04" WEST, 108.80 FEET;

THENCE SOUTH 34°00'04" WEST, 52.94 FEET;

THENCE NORTH 89°46'55" WEST, 425.33 FEET TO THE TRUE POINT OF BEGINNING.