DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS APPLICABLE TO HIGHLAND HILLS SUBDIVISION

THIS DECLARATION, made on the date hereinafter set
forth, by CRAIG O. JACOBS, and KATHRYN R. JACOBS, husband and
wife, hereinafter referred to as "Declarant",

W I T N E S S E T H:

WHEREAS, Declarant is the owner of that certain real
property in Spokane County, Washington which has been
specifically described and identified as Highland Hills
Subdivision, Lots 1 through 8, being a replat of a portion of
Tract "B" of Short Plat SP-88-547, Spokane County, Washington.

WHEREAS, Declarant intends to sell the Platted
Residential Lots in said addition.

NOW, THEREFORE, Declarant hereby declares that all of
said Platted Residential Lots shall be held, sold, and conveyed
subject to the easements, restrictions, covenants, and conditions
hereinafter set forth. These easements, restrictions, covenants
and conditions are intended to protect the value and desirability
of the aforesaid real property. They shall run with the
aforementioned Platted Residential Lots and shall be binding on
all parties having or acquiring any right, title or interest in
these Platted Residential Lots or any part thereof, as well as
their heirs, successors and assigns. They shall inure to the
benefit of each present or future owner of the aforementioned
real property or any part thereof or interest therein.

ARTICLE I

DEFINITIONS

1.1 "Declarant" means Craig O. Jacobs and Kathryn R.
 Jacobs, the makers of this declaration and the record owners of
 the real property.

1.2 "Real Property" means the entire land area of
 Highland Hills Subdivision.
1.3 "Plat" means the plat of Tract "B" except the East 200 feet thereof, County Short-Plat #SP-88-547, which Declarant filed for recording with the Spokane County Auditor, and which was recorded in Volume 5 of Plats on Page 98.

1.4 "Platted Residential Lots" means the rectangular single-family attached lots shown on the Plat and identified thereon by arabic numerals running from 1 through 8. Declarant intends to sell vacant Platted Residential Lots.

1.5 "Owner" means the owner or the contract purchaser in possession, of a Platted Residential Lot. Declarant shall be considered the Owner of all lots not yet sold, or reacquired, by it.

1.6 "Association" shall mean and refer to HIGHLAND HILLS HOME OWNERS ASSOCIATION, its successors and assigns. The "Association" shall be unincorporated and non-profit.

**ARTICLE II**

MEMBERSHIP ASSOCIATION AND BY-LAWS

2.1 Every owner of a Platted Residential Lot shall automatically upon becoming an owner become a member of the Association. Membership shall be appurtenant to and may not be separate from ownership of any Platted Residential Lot. When all his ownerships cease (in case he owns more than one lot) his membership shall automatically cease.

2.2 General Provisions. The owners of Platted Residential Lots covenant and agree that the administration of the properties shall be in accordance with the provisions of this Declaration, and the laws of the State of Washington.

Each owner of a Platted Residential Lot shall comply with the provisions of this Declaration, and failure to comply with any such provisions, decisions or resolutions shall be grounds for an action to recover sums due, for damages and/or for injunctive relief.
2.3 **Voting.** All owners shall be entitled to one vote for each lot owned. When more than one person holds an interest in any Platted Residential Lot, all such persons shall be members. The vote for such lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any lot.

2.4 **Creation of the Lien and Personal Obligation of Assessments and Utility Charges.** The declarant, for each lot owned within the properties, hereby covenants and agrees to pay to the Association, and each owner of any lot by acceptance of the deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association (1) General annual assessments, (2) Special assessments for capital improvements and (3) Utility charges. Such assessments and charges are to be established and collected as hereinafter provided. The annual and special assessments and the utility charges, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment and charge is made. Each such assessment and charge, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the owner of such property at the time when the assessment or charge fell due. The personal obligation for delinquent assessments and charges shall not pass to his successors in title unless expressly assumed by them.

2.5 **Purpose of Assessments.** The assessments and utility charges levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the properties for the improvement and maintenance of the sewer, road, and common areas for the entrance gate, lawn area, sprinkler system, fence, street lighting, and storm drainage system. The assessments levied for

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maintenance performed by the Association will be shared equally by each lot owner.

2.6 **Sewer Maintenance.** There shall not be any change in the use of the subdivision or expansion of the property in such a manner as to alter the use of or need for additional on-site sewage disposal facilities without the prior written consent of the Spokane County Health District.

2.6.1 There shall be no change made in the current surface water drainage pattern now established for the subdivision so as to unduly transfer any additional surface water.

2.6.2 Each owner shall pay all City of Spokane or Spokane County hook up fees and assessments for sewer service.

2.7 **Special Assessments for Capital Improvements.** In addition to the general assessments and utility charges, the Association may levy a special assessment for the purpose of defraying, in whole or in part, the costs of any construction, reconstruction, repair or replacement of a capital improvement upon the common areas designated above.

2.8 **Notice and Quorum for Any Action Authorized Under Section 2.7.** Written notice of any meeting called for the purpose of taking any action authorized under Section 2.7 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the quorum at the subsequent meeting shall be one-half (1/2) of the required quorum of the
preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

2.9 Uniform Rate of Assessment. Both general annual and special assessments, except as otherwise herein provided, must be fixed at a uniform rate for all Lots and may be collected on an annual basis.

2.10 Date of Commencement of Annual Assessments; Due Date. The Board of Directors of the Association shall fix the amount of the general annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand and for a reasonable charge, furnish a certificate signed by an officer of the association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of issuance.

2.11 Effect of Nonpayment of Assessments or Charges: Remedies of the Association. Any assessment or charge not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of twelve percent (12%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments or charges provided for herein by non-use of the Common Area or abandonment of his Lot.

2.12 Subordination of the Lien to Mortgage. The lien of all assessments and charges provided for herein shall be subordinate to the lien of any first mortgage except as otherwise herein provided. Sale or transfer of any Lot shall not affect the assessment or charge lien. However, the sale or transfer of
any Lot pursuant to foreclosure of a first mortgage, or any proceeding in lieu thereof, shall extinguish the lien of such assessments and charges as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments or charges thereafter becoming due or from the lien thereof.

2.13 Water. The City of Spokane shall provide one (1) water meter for the subdivision which shall meter all water provided to the eight (8) residential units. The Association shall pay this bill to the city and shall be reimbursed from the members of the Association. The water bill shall be divided into nine (9) equal units. The Owners of Lots one (1) through four (4) and Lots six (6) through eight (8), shall each pay 1/9 of the water bill and the owners of Lot five (5) shall pay 2/9 of the water bill. Any water bill not paid by an Owner of a Lot within thirty (30) days after reimbursement is requested by the Association shall bear interest from its due date at the rate of twelve percent (12%) per annum and shall be a binding, personal obligation of such owner as well as a lien (enforceable in the same manner as a mortgage) upon the Lot in question. This lien shall not be valid against a bona fide purchaser (or bona fide mortgage) of the Lot in question unless a suit to enforce said lien shall have been filed in a court of record in Spokane County prior to the recordation among the land records of Spokane County of the deed (or mortgage) conveying the Lot in question to such purchaser (or subjecting the same to such mortgage).

2.13.1 Any Owner maintaining a swimming pool shall be assessed an extra charge as may be determined by the Association.

2.13.2 In the event the Association is able to secure maintenance of the water system by the City of Spokane, the above allocation formula and charges shall
terminate and the City will bill the individual homeowner or an alternative system shall be determined by the Association.

2.13.3 As Phase II of Highland Hills is developed, and the water line is extended to six (6) additional residential lots, the water bill shall then be divided into fifteen (15) equal units. Each lot shall then be assessed 1/15 of the water bill. Provided, however, the owners of Lot five (5) shall pay 2/15 of the water bill.

2.14 Maintenance of Storm Water Drainage System. The storm water drainage system, as designed by Ramer & Associates and approved by Spokane County, has been or is being installed for the purpose of controlling surface water in the project. In order to ensure the effectiveness of this drainage system the Association shall be responsible for any ongoing maintenance and expense hereon. The Association shall maintain the storm water drainage system in reasonable conformance with the approved drainage plan.

2.15 Retention Pond. The surface water collected by the drainage system described in Paragraph 2.14 shall be placed in a retaining pond which is inside the Project. Declarant shall retain the right to drain surface water from the additional land owned by them into the pond. Maintenance costs of the pond including, but not limited to, taxes, insurance, weed control, etc., shall be the responsibility of the Association. The Association shall have the right to pro-rate the above mentioned costs and charge the appropriate amounts for the additional drainage, from the adjacent property currently owned by Declarant, to the then Owners. The Association shall maintain the Retention Pond in reasonable conformance with the approved drainage plan.
ARTICLE III

BUILDING RESTRICTIONS

3.1 Plan Approval. No alteration of the exterior design, the exterior finish or the interior layout of any dwelling on any Platted Residential Lot may be made without first obtaining:

(a) a building permit from the proper local governmental authorities, and

(b) an alteration permit from the Architectural Control Committee.

3.2 State Requirements. Any alterations or remodeling done pursuant to Section 3.1 of this Article shall conform to the specifications and requirements of the most recent revisions of the State of Washington Electrical Code and the Uniform Building Code in force at the commencement of the alteration work.

3.3 Additions. Garages, carports or other structural additions to buildings on Platted Residential Lots are prohibited unless uniformly designed and constructed and approved by the Architectural Control Committee.

3.4 Prohibition of Fences. No fence or wall shall be erected, located or maintained upon any Platted Residential Lot.

3.5 Entranceways. Entranceways to Platted Residential Lots shall remain as originally laid out and constructed. Other or additional entranceways or trails may only be laid out, constructed or maintained with the written permission of the Architectural Control Committee.

3.6 Prohibition of Exterior Lighting. Exterior lighting of any sort which is visible from any street, or any part of any other Platted Residential Lot may be installed only with the written permission of the Architectural Control Committee.

3.7 Landscaping Maintenance. All buildings and landscaped ground on all lots one acre or less shall be kept in a safe and reasonable state of repair, cleanliness and neatness.
Undesirable weeds having a tendency to spread across property lines shall be kept under control. All lots exceeding one acre in size shall also be required to comply with the foregoing, however, such requirement shall extend only to the immediate grounds surrounding all buildings.

3.8 Mandatory Reconstruction. All buildings must have adequate insurance to fully rebuild in case of fire or other disaster and the Owner must agree immediately to rebuild or repair to avoid an unpleasant or unsightly situation for the other Owners.

In case the Owner fails or refuses to comply with the above requirements, the Association may elect to restore the site to a level acceptable to the Association and levy a reconstruction assessment on the Lot as provided in Section 2.7.

ARTICLE IV
ARCHITECTURAL CONTROL; CONSTRUCTION REQUIREMENTS;
DECLARANT'S OPTION TO REPURCHASE

4.1 Architectural Controls. No building, fence, wall or other structure shall be commenced, erected or maintained upon Platted Residential Lots or any part thereof, nor shall any exterior addition to, or change or alteration therein, be made until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structure and topography by the Architectural Control Committee. In the event said Architectural Control Committee fails to approve or disapprove such design and location within forty-five (45) days after said plans and specifications have been submitted to it, approval will not be required, and this Article will be deemed to have been fully complied with.

4.2 Prohibition of Site Preparation. No landscaping work, including the removal of natural trees, shrubs, brush and other ground cover, shall be undertaken on any Platted Residen-
tial Lot until the plans and specifications showing the nature and other details of the proposed work shall have been submitted to and approved in writing by the Architectural Control Committee. In the event said Architectural Control Committee, fails to approve or disapprove of such proposed landscaping work within forty-five (45) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

4.3 Specification of Reasons of Disapproval. The Architectural Committee shall have the right to disapprove any plans and specifications submitted hereunder because of any of the following:

4.3.1 The failure of such plans or specifications to comply with any of Highland Hills restrictions;

4.3.2 Failure to include information in such plans and specifications as may have been reasonably requested;

4.3.3 Objection to the exterior design, appearance or materials of any proposed structure;

4.3.4 Incompatibility of any proposed structure or use with existing structures or uses upon other Building Sites in the vicinity;

4.3.5 Objection to the location of any proposed structure upon any Building Site or with reference to other Building Sites in the vicinity;

4.3.6 Objection to the grading plan for any Building Site;

4.3.7 Objection to the color scheme, finish, proportions, style of architecture, height, bulk or appropriateness of any proposed structure;

4.3.8 Objection to parking areas proposed for any building on the grounds of (i) incompatibility to proposed uses and structures on such Building Sites or (ii) the
insufficiency of the size of parking areas in relation to the proposed use of the Building Site; or

4.3.9 Any other matter which, in the judgment of the Architectural Committee, would render the proposed structure, structures or uses inharmonious with the general plan of improvement of Highland Hills or with structures or uses located upon other Building Sites in the vicinity.

In any case, where the Architectural Committee shall disapprove any plans and specifications submitted hereunder, or shall approve the same only as modified or upon specified conditions, such disapproval or qualified approval shall be accompanied by a statement of the grounds upon which such action was based. In any such case the Architectural Committee shall, if requested, make reasonable efforts to assist and advise the applicant in order that an acceptable proposal can be prepared and submitted for approval.

4.4 Unapproved Construction: Remedies. If any structure shall be altered, erected, placed or maintained upon any Building Site, or any new use commenced on any Building Site, otherwise than in accordance with plans and specifications approved by the Architectural Committee pursuant to the provisions of this Article IV, such alteration, erection, maintenance or use shall be deemed to have been undertaken in violation of this Article IV and without the approval required herein, and upon written notice from the Architectural Committee, any such structure so altered, erected, placed or maintained upon any Building Site in violation hereof shall be removed or realtered, and any such use shall be terminated, so as to extinguish such violation. If fifteen (15) days after the notice of such a violation the owner of the Building Site upon which such violation exists shall not have taken reasonable steps toward the removal or termination of the same, the Association shall have the right, through its agents and employees, to enter upon such Building Site and to take such steps as may be
necessary to extinguish such violation and the cost thereof shall be a binding, personal obligation of such Owner as well as a lien (enforceable in the same manner as a mortgage) upon the Building Site in question. The lien provided in this Section 4.4 shall not be valid as against a bona fide purchaser (or bona fide mortgagee) of the Building Site in question unless a suit to enforce said lien shall have been filed in a Court of record in Spokane County prior to the recordation among the land records of Spokane County of the deed (or mortgage) conveying the Building Site in question to such purchaser (or subjecting the same to such mortgage).

4.5 Certification of Compliance. Upon completion of the construction or alteration of any structure in accordance with plans and specifications approved by the Architectural Committee, the Architectural Committee shall, upon written request of the Owner thereof, issue a certificate of compliance in form suitable for recordation, identifying such structure and the Building Site on which such structure is placed, and stating that the plans and specifications, the location of such structure, and the use or uses to be conducted thereon have been approved, and that such structure complies therewith. Preparation and recording of such certificate shall be at the expense of such Owners. Any certificate of compliance issued in accordance with the provisions of this Section 4.5 shall be prima facie evidence of the facts therein stated, and as to any title insurer, such certificate shall be conclusive evidence that all structures on the Building Site, and the use or uses described therein comply with all the requirements of this Article IV and with all other requirements of this Declaration as to which the Architectural Committee exercises any discretionary or interpretive powers.

4.6 Plans and Approval. Plans and specifications showing the nature, kind, shape, height, color, size, materials and location of such improvements or alterations, shall be
submitted to the Committee for approval as to quality of workmanship and design and harmony of external design with existing structures, and as to location in relation to surrounding structures, topography, and finish grade elevation, all with reference to the architectural standards set forth in Paragraph 4.7, below. Further, no construction shall be commenced on any Lot, until the Committee shall have approved in writing the final location of all footings and foundations (as evidenced by physical staking) prior to placement of forms. No permission or approval shall be required to rebuild in accordance with Declarant's original plans and specifications, or to rebuild in accordance with plans and specifications previously approved by the Committee for that Lot. No landscaping of patios or yards visible from the street shall be undertaken by any Owner until plans and specifications showing the nature, kind, shape, and location of the materials shall have been submitted to and approved in writing by the Committee.

All decisions by the Architectural Control Committee shall be by majority vote, except as otherwise required herein. Neither the Committee nor any of its members shall be liable to any Owner for any decision made by the Committee which is made in good faith and in accordance with this Article IV.

4.7 Architectural Control Committee. The Architectural Control Committee is composed of Craig O. Jacobs, Kathryn R. Jacobs and Richard K. Jones.

4.7.1 There shall be not less than three (3) members of the Committee.

4.7.2 Declarant will appoint all of the original members of the Committee and all replacements until ninety percent (90%) of all Lots in the overall Project have been sold or until the tenth anniversary of the recordation of the Declaration, whichever first occurs.
4.7.3 After ten (10) years from the date of the recordation of this Declaration, Owners shall have the power to appoint all of the members of the Committee.

4.7.4 Once the power to appoint members of the Committee has vested in the Owners, the Declarant shall not reacquire such power, regardless of the annexation of additional phases within the Project.

4.8 Architectural Standards. It is the intent of this Declaration to avoid a mixture of architecture which would create disharmony of design and appearance as determined by the Architectural Control Committee. In furtherance of this objective, and subject to the waiver power of the Committee as set forth in Paragraph 4.9 below, the following standards shall apply:

4.8.1 No structures or buildings of any kind shall be erected, altered, placed or permitted to remain on any Lot other than one detached Dwelling for single family occupancy only, with a private garage. Notwithstanding the foregoing, the Owner of two adjacent Lots may construct his Dwelling across the line between his Lots without regard for the setback requirements pertaining to that line (however, any such combination of Lots shall not operate to reduce the Owner's rights and obligations with respect to each separate Lot as shown on the Subdivision Plat).

4.8.2 The ground floor area of the main two story structure, exclusive of open porches and garages, shall not be less than one thousand four hundred (1,400) square feet, nor less than one thousand eight hundred (1,800) square feet for the ground floor area of a dwelling with a daylight basement.

4.8.3 All roofs shall be approved by the Architectural Control Committee.
4.8.4 All siding shall be of rough-sawn cedar or redwood, or shall be approved by the Architectural Control Committee.

4.8.5 Colors shall be approved by the Architectural Control Committee.

4.8.6 All Dwellings shall have enclosed garages of at least 20 feet by 22 feet in size, completed sealed interior walls and ceilings, and with fully improved driveways to the street; provided that said driveways shall be of a hard surface material, such as exposed aggregate, asphalt, or concrete.

4.8.7 The design and placement of mailboxes, newspaper receptacles and street address labeling shall be a part of and in aesthetic harmony with the landscape and construction plans submitted and approved under this Article IV. No commercial newspaper "tubes" shall be allowed.

4.8.8 All accessory buildings shall be placed within the rear of interior side yard areas of each Lot and shall not be of a material inconsistent with the architecture, materials or color scheme of the Dwelling on that Lot.

4.8.9 The design of the Dwelling and its placement on the Lot shall reflect a minimum impact on the existing slopes, vegetation and views, and shall minimize the impact on the view of adjoining lots, whether currently occupied or not.

4.8.10 No building shall be located on any Lot nearer than 40 feet from the front Lot line, nor nearer than 25 feet from a side street line and shall otherwise be in full compliance with the setback requirements of the Spokane County Zoning Ordinance. Each Dwelling shall also be set back at least 12 feet from each side Lot line (or 5 feet from the interior side
Lot line for a corner Lot) and shall have a total of at least 30 feet of combined set back from both side Lot lines. No Dwelling on a corner Lot shall have its principal orientation to the side street, the side street being that which provides the longest lineal frontage for that Lot.

4.9 Waiver by Architectural Control Committee. Notwithstanding the guidelines set forth in Paragraph 4.4, the Committee shall have the right, by majority vote, to waive any of the architectural standards relating to appraised value, colors, materials, and type of construction, provided the Owner is able to satisfy the Committee that the proposed colors, materials, and/or type of construction are at least equivalent (in quality and attractiveness) to the above standards and would not otherwise be inconsistent with the overall harmony of design and appearance of the Project.

4.10 Construction Completion Requirements. Any Dwelling or other structure erected or placed on any Lot shall be completed as to external appearance, including finished painting and front and side yard landscaping pursuant to approved plans and specifications, all within nine (9) months from the date of commencement of construction; in any case prior to the expiration of one year from the closing of the initial sale of that Lot by Declarant to the initial buyer (subject to the Declarant's option to repurchase, as described in Paragraph 4.11, below). The Owner of each Lot shall, as soon as reasonably possible after occupying the Dwelling, continue landscaping rear yard areas, pursuant to the approved landscape plans.

4.11 Option to Repurchase. Declarant hereby reserves to itself, and its successors and assigns, the right to repurchase any Lot in the Project from the initial buyer, subject to the following terms and conditions.

4.11.1 The right to repurchase shall arise upon the expiration of one (1) year from the closing of the
initial sale of a particular Lot by Declarant to the initial buyer (regardless of subsequent resale by the initial buyer to a third party purchase), and shall expire six (6) months thereafter.

4.11.2 Notwithstanding the foregoing, the right to repurchase shall not arise if, prior to the expiration of the one (1) year period, the Owner shall have made substantial progress in completing construction of an approved Dwelling thereon as outlined in paragraph 4.6 above. In such event, the commencement of the option period shall be extended for so long as the Owner shall proceed with due diligence to complete construction in a reasonably expeditious manner.

4.11.3 If the right to repurchase arises as provided herein, Declarant may elect to exercise its option to repurchase within the six (6) month option period, by delivering to the then Owner of that Lot (either by personal service, mailing to the last known address of the then Owner, or posting on a conspicuous place on the Lot) a notice of such election. Within thirty (30) days after delivery of such notice, Declarant shall deliver to the then Owner, cash in an amount equal to the cash consideration paid by the initial purchaser to Declarant (without interest), and the then Owner shall deliver to Declarant a Warranty Deed and policy of title insurance, showing Declarant's title in the condition which existed immediately prior to the original sale by Declarant. All costs of closing, including the premium for title insurance and the costs of removing any liens from the title to the Lot, shall be borne by the then Owner, and all taxes and other customarily prorated items shall be prorated to the closing date.
4.11.4 Declarant hereby declares that the intention of this provision is to discourage speculation in unimproved Lots within the Project and encourage an expeditious completion of the project. Accordingly, this right to repurchase shall be binding upon and inure to the benefit of Declarant and the initial purchaser, and each of their respective representatives, successors and assigns, and shall constitute a covenant running with the land, and a burden upon each particular Lot.

4.11.5 Should the initial Buyer wish to sell his or her Lot to a third party purchaser, Declarant reserves the right to repurchase the Lot from the initial Buyer under the terms and conditions set forth in 4.11.3.

4.11.6 Notwithstanding the foregoing, the running of the initial one (1) year period described in sub-paragraph 4.11.1 above shall be suspended for any period during which any Owner of a particular Lot is prevented from commencing and completing construction of a Dwelling thereon by events or circumstances which are beyond the reasonable control of such Owner. Provided, however, any such Owner claiming the benefit of the suspension shall notify Declarant in writing, within thirty (30) days of the commencement of any suspension period, setting forth the reason why the period should be suspended. The then Owner shall have the burden of establishing a reasonable basis for claiming the benefit of such suspension. The suspension period shall cease when the conditions supporting the suspension no longer exist.

4.11.7 If any legal action is instituted to enforce the provisions contained in this Paragraph 4.11, the prevailing party shall be entitled to recover reasonable attorney's fees and court costs.
ARTICLE V

LAND USE RESTRICTIONS

5.1 Signs. No signs shall be erected or maintained on any Platted Residential Lot except:

(a) One sign of not more than three (3) square feet identifying Lot Owners or occupants, and

(b) One sign of not more than six (6) square feet advertising a Platted Residential Lot for sale.

Nothing herein shall preclude Declarant or its sales agents from erecting and maintaining such temporary signs and structures as may, in Declarant's judgment, promote the development and sale of Platted Residential Lots or other interests in the Real Property.

5.2 Shrubbery. No trees, hedges, shrubbery, or other plants exceeding six (6) feet in height shall be placed or planted on any Platted Residential Lot, nor shall any such planted tree, hedge, shrub or other plant be allowed to grow to a height in excess of six (6) feet without the written approval of the Architectural Control Committee.

5.3 Setback of Hedge. No fence, wall, hedge or mass planting, other than foundation planting, may extend nearer to a street than the minimum setback line of the Dwelling as constructed. However, nothing in this subparagraph shall prevent the erection of a necessary retaining wall, the top of which does not extend more than three (3) feet above finished grade at the back of the retaining wall. No wire, cyclone or metal fencing of any kinds shall be placed so as to be visible from any dedicated streets.

5.4 Antennas. No radio, citizens band, or other communication antenna shall be erected upon any Lot or Dwelling, except for standard television antennas which are unobtrusive and inoffensive as determined by the Committee.

5.5 Temporary Structures. No trailer, basement, tent, shack, garage, barn, camper or other outbuilding or any structure
of a temporary character erected or placed on any Lot shall at any time be used as a residence.

5.6 Exterior Lighting. All approved exterior lighting shall be low intensity and shall be limited to landscaping or structural accent lighting.

5.7 Energy Devices. Energy generating and storage facilities, including, but not limited to, solar panels and their appurtenances, windmills and other wind-propelled equipment, fuel tanks, auxiliary generators, heat pumps and air conditioning compressors shall be designed and placed in aesthetic harmony with the other improvements to which they are appurtenant, and shall be insulated so as not to produce an unreasonable level of noise.

5.8 Prohibition of Animals. No Platted Residential Lot shall be used for the keeping, raising, or breeding of animals. However, common household pets such as dogs and cats may be kept on a Platted Residential Lot for noncommercial purposes if and so long as they do not become a nuisance. No common household pets, such as dogs and cats, shall be allowed off the Owner's Lot unless on a leash.

5.9 Disposable Items. No trash, garbage, rubbish, refuse, or other solid waste of any kind, including particularly inoperative automobiles, appliances and furniture, shall be thrown, dumped, stored, disposed of, or otherwise placed on any part of the Real Property. Garbage and similar solid waste shall be kept in sanitary containers well suited for that purpose. The Owner or occupant of each Platted Residential Lot shall be responsible for the disposal of solid waste at legally established solid waste disposable facilities outside the Real Property.

5.10 Subdivision. No Platted Residential Lot shall ever be subdivided.

5.11 Firearms. The use of firearms or explosives is prohibited, except as required for construction work duly authorized by the Architectural Control Committee.
5.12 Drainage of Lots. No Owner shall change or interfere with the natural drainage of the Real Property without the prior written approval of the Architectural Control Committee.

5.13 Parking. The parking, storage or use of travel trailers, mobile homes, campers, boats or boat trailers on Platted Residential Lots is prohibited, unless said vehicles are within an enclosed building that has been approved by the Architectural Control Committee.

5.14 Prohibition of Fuel Tanks. No fuel tanks shall be maintained above ground on any Platted Residential Lot.

5.15 Abandoned Vehicles. No vehicle shall ever be abandoned or dismantled and no major vehicle repair work shall ever be performed on any part of the Platted Residential Lot. No vehicle in an extreme state of disrepair shall ever be parked or permitted to remain on any part of the Platted Residential Lot for more than forty-eight (48) hours. A vehicle shall be deemed in an extreme state of disrepair when it is incapable of moving under its own power or when, in the opinion of the Architectural Control Committee, its presence offends the reasonable sensibilities of the Lot Owners.

5.16 Clotheslines. No exterior clotheslines shall be erected or maintained and there shall no outside laundering or drying of clothes.

5.17 Violation of Regulations. If any Lot Owner violates the foregoing regulations or permits a violation thereby by members of his family, his invitees or his licensees, and fails to cure such violation within forty-eight (48) hours of having been notified thereof by the Architectural Control Committee, the Architectural Control Committee may correct the offending condition and assess the cost of such correction against such Owner, and, if necessary, lien the appropriate
Lot(s) for the amount thereof. Each such assessment, together with interest, costs, penalties and actual attorney's 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.

5.18 Non-Payment of Charges. If any part of any assessment is not paid and received by the Architectural Contract Committee or its designated agent within ten (10) days after the due date, a 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 unpaid assessment shall constitute a lien on each respective Lot prior and superior to all other liens recorded subsequent to the imposition of the assessment, except (1) all taxes, bonds, assessments and other levies which, by law, would be superior thereto; and (2) the lien or charge of any first mortgage of record made in good faith and for value. Such lien, when delinquent, may be enforced by sale by the Architectural Control Committee, 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, by judicial foreclosure as a mortgage, or in any other manner permitted by law. The Architectural Control Committee, 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, encumber and convey the same. The foreclosing party shall have the right to reduce or eliminate any redemption rights of the defaulting Owners as allowed by law. Suit to recover a money judgment for unpaid assessments, interest, costs, penalties, and attorney's fees shall be maintainable without foreclosing or waiving the lien securing the same.

5.19 Enjoyment of Property. No Platted Residential Lot shall ever be used in a fashion which unreasonably interferes
with the other Lot Owners' right to the use and enjoyment of their respective properties. The Architectural Control Committee shall determine whether any given use of a Platted Residential Lot unreasonably interferes with those rights, and such determination shall be conclusive.

ARTICLE VI

INTERPRETATION, ADMINISTRATION AND ENFORCEMENT OF THESE COVENANTS

6.1 Interpretation of Covenants. The Architectural Control Committee shall have primary and exclusive jurisdiction to interpret, administer and enforce these covenants and find all facts relative to any claimed or suspended violation.

6.2 Enforcement of Covenants. The Architectural Control Committee shall be primarily responsible for enforcing these covenants and for preventing and abating violations thereof. In performing this function it may avail itself of such injunctive and other legal remedies as may be available to it under Washington Law. The Architectural Control Committee may charge the costs of preventing or abating a violation of these covenants to the offending Owner. Such costs may include a reasonable attorney's fees.

6.3 Power to Enforce. Any Owner may complain of an actual or threatened violation of these covenants to the Architectural Control Committee. No Owner may sue to prevent or abate an actual or threatened violation of these covenants without having exhausted the remedies available to him with the Architectural Control Committee.

ARTICLE VII

AMENDMENT

The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded, after which time they
shall be automatically extended by successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the Lot Owners. Any amendment must be recorded.

ARTICLE VIII
SEVERABILITY
Invalidation of any one of these covenants or restrictions by judgment or Court order shall in no way affect or invalidate any other provision, which shall remain in full force and effect.

ARTICLE IX
RESERVATION OF RIGHTS
The Declarant reserves the right to utilize the sewer and water line which is installed to service the above property, insofar as there is surplus capacity, to service any other property owned by themselves or others, so long as no financial burden is put on the Owners of Lots within Highland Hills.

IN WITNESS WHEREOF, the undersigned, being the Declarants herein, have hereunto set their hand and seal this 8th day of August, 1989.

[Signatures]

CRAIG O. JACOBS
KATHRYN R. JACOBS

STATE OF WASHINGTON )
County of Spokane ) ss.

On this 8th day of August, 1989, before me personally appeared CRAIG O. JACOBS and KATHRYN R. JACOBS, to me
known to be the individuals that executed the within and foregoing instrument and acknowledged said instrument to be of their free and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

[Signature]

NOTARY PUBLIC in and for the State of Washington, residing at Spokane
My Commission Expires: 7-15-90