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WILLIAM E. DONAHUE  
AUDITOR  
SPOKANE, COUNTY, WASH.

9108200270

SM-10044

DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR PINWOOD HILLS 2nd ADDITION

Provisions contained and easements imposed in Declaration of Protective  
Covenants of Pinewood Hills 2nd Addition recorded \_\_\_\_\_  
under auditors file Number \_\_\_\_\_ as follows:


20<sup>00</sup>1. GENERAL PROVISIONS

All the Protective Covenants, Conditions and Restictions set forth herein after shall apply in their entirety to all the lots in the above described subdiviison, and shall run with the land and as provided by law be binding on all parties or persons claiming under them for the benefit and limitation of all future owners in said subdivision. This Declaration of Protective Covenants is designed for the purpose of enhancing and protecting the residential character of said property and keeping said subdivision desirable, uniform, and suitable in architectural design and use as specified herein.

2. ENFORCEMENT

The Architectural Committee or the owner of any lot or lots subject to this declaration shall have the right to enforce by any proceeding at law or in equity all Covenants, Conditions and Restictions now or hereafter imposed by the provisions of this declaration.

3. SEVERABILITY

Invalidation of any one of these Covenants, Conditions and Restrictions by judgement of Court Order shall in no way affect any other provisions which shall remain in full force and effect.

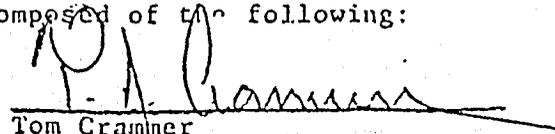
4. BUILDING REQUIREMENTS

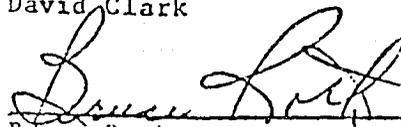
No building shall be erected, placed or altered on any lot on the property until the building plans, specs, and lot plans showing the nature, kind, shape, height, materials and location of such building have been approved in writing as to conformity and harmony of external design with existing structures in the subdivision and as to location of the building with respect to topographical and finished ground elevation by the Architectural Control Committee. If written response is not received back from the Committee within two weeks, approval will not be required and covenants shall be deemed to have been fully complied with.

5. ARCHITECTURAL CONTROL COMMITTEE

The Architectural Control Committee is composed of the following:

  
\_\_\_\_\_  
David Clark

  
\_\_\_\_\_  
Tom Crammer

  
\_\_\_\_\_  
Bruce Roth

The Architectural Committee shall have the right to disapprove any plans and specifications submitted hereunder because of any of the following:

- A. The failure of such plans or specifications to comply with any of the Pinewood Hills restrictions.
- B. Failure to include information in such plans and specification as may have been reasonable requested.
- C. Objection to the exterior design, appearance or materials of any proposed structure.
- D. Incompatibility of any proposed structure or use with existing structures or uses upon other lots in the vicinity.
- E. Objection to the location of any proposed structure upon any lot or with reference to other lots in the vicinity.
- F. Objection to the grading plan of any lot.
- G. Objection to the color scheme, finish, proportions, style or Architecture, height, bulk or appropriateness of any proposed structure.
- H. Objection to parking areas proposed for any building on the grounds of incompatibility to proposed uses and structures on such lots or the insufficiency of the size of parking areas in relation to the proposed use of the lot.
- I. Any other matter which, in the judgement of the Architectural Committee would render the proposed structure, structures or uses inharmonious with the general plan or improvement of Pinewood Hills or with structures or uses located upon other lots in the vicinity.
- J. 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.

7. UNAPPROVED CONSTRUCTION REMEDIES

If any structure shall be altered, erected, placed or maintained upon any lot, or any new use commenced on any lot, otherwise than in accordance with plans and specifications approved by the Architectural Committee, such alteration, erection, maintenance or use shall be deemed to have been undertaken in violation 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 lot 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 lot 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 lot 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 lot in question. The lien provided shall not be valid as against a bona fide purchaser or a bona fide mortgagee 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).

8. DESCRIPTION OF PROJECT

The project consists of the underlying property with the residential dwellings and all other improvements and systems located or to be located thereon, regardless of the ownership thereof.

9. DIVISION OF PROPERTY

Each of the lots as separately shown, numbered and designated on the Sub-division Plat shall be conveyed to and owned by an individual purchaser or purchasers, subject to the requirements and restrictions set forth in this Declaration. Each owner shall have the right and obligation to construct a dwelling on his lot, subject to the restrictions set forth herein. The owner of each lot, by virtue of such ownership, shall automatically become a Member of the Association of Pinewood Hills.

10. STREETS

Certain streets, including cul-de-sacs, within the project have been dedicated to Spokane County, by virtue of the subdivision plat. Such streets shall be maintained and repaired by Spokane County and shall be serviced by a storm water disposal system consisting of the street gutter liens, concrete curbs and drywells. All components of the storm water disposal system shall be constructed and maintained in compliance with the standards of Spokane County.

11. OWNERS UTILITY RIGHTS AND DUTIES

The rights and duties of the owners of lots within the project with respect to utilities shall be as follows:

- A. Whenever sanitary sewer, water, electric, gas, television receiving, or telephone lines or connections are located or installed within the project, which connections, or any portion thereof, is in or upon lots owned by other than the owner of a lot served by said connections, the owners of any lots served by said connections shall have the right, and are hereby granted an easement to the full extent necessary therefor to enter upon the lots or to have the utility companies enter upon the lots in or upon which said connections, or any portion thereof lie, to repair, replace and generally maintain said connections as and when necessary.
- B. Whenever sanitary sewer, water, electric, gas, television receiving, or telephone lines or connections are located or installed within the project, which connections serve more than one lot, the owner of each lot served by said connection shall be entitled to the full use and enjoyment of such portions of said connections as service his lot.

- C. In the event of a dispute between owners with respect to the repair or rebuilding of said connections, or with respect to the sharing of the cost thereof; then, upon written request of one of such owners addressed to the Association, the matter shall be submitted to the Board, which shall decide the dispute, and the decision of the Board shall be final and conclusive on the parties.
- D. Easements for Utilities and Maintenance. Easements over and under the property for the installation, repair, and maintenance of sanitary sewer, water, electric, gas, and telephone lines and facilities, such as may be hereafter reasonably required to service the Property, are hereby reserved by Declarant and its successors-in-interest and assigns, including the Association, together with the right to grant and transfer the same; provided, however, that no such reservation or grant of an easement shall unreasonably interfere with the use or occupation of any lot by its Owner, or with the construction of a dwelling on any lot.

12. LOTS TO BE KEPT IN GOOD REPAIR

Creation of Lien. Each owner shall keep all lots owned by him, and all improvements thereon, in good order and repair, including, but not limited to, the seeding, watering and mowing of all lawns, the pruning and cutting of all trees and shrubbery, the proper maintenance of septic systems, and the painting (or other appropriate external care) of all buildings and other improvements, all in a manner and with such frequency as is consistent with good property management. Garage interiors shall be maintained in a clean and orderly manner, so as to avoid the danger of fire.

13. RESTRICTION AGAINST MANUFACTURING OR COMMERCIAL ENTERPRISE

No trade, craft, business, profession, commercial or manufacturing enterprise or business or commercial activity of any kind shall be conducted or carried on upon any residential lot, or within any building located on a residential lot. No goods, equipment, materials, supplies or vehicles (including buses, trucks and trailers of any description) used in connection with any trade, service, or business wherever the same may be conducted shall be kept, parked, stored, dismantled or repaired outdoors on any residential lot or on any street within Pinewood Hills. Nothing shall be done on any residential lot which may be or become a public or private nuisance. This restriction shall not be construed, however, as preventing the maintenance of a home office such as, but not limited to, real estate or accounting.

14. LAND USE AND BUILDING TYPE

No lot shall be used except for residential purposes. No building shall be erected, altered, placed, or permitted to remain on any lot other than one single-family dwelling not to exceed 2-1/2 stories in height with attached garage of not less than 3 cars.

Metal buildings or metal structures of any kind are prohibited. Mobile homes, pre-fab homes, log homes and berm homes are prohibited.

Carports are not allowed. Each residence shall be required to construct a driveway to run continuously from the street to the garage. Said driveway shall be paved in concrete or asphalt.

1 additional garage or shop shall be allowed for the purposes of housing a motor home, RV, boat, camper and any other Recreational or home maintenance equipment that the homeowner may own. No business shall be conducted in said building. The color & harmony of the building shall be in total harmony (color & style) with the home & be approved by the Architectural Committee.

16. TEMPORARY STRUCTURES

No structures of a temporary character, trailer, basement, tent, shack, garage, barn, or other outbuilding shall be used on any lot at any time as a residence either temporarily or permanently except that tents may be used by owner or his or her family in "camping out".

17. RESTRICTION AGAINST SUBDIVIDING

No lot shall be split, divided, or subdivided for sale, resale, or gift for the purpose of creating another building site.

18. OBJECTIONABLE USES AND PARCEL MAINTENANCE

Each parcel and the external appearance of improvements thereon shall be maintained in a neat, clean or orderly condition and in good repair at all times. All rubbish, trash and garbage and other waste shall be regularly removed from all parcels, and shall not be allowed to accumulate thereon. Trash, garbage and other waste shall not be kept except in sanitary containers which shall be kept screened and concealed from the view of other parcels and all public ways. No trash, junk, abandoned vehicles, junk farming equipment, non-working old appliances, debris, cut growth (such as weeds and tree limbs, etc), noxious odor or other waste shall be kept or permitted to accumulate on any parcel.

19. SIGNS

No sign of any kind shall be displayed to the public view on any lot except one professional sign of not more than one square foot or one sign of not more than five square feet advertising the property for sale or rent, or signs used by a builder to advertise the property during the construction and sales period.

20. SIGHT DISTANCE AT INTERSECTIONS

No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between 2 and 6 feet above the roadways shall be placed or permitted to remain on any corner lot within the triangular area formed by the street property lines and a line connecting them at points 25 feet from the intersection of the street lines, or in the case of a rounded property corner, from the intersection of a street property line extended. The same sight-line limitations shall apply on any lot within 10 feet from the intersection of a street property line with the edge of a driveway or alley pavement. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

21. RESTRICTION AGAINST OIL AND GAS WELLS

No well for the production of, or from which there may be produced, oil or gas shall be drilled or operated on the premises, nor shall any machinery, appliance, or structure be placed, operated, or maintained therein in connection with such activities.

22. ANIMALS

No animal, livestock or poultry of any kind may be raised, bred or kept on any lot. However, cats, dogs, birds or other household pets may be kept in any lawful manner if they are not kept, bred or maintained for any commercial purpose. Horses shall be allowed on all lots that lie East of McKinnon Drive with a maximum of two per lot. Horses shall not be ridden on the streets of Pinewood Hills. All Horses shall be ridden or walked within ones own lot or within the easement created by the Bonneville Power Administration that is located to the rear of the lots that lie East of McKinnon Drive. All animals not restricted shall be sheltered, kept and fenced to the rear of the home.

23. NUISANCES

No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

24. EXTERNAL LIGHTING

All external lighting shall be no-glare and approved by the Architectural Committee prior to installation. Street lighting will be supplied by Inland Power & light & each lot owner will pay a monthly assesement.

25. ANTENNAS

No radio or television antenna shall be permitted to extend more than 10 feet above the roof line of any residence without the written approval of the Architectural Control Committee.

26. BUILDING SETBACKS

No building or structure shall be located on a residential lot nearer than 50 Ft. to front curb line, or nearer to 50 Ft. to the rear lot line or nearer than 15 Ft. to the side lot line. In the event of an irregular lot, that would present unusual building restrictions, the Architectural Control Committee reserves the right to alter the setback restrictions so that the home, lot & adjoining lots are harmonious in their relationship to each other.

27. FENCING AND LANDSCAPING

No fence shall be erected at a height exceeding 6 Ft. above ground. Fences shall be well constructed of suitable fencing materials, and shall be artistic in design and in harmony with the color scheme of the house. Said fence shall not detract from the appearance of the dwelling home located on the adjacent lots or in the opinion of the committee be offensive to the owner or occupants thereof and shall be approved in writing prior to construction by the Architectural Control Committee. All trees and natural growth shall remain in place, other than such clearing is deemed necessary for structures, roadways and landscaping. No fencing of any kind shall be allowed within the Bonneville Power Administration easement that lies east of McKinnon Drive.

(lots 2-11, Block 1 only)

Rancher or 1 level - 2000 sq ft minimum (not including basement)

1.5 or 2 story - 2300 Sq Ft Minimum (not including basement)

Multi-level - 1700 Sq ft minimum on upper 2 levels

(lots 1, 12, 13, & 14 of Block 1 and lots 1-3 of Block 2)

Rancher of 1-level - 1800 Sq Ft Minimum (not including basement)

1.5 and 2 Story - 2200 Sq ft minimum (not including basement)

Multi level - 1500 Sq Ft Minimum on upper 2 levels

## 29. ROOFING AND SIDING

All structures shall use siding as approved by the Archetectural Control Committee and color choices shall be selected from the approved Pinewood Hills color chart. All colors and choices of roofing shall be approved by the Archetectural Control Committee before installation.

## 30. HOMEOWNERS ASSOCIATION, ADMINISTRATION, MEMBERSHIP AND VOTING RIGHTS

### A. Association to Manage Project

The Owners of all the lots covenant and agree that the administration of the Project shall be in accordance with the provisions of this Declaration, the Articles, 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 the Pinewood Hills. Notwithstanding the generality of the foregoing, the primary function of the Association shall be the enforcement of the restrictions set forth in this Declaration, and the maintenance of landscaping within the landscape areas and easements as set forth in the Subdivision Plat.

### B. 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 Articles and the Bylaws of the Association. Membership shall be that held by each Owner of a lot and shall be entitled to one (1) vote for each lot owned. If a lot is owned by more than one (1) person, each such person shall be a Member of the Association, but there shall be not more than one vote for each lot.

C. Transferred Membership

Membership in the Association shall not be transferred, pledged, or alienated in any way, except upon the 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 his name to the purchaser of this 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 and void.

D. Voting Requirements

Except where otherwise expressly provided in the Declaration, the Articles or the Bylaws, any action by the Association, which must have the approval of the Association Membership before being undertaken, shall require a 3/4 vote of the total voting power of the Association.

E. 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.

F. Board of Directors

The affair 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. Until such time as a Board of Directors is established, the Architectural Control Committee will serve as Board of Directors,

G. Maintenance and Assessments

The Developer, for each lot owned within the project, 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) regular 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 his contribution toward the common expenses by waiver of the use or enjoyment of any part of Pinewood Hills or by the abandonment of his lot.

1. Purpose of Assessments

The assessments levied by the Association shall be used exclusively to promote the health, safety and welfare of all the residents in Pinewood Hills 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 the Declaration, of providing for the maintenance of landscaped areas of Pinewood Hills.

2. Regular Assessments

Until the first day of the fiscal year immediately following the closing of the sale of the first lot in Pinewood Hills the regular annual assessment per lot shall be such amount as is set forth in the project budget prepared by the area Committee, payable in periodic installments as determined by the Board. Each lot's share for the first Association fiscal year shall be prorated based on the number of months remaining in that fiscal year. Thereafter, the Board shall determine and fix the amount of the annual assessment against each lot at least sixty (60) days in advance of the beginning of each fiscal year.

3. 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 capital improvement within Pinewood Hills, 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 his lot into compliance with the provisions of this Declaration and the Bylaws, including attorneys' fees and costs.

4. Allocation of Assessments

Each lot, 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).

5. Date of Commencement of Assessment

Due Dates. The regular assessments provided for herein shall commence as to all lots in Pinewood Hills or any phase thereof on the first day of the month following closing of the sale of the first lot in Pinewood Hills or phase thereof. No due dates of assessments shall be required other than an annual notice setting forth the amount of the regular assessment and the dates on which the assessment installments shall become due.

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 his 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 liable for any such assessment becoming due after the date of any such statement.

#### 7. Enforcement of Assessment Obligation; Priorities; Discipline

If any part of any assessment is not paid and received by the Association or its designated agent within ten (10) days after the due date, an automatic late charge of Five Dollars (\$5.00) shall be assessed and additional Five Dollars (\$5.00) 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 judgement 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 attorney's 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.

#### H. Duties and Powers of the Association

In addition to the duties and powers enumerated in the Bylaws and Articles, or elsewhere provided for herein, and without limiting the generality thereof, the Association shall:

1. Maintain, repair, replace and manage all landscape materials, grass & automatic landscape irrigation within Pinewood Hills and all property that may be acquired by the Association.
2. Enforce the provisions of this Declaration by appropriate means, including without limitation, the expenditures of funds or the Association, the employment of legal counsel, and the commencement of actions.

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.
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 nongovernmental body or agency having jurisdiction over the Project.
5. Adopt reasonable rules not inconsistent with this Declaration, the Articles, or the Bylaws relating to the use of particular areas within the Project, and the conduct of Owners and their tenants and guests with respect to the Property and other Owners.

I. Association Easements and Access to Lots

For the purposes of performing the maintenance authorized by this Article or for any other purpose reasonably related to the performance by the Board of its responsibilities under this Declaration, the Association (and its agents and employees) shall have an easement over and onto all portions of the Project, and shall also have the right, after reasonable hours, to enter an lot.

J. Enforcement

The Association, or an Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration, against any person or persons violating or attempting to violate any covenant, either to restrain violation or to recover damages. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

K. Severability

Invalidation of any one of these covenants or restrictions by judgement or court order shall in no wise affect any other provisions which shall remain in full force and effect.

L. 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 for 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 seventyfive percent (75%) of the lot owners. No such waiver, termination, or modification shall be effective until the proper instrument in writing shall be executed and recorded in the office of the Auditor for the County of Spokane, State of Washington.

Each owner accepting a deed, lease or other instrument conveying any interest in any lot, whether or not the same incorporates or refers to these restrictions, covenants for himself, his heirs, successors and assigns to observe, perform and be bound by these restrictions and to incorporate the same by reference in any deed or other conveyance of all or any portion of his interest in any real property subject hereto.

N. Exceptions

Exceptions to any of the above-listed covenants and restrictions shall be granted by the Board of Directors when and only when two-thirds (2/3) of the Board determine such exceptions is in the best interest of the Association and the purposes of these covenants and restrictions.

O. Calendar Year

The year for record keeping and other business and related transactions of the Homeowners Association shall be a calendar year.

P. Limitation of Restrictions on The Developer

Declarant is performing certain work in connection with the subdivision of of the Property and the construction of community improvements thereon. The completion of that work and the sale of lots is essential to the establishment of welfare of the Property as a residential community. In order that said work may be completed and said Property be established as a fully occupied residential community as rapidly as possible, nothing in this Declaration shall be understood or construed to:

1. Prevent the developer, its contractors, or subcontractors, from doing on the property or any lot, whatever is reasonably necessary or advisable in connection with the completion of the work or
2. Prevent the developer or its representatives from erecting, constructing and maintaining on any part or parts of the Property, such structures as may be reasonable and necessary for the conduct of its business of completing said work and establishing said Property as a residential community and disposing of the sale in parcels by sale, lease or otherwise; or
3. Prevent the developer from maintaining such sign or signs on any of the Property as may be necessary for the sale, lease or disposition thereof.

M. Conveyance

Each owner accepting a deed, lease or other instrument conveying any interest in any lot, whether or not the same incorporates or refers to these restrictions, covenants for himself, his heirs, successors and assigns to observe, perform and be bound by these restrictions and to incorporate the same by reference in any deed or other conveyance of all or any portion of his interest in any real property subject hereto.

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3. Prevent the developer from maintaining such sign or signs on any of the Property as may be necessary for the sale, lease or disposition thereof.

This document is hereby executed for the purposes of establishing covenants, Conditions and Restrictions for the Pinewood Hills 2nd Addition.

David H. Clark  
David H. Clark

Patricia Clark by David H. Clark  
Patricia Clark  
"ATTORNEY IN FACT"

STATE OF WASHINGTON )  
County of Spokane ) SS

On the 19th day of August, 1991, before me personally appeared David H. and Patricia Clark who executed the within and foregoing instrument and acknowledged the said instrument to be the free and voluntary act for the purposes herein mentioned.

GIVEN UNDER MY HAND AND OFFICIAL SEAL the day and year in this certificate first above written.

SUBSCRIBED AND SWORN to before me this 19th day of August, 1991

Cathy Rastelom  
Notary Public in and for the  
State of Washington, My Comm. Expires  
in Spokane.

Expires 2/10/95