Return Address:

Joseph P. Delay  
DELAY, CURRAN, THOMPSON,  
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601 W. Main Avenue, Suite 1200  
Spokane, WA 99201

PHASE II ADDITION TO  
STONE HORSE BLUFF DECLARATIONS OF COVENANTS

Grantor: Stone Horse Bluff Development  
Grantee: Public  
Abbreviated Legal: SE¼ Sec 5, T. 26N, R. 43E Phase II  
Assessor's Tax Parcel No: 36054.0184; 36054.0185; 36054.0187

WHEREAS, Stone Horse Bluff Development, has previously filed and recorded in the office of the Spokane County Auditor on May 3, 2013, under Document No. 6204242, Declarations of Covenants, Conditions and Restrictions for Stone Horse Bluff Development consisting of Pages 1 through 31;

WHEREAS, the aforesaid Covenants, Conditions and Restrictions for Stone Horse Bluff Development provide that additional properties may be added and be made subject to the Declaration of Covenants, Conditions and Restrictions for Stone Horse Bluff Development;

WHEREAS, Stone Horse Bluff Development is desirous of adding Phase II to the aforesaid Covenants, Conditions and Restrictions.

NOW THEREFORE, Declarant declares that all real property described in this Declaration, including any improvements constructed
or to be constructed thereon, is hereby subjected to the provisions of the aforesaid Covenants, Conditions, Restrictions, Easements, Assessment and Liens previously filed of record on May 3, 2013, under Document No. 6204242 consisting of 31 pages, and PUD Declaration of Covenant filed of record on May 3, 2013, as Document No. 6204243 consisting of four pages, except as herein modified. The aforesaid covenants shall run with the title to the real property hereinafter described and shall be binding on all persons having any right, title or interest in all or any portion of the real property made subject hereto, their respective heirs, legal representatives, successors, successors in title, and assigns, and shall inure to the benefit of each and every owner, all or any portion thereof.

The legal description for PHASE II is attached hereto and incorporated herein.

Stone Horse Bluff PUD PHASE II is a replat of Blocks 151, 152, 153, 154, 155, 156 and 158, FIRST ADDITION TO CITY GARDENS IN THE SOUTHEAST QUARTER SECTION 5, TOWNSHIP 26 NORTH, RANGE 43 EAST W.M. IN SPOKANE COUNTY WASHINGTON.

MAINTENANCE, CONVEYANCE OF COMMON AREAS TO ASSOCIATION

1. Association’s Responsibility. The Association shall maintain and keep in good repair the Common Area. This maintenance shall include, without limitation, maintenance, repair, and replacement, subject to any insurance then in effect, of all landscaping and improvements situated on the Common Area. The Association shall also maintain: (i) all entry features, if any, for the Community including the expenses for water, sewer, and electricity, if any, provided to all such entry features; (ii) landscaping originally installed or modified by the Declarant which is on Common Area owned in fee by the Association or on property where an easement has been granted to the Association; and (iii) all facilities serving the Community not dedicated to or maintained by a public entity. The foregoing maintenance shall be performed consistent with the structures, including snow removal, and for the maintenance of the drainage facilities located therein shall be at Association cost as well as the assessments which will be discharged on a monthly basis to all of the
residents of the Development.

1.1 Tract "G1", Tract "G2", Tract "G3", Tract "I", Tract "K", Tract "L" and Tract "M" are all common areas dedicated to Stone Horse Bluff Homeowners Association. Said tracts are drainage tracts and are unbuildable; no structures, including fences, should be constructed thereon without the express written approval of the County of Spokane. The Association shall be responsible for payment of claims and other liabilities, which may become due for said tracts. These tracts herein above described will be maintained by the Association, and said tracts shall be considered subservient estates to all lots with the plat for the purpose of real estate taxes. Installing, operating and maintaining drainage ponds and drainage facilities to treat, store and dispose of storm-water runoff, are hereby granted to the Association. The Association will be responsible for all maintenance of drainage easements and the replacement of catch basins and drainage pipes throughout Stone Horse Bluff as part of the drainage facilities located on these tracts. The dual purpose of these tracts is also as recreation areas if the Association so desires.

1.2 Tract "R" of Stone Horse Bluff PUD PHASE II is privately owned.

2. Property Not Owned by the Association. The Association shall have the right, but not the obligation, to maintain other property not owned by the Association, whether maintenance agreement with adjoining property owners or association for the repair, maintenance and replacement of shared facilities or other property.

3. Damage Caused by Owner. In the event that the Association determines that the need for maintenance, repair, or replacement, which is the responsibility of the Association herein under, is caused through the willful or negligent act of an Owner, or the family, guest, lessees, or invitees of any Owner, the Association may perform such maintenance, repair or replacement at such Owner’s sole cost and expense, and all costs thereof shall be added to and become part of the assessment to which such Owner is subject and shall become a lien against the Lot of such Owner.
4. Owner's Responsibility. Except as provided in paragraphs 2, 3, and 4 above, all maintenance of any Lot and all structures, parking areas, landscaping, private roadways, and other improvements thereon together with the landscaping on any parking strip fronting any such Lot, shall be the sole responsibility of the Owner thereof, who shall provide maintenance consistent with the Community-Wide Standard and this Declaration. In the event that the Board of Directors of the Association determines that any Owner has failed or refused to discharge properly any of such Owner's obligations with regard to the maintenance, repair, or replacement of items for which such Owner is responsible hereunder, the Association shall, except in an emergency situation, give the Owner written notice of the Association's intent to provide such necessary maintenance, repair, or replacement at the Owner's sole cost and expense. The notice shall set forth with reasonable particularity the maintenance, repairs, or replacement deemed necessary. The Owner shall have ten (10) days after receipt of such notice within which to complete such maintenance repair or replacement, or, in the event that such maintenance repair, replacement is not capable of completion within a ten (10) day period, to commence such work which shall be completed within a reasonable time. If any Owner does not comply with the provisions hereof, the Association may provide any such maintenance, repair, or replacement at such Owner's sole cost and expense, and all costs shall be added to and become a part of the assessment to which such Owner is subject and shall become a lien against the Lot.

5. Conveyance of Common Area (including the Special Benefit Common Area) by Declarant to Association. The Declarant may transfer or convey to the Association any Personal property and any improved or unimproved real property, leasehold, easement, or other property interest. Such conveyance shall be accepted by the Association, and the property shall thereafter be Common Area or Special Benefit Common Area, as designated by the Declarant, to be maintained by the Association. Declarant shall not be required to make any improvements whatsoever to property to be conveyed and accepted pursuant to this Section.

6. Conversion of Common Area. A Common Area may not be converted by the Association to a Special Benefit Common Area
without the consent of two-thirds of all the Owners, as well as two-thirds of the Owners of the Lots that would become Specially Benefited Lots and be specially assessed for such Special Benefit Common Area. A Special Benefit Common Area may not be converted to a Common Area for the use of all Owners without the consent of 75% of all Owners as well as 75% of the Owners of the Specially Benefit Lots that have benefited from such Special Benefit Common Area.

Except as herein modified, Declarant adopts all the remaining Covenants and Conditions for Stone Horse Bluff Phase I hereinbefore referred to.

Executed this ___ day of October, 2013.

DECLARANT:
Stone Horse Bluff, LLC

[Signature]
Harley C. Douglass
Manager/Sole Member

STATE OF WASHINGTON )
ss.
County of Spokane )

On this ___ day of October, 2013, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Harley C. Douglass, Manager and Sole Member of Stone Horse Bluff, L.L.C., 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.

WITNESS my hand and official seal hereto affixed the day and year first above written.

[Signature]
NOTARY PUBLIC in and for the State of Washington, residing at Spokane. Appt. expires: 7/21/17

DEANNE L. NILSSON
Notary Public
State of Washington
My Commission Expires July 21, 2017