SPOKANE, WASHINGTON

A PLANNED UNIT DEVELOPMENT
WEST TERRACE PLACE

FOR

RESERVATION OF EASEMENTS
COVENANTS, CONDITIONS, RESTRICTIONS AND
DECLARATION OF

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9406200588

Spokane, WA 99212
2206 N. Pine Road
ATTORNEYS AT LAW
WALDO AND SCHWEDE, P.S.

AND WHEN RECORDED, MAIL TO:

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## TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>SECTION</th>
<th>TITLE</th>
<th>PAGE NO.</th>
</tr>
</thead>
<tbody>
<tr>
<td>One</td>
<td>Owner's Association/Voting/By-Laws</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>1.1 Form of Association</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>1.2 Membership</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>1.3 Transfer of Membership</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>1.4 Voting</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>1.5 Pledged Votes</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>1.6 Annual Meetings</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>1.7 Special Meetings</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>1.8 By-Laws</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>1.9 Board of Trustees</td>
<td>3</td>
</tr>
<tr>
<td>Two</td>
<td>Board of Trustees</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>2.1 Management During Development</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>2.2 Management by Board</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>2.3 Authority of the Board</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>2.4 Limitation of Authority</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>2.5 Term of Office</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>2.6 Quorum for Board Action</td>
<td>5</td>
</tr>
<tr>
<td>Three</td>
<td>Common Expenses and Assessments</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>3.1 Estimated Expenses</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>3.2 Payment of Owners</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>3.3 Commencement of Assessments</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>3.4 Records</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>3.5 Lien Indebtedness</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>3.6 Certificate of Assessment</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>3.7 Foreclosure of Assessment Lien</td>
<td>6</td>
</tr>
<tr>
<td>Four</td>
<td>Mortgagee Protection</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>4.1 Priority of Mortgages</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>4.2 Copies of Notices</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>4.3 Inspection of Books</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>4.4 Effect of Declaration Amendments</td>
<td>7</td>
</tr>
<tr>
<td>Five</td>
<td>Rights in Common Area</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>5.1 Common Area</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>5.2 Partition of Common Area Prohibited</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>5.3 Damage by Member</td>
<td>8</td>
</tr>
</tbody>
</table>
Six Architectural Control

6.1 Architectural Control During Development
6.2 Architectural Control After Development
6.3 Prohibition of Alteration
6.4 Plans and Approval

Seven Repair and Maintenance

7.1 Owner’s Maintenance Responsibilities
7.2 Repair and Maintenance Duties of Association
7.3 Maintenance of Storm Water Drainage System

Eight Easements

8.1 Access, Use and Maintenance Easements
8.2 Utility Easements

Nine Residence and Use Restrictions

9.1 Land Use and Building Type
9.2 Mature Adult Restriction
9.3 Owner Occupant
9.4 Business Use Prohibited
9.5 Nuisance Prohibited
9.6 Temporary Structures
9.7 Time of Completion
9.8 Animals
9.9 Signs
9.10 Fences
9.11 Clothes Lines

Ten Destruction/Condemnation

10.1 Damage to Common Area
10.2 Damage to Dwelling
10.3 Insurance

Eleven Duration and Amendments

11.1 Duration
11.2 Amendment
11.3 Miscellaneous Provisions

Twelve Annexation

12.1 Annexation of Contiguous Property
DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS
AND RESERVATION OF EASEMENTS

WEST TERRACE PLACE
A PLANNED UNIT DEVELOPMENT

KNOW ALL MEN BY THESE PRESENTS that West Terrace, LTD, a
Washington limited partnership, hereinafter referred to as
Declarant, hereby declares and sets forth covenants, conditions,
restrictions, and reservations of easements to run with all of the
land described hereafter as provided by law, which covenants,
conditions, restrictions, and reservations of easements shall be
binding upon all parties and persons claiming an interest in any of
the property described hereafter, and which covenants, conditions,
restrictions, and reservation of easements shall be for the benefit
of and limitation upon all future owners, and being for the purpose
of keeping said real estate desirable, uniform and suitable in
architectural design and use as specified herein.

The land affected by this Declaration and reservation is
described as follows:

Those portions of the Southeast quarter of
Section 7, Township 24 North, Range 42 East,
W.M., described as follows:

COMMENCING at the Northeast corner of Lot 10,
Block 5, of West Terrace Addition, according
to plat recorded in Book 18 of Plats, Page 10;
thence North 89°49'51" West, 300.00 feet to
the Northwest corner of Lot 10, Block 4 of
said plat of West Terrace Addition; thence
North 00°41'52" East, 201.10 feet; thence
North 48°03'59" West, 79.31 feet to the Point
of Beginning; thence North 74°43'42" West
303.73 feet; thence North 43°27'07" West,
261.73 feet; thence North 01°39'17" West,
450.19 feet; thence North 20°20'29" East,
218.63 feet; thence North 68°18'04" East,
311.04 feet; thence North 18°40'29" East,
17.89 feet; thence South 78°02'27" East, 80.01
feet to a point on a 745.00 foot radius non-
tangent curve to the left, the center of
circle of which bears North 67°48'55" East,
154.54 feet to a point on a 1,170.00 foot
radius non-tangent curve to the right, the
center circle of which bears North 74°07'23"
West; thence Southwesterly along the arc of
said curve, through a central angle of
6°51'19", 139.99 feet to the point of reverse
curve of a 745.00 foot radius curve to the
left, the center of circle of which bears
South 67°16'04" East; thence along the arc of
said curve, through a central angle of 9°26'06", 122.68 feet; thence North 76°42'10" West, 73.01 feet; thence South 64°37.16" West, 110.47 feet thence South 01°39'17" East, 359.23 feet; thence South 37°40'17" East, 35.63 feet; thence South 56°54'37" East, 119.12 feet; thence North 67°48'55" East; thence Southeasterly along the arc of said curve, through a central angle of 10°18'47", 134.10 feet to the point of reverse curve of an 850.00 foot radius curve to the right, the center of circle of which bears South 57°30'08" West; thence along the arc of said curve, through a central angle of 6°49'19", 101.21 feet; thence South 40°00'00" West, 151.88 feet to the Point of Beginning; Situate in the County of Spokane, State of Washington.

and following the filing of the Plat in the Auditor's office of Spokane County, State of Washington, to be thereafter described as:

Lots 1 through 23, Block 1, and Lots 1 through 15, Block 2, WEST TERRACE PLACE, A PLANNED UNIT DEVELOPMENT, County of Spokane, State of Washington.

SECTION ONE

OWNER'S ASSOCIATION/VOTING/BY-LAWS

1.1 FORM OF ASSOCIATION/VOTING/BY-LAWS. The Association is or shall be incorporated pursuant to the Washington Non-Profit Corporation Act under the name of West Terrace Place Owners' Association.

1.2 MEMBERSHIP. Each owner of a lot within the Plat described herein shall automatically be a member of the Association and shall remain a member thereof until such time as he no longer owns a lot within the subdivision, at which time his membership in the Association shall automatically cease and the new owner of the lot shall take his place as a member. An owner is the person owning a lot in fee simple absolute or qualified, as purchaser under a Real Estate Contract, by way of leasehold, by way of periodic estate, or in any other manner in which real property may be owned, leased, or possessed in the State of Washington.

1.3 TRANSFER OF MEMBERSHIP. The Association membership of each owner shall be appurtenant to the particular lot owned giving rise to such membership, and shall not be assigned,
transferred, pleaded, hypothecated, conveyed or alienated in any way except upon the transfer of title to said lot which shall automatically transfer the membership in the Association. Any attempt to make a prohibited transfer shall be void.

1.4 **VOTING.** The total voting power of all owners shall be thirty-four, one vote for each of the thirty-four lots, subject to individual ownership within the Plat. Each lot shall have one vote.

1.5 **PLEDGED VOTES.** In the event the record owner or owners have pledged their vote regarding special matters to a mortgagee or beneficiary of a Deed of Trust under a duly recorded mortgage or Deed of Trust, or to the vendor under a duly recorded Real Estate Contract, only the vote of such mortgagee, beneficiary, or vendor will be recognized in regard to the special matters upon which the vote is so pledged, if a copy of the instrument with this pledge has been filed with the Association.

1.6 **ANNUAL MEETINGS.** There shall be an annual meeting of the owners in the second quarter of each year at such reasonable place and time as may be designated by written notice from the Association delivered to the owners not less than ten days prior to the date for said meeting. At the annual meeting, there shall be presented an audit of the common expenses, itemizing receipts and disbursements for the preceding calendar year, and the allocation thereof to each owner, and the estimated common expenses for the coming calendar year. Any lot owner, at his own expense, may at any reasonable time, make an audit of the books of the Association.

1.7 **SPECIAL MEETINGS.** Special meetings of the owners may be called at any time for the purpose of considering matters which, by the terms of the Declaration, require the approval of all or some of the owners, or for any other reasonable purpose. Such meetings shall be called by written notice to the members of the Association upon decision by its Board, or by written request of the owners having at least twenty-five percent (25%) of the total votes, which notice shall be delivered not less than ten days prior to the date fixed for said meeting. The notice shall specify the date, time and place of the meeting, and in general, the matters to be considered. Only those matters contained in the notice may be considered at any special meeting.

1.8 **BY-LAWS.** By-Laws for the administration of the Association and the property, and for other purposes not inconsistent with this Declaration shall be adopted by the Association by concurrence of those voting owners holding at least sixty percent (60%) of the voting power. The Declarant may adopt the initial By-Laws of the Association.

1.9 **BOARD OF TRUSTEES.** The affairs of the Association
shall be managed by a Board of Trustees consisting of not less than three (3) nor more than five (5) voting members, the Board being more specifically described hereafter.

SECTION TWO

BOARD OF TRUSTEES

2.1 MANAGEMENT DURING DEVELOPMENT. Initially, the property and the Association shall be managed by the developer of the property, West Terrace, LTD, a Washington limited partnership, until such time as said corporation shall elect to turn the management over to the elected Board of Trustees, or 30 days following the date when the developer shall have sold all of the lots within the subdivision, but in no event later than three years from the recordation of this Declaration.

2.2 MANAGEMENT BY BOARD. Upon the expiration of the time period set forth above, or upon Declarants' option if exercised sooner, all administrative power and authority shall vest in a Board of not less than three nor more than five Trustees selected from among the members of the Association. The Board may delegate all or any portion of such power to a manager, managing agent, or officer of the Association, or in such manner as may be provided by the By-Laws. All Board positions shall be open for election at the first annual meeting after the period of the Declarants' authority under Section 2.1 ends.

2.3 AUTHORITY OF THE BOARD. The Board, for the benefit of the members of the Association, shall enforce the provisions of the Declaration and of the By-Laws, shall have all powers and authority permitted to the Board under the Corporation Act, and this Declaration, and shall acquire and shall pay for out of the common fund hereinafter provided for, all goods and services requisite for the proper functioning of the planned unit development.

2.4 LIMITATION ON AUTHORITY. The Board's authority as set forth in the preceding paragraph shall be limited in that the Board shall have no authority to acquire and pay for out of the maintenance funds, capital additions and improvements having a total cost in excess of Two Thousand Dollars ($2,000.00) without first obtaining the affirmative vote of the members holding a majority of the voting power present or represented at a meeting called for such purpose, and if no such meeting is held, then the written consent of voting members having a majority of the voting power.

2.5 TERM OF OFFICE. The term of office of Trustees shall be two years. After the initial election, if there be three Trustees total, then two shall be elected at the annual meeting during even numbered years, and one at the annual meeting during
odd numbered years. If there shall be five Trustees, then three
during even numbered years, and two during odd numbered years. At
the organization meeting of the Board, after expiration of the
management by the Declarant, the Trustees so elected shall, by lot,
determine which shall initially have one or two year terms to
stagger the expiration date of the terms of the appropriate number
of Trustees. Any Trustee may be elected to serve for additional
terms or term.

2.6 QUORUM FOR BOARD ACTION. A majority of the Board
shall constitute a quorum. The Board shall act by majority vote of
those present at its meetings where a quorum is in attendance.

SECTION THREE

COMMON EXPENSES AND ASSESSMENTS

3.1 ESTIMATED EXPENSES. Within thirty days prior to the
beginning of each calendar year, the Board shall estimate the
common expenses to be paid during the ensuing year, shall make
provision for creating, funding and maintaining reasonable reserves
for contingencies, operations, and repair, replacement and
acquisition of common areas and facilities, and shall take into
account any expected income and any surplus available from the
prior year's operating fund. If the sum estimated and budgeted at
any time proves inadequate for any reason (including nonpayment
for any reason of any owner's assessment), the Board may, at any
time, levy a further assessment which shall be assessed to the
owners as set out below.

3.2 PAYMENT OF OWNERS. Each owner shall be obligated to
pay assessments made pursuant to this Section to the Association in
equal monthly installments on or before the first day of each month
during such year, or in such other reasonable manner as the Board
shall designate, and any unpaid assessments shall bear interest at
the rate of 12% per annum from the due date until paid. The budget
may be reviewed and revised by the membership at any annual
meetings, or at any special meeting called for such purpose, but if
not so reviewed, or if no change is made, shall be deemed approved.

3.3 COMMENCEMENT OF ASSESSMENTS. An assessment for each
lot within the subdivision shall commence to be payable upon
completion or construction of a residential unit on said lot.
Completion of construction is defined as the issuance of a final
approved inspection or an occupancy permit by appropriate
governmental authority.

3.4 RECORDS. The Board shall cause to be kept detailed,
accurate records in the form established by the Association of the
receipts and expenditures of the Association specifying and
itemizing the maintenance and repair expenses and any other
expenses incurred. Such records and any resolutions authorizing the payments involved shall be available for examination by any member at convenient hours of weekdays.

3.5 LIEN INDEBTEDNESS. Each monthly assessment and each special assessment shall be the joint and several personal debt and obligation of the owner or owners of the lot for which the same are assessed at the time the assessment is made and shall be collectable as such. The amount of any assessment, whether regular or special, assessed to any owner of any lot, plus interest at 12% per annum and costs, including reasonable attorney fees, shall be a lien upon such lot. The said lien for payment of such assessments shall have priority over all other liens and encumbrances, recording or unrecorded, except as provided hereafter. Suit to recover a money judgment for unpaid assessments shall be maintainable without foreclosure or waiving the lien securing the same.

3.6 CERTIFICATE OF ASSESSMENT. A certificate executed and acknowledged by the Treasurer or the President of the Board stating the indebtedness secured by the assessment lien upon any lot shall be conclusive upon the Board and the owners as to the amount of such indebtedness on the date of the certificate, in favor of all such persons who relied thereon in good faith, and such certificate shall be furnished to any owner or any encumbrancer of any lot within a reasonable time after request, in recordable form, at a reasonable fee.

3.7 FORECLOSURE OF ASSESSMENT LIEN. The Declarant, or Board on behalf of the Association, may initiate action to foreclose the lien of any assessment. In any action to foreclose a lien against any lot for nonpayment of delinquent assessments, any judgment rendered against the owner of such lot in favor of the Association shall include a reasonable sum for attorney fees, and all costs and expenses reasonably incurred in preparation for or in the prosecution of said action, in addition to the taxable costs permitted by law. An assessment lien may be foreclosed in the same manner as is provided by law for the foreclosure of a Real Estate Mortgage.

SECTION FOUR

MORTGAGEE PROTECTION

4.1 PRIORITY OF MORTGAGES. Notwithstanding all other provisions hereof, the liens created under this Declaration upon each lot for assessment shall be subject to the rights of the secured party in the case of any indebtedness secured by Mortgage, Deed of Trust, or Real Estate Contract which were made in good faith and for value upon the lot. Where such mortgagee, beneficiary of a Deed of Trust, or Contract vendor, or other purchaser of a lot within the subdivision, obtains possession of a
lot as the result of a Mortgage foreclosure, Deed of Trust sale, or Contract forfeiture, such possessor and his successors and assigns, shall not be liable for the share of the common expenses or assessments by the Association chargeable to such lot which become due prior to such possession, but will be liable for such common expenses and assessments accruing after such possession. Such unpaid share of common expenses or assessments shall be deemed to be the common expenses collectable from all of the land owners within the subdivision including such possessor, his successors and assigns.

4.2 COPIES OF NOTICES. In the event the Association gives to an owner of a lot any notice that such owner has, for more than thirty days, failed to meet any obligations under this Declaration, it shall also give a copy of such notice to any first mortgagee, beneficiary of a first Deed of Trust, or Contract vendor, which has requested to be notified.

4.3 INSPECTION OF BOOKS. Each first mortgagee, beneficiary of a Deed of Trust, or Contract vendor, upon written request, shall have the right to:

(a) examine the books and records of the Association during normal business hours;

(b) require from the Association the submission of annual financial reports and other financial data;

(c) receive written notice of all meetings of the owners; and

(d) designate, in writing, a representative to attend all such meetings.

Each owner hereby authorizes the said first mortgagee, beneficiary of a Deed of Trust, or contract vendor, on his lot to furnish information to the Board concerning the states of the loan which it secures.

4.4 EFFECT OF DECLARATION AMENDMENTS. No amendment of this Declaration shall be effective to modify, change, limit, or alter the rights expressly conferred herein upon mortgagees, beneficiaries of Deeds of Trust, or Contract vendors, in this instrument with respect to any unsatisfied Mortgage, Deed of Trust, or Contract duly recorded unless the amendment shall be consented to, in writing, by the holder of such security instrument.

SECTION FIVE

RIGHTS IN COMMON AREA

5.1 COMMON AREA. The common area within the Plat shall
include all real property and improvements within the landscape areas, Lot 1 and 23 of Block 1, and Lot 1 and 15, Block 2 West Terrace Place, the private roads, the fencing surrounding the Plat, and any other land as may be designated on the face of the Plat as common areas, or other land which may be conveyed to or accepted by the Association, all of which shall be dedicated to the common use and enjoyment of all owners. The common area shall be owned, operated, maintained and insured by the Association for the use and benefit of the owners of lots within the Plat, subject to reasonable rules and regulations as may be enacted by the Association. Each lot owner, through membership in the Association, shall have a nonexclusive right to use the common area in accordance with the purposes for which it is intended without hindering the exercise of or encroaching upon the lawful right of any other lot owner. Notwithstanding the transfer of the common area to the Association, the Declarant hereby reserves to itself and its successors in interest, an easement, together with the right to grant further easements over the project for the purpose of completing improvements thereon or for the performance of necessary construction, maintenance, or repair work, or for ingress and egress to and from adjacent property in connection with the development, use and occupancy thereof.

5.2 **PARTITION OF COMMON AREA PROHIBITED.** Regardless of the possibility that in the future the Association could be dissolved, the common area shall be maintained for the benefit of all owners within the subdivision, and no owner shall bring any action for partition or divisions of any part of the common area, it being agreed that this restriction is necessary in order to preserve the rights of all owners with respect to the operation, management, use and enjoyment of the common area.

5.3 **DAMAGE BY MEMBER.** Each member shall be liable to the Association for any damage to the common area not fully reimbursed to the Association by insurance, if the damage is sustained because of negligence or willful misconduct of the member, his guests, tenants, or invitees, or any other persons deriving their rights of use and enjoyment of the common area from the member, or his or their respective family and guests. The cost of correcting the damage to the extent not reimbursed to the Association by insurance shall be a special assessment against the owner's lot and may be enforced as provided herein for the enforcement of any other assessment.

**SECTION SIX**

**ARCHITECTURAL CONTROL**

6.1 **ARCHITECTURAL CONTROL DURING DEVELOPMENT.** Until such time as development has been completed by the construction of residential units on all thirty-four lots, the architectural control committee shall consist of Ronald G. Sievert, Gary R.
Alexander, and William Duffy. A majority vote of two of the three members of said committee shall constitute approval or rejection of the plans and specifications. All submissions to the architectural control committee shall be acted upon within five business days after submission, and the failure of the architectural control committee to approve or reject within said five day period shall constitute an automatic approval.

No buildings shall be erected, placed or altered on any lot within the subdivision until plans and specifications for said building have been submitted to and approved by the architectural control committee pertaining to the quality of workmanship, materials, harmony of external design and existing structures, and as to location with respect to topography and finish grade elevation.

A majority of the committee may designate a single representative of the committee to act for it. In the event of the death or resignation of a member of the committee, the remaining members shall have the full authority to designate a successor. Neither the members of the committee nor its designated representative shall be entitled to any compensation for services performed pursuant to this covenant.

6.2 ARCHITECTURAL CONTROL AFTER DEVELOPMENT. After all thirty-four lots have been built upon, the architectural control committee shall consist of three members, all of which shall be elected by the Board of Trustees.

6.3 PROHIBITION OF ALTERATION. No structure, improvement, or alteration of any kind, including landscaping within the development, shall be commenced, erected, painted, or maintained upon the property until the plans for same have been approved in writing by the architectural control committee.

6.4 PLANS AND APPROVAL. The architectural control committee shall develop and make available to all owners within the Plat, 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 committee, but shall set forth general criteria to be considered by the committee in evaluating a particular application for architectural approval.

Plans and specifications showing the nature, kind, shape color, size, materials and location of any such planned structure, improvement or alteration shall be submitted to the committee for approval as to the quality of workmanship and design and harmony of external design with the existing structures, and as to location in relation to surrounding structures, topography, and finish grade elevation. 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 this or a predecessor committee.

All submissions to the architectural control committee shall be acted upon within five business days after submissions, and failure of the architectural control committee to approve or reject within said five day period shall constitute an automatic approval.

SECTION SEVEN

REPAIR AND MAINTENANCE

7.1 OWNER'S MAINTENANCE RESPONSIBILITIES. Each owner shall have responsibility for maintaining the exterior of their particular residence and all other buildings and improvements located upon their lot according to standards which shall be established by the Board of Trustees of the Association. The color and brand of any paint, stain, oil, or other preservative applied to the exterior of any residence or out building must first be approved by the architectural control committee. In the event that the exterior of any residence falls below the standards established, and exterior maintenance shall be deemed necessary by the Board of Trustees or the architectural control committee, the same shall have the authority to send written notice to the owner of such residence setting forth the maintenance deemed necessary, and in the event such maintenance is not satisfactorily performed within forty-five days of receipt of such notice, the Board shall be entitled to perform or contract for the performance of all such necessary maintenance and the costs thereof shall be a special assessment against the lot as provided for herein.

7.2 REPAIR AND MAINTENANCE DUTIES OF ASSOCIATION. The Association shall paint, maintain, repair and replace all parts of the common area, including roadways and snow removal therefrom, or shall contract for such maintenance, repair and replacement to insure that such areas are maintained in good condition. Additionally, the Association shall provide exterior landscaping maintenance upon each lot within the subdivision. Owners of residences within the subdivision shall not be permitted to maintain their own landscaping.

For the purpose of performing any maintenance, repair or replacement as authorized by this Section, or for the purposes of making emergency repairs necessary to prevent damage to the project or to other dwellings, or for any other purpose reasonably related to the performance by the Board of its responsibilities under this Declaration, the Association shall have the irrevocable easement over onto all portions of the common area and each owner's lot.

7.3 MAINTENANCE OF STORM WATER DRAINAGE SYSTEM. The storm water drainage system, as designed by Adams and Clark, Inc., Civil Engineers, 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 West Terrace Place Owners' Association shall be responsible for any ongoing maintenance and expenses thereon. The Association shall maintain the storm water drainage system in reasonable conformance with the approved drainage plan.

SECTION EIGHT

EASEMENTS

8.1 ACCESS, USE AND MAINTENANCE EASEMENTS. Declarant expressly reserves for itself and for the successor owners of lots within the subdivision, reciprocal, nonexclusive easements for access, ingress and egress, and for use and enjoyment, over all of the common area and all roadways and for the use and enjoyment thereof. The Declarant further reserves for itself and its successors in interest, an easement over the roadways within the plat for the benefit of the anticipated future develop lying to the north of this subdivision, it being anticipated that said future subdivision shall be annexed hereto.

8.2 UTILITY EASEMENTS. Declarant further reserves for itself, the owners of all of the lots within the subdivision, and for all utility purveyors, both private and governmental, such easements as are shown on the face of the Plat for drainage, utilities, and roadways. The utilities contained within the easements reserved hereby may be extended by the Declarant to the property lying directly to the north of this plat.

SECTION NINE

RESIDENCE AND USE RESTRICTIONS

9.1 LAND USE AND BUILDING TYPE. No structures or buildings of any kind shall be erected, altered, placed or permitted to remain on any residential lot other than one detached single family dwelling for single family occupancy only, not to exceed two stories in height, with or without basement, and an attached private garage for two standard size automobiles.

9.2 OWNER OCCUPANCY: This subdivision and the residences being constructed are primarily intended for owner occupants. This is not to be construed as a prohibition on rental of a residence but a reminder to owners that there are strict maintenance requirements whether owner occupied or not.

9.3 VEHICLE AND EQUIPMENT RESTRICTIONS. No trailer, camper, mobile home, recreational vehicle, commercial vehicle, bus, truck (other than standard size pickup truck), inoperable automobile, boat, or similar equipment, and no vehicle which is in
an extreme state of disrepair, shall be permitted to remain upon any lot, street, roadway, or other area within the subdivision, other than temporarily (for purposes of loading and unloading of passengers or personal property). Commercial vehicles shall not include sedans, service vans, or standard size pickup trucks which are used both for business and personal use, provided that any signs or markings of a commercial nature on such vehicle shall be unobtrusive and inoffensive. No noisy or smoky vehicles shall be operated in the subdivision. No off-road, unlicensed motor vehicle, other than golf carts, shall be maintained or operated within the subdivision. No goods equipment material, supplies or vehicles used in connection with any trade, service or business wherever conducted, shall be kept, parked, stored, dismantled, or repaired outdoors on any lot, or an any dedicated street within the subdivision.

9.4 BUSINESS USE PROHIBITED. No trade, craft, business, or professional or commercial or manufacturing enterprise or activity of any kind shall be conducted or carried on upon any residential lot within the subdivision, nor shall any goods, equipment, vehicles, materials or supplies used in connection with any business or commercial activity be kept, parked, stored, dismantled, or repaired on any residential lot or street within the subdivision.

9.5 NUISANCE PROHIBITED. No noxious, or offensive activity shall be carried on upon any lot or street within the subdivision nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. No lot within the subdivision shall be used as a dump for trash or rubbish of any kind, and all garbage or other waste shall be kept in appropriate sanitary containers for proper disposal. No waste, including rocks, dirt, lawn, or shrubbery clippings shall be dumped into the roadways or ditches or onto any vacant lots within the subdivision.

9.6 TEMPORARY STRUCTURES. No structure of a temporary character, trailer, basement, tent, shack, garage, barn, or other outbuildings shall be used on any lot at any time as a residence, either temporarily or permanently.

9.7 TIME OF COMPLETION. Any dwelling or structure erected or placed on any lot in this subdivision shall be completed as to exterior appearance within six months from the date of commencement of construction.

9.8 ANIMALS. No animals, livestock, or poultry of any kind shall be raised, bred or kept on any lot, except that cats, dogs, birds or other household pets may be kept, provided that they shall not be allowed to run at large, and provided, further, that they shall not be kept, bred, or maintained for any commercial purposes nor in such members or under such conditions as a person
of reasonable prudence would find objectionable in a closely build up residential community. Dog kennels or other animal runs may be permitted on each individual lot so long as the plans therefore have been approved by the architectural control committee.

9.9 SIGNS. No sign of any kind shall be displayed to the public view on any lot within the subdivision, except that one professional appearing sign advertising the property for sale or for rent may be placed by an owner, builder, or a licensed real estate broker, not exceeding 24 inches in height and 32 inches in length. This provision regarding signs shall not apply during initial development and construction within the Plat and shall also not apply to any entrance signs to the entrance of the Plat.

9.10 FENCES. The only fences which shall be allowed within the Plat shall be the exterior perimeter fence constructed by the developer. No interior fences surrounding a particular lot shall be allowed. The Association shall have the sole responsibility to maintain the perimeter fence, and the same shall not be maintained or altered by any owner within the Plat.

9.11 CLOTHES LINES. No exterior clothes lines shall be erected or maintained and there shall be no outside laundering or drying of clothes.

SECTION TEN

DESTRUCTION/CONDEMNATION

10.1 DAMAGE TO COMMON AREA. In the event of any destruction of any portion of the common area, the repair or replacement of which is the responsibility of the Association, it shall be the duty of the association to restore and repair the same to its former condition as promptly as practical. The proceeds of any insurance maintained by the Association shall be used for such purpose, unless otherwise provided herein. The Board shall be authorized to have prepared the necessary documents to effect such reconstruction as promptly as practical. The property shall be reconstructed or rebuilt substantially in accordance with the original construction plans. If the amount available from the proceeds of insurance policies for such restoration and repair is inadequate to complete the restoration, the Board shall levy a special assessment for the deficiency and proceed with such restoration and repair.

10.2 DAMAGE TO DWELLINGS. In the event of any destruction of any dwelling or dwellings, it shall be the duty of the owner of the particular dwelling or dwellings to restore and repair the same to its original former condition as promptly as practical under the supervision of the Board. The dwelling or dwellings shall be reconstructed or rebuilt substantially in accordance with the original construction plans, unless the owner
shall have first obtained approval of new construction plans from the architectural control committee.

10.3 INSURANCE. The Association shall maintain such liability insurance policy covering all common areas within the subdivision as the Association shall, by majority vote, determine necessary or desirable from time to time. The Association shall also maintain hazard insurance covering the improvements within the common area as the Association, by majority vote, shall deem necessary from time to time.

SECTION ELEVEN

DURATION AND AMENDMENT

11.1 DURATION. This Declaration shall continue in full force and effect for a period of thirty-five years from the date hereof, after which time the same shall be automatically renewed for successive terms of ten years each, unless a Declaration of Termination is recorded, meeting the requirements for an amendment as set forth hereafter. All properties within the subdivision shall continue to be subject to this Declaration during the term hereof regardless of sale, conveyance or encumbrance.

11.2 AMENDMENT. This Declaration may only be amended after written approval or vote in person or by proxy of two-thirds of the members of the total voting power of the Association. Notice of the subject matter of a proposed amendment to this Declaration in reasonably detailed form shall be included in the notice of any meeting of the Association at which a proposed amendment is to be considered.

Notwithstanding the foregoing, any amendment made to this Declaration shall have no force or effect on a first mortgagee, the beneficiary of a first Deed of Trust, or a Contract vendor unless or until their written consent thereto has been obtained.

11.3 MISCELLANEOUS PROVISIONS.

(a) Enforcement. The Board, any owner, and any governmental or quasi-governmental agency or municipality having jurisdiction over the project shall have the right to enforce, any proceedings at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by this Declaration, and in such action shall be entitled to recover costs and reasonable attorney fees as are ordered by the Court.

(b) Severability. The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or un-enforceability of any one provision or portion thereof shall
not affect the validity or enforceability of any other provision thereof.

   (c) Effective Date. This Declaration shall take effect upon recordation.

SECTION TWELVE

ANNEXATION

12.1 ANNEXATION OF CONTIGUOUS PROPERTY. At the option of the Declarant, any additional property contiguous with this Plat may be annexed to and become part of this development, subject to this Declaration, and subject to the jurisdiction of the Association, without the assent of the Association, or its members, on condition that:

   (a) any annexation pursuant hereto shall be made prior to the expiration of five years from the date of recordation of this Declaration; and

   (b) a Declaration of Annexation shall be recorded by Declarant covering any property so annexed. Said Declaration shall incorporate this Declaration by reference and may contain such complimentary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added property, so long as the same shall not be inconsistent with the scheme of this Declaration.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has executed this Declaration this 16th day of June, 1994.

WEST TERRACE, LTD, a Washington limited partnership, By: SPOKANE VENTURE PARTNERSHIP, a general partnership, By: SPOKANE BUILDERS CORP.

By

Ronald G. Sievert
President

STATE OF Washington
County of Spokane

On this 16th day of June, 1994, before me, the undersigned, a Notary Public in and for the State of Washington,
acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

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

[Signature]

Robert D. Waldo
NOTARY PUBLIC in and for the State of Washington, Residing at Spokane

[Notary Seal]

ROBERT D. WALDO
STATE OF WASHINGTON
NOTARY PUBLIC
My Commission Expires 8-15-97