



4399222  
Page: 1 of 51  
08/06/1999 01:28P  
Spokane Co. WA

Return to:

Northeast Properties  
E. 9616 Montgomery  
Spokane, WA 99206  
Attn: Sallie Moore

COURTESY RECORDING

DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS  
AND RESERVATION OF EASEMENTS  
FOR  
SUGAR PINE--WOODLAND ESTATES  
SPOKANE COUNTY, WASHINGTON

R.E. Excise Tax Exempt

Date: 8-6 19 99

Spokane County Treasurer

By: [Signature]

Unofficial Document



TRANSACTION TITLE INS CO COV \$58.00  
**TABLE OF CONTENTS**

<u>Article</u>	<u>Title</u>	<u>Page No.</u>
1	DEFINITIONS	3
2	ASSOCIATION, ADMINISTRATION, MEMBERSHIP AND VOTING RIGHTS	8
	2.1 Organization of Association	8
	2.2 Duties and Powers	8
	2.3 Membership	8
	2.4 Transferred Membership	8
	2.5 Classes of Membership	8
	2.5.1 Class A Membership	8
	2.5.2 Class B Membership	9
	2.6 Voting Requirements	9
	2.7 Membership Meetings	10
	2.8 Board of Trustees and Authority	10
	2.9 Authority of Trustees' Committee	10
	2.10 Use of Agent	10
	2.11 Activation of Association	10
	2.12 Release of Liability of Trustees	11
3	RIGHTS IN GENERAL COMMON AREA AND COMMON AREA	12
	3.1 General Common Area and Common Area	12
	3.2 Partition of Common Area and General Common Area Prohibited	13
	3.3 Subservient Estate	13
	3.4 Damage by Member	13
	3.5 Ownership of General Common Area	14
4	ARCHITECTURAL CONTROL	16
	4.1 Architectural Committee	16
	4.2 Prohibition of Alteration and Improvement	16
	4.3 Plans and Approval	16
	4.4 Architectural Committee May Adopt Rules	17
	4.5 Non-Liability of Architectural Committee Members	17
	4.6 Contractor	18
5	REPAIR AND MAINTENANCE	19
	5.1 Repair and Maintenance Rights and Duties of Association	19
	5.2 Repair and Maintenance Rights and Duties of Owners	20
	5.3 Maintenance of General Common Area	20



Article	Title	Page No.
	5.3.1 Community Park	20
	5.3.2 Northwood Entry Statement	20
	5.3.3 Columbia Drive Landscaping	20
	5.3.4 SUGAR PINE Project Entryway	20
	5.3.5 Vista Park Drive Landscaping	20
	5.3.6 Street Lighting	21
	5.3.7 Storm Drainage Facilities	21
6	ASSOCIATION MAINTENANCE FUNDS AND ASSESSMENTS	22
	6.1 Creation of the Lien and Personal Obligation of Assessments	22
	6.2 Purpose of Assessments	22
	6.3 Regular Assessments	23
	6.4 Extraordinary Assessments	23
	6.5 Special Assessments	23
	6.6 Allocation of Assessments	23
	6.7 Date of Commencement of Assessment	24
	6.8 Exempt Property	24
	6.9 Transfer of Lot by Sale or Foreclosure	24
	6.10 Enforcement of Assessment Obligation; Priorities; Discipline	25
	6.11 Payment of Taxes Assessed Against Common Area, General Common Area or Personal Property of Association	26
	6.12 Contingent Street Lighting Assessment	26
7	EASEMENTS AND UTILITIES	27
	7.1 Access and Maintenance Easements	27
	7.2 Encroachments; Maintenance and Utility Easements	27
	7.3 Owners' Rights and Duties With Respect to Utilities	28
	7.4 View Restrictions	29
8	RESIDENCE AND USE RESTRICTIONS	30
	8.1 Use of Individual Lots	30
	8.2 Business Use Prohibited	30
	8.3 Temporary Structures	30
	8.4 Minimum Dwelling Size	30
	8.5 Completion of Construction	30
	8.6 Nuisances	31
	8.7 Signs	31
	8.8 Animals	31
	8.9 Pathways	32
	8.10 Garbage and Refuse Disposal	32



<u>Article</u>	<u>Title</u>	<u>Page No.</u>
8.11	Radio and Television Antennas	32
8.12	Clothes Lines	32
8.13	Power Equipment and Car Maintenance	32
8.14	Parking	33
8.15	Accessory Buildings	33
8.16	Exterior Lighting	33
8.17	No Warranty of Enforceability	33
8.18	Fences	34
9	INSURANCE	35
9.1	Duty to Obtain Insurance; Types	35
9.2	Lenders' Requirements	35
9.3	Waiver of Claim Against Association	36
9.4	Right and Duty of Owners to Insure	36
9.5	Notice of Expiration Requirements	36
9.6	Insurance Premiums	37
9.7	Trustee for Policies	37
10	DESTRUCTION OF IMPROVEMENTS	38
10.1	Damage to Common Areas and General Common Areas	38
10.2	Damage to Dwellings	38
10.3	Alternate Plans for Restoration and Repair	38
10.4	Appraisal of Damage	39
10.5	Interior Damage	39
11	DECLARANT'S RIGHTS AND RESERVATIONS	40
11.1	Declarant's Right of Access	40
11.2	Termination of any Responsibility of Declarant	40
11.3	Right to Annex Additional Property	40
12	RIGHTS OF MORTGAGEES	42
13	DURATION AND AMENDMENT	44
13.1	Duration	44
13.2	Amendment	44
13.3	Protection of Declarant	45
14	GENERAL PROVISIONS	46
14.1	Enforcement	46
14.2	Invalidity of Any Provision	46
14.3	Conflict of Project Documents	46



DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS  
AND RESERVATION OF EASEMENTS  
FOR  
SUGAR PINE -- WOODLAND ESTATES  
SPOKANE COUNTY, WASHINGTON

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND RESERVATION OF EASEMENTS ("Declaration"), is made on the date hereinafter set forth, by NORTHWOOD PROPERTIES, INC., a Washington corporation, and THEODORE G. GUNNING and DIANE D. GUNNING, husband and wife ("Declarant"), with reference to the following facts:

A. Declarant is the Owner of a certain tract of land located in Spokane County, Washington, which property is more particularly described on Exhibit "A" attached hereto and incorporated herein by this reference (the "Property"). Such tract of land in Exhibit "A" includes one of the Phases of WOODLAND ESTATES, which overall development shall include other various Phases as well. Exhibit "B" and these Covenants provide for an undivided ownership interest of the Sugar Pine--Woodland Estates Homeowners' Association in a Community Park, certain entry way improvements, and other improvements, all of which shall be known as ("General Common Area"), and for which this particular Phase shall be responsible for its pro rata share of maintenance. Exhibit "C" and these Covenants provide for ownership by Sugar Pine--Woodland Estates Homeowners' Association of private roadways, for which this Phase shall be responsible for all maintenance.

B. Declarant has improved or intends to improve the Property by constructing thereon certain residential improvements and related facilities, and to establish thereon a residential development, to be managed, operated, and maintained by an incorporated Association of Owners, for the benefit of all parts of the Property. Each Phase within the overall development shall have its own individual incorporated Association of owners which shall be separate and distinct from all other Phases. These particular covenants shall apply only to the individual Phase for which they are recorded, as each Phase shall have its own individual declaration. The Community Park and certain other way improvements attributable to the overall development shall be maintained by all of the individual Phases, with each being responsible for its pro rata share.

C. The development shall be hereinafter referred to as the "Project" or "Property." The Owner of each Lot is intended to receive fee title to their individual Lot and the residential dwelling thereon and all rights associated with Membership in SUGAR PINE--WOODLAND ESTATES HOMEOWNERS' ASSOCIATION.

Unofficial Copy



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

Declarant hereby declares that the Property shall be held, conveyed, mortgaged, encumbered, leased, rented, used, occupied, sold, and improved, subject to the following declarations, limitations, covenants, conditions, restrictions, and easements, all of which are for the purpose of enhancing and protecting the value and attractiveness of the Property, and the Project, and every part thereof, in accordance with the plan for the improvement, sale, and operation of the Property as a residential development. All of the limitations, covenants, conditions, restrictions, and easements shall constitute covenants and encumbrances which shall run with the land and shall be perpetually binding upon Declarant and its successors-in-interest and assigns, and all parties having or acquiring any right, title, or interest in or to any part of the Property or the Project.

Unofficial Document



**ARTICLE 1**  
Definitions

Unless otherwise expressly provided, the following words and phrases, when used in this Declaration and in the Project Documents, shall have the following meanings:

1.1 Architectural Committee: The Architectural Committee created pursuant to Article 4 of this Declaration.

1.2 Articles: The Articles of Incorporation of the Association as amended from time to time.

1.3 Assessment: That portion of the cost of maintaining, improving, repairing, operating, and managing the Property which is to be paid by the Lot Owners as determined by the Association under this Declaration. Assessments may be designated as Regular Assessments, Extraordinary Assessments, or Special Assessments, as those terms are more specifically defined in Article 6 of this Declaration.

1.4 Association: Sugar Pine--Woodland Estates Homeowners' Association, a Washington nonprofit corporation, formed or to be formed by Declarant in conjunction with the establishment of the planned lot development, the members of which shall be the Owners of Lots in the Project.

1.5 Board or Board of Trustees: The governing body of the Association.

1.6 Bylaws: The Bylaws of the Association as amended from time to time. The initial Bylaws shall be as adopted by the incorporating members of the Board of Trustees.

1.7 Common Area: All of the real property and improvements located within the Project, if any, other than the Lots, including the Common Areas, which shall be for the benefit of the Owners of that particular Phase, all of which shall be owned by the Association for the common use and enjoyment of the Owners of that particular Phase only. All such Common Area currently identified as generally depicted on Exhibit "C." It is contemplated that the Common Area shall include:

1.7(a) Roads: Those portions of the Common Area consisting of the designated private roadways providing access from the Lots within this development to the public right of way. It is acknowledged that within this development, the private roadways shall consist of Sugar Pine Lane running east and west from Vista Park Drive, with Vista Park Drive being a public right of way.

Unofficial Copy



1.8 Common Expenses: The actual estimated expenses of maintenance, improvement, repair, operation, and management of the Common Area, a proportionate share of management of the General Common Area, expenses of administration of the Association, and any reasonable reserve for such purposes as determined by the Board, and all sums designated Common Expenses by or pursuant to the Project Documents. Without limiting the generality of the foregoing, Common Expenses shall also include the costs of any and all commonly metered charges for the Property; costs of maintenance, snow removal, cleaning and repair of the Roads; construction, maintenance and power for lighting; maintenance of the stormwater facilities; compensation paid by the Association to managers, accountants, attorneys and other employees; the costs of all gardening, security and other services benefiting the Common Area; the development's pro rata share of expenses associated with the General Common Area; the costs of fire, casualty and liability insurance, worker's compensation insurance, errors and omissions and Trustee, officer and agent liability insurance, if the Trustees choose to acquire such errors and omissions insurance, and other insurance covering the Property and the Trustees, officers and agents of the Association; and any other costs incurred by the Association pursuant to its authority for any reason whatsoever, for the common benefit of the Owners.

1.9 Declarant: NORTHWOOD PROPERTIES, INC., a Washington corporation and its successors-in-interest and assigns with respect to the Property, but shall not include members of the public purchasing completed Lots.

1.10 Declaration: This Declaration of Covenants, Conditions and Restrictions and Reservation of Easements, as it may be amended from time to time.

1.11 Dwelling: That portion of any building which is located on a single Lot and which is designed and intended for use and occupancy as a residence by a single-family lot.

1.12 General Common Area: All the real property and improvements located within any given Phase of the Project, other than the Lots, and other than Common Area, with regard to which each individual phase is to have an undivided percentage ownership, which shall be for the benefit of all owners of the entire overall development, and for which each Phase, by and through its individual homeowners' association, shall be responsible for its pro rata share of the repair, upkeep and maintenance. Currently identified General Common Areas are generally depicted on Exhibit "B." It is contemplated that the General Common Area shall include the following:

1.12(a) Community Park: That particular park, and, although located within the boundaries of the plat for Columbia Heights--Woodland Estates shall nevertheless be available for use by all other Projects/Phases within the

Unofficial Copy



TRANSACTION, TITLE INS CO, COV \$58.00

Overall Woodland Estates Development including SUGAR PINE, provided that each such project or phase has an established Association which is responsible for that particular phase's pro rata obligation for maintenance and improvement of such park. The Community Park shall be owned by all of the Phases in the overall Woodland Estates development with each such Phase owning an equal undivided interest and each such Phase being required to pay its respective pro rata share of maintenance on the Community Park.

1.12(b) Landscape General Common Areas: Those portions of the General Common Area which consist of landscape and entrance areas, designated as such on the Plat Map for the Property, as well as any entry areas which are designated on Exhibit "B" but which may not be a part of the platted property, the maintenance of which shall nevertheless be the obligation of all of the Phases together with each homeowners' association being responsible for its pro rata share of such maintenance.

1.12(c) Street Lighting: All street lighting within the overall development situated within or adjacent to public roads, private roads, landscape General Common Areas, or other portions within the project for the use and benefit of travelling within or about the overall development, to the extent repair, maintenance, operation, and upkeep are not paid or covered by third parties.

1.12(d) Storm Drainage Facilities: Storm drainage facilities required by Spokane County to be constructed in conformance with approved plans on file with the Spokane County Engineer's Office. Repair and maintenance of the storm drainage facility in Sugar Pine Lane shall be the responsibility of the Overall Woodland Estates Development.

1.13 Lot: Any residential Lot shown upon the recorded Plat Map for the Project, created for the construction of a private dwelling. The term "Lot" does not include any portion of the Common Area.

1.14 Member: A person entitled to Membership in the Association as provided herein.

1.15 Mortgage: Includes a recorded mortgage, deed of trust, real estate contract, or other instrument creating a security interest in any Lot.

1.16 Mortgagee: Includes a mortgagee, beneficiary or holder of a deed of trust, real estate contract vendor, or other holder of a mortgage on any Lot.

Unofficial Copy



TRANSNATION. TITLE TRS CO COV \$58.00

1.17 Mortgagor: Includes a mortgagor, the trustor of a deed of trust, real estate contract vendee or other individual granting a security interest in any Lot.

1.18 Overall Woodland Estates Development or Project: A group of development phases currently being developed by Northwood Properties, Inc., in the Northwood area of Spokane County, Washington and approved pursuant to a preliminary plat as the Woodland Estates Master Plat under numbers PE-1729-93, PE-1771-95 and SP-776-92, including, among other additional phases or renamed phases, the following: Columbia Heights--Woodland Estates; Columbia Heights--Woodland Estates 1st Addition; Pheasant Run--Woodland Estates; Woodland Estates--Woodland Estates; Unger Short Plat; Sugar Pine--Woodland Estates; Huckleberry--Woodland Estates; Red Oak--Woodland Estates; and Bull Pine--Woodland Estates. In addition, further phases will be created and incorporated into the overall project, with proposed names established as of the date of execution of this Declaration being Lazy Fox--Woodland Estates; Blue Jay--Woodland Estates; Grizzly--Woodland Estates; Blue Spruce--Woodland Estates; Black Oak--Woodland Estates; Cougar--Woodland Estates; Trophy--Woodland Estates; Blue Fox--Woodland Estates; Juniper--Woodland Estates; Gray Fox--Woodland Estates; Elk--Woodland Estates; and Bob Cat--Woodland Estates.

The Overall Woodland Estate Subdivision is generally located west of Argonne Road, north of Columbia Drive and north and east of the existing Northwood Subdivisions.

1.19 Owner or Owners: The record holder or holders of title to or a contract vendee's interest in a Lot in the Project. This shall include any person having a fee simple title to any Lot, but shall exclude persons or entities having any interest merely as security for the performance of any obligation. Further, if a Lot is sold under a recorded contract of sale to a purchaser, the purchaser, rather than the fee owner, shall be considered the "Owner," and the fee owner shall be considered as a mortgagee.

1.20 Person: Any natural person, corporation, partnership, association, trustee, or other legal entity.

1.21 Plat Map: The recorded map (and further maps relating to subsequent Phases) prepared by or for Declarant showing the surface of the Property and the division thereof into Lots, Common Area, and General Common Area.

1.22 Phase: A separate subdivision within the overall SUGAR PINE master plat which shall be created by the recordation of an individual plat and shall be a complete subdivision in and of itself with its own separate Association pursuant to its own separate Covenants, provided, that each Phase shall have an undivided ownership interest in the Community Park and the

Unofficial



responsibility to share the maintenance and upkeep of the Community Park as well as other common entry areas.

1.23 Project Documents: This Declaration, the Plat Map, the Articles and Bylaws of the Association, and any architectural or other rules promulgated by the Declaration or the Association pursuant to this Declaration or the Articles or Bylaws, as each shall be amended from time to time.

1.24 Property or Project (synonymous): The real property covered by this Declaration, all easements, rights and appurtenances belonging thereto, and all improvements erected or to be erected thereon.

Unofficial Document

END OF ARTICLE 1  
DEFINITIONS



ARTICLE 2

Association, Administration, Membership  
and Voting Rights

2.1 Organization of Association.

The Association is or shall be incorporated under the name of SUGAR PINE--WOODLAND ESTATES HOMEOWNERS' ASSOCIATION, pursuant to the Washington Nonprofit Corporation Act.

2.2 Duties and Powers.

The duties and powers of the Association are those set forth in this Declaration, the Articles and Bylaws, together with its general and implied powers as a nonprofit corporation, generally to do any and all things that a nonprofit corporation organized under the laws of the State of Washington may lawfully do which are necessary or proper in operating for the peace, health, comfort, safety and general welfare of its Members, subject only to the limitations upon the exercise of such powers as are expressly set forth in this Declaration, the Articles and Bylaws.

2.3 Membership.

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

2.4 Transferred Membership.

Membership in the Association shall not be transferred, pledged, or alienated in any way, except upon the transfer of ownership of the Lot to which it is appurtenant, and then only to the new Owner. Any attempt to make a prohibited transfer is void. In the event the Owner of any Lot should fail or refuse to transfer the membership registered in such name to the purchaser or transferee of such Owner's 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/transferor shall be null and void.

2.5 Classes of Membership.

The Association shall have two (2) classes of voting membership established according to the following provisions:

2.5.1 Class A Membership. Class A Membership shall be that held by each Owner of a Lot other than Declarant and each

Unofficial Copy



Class A Member 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 no more than one (1) vote for each Lot. Fractional voting with respect to a particular Lot shall not be allowed, and if the Owners of a Lot present at a meeting of the Association, in person or by proxy, cannot agree on how their vote should be cast, no vote shall be cast with respect to that Lot.

2.5.2 Class B Membership. Class B Membership shall be that membership held by Declarant (or its successor-in-interest) who shall be entitled to four (4) votes for each Lot owned by Declarant, provided, that Class B Membership shall be converted to Class A Membership and shall forever cease to exist on the occurrence of whichever of the following is first in time:

(a) When the total outstanding voting power held by Class A Members equals the total outstanding voting power (quadrupled as above) held by the Class B Members, and a special meeting of the Membership is conducted at which Declarant's control of the Association is transferred to a new Board of Trustees.

(b) Upon the voluntary written relinquishment by Declarant of its Class B Membership.

At such time as Declarant's Class B Membership is to terminate pursuant to either of the subparagraphs herein, Declarant or any group of Owners representing Ownership of at least ten percent (10%) of the Lots in the Property may give notice to the Association, in writing, which notice may include, among other things, a request for a special meeting to relinquish Declarant's control, establish a new Board of Trustees, a new slate of officers, or any other activities necessitated by the termination of the Class B Membership of Declarant.

2.6 Voting Requirements.

Except as otherwise expressly provided in this 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 the vote or written assent of the prescribed percentage of the total voting power of the Association (both classes combined); provided, however, that any matter subjected to a vote which would change the relative voting powers, or the relative rights and/or obligations of Members based on class of Membership shall require the vote or written assent of the prescribed percentage of the voting power of each class of Membership.

Unofficial Copy



2.7 Membership Meetings.

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

2.8 Board of Trustees and Authority.

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

2.9 Authority of Trustees' Committee.

Each Board of Trustees in each project of the Overall Woodland Estates Development shall elect a representative to serve on a Trustees' Committee for the overall development. This Committee shall elect three persons from its membership to serve as the Trustees' Committee for the management and maintenance of the General Common Areas. It shall include all General Common Areas designated as such in Exhibit "B" hereof. Without limiting the generality of the grant of authority vested in such Trustees' Committee, said Committee shall have full power and authority to establish regular assessments and, as necessary, extraordinary assessments, for construction, operation, maintenance, repair, reconstruction, and related functions pertaining to improvements within the General Common Area, and any future General Common Areas which may be established for the overall project. Assessments so established shall be binding upon each association within the Overall Development. Shares of such assessments shall be allocated among the individual associations as provided in Section 3.5 below.

2.10 Use of Agent.

The Board of Trustees, on behalf of the Association, may contract with a professional management agent for the performance of maintenance and repair and for conducting other activities on behalf of the Association, as may be determined by the Board.

2.11 Activation of Association.

Declarant shall have the authority to delay the activation of the Association beyond the actual filing of the Articles of Incorporation. However, Declarant shall activate the Association on or before the date on which the final plat for the project is filed of record. At such time as the Association is activated by Declarant, the Association shall be managed and controlled pursuant to the Articles and Bylaws thereof, including the relative class Membership voting as set forth in Paragraphs 2.5.1 and 2.5.2. Notwithstanding the fact that Declarant, through its Class B



TRANSACTION. TITLE INS CO COV \$58.00

Membership, shall control the voting of the Association until such time as the Class A Membership equals or exceeds the Class B Membership, Declarant shall have the authority to relinquish control of the Association sooner by giving notice of the same to all Members in writing. Such notice may include, among other things, a request for a special meeting to establish a new Board of Trustees, a new slate of officers or any other activities necessitated by Declarant's relinquishment.

2.12 Release of Liability of Trustees. By becoming an Owner of any Lot within the Property covered by this Declaration, each Owner releases the Board of Trustees and officers of the Association from all costs, expenses, judgments and liabilities, including attorneys' fees, reasonably incurred, or imposed upon such Trustees or officers in connection with or resulting from any action in which the Trustees or officers are involved by virtue of their having acted as the same on behalf of the corporation, provided, however, that such release shall not apply to those actions involving gross negligence or willful misconduct.

END OF ARTICLE 2  
 ASSOCIATION, ADMINISTRATION, MEMBERSHIP  
 AND VOTING RIGHTS

Unofficial Document



ARTICLE 3

Rights in General Common Area and Common Area

3.1 General Common Area and Common Area.

The General Common Area shall include all real property and improvements within the General Common Areas as designated on Exhibit "B" hereto, and any other land or improvements which may be conveyed to and accepted by the various Associations within the overall Woodland Estates Development. All such General Common Areas shall be dedicated to the common use and enjoyment of Owners in this Project, as well as Owners of Lots within all other development phases within the overall Woodland Estates Development. The General Common Area shall be owned, operated, maintained, and insured by the Association, in conjunction with all other Associations in the overall development, for the use and benefits of Owners of Lots within the overall development, subject to reasonable rules and regulations which may be adopted by the representatives of each such Association. Each Lot Owner, within the overall development, through Membership in the Association for the phase within which such Owner's Lot is situated, shall have a nonexclusive right to use the General Common Area in accordance with the purposes for which such areas were intended, without hindering the exercise of or encroaching upon the lawful rights of any other Owners of Lots with the overall development. Notwithstanding the transfer of the General Common Areas to the Associations within the overall development, the Declarant hereby reserves in and to itself and its successors-in-interest and assigns, an easement (and the right to grant further easements) over and onto the General Common Areas for ingress to and egress from any phase within the overall development for the purpose of completing improvements thereon or for the performance of necessary construction, maintenance, or repair work, and for ingress and egress to and from adjacent property in connection with the development, use, and occupancy thereof.

The Common Area shall include all real property and improvements within the Common Areas as designated on Exhibit "C" hereto, and any other land or improvements which may be conveyed to and accepted by the Association. All such Common Areas shall be dedicated to the common use and enjoyment of the Owners of this Project and, with regard to streets, for use by other Owners within the Overall Development and the public. Notwithstanding the transfer of the Common Area to the Association, the Declarant hereby reserves in and to itself and its successors in interest and assigns, an easement (and the right to grant further easements) over and onto the Common Area for ingress and egress from any portion of the Project, or from or to any other Phase within the Overall Development for the purpose of construction, maintenance, or repair work, and for ingress and egress to and from adjacent

Unofficial



property in connection with the development, use, and occupancy thereof.

3.2 Partition of Common Area and General Common Area Prohibited.

Regardless of the possible dissolution of the Association and the conveyance of fee title to the Common Area or General Common Area to the Owners as tenants in common pursuant thereto, no Owner shall bring any action for participation or division of any part of the Common Area or General Common Area, it being agreed that this restriction is necessary in order to preserve the rights of Owners with respect to the operation, management, use, and enjoyment of the Common Area or General Common Area.

3.3 Subservient Estate.

The Common Area and rights in the General Common Area and hereby declared subservient to the interests of the Lot Owners and shall not be sold.

3.4 Damage by Member.

Each Member shall be liable to the Association, or to all associations within the overall community, applicable, for any damage to the Common Area or General Common Area not fully reimbursed to the Association, or all associations within the overall community, as applicable, by insurance, if the damage is sustained because of the negligence or willful misconduct of the member, his guests, tenants, or invitees, or any other persons deriving their right and easement of use and enjoyment of the Common Area or General Common Area, as applicable, from the member, or his or their respective family and guests, both minor and adult. However, the Association, acting through the Board, reserves the right to determine whether any claim shall be made upon the insurance maintained by the Association, and the Association further reserves the right to levy a Special Assessment equal to the increase, if any, in insurance premiums directly attributable to the damage caused by the Member or the person for whom the Member may be liable as described above. The cost of correcting the damage to the extent not reimbursed to the Association by insurance shall be a Special Assessment against the Lot and may be enforced as provided hereby for the enforcement of any other assessment.



3.5 Ownership of General Common Area.

The General Common Area has been or is being constructed by Declarant in conjunction with the final platting of one or more phases within the overall community. The General Common Area shall not, however, be common property for just the Owners of Lots in any particular Phase, including the phases or phases within which such General Common Area may be situated. Rather, the General Common Area, as having a benefit to all of the Owners in the various Phases of the Overall Woodland Estates Development, shall be owned in undivided percentage interests by each of the respective Associations of each of the Phases in such Overall Woodland Estates Development. At the time of completing a Phases within which any portion of the General Common Area is situated, the Declarant shall transfer and convey an undivided equal interest to each Association then in existence at the time such final transfer is made. As additional associations are created within the overall community, and final plat approvals are completed for such phases, the association then owning any General Common Area shall cooperate to convey an equal undivided interest to all such General Common Area to such new additional associations.

Initially, the General Common Area shall be managed and maintained by Declarant, which shall charge each of the respective Associations for the different Phases then utilizing and benefiting from such General Common Area with their respective pro rata share of the cost of maintaining such General Common Area. The pro rata share will be determined by the overall number of Lots benefitted by such Park with each Association being charged pursuant to the number of Lots in that particular Phase. Declarant shall, however, be entitled to transfer the management and maintenance of the General Common Area to the various Associations at any time by providing written notice of its intention to do so to each of the Associations then in existence. Such notice shall include all information necessary to enable the Associations to provide for management and maintenance of the General Common Areas, including the park.

In that event, the Associations shall undertake joint management and maintenance of the General Common Areas by selecting representatives, who, in turn, shall select a Trustees' Committee to assume management and control of the General Common Area as provided in Section 2.9 above. All costs accruing in conjunction with the maintenance of the General Common Area shall be paid on the same pro rata basis by the Associations whose Members benefit from the General Common Area, assuming that each Lot Owner benefits equally. By way of example, if there were three Phases for which the final plat had been approved with the total number of Lots as set forth below, the Associations for each of those respective Phases would be responsible for the percentage of the overall maintenance as established in the last column below, irrespective

Unofficial



TRANSACTION. TITLE INS CO COV \$58.00

of the fact that not all Lots within the final platted Phases have been transferred by Declarant or are occupied, it being Declarant's obligation or any other Owner of such Lot to pay appropriate assessments to the Association for maintenance of the General Common Area:

<u>Platted Phase</u>	<u>Total Number of Lots</u>	<u>Percentage Share of General Common Area Maintenance</u>
Phase I	30	50.0%
Phase II	20	33.3%
Phase III	10	16.7%

The general public shall have no right to use the General Common Area and either Declarant or the Associations shall have authority to undertake whatever procedures or actions are necessary to prevent the general public from using the same.

END OF ARTICLE 3  
 RIGHTS IN GENERAL COMMON AREA AND COMMON AREA

Unofficial Document



**ARTICLE 4**

Architectural Control

4.1 Architectural Committee.

The Architectural Committee shall consist of one or more persons, all of whom shall initially be appointed by the Declarant, provided, that Declarant shall have full authority to act solely as the Architectural Committee by authorizing one or more principals of Declarant corporation to serve as such. Declarant shall also have authority to appoint one or more Members who are not Members of the Association. Declarant's authority to appoint the Architectural Committee shall continue indefinitely in spite of the fact that the Association has been activated and all lots in any given Phase have been transferred to purchasers with residences constructed thereon. Notwithstanding this fact, however, Declarant may at any time transfer the responsibility to appoint Members of the Architectural Committee to the Association, in which event the Association shall be obligated to assume responsibility for the Architectural Committee. Any person or persons other than Declarant appointed by it to serve on the Architectural Committee may be terminated at the sole discretion of Declarant at any time. It is the intent of the Declarant and these Covenants that Declarant shall have sole discretion and authority to control all aspects of development and construction of improvements upon the Project. Declarant may, nevertheless, enter into agreements with one or more builders purchasing the majority of lots in any given Project requiring Declarant to consult with such builders concerning the review and approval of any proposed plans. Nevertheless, Declarant shall have sole authority as to the final decision concerning acceptance or rejection of any such plans.

4.2 Prohibition of Alteration and Improvement.

Subject to the exemption of Declarant hereunder, no structure, improvement, landscaping, fence, or alteration of any kind shall be commenced, erected, painted or maintained upon the Property, until the same has been approved in writing by the Architectural Committee.

4.3 Plans and Approval.

Plans and specifications showing the nature, kind, shape, color, size, materials and location, including front, height, elevations, side and rear yard setbacks, of any such structure, improvement or alteration, including landscaping, shall be submitted to the Architectural Committee for approval. The submission of any such plans to the Architectural Committee shall require the payment of an architectural review fee in the amount of \$50, provided, that the Architectural Committee shall have discretion to waive or reduce such fee under appropriate

Unofficial Copy



conditions, or, increase the fee to any reasonable amount to cover the cost of such review process. The approval of landscaping shall include the landscaping over the entire Lot and any approval shall be conditioned upon the fact that no trees, foliage or other growth shall be placed in any location which may grow above the highest point of any improvement upon the Lot, irrespective of any other provision contained herein which specifically provides that no Owner shall have the right to unrestricted view. Upon submission of plans and specifications as required herein, the applicant shall submit two complete sets of plans one of which shall be returned following approval with the stamp of the Architectural Committee showing approval. In conjunction with the submission of plans and specifications for approval, the Architectural Committee will provide applicant with a package of necessary information and procedures all of which must be filled out and submitted in conjunction with the application for approval. 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 specification previously approved by the Architectural Committee.

The Architectural Committee shall consider and act upon any and all plans and specifications submitted for its approval under this Article and perform such other duties as from time to time shall be appropriate, including the inspection of construction in progress to assure its conformance with plans approved by the Architectural Committee. Any application submitted to the Architectural Committee pursuant to this Article shall be deemed approved, unless written disapproval or a request for additional information or materials by the Architectural Committee shall have been transmitted to the applicant within forty-five (45) days after the date of receipt by the Architectural Committee of all required materials.

4.4 Architectural Committee May Adopt Rules.

The Architectural Committee may adopt or revise rules and regulations regarding the nature, kind, shape, color, size, materials, location and setbacks of structures or improvements within the Property or as to any given Phase of the Project only.

Any such adopted rules and/or regulations shall be set forth in writing and available at all times in the office of Declarant.

4.5 Non-Liability of Architectural Committee Members.

Neither the Architectural Committee nor any Member thereof shall be liable to the Association, or to any Owner for any loss, damage or injury arising out of or in any way connected with the performance of the Architectural Committee's duties hereunder unless due to the willful misconduct or bad faith of the Architectural Committee or member. The Architectural Committee

Unofficial Copy



shall review and approve or disapprove all plans submitted to it for any proposed structure, improvement or alternation, solely on the basis of aesthetic considerations and the overall benefit or detriment which would result to the immediate vicinity and the Project generally, but shall not be responsible for reviewing, nor shall its approval of any plan or design be deemed approval of, any plan or design from the standpoint of structural safety or conformance with building or other codes.

4.6 Contractor.

No home may be constructed on any Lot other than by a contractor licensed as general contractor under the statutes of the State of Washington without the prior approval of the Architectural Committee.

Unofficial Document

END OF ARTICLE 4  
ARCHITECTURAL CONTROL



**ARTICLE 5**

Repair and Maintenance

5.1 Repair and Maintenance Rights and Duties of Association.

Subject to provisions in this Declaration pertaining to eminent domain and destruction of improvements, the Association shall paint, maintain, repair and replace all improvements placed or constructed in the Common Area, or shall contract for such maintenance, repair and replacement to assure maintenance of such improvements in good condition, reasonable wear and tear excepted. In addition, the Association shall participate in paying its proportionate share of all expenses as referred to in the preceding paragraph with regard to the General Common Area, in conjunction with other associations within the Overall Woodland Estates Development. However, the Association shall not be responsible for or obligated to perform those items of maintenance, repair or improvement which are the responsibility of the Owners as provided in Paragraph 5.2 below. In the event an Owner fails to maintain such dwelling or Lot, or to provide other maintenance or repair as provided herein in a manner which the Board deems necessary to preserve the appearance and value of the Property, the Board may notify the Owner of the work required and request it be done within sixty (60) days [thirty (30) days for routine landscaping maintenance] from the giving of such notice. In the event the Owner fails to carry out such maintenance within such period or does not request an opportunity for a hearing in front of the Board of Trustees, which hearing shall be scheduled within the next thirty (30) days, or receives an unfavorable determination pursuant to such hearing, the Board may cause such work to be done and may specially assess the cost thereof to such Owner, and, if necessary, lien such Lot for the amount thereof.

For the purpose of performing any maintenance, repair or replacement as authorized by this Article, or for 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 (and its agents and employees) shall have an irrevocable easement over and onto all portions of the Common Area and General Common Area, and shall also have the irrevocable right, after reasonable notice to the Owner, and at reasonable hours, to enter any Lot.

Notwithstanding anything else in this Declaration, neither the Declarant nor the association shall have the obligation to restore naturally existing features or conditions of the real property within the Common Area and General Common Area which are altered by weather, acts of God, or catastrophic events, to the extent such repair or restoration would not be covered by insurance procured on behalf of the Association(s). The primary obligations of the

Unofficial Copy



Association(s) with regard to maintenance and repair pertain to improvements constructed as part of the Common Areas and General Common Areas.

5.2 Repair and Maintenance Rights and Duties of Owners.

Except for those portions of the Property which the Association is required or elects to maintain and repair, each Lot Owner shall, at such sole cost and expense, maintain and repair all components of such dwelling and Lot and any improvements thereon (including interior and exterior, structural and nonstructural portions, and all landscaping), keeping the same in good condition, and shall repair all damage to the Common Area and General Common Area for which the Owner is responsible under Paragraph 3.4 above.

5.3 Maintenance of General Common Area.

The Association shall be obligated to pay its respective percentage obligation of maintaining the General Common Area of the Overall Woodland Estates Development as provided for in Paragraph 3.5.

The General Common Area for which all Phases of the Overall Woodland Estate Development shall be required to pay their respective share are defined as follows:

5.3.1 Community Park. The Community Park which is physically situated within Columbia Heights--Woodland Estates;

5.3.2 Northwood Entry Statement. The main entry statement to the Northwood area at the intersection of Argonne Road and Columbia Drive including certain improvements and lighting and irrigation expenses on both the northwest corner and the southwest corner of Argonne and Columbia Drive;

5.3.3 Columbia Drive Landscaping. The landscape improvements, including lighting and irrigation, along the north side of Columbia Drive from Argonne to the eastern edge of Columbia Replat number 4;

5.3.4 Northwood Hills Project Entryway. The main entry statement for the Woodland Estate Development ("the Overall Project"), which shall include lighting and irrigation at the northeast corner and the northwest corner of the intersection of Columbia Drive and Vista Park Drive;

5.3.5 Vista Park Drive Landscaping. All landscaping including street lighting, landscape lighting and irrigation on both sides of Vista Park Drive all the way from Columbia Drive on the south to the eastern edge of Northwood Drive to the north;



TRANSNATTON. TITLE INS CO COV \$58.00

5.3.6 Street Lighting. Street lighting installed in any portion of the Overall Woodland Estates Development, for use when traveling upon any public rights of way or private roadways within such overall development shall be considered a portion of the General Common Area, regardless of placement within a particular phase or phases within the overall development. Provided, to the extent billing amounts are unequally apportioned among all owners by Pasadena Park Irrigation District due to placement of specific lighting within or upon private streets servicing only a particular phase, the owners so billed shall be and remain responsible for payment of such obligations, without right of reimbursement or allocation among other owners within the overall development;

5.3.7 Storm Drainage Facilities. All storm drainage facilities, as required by governmental authorities, and identified as General Common Area, installed in any portion of the Overall Woodland Estates Development shall be considered a portion of the General Common Area, regardless of placement within a particular phase or phases within in Overall Development; and

5.3.8 Walking Paths. Any and all walking paths which may be constructed within the Overall Woodland Estates Development, regardless of specific location, shall be considered General Common Areas for the benefit of all Lots within the Overall Development.

END OF ARTICLE 5  
 REPAIR AND MAINTENANCE

Unofficial Document



**ARTICLE 6**

Association Maintenance Funds and Assessments

6.1 Creation of the Lien and Personal Obligation of Assessments.

The Declarant, for each Lot owned within the Project, hereby covenants, and each Owner of any Lot by acceptance of a deed or contract therefor, whether or not it shall be so expressed in such deed or contract, is deemed to covenant and agree to pay to the Association the following assessments, which shall be established and collected as provided herein and in the Bylaws of the Association:

- 6.1.1 Regular Assessments;
- 6.1.2 Extraordinary Assessments; and
- 6.1.3 Special Assessments.

All assessments, together with interest, costs, and actual attorneys' fees, shall be a personal obligation of the Lot Owner and a charge and a continuing lien upon the Lot against which each assessment is made. 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 of the Common Area or General Common Area, or by the abandonment of such Lot.

Any and all assessments referenced herein, whether regular, extraordinary, or special assessments, shall include both those assessments established by the overall Association and attributable to every Member in the Project as well as those for private road maintenance pursuant to Paragraph 7.5. Any reference to assessments which the Board may levy shall include those levied or established by the overall Association as well as those established or levied pursuant to Paragraph 7.5.

6.2 Purpose of Assessments.

The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents in the Project, for the improvement and maintenance of the Common Area and General Common Area, and for the common good of the Project.

Unofficial Draft

6.3 Regular Assessments.



4399222  
Page: 27 of 51  
08/06/1999 01:28P  
Spokane Co, WA

Until the end of the Association's fiscal year immediately following the closing of the sale of the first Lot in the Project, the annual maximum Regular Assessment per Lot shall be such amount as is set forth in the Project budget prepared by Declarant. Each Lot's share for the first fiscal year shall also be prorated based on the number of months remaining in that fiscal year. Thereafter, the Board shall determine and fix the amount of the maximum annual Regular Assessment against each Lot.

6.4 Extraordinary Assessments.

In addition to the Regular Assessments authorized above, the Board may levy, in any fiscal year, an Extraordinary Assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area and General Common Area, including fixtures and personal property related thereto, or of any component of any Dwelling for which the Association is responsible, or to defray any unanticipated or underestimated expense not covered by the Regular Assessment (and, where necessary, for taxes assessed against the Common Area and General Common Area); provided, however, that the aggregate Extraordinary Assessments for any fiscal year shall not exceed 40 percent (40%) of the budgeted gross expenses of the Association for that fiscal year, without the vote or written assent of two-thirds of the voting power of each class of Members.

6.5 Special Assessments.

In addition to the Regular and Extraordinary Assessments authorized above, the Board may levy Special Assessments (without limitation as to amount or frequency) against an individual Lot and its Owner to reimburse the Association for costs incurred as follows:

6.5.1 Cost to bring an Owner and such Lot into compliance with the provisions of this Declaration and the Bylaws, including actual attorneys' fees and costs.

6.6 Allocation of Assessments.

Each Lot shall bear an equal share of each Regular and Extraordinary Assessment; provided, the Association or Declarant shall have the authority to waive the Assessment for any Lot which assessment is attributable to improvements upon the Lot or use by Owners of the Lots such as snow plowing if no improvements have then been constructed upon that particular Lot seeking waiver of the assessment. No waiver shall be authorized, however, once a



certificate of occupancy or its equivalent has been issued for the Lot or after 120 days have passed since the issuance of the building permit for the dwelling upon that particular Lot, whichever first occurs.

6.7 Date of Commencement of Assessment.

The regular assessments provided for herein shall commence as to all Lots in the Project on the first day of the month following closing of the sale of the first Lot in the Project. No notice of such assessment shall be required other than an annual notice setting forth the amount of the monthly assessment.

6.8 Exempt Property.

Notwithstanding any other provision included in Article 6 herein the following property, which is otherwise subject to this Declaration, shall be exempt from all Regular, Extraordinary, and Special Assessments created herein.

6.8.1 All Lots or property owned by the Declarant which have not been improved with a residential structure for dwelling use;

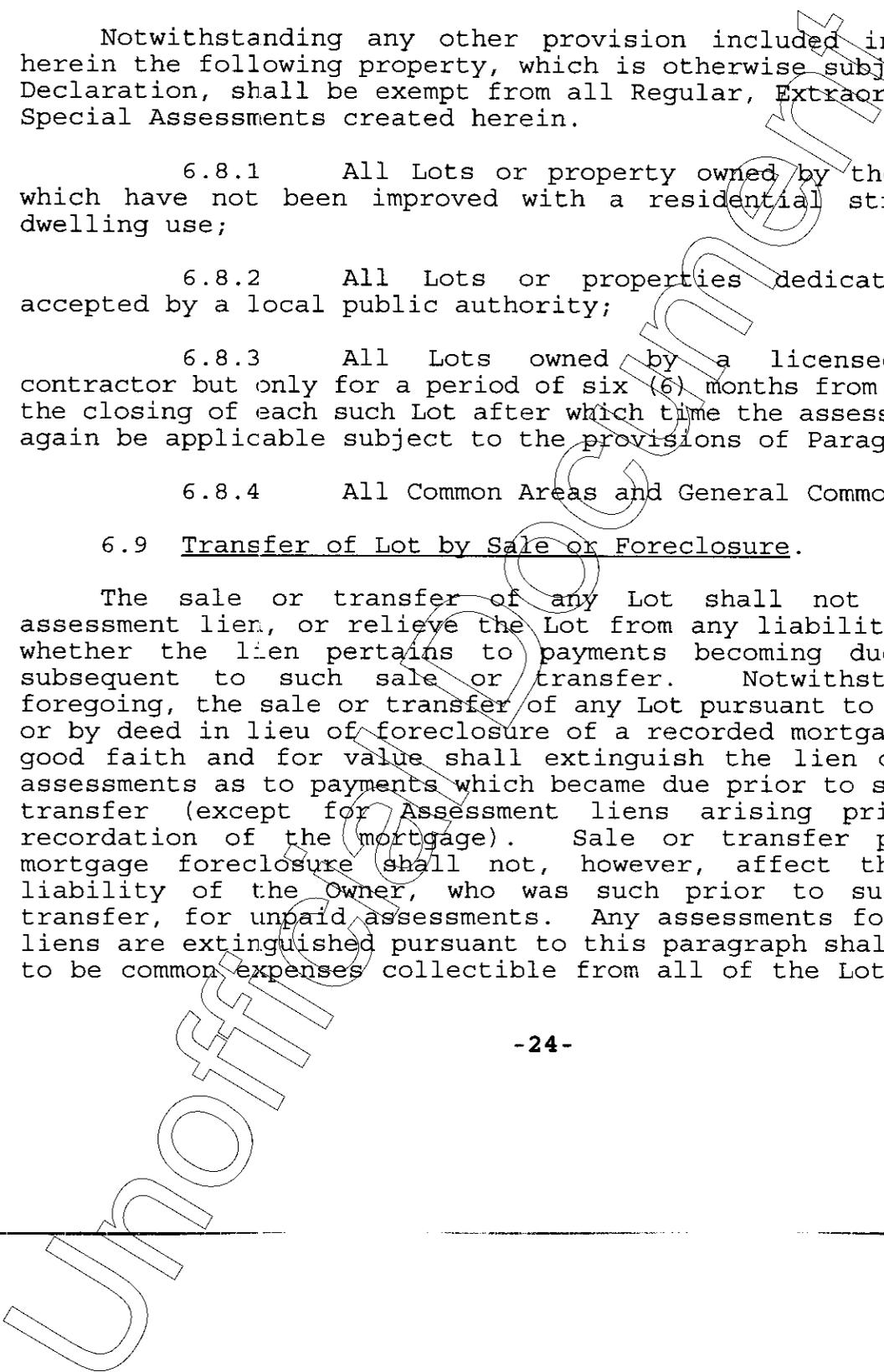
6.8.2 All Lots or properties dedicated to and accepted by a local public authority;

6.8.3 All Lots owned by a licensed building contractor but only for a period of six (6) months from the date of the closing of each such Lot after which time the assessments shall again be applicable subject to the provisions of Paragraph 6.6.

6.8.4 All Common Areas and General Common Areas.

6.9 Transfer of Lot by Sale or Foreclosure.

The sale or transfer of any Lot shall not affect any assessment lien, or relieve the Lot from any liability therefor, whether the lien pertains to payments becoming due prior or subsequent to such sale or transfer. Notwithstanding the foregoing, the sale or transfer of any Lot pursuant to foreclosure or by deed in lieu of foreclosure of a recorded mortgage given in good faith and for value shall extinguish the lien of all such assessments as to payments which became due prior to such sale or transfer (except for Assessment liens arising prior to the recordation of the mortgage). Sale or transfer pursuant to mortgage foreclosure shall not, however, affect the personal liability of the Owner, who was such prior to such sale or transfer, for unpaid assessments. Any assessments for which the liens are extinguished pursuant to this paragraph shall be deemed to be common expenses collectible from all of the Lots including





the Lot for which the lien was extinguished. 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 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 prospective lender or grantee shall be entitled to a statement from the Board, setting forth the amount of unpaid assessments due the Association, and such lender or grantee shall not be liable for, nor shall the Lot conveyed be subject to a lien for, any unpaid assessments arising prior to such statement, in excess of the amount set forth in the statement. Provided, however, that any grantee shall be liable for any assessments becoming due after the date of any such statement.

6.10 Enforcement of Assessment Obligations; Priorities; Discipline.

If any part of any assessment is not paid and received by the Association or its designated agent within thirty (30) days after the due date, such assessment shall thereafter bear interest at the rate of 12 percent (12%) per annum until paid. Each unpaid 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 charges or any mortgage 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. The foreclosing party shall have the right to reduce or eliminate any redemption rights of the defaulting Owner as allowed by law. Suit to recover a money judgment for unpaid assessments, and attorneys' fees shall be maintained without foreclosing or waiving the lien securing the same. The Board may impose reasonable monetary penalties including actual attorneys' fees and costs and may temporarily suspend the Association Membership rights of a Lot Owner who is in default in payment of any Assessment, after notice and hearing according to the Bylaws.



6.11 Payment of Taxes Assessed Against Common Area, General Common Area or Personal Property of Association.

In the event that any taxes are assessed against the Common Area and General Common Area, or the personal property of the Association, rather than against the Lots, said taxes shall be included in the assessments made under the provisions of this Article, and, if necessary, an Extraordinary Assessment may be levied against the Lots in an amount equal to said taxes (regardless of the limitation on Extraordinary Assessments set forth in Paragraph 6.4 above), to be paid in two (2) installments, thirty (30) days prior to the due date of each tax installment.

6.12 Contingent Street Lighting Assessment.

In the event Declarant or the Association chooses to install street lighting in any given area of any Phase of the Project, costs of operating, maintaining, repairing and installing such street lighting shall be considered a General Common Area expense, and the Owners in all phases shall pay their pro rata share of such costs and expenses as part of the regular assessments for such phase or, if necessary, an Extraordinary Assessment. Declarant contemplates that the bill for each Owner's share of such street lighting expense may be included on water billings submitted by Pasadena Park Irrigation District rather than as part of any regular assessment or Extraordinary Assessment, in which case each Owner shall be required to pay the monthly billings from Pasadena as charged. Declarant makes no representation respecting the availability of street lighting at any time, however. If by regular assessment, either Declarant or the utility provider shall have authority to charge such regular assessments to the various associations pursuant to the formula in Paragraph 3.5.

END OF ARTICLE 6  
ASSOCIATION MAINTENANCE FUNDS AND ASSESSMENTS

Unofficial Document



**ARTICLE 7**

Easements and Utilities

7.1 Access and Maintenance Easements.

Declarant expressly reserves for the benefit of all Owners and the Associations, reciprocal, nonexclusive easements for access, ingress and egress as well as for appropriate signage for marketing and designation of the location and names of the different Phases, over all of the Common Area and General Common Area, and for the use and enjoyment thereof. Subject to the provisions of this Declaration governing use and enjoyment thereof, the easements may be used by Declarant, its successors, purchasers and all Owners, their guests, tenants and invitees, residing on or temporarily visiting the Property, for walkways, utilities, storm water drainage, vehicular access and such other purposes reasonably necessary for use and enjoyment of the Lot in the Project.

Declarant also expressly reserves for the benefit of the Board of Trustees and all agents, officers and employees of the Association, nonexclusive easements over the Common Area and General Common Area as necessary to maintain and repair the Common Area and General Common Area, and to perform all other tasks in accordance with the provisions of this Declaration, including signage for marketing and location and names of the various Phases. Such easements over the Common Area shall be appurtenant to, binding upon and shall pass with the title to, every Lot conveyed.

7.2 Encroachments, Maintenance and Utility Easements.

Each Lot within the Property is hereby declared to have an easement over all adjoining Lots and the Common Area and General Common Area for the purpose of accommodating any encroachment due to engineering errors, errors in original construction, settlement or shifting of any building, or any other cause. There shall be valid easements for the maintenance of said encroachments as long as they shall exist, and the rights and obligations of Owners shall not be altered in any way by said encroachment, settlement or shifting; provided, however, that in no event shall a valid easement for encroachment be created in favor of an Owner or Owners if said encroachment occurred with prior knowledge of the encroachment or otherwise due to the willful misconduct of said Owner or Owners. In the event a structure is partially or totally destroyed, and then repaired or rebuilt, the Owners of each Lot agree that minor encroachments over adjoining Lots or Common Area and General Common Area shall be permitted and that there shall be a valid easement for the maintenance of said encroachments so long as they shall exist.

Declarant also expressly reserves for the benefit of itself and its successors-in-interest and assigns, including the

Unofficial



Association, easements over and under the entire Property (together with the right to grant and transfer the same) for the installation, repair, and maintenance of sanitary sewer, water, electric, gas, and telephone lines and facilities, heating and air conditioning facilities, 208 drainage swales, cable or master television antenna lines, drainage facilities, walkways, landscaping and street lighting, signage for marketing and location and name of various Phases, and other utilities and services which may be convenient or appropriate, as may be hereafter required or convenient to serve the Property and/or other phases within the overall development. Declarant expressly reserves the right to grant to Spokane County Sewer District, Pasadena Irrigation District, Washington Water Power Company, and U.S. West Communications or the successors of any of the above, as well as other utilities and public authorities which may now or hereafter provided utilities or services within the Property or the overall development, such written easements as may be necessary for the installation, maintenance and repair of utility facilities.

7.3 Owners' Rights and Duties With Respect to Utilities.

The rights and duties of the Owners of Lots within the Project with respect to utilities shall be as follows:

7.3.1 Whenever sanitary sewer, water, electric, street lighting, gas, television receiving, or telephone lines or connections, or other utilities or services are located or installed within the Project, which connections, or any portion thereof, lie in, upon, or beneath Lots or dwellings owned by other than the owner of a dwelling served by said connections, the owners of any dwellings 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 or below which said connections, or any portion thereof lie, to repair, replace and generally maintain said connections as and when necessary.

7.3.2 Whenever sanitary sewer, water, electric, street lighting, gas, television receiving, or telephone lines or connections, or other utilities or services are located or installed within the Project, which connections serve more than one dwelling, and owner of each dwelling served by said connection shall be entitled to the full use and enjoyment of such portions of said connections as service such dwelling.

7.3.3 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.

7.4 View Restrictions.

Each Member of the Association as an Owner of a Lot in the overall Woodland Estates Development hereby specifically acknowledges that there will be future construction adjacent to or near their Lot that could restrict some views. Additionally, no Lot Owner or other person acquiring any interest in any Lot shall rely upon any representations by any real estate agent, Owner or other party concerning unobstructed views. The views existing at the time of purchase of any given Lot may change considerably subsequent to the date of purchase. Each Owner agrees that they shall have no cause of action or other remedies based upon any restriction of their view from the construction of other improvements within the overall Project absent a further express written Easement created to convey easement right to such Owner.

END OF ARTICLE 7  
 EASEMENTS AND UTILITIES; COMMON WALLS

Unofficial Document



**ARTICLE 8**

Residence and Use Restrictions

In addition to all of the covenants contained herein, the use of the Property and each Lot therein is subject to the following:

8.1 Use of Individual Lots.

No structure or building of any kind shall be erected on any Lot other than a single family dwelling for single family residential occupancy only, not to exceed two stories in height, except for accessory buildings approved by the Architectural Committee as provided for in Paragraph 8.15. All houses will have a minimum two (2) car garage.

8.2 Business Use Prohibited.

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 Lot, or within any dwelling located on a Lot, nor shall any goods, equipment, vehicles, including buses, trucks and trailers of any description, or materials or supplies used in connection with the trade, service or business, wherever the same may be conducted, or any vehicles in excess of 12,000 pounds gross weight (including buses, trucks and trailers of any description) used for private purposes, be kept, parked, stored, dismantled or repaired outside of any permitted enclosed structure upon such Lot, or on any of the Roads. Home occupations may be permitted with the specific written approval of the Architectural Committee.

8.3 Temporary Structures.

No trailer, basement, tent, shack, garage, barn or other outbuilding or any structure of a temporary character erected or placed on the Property shall at any time be used as a residence temporarily or permanently.

8.4 Minimum Dwelling Size.

The minimum size for the ground floor of the main structure of a dwelling, exclusive of open porches and garages, shall be established by the Architectural Committee and may be different between various Phases or even between various Lots within the same Phase.

8.5 Completion of Construction.

Any dwelling erected or placed on any Lot shall be completed as to external appearance, including finished painting, within nine (9) months from the date of commencement of construction. Each Lot



Owner shall be required to clean up the Lot of all cut or fallen trees, bushes, shrubs, etc. (clearing and grubbing) within two weeks after the clearing and grubbing activity begins and to haul the debris away from the subdivision. Each Lot Owner shall also be required to clean up the Lot within ten (10) days of completing construction or when deemed necessary by the Architectural Committee to present a neat and tidy appearance to each Lot during the building process.

#### 8.6 Nuisances.

No noxious, illegal, or offensive activities shall be carried on in any dwelling, or in any part of the Property, nor shall anything be done thereon which may be or may become an annoyance or a nuisance to or which may in any way interfere with the quiet enjoyment of any of the Owners of such dwelling, or which shall in any way increase the rate of insurance for the Project, or cause any insurance policy to be canceled or to cause a refusal to renew the same, or which will impair the structural integrity of any building.

#### 8.7 Signs.

Signs advertising Lots for sale or rent may be displayed on the appropriate Lot without prior approval of the Board or the Architectural Committee, provided that such signs shall be of reasonable and customary size, not to exceed five (5) square feet.

Except as expressly permitted by this paragraph, no signs shall be displayed to the public view on any dwellings or on any portion of the Property, unless first approved by the Board or the Architectural Committee.

#### 8.8 Animals.

No animals or birds of any kind shall be raised, bred, or kept in any dwelling, or on any portion of the Property; except that no more than three (3) usual and ordinary household pets such as dogs and cats may be kept, provided that they are not kept, bred, or maintained for any commercial purposes, and that they are kept under reasonable control at all times. Any such dog shall be kept on a leash at all times that the dog is in the Common Area and General Common Area. Owners shall prevent their pets from soiling all portions of the Common Area and General Common Area and in the event a pet does soil a portion of the Common Area and General Common Area, the Owner or person in control of such pet shall immediately clean up after the pet. The Board may enact reasonable rules respecting the keeping of animals within the Project and may designate certain areas in which animals may not be taken or kept, or may require that specific animals not be allowed on any part of the Property.



NO PIT BULLDOGS SHALL BE PERMITTED ANYWHERE ON THE PROJECT BY ANY PERSON FOR ANY REASON AT ANY TIME, PIT BULL being defined as the American Stafford Shire Terrier by the American Kennel Club or the Stafford Shire Bull Terrier by the A.K.C., or the American Pit Bull Terrier by the United Kennel Club.

8.9 Pathways.

All walks, roads, bike paths and pedestrian paths located within Common Area and General Common Area are for the use of Association Members on an equal basis, subject to reasonable rules and regulations promulgated in writing by the Association. It shall be the responsibility of each Member to allow maximum ease of pedestrian, bicycle and vehicular ingress and egress over walks, roads and driveways by allowing no obstruction or barrier on, across or adjacent to sidewalks or paths which would interfere with any other Member's use of the Common Area and General Common Area or access to such dwelling.

8.10 Garbage and Refuse Disposal.

All rubbish, trash and garbage shall be regularly removed from the Property, and shall not be allowed to accumulate thereon. Trash, garbage and other waste shall not be kept except in sanitary containers. All equipment, garbage cans, wood piles, or storage piles shall be kept screened and concealed from view of other dwellings, roads and the Common Area and General Common Area.

8.11 Radio and Television Antennas.

No Owner may be permitted to construct, use, or operate his own external radio, television antenna, or other electronic antenna without the consent of the Architectural Committee.

8.12 Clothes Lines.

No exterior clothes lines shall be erected or maintained without the consent of the Architectural Committee.

8.13 Power Equipment and Car Maintenance.

No commercial power equipment utilized for work other than routine maintenance of the Lot or improvements, and no work shops or car maintenance of any nature whatsoever (other than minor repairs requiring no more than twenty-four (24) hours work) shall be permitted on the Property except with prior written approval of the Board. In deciding whether to grant approval, the Board shall consider the effects of noise, air pollution, dirt or grease, fire hazard, interference with radio or television reception, and similar objections.



8.14 Parking.

Parking of boats, trailers, motorcycles, trucks, truck/campers, motor homes, and like equipment shall not be allowed on any part of the Property, nor on the Common Area, nor the General Common Area, excepting only within the confines of an enclosed garage and no portion of the same may project beyond the enclosed area except under such circumstances, if any, as may be prescribed by written permit approved by the Architectural Committee and except for loading, unloading, or maintenance, which shall not exceed 48 hours. All other parking of equipment shall be prohibited except in such areas, fully screened from public view, as may be approved in writing by the Architectural Committee. If any of the provisions of this section are violated, the Board of the Association may employ a tow truck to remove the vehicle after prior written notice to the Owner and the Owner of the vehicle shall be responsible for any charges arising therefrom. This paragraph shall not preclude the parking of automobiles, pickups, SUVs or other vehicles used in the transportation of the occupants of the dwelling.

8.15 Accessory Buildings.

Accessory buildings such as storage structures and detached garages, which are incidental to a primary residence may be constructed only with the written consent of the Architectural Committee.

8.16 Exterior Lighting.

All proposed exterior lighting must be submitted to the Architectural Committee for approval and shall be allowed only in very limited circumstances and situations. No halogen or high intensity yard lights shall be allowed.

8.17 No Warranty of Enforceability.

While Declarant has no reason to believe that any of the restrictive covenants contained in this Article 8 or elsewhere in this Declaration are or may be invalid or unenforceable for any reason or to any extent, Declarant makes no warranty or representation as to the present or future validity or enforceability of any such restrictive covenant. Any owner acquiring a Lot in the Project in reliance on one or more of such restrictive covenants shall assume all risks of the validity and enforceability thereof and, by becoming an Owner of a Lot agrees to hold Declarant harmless therefrom.

Unofficial Copy

8.18 Fences.



4399222  
Page: 38 of 51  
08/06/1999 01:28P  
Spokane Co. WA

Written plans for all fences must be submitted to the Architectural Committee prior to construction and must be approved by the Architectural Committee as to size, location, color and location of materials. In no event shall cyclone fences be constructed if visible from any road within the Project other than as approved by the Architectural Committee, which will be in very limited circumstances.

END OF ARTICLE 8  
RESIDENCE AND USE RESTRICTIONS

Unofficial Document



**ARTICLE 9**  
Insurance

9.1 Duty to Obtain Insurance; Types.

The Board shall cause to be obtained and maintained the following policies of insurance:

(a) Hazard Insurance: A "master" or "blanket" type of hazard insurance policy or policies with respect to the Common Area and its proportionate share of obligations with regard to General Common Area, protecting against loss or damage by fire and all other hazards that are normally covered by the standard extended coverage endorsement, and all other perils customarily covered for similar types of projects, including those covered by the standard "all risk" endorsement. The hazard policy shall cover one hundred percent (100%) of the current replacement cost of all insured facilities.

(b) Liability Insurance: A comprehensive general liability insurance policy covering all Common Areas and General Common Areas, all Pathways, and all public ways and other areas that are under the supervision of the Association. The liability policy shall provide coverage of at least \$1,000,000, covering bodily injury and property damage resulting from the operation, maintenance or use of the Common Areas and General Common Areas and the pathways, and any legal liability resulting from lawsuits related to employment contracts to which the Association may be a party. Provided the minimum required insurance amount may be adjusted in the future, in the discretion of the Board, based on increases in the cost of living.

(c) Fidelity Bonds. If required by a lender under one of the programs described in Paragraph 9.2. below, blanket fidelity bonds for anyone who either handles or is responsible for funds are held or administered by the Association, whether or not they receive compensation for such services. Any management agent that handles funds for the Association shall also be covered by its own fidelity bond. The bond shall cover the maximum funds that will be in the custody of the Association or its agent at any time while the bond is in force. Additionally, the fidelity bond coverage must at least equal the sum of three (3) months' assessments on all Lots in the Project, plus the Association's reserve funds.

9.2 Lenders' Requirements.

The Association shall continuously maintain in effect such casualty, flood and liability insurance and fidelity bonds meeting the insurance and bond requirements for similar projects established by the Federal National Mortgage Association ("FNMA"), the Government National Mortgage Association ("GNMA"), The Mortgage



Corporation ("TMC"), Veterans Administration ("VA") and/or the Federal Housing Administration ("FHA"), so long as any of them shall be a holder, insurer or guarantor or a mortgage encumbering a Lot within the Project (or an actual owner of a Lot), only to the extent such coverage is required in writing by FNMA, GNMA, TMC, VA, and/or FHA, as applicable.

9.3 Waiver of Claim Against Association.

As to all policies of insurance maintained by or for the benefit of the Association and the Owners, the Association and the Owners hereby waive and release all claims against one another, the Board of Trustees and Declarant, to the extent of the insurance proceeds available, whether or not the insurable damage or injury is caused by the negligence of or breach of any agreement by any of said persons.

9.4 Right and Duty of Owners to Insure.

It is the responsibility of each Owner to provide hazard insurance on his or her dwelling, and on his or her personal property and upon all other property and improvements within his or her Lot. Nothing herein shall preclude any Owner from carrying any public liability insurance as he or she deems desirable to cover his or her individual liability for damage to persons or property occurring within his or her individual Lot or elsewhere upon the Property. Such policies shall not adversely affect or diminish any liability under any insurance obtained by or on behalf of the Association, and duplicate copies of such other policies shall be deposited with the Board upon request. If any loss intended to be covered by insurance carried by or on behalf of the Association shall occur and the proceeds payable thereunder shall be reduced by reason of insurance carried by any Owner, such Owner shall assign the proceeds of such insurance carried by him to the Association to the extent of such reduction, for application by the Board to the same purposes as the reduced proceeds are to be applied.

9.5 Notice of Expiration Requirements.

If available, all of the policies of insurance maintained by the Association shall contain a provision that said policy or policies shall not be canceled, terminated or expired by their terms, without ten (10) days' prior written notice to the Board, Declarant, Owners and their respective mortgagees (provided that such person have filed written requests with the carrier for such notice) and every other person in interest who requests such notice to the insurer.

Unofficial Draft



9.6 Insurance Premiums.

TRANSACTION. TITLE INS CO COV

\$58.00

Insurance premiums for any blanket insurance coverage obtained by the Association and any other insurance deemed necessary by the Board of Trustees shall be a common expense to be included in the regular assessments levied by the Association and collected from the Owners.

9.7 Trustee for Policies.

The Association, acting through its Board of Trustees, is hereby appointed and shall be deemed trustee of the interests of all named insured under policies of insurance purchased and maintained by the Association. All insurance proceeds under any such policies as provided for in Paragraph 9.1 above shall be paid to the Board of Trustees as Trustees. The Board shall have full power to receive and to receipt for the proceeds and to deal therewith as provided herein. Insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was carried or otherwise disposed of as provided in this Declaration. The Board is hereby granted the authority to negotiate loss settlements with the appropriate insurance carriers, with participation, to the extent they desire, of mortgagees who have filed written requests within ten (10) days of receipt of notice of any damage or destruction as provided in this Declaration. Any two (2) Trustees of the Association may sign a loss claim form and release form in connection with the settlement of a loss claim, and such signatures shall be binding on all the named insureds.

END OF ARTICLE 9  
INSURANCE

Unofficial Document



**ARTICLE 10**

Destruction of Improvements

10.1 Damage to Common Areas and General Common Areas.

In the event of any destruction of any portion of the Common Area or General Common Area, the repair or replacement of which is wholly or partly the responsibility of the Association, it shall be the duty of the Association to restore and repair such Common Area and to cooperate in paying for such restoration or repair of the General Common Area, as applicable, as nearly as practical to its former condition, as promptly as practical. The proceeds of any insurance maintained pursuant to Article 9 hereof for such purpose, unless otherwise provided herein. The Board shall be authorized to have promptly as practical. To the extent reasonably practicable, improvements to the Common Area or General Common Area, as applicable, shall be reconstructed or rebuilt substantially in accordance with the original construction plans. If the amount available from the proceeds of such insurance policies for such restoration and repair is inadequate to complete the restoration and repair, the Board shall levy an Extraordinary 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, or other permitted buildings, it shall be the duty of the Owner(s) of the dwelling or dwellings to restore and repair the same to its/their former condition, as promptly as practical, under the supervision of the Board. The proceeds of any insurance maintained pursuant to Article 9 hereof for reconstruction or repair of the Property shall be made available for such purpose, unless otherwise provided herein. The dwelling or dwellings shall be reconstructed or rebuilt substantially in accordance with the original construction plans. If the amount available from the proceeds of such insurance policies for such restoration and repair is less than the estimated cost of restoration and repair, the Owner(s) of the dwelling or dwellings shall be responsible for the deficiency, and the Board shall have the power to levy a Special Assessment to secure payment of the deficiency. In the event more than one dwelling is damaged or destroyed, the available insurance proceeds shall be allocated according to the estimated costs of repair and restoration of each dwelling.

10.3 Alternate Plans for Restoration and Repair.

Notwithstanding the provisions of Paragraphs 10.1 and 10.2, the Association shall have the right, by a vote of 75 percent (75%) of the voting power of the Board of Trustees of the Association, to make alternate arrangements respecting the repair, restoration or demolition of the damaged portion of the Property. The alternate



plan may provide for special allocation of insurance proceeds, modification of design, or special allocation of any necessary assessments. Any plan adopted pursuant to this subparagraph shall be adopted within sixty (60) days of the damage or destruction and shall be supported by the vote of any Owner whose dwelling has been physically damaged.

#### 10.4 Appraisal of Damage.

In the event the parties affected by damage or destruction to the Property cannot agree, within twenty (20) days of the date of the damage, on the estimated cost of repair or the allocations referred to in this Article 10, the Association shall appoint three (3) independent appraisers having at least five (5) years full-time appraisal experience in Spokane County, Washington, to appraise the damage and establish allocations among various damaged portions of the Property. Within twenty (20) days after the selection of the appraisers, a majority of the appraisers shall set the estimates and allocations. If a majority of the appraisers are unable to agree within the stipulated period of time, the average of the three (3) appraisals shall be utilized. If, however, the low appraisal and/or the high appraisal is more than fifteen percent (15%) lower and/or higher than the middle appraisal, the low appraisal and/or the high appraisal shall be disregarded. If only one appraisal is disregarded, the average of the two remaining appraisals shall be utilized. If both the low appraisal and the high appraisal are disregarded, the middle appraisal shall be utilized. The cost of the appraisals required by this subparagraph shall be paid by the Association and reimbursed by the Owners whose Property has been damaged through Special Assessment.

#### 10.5 Interior Damage.

Restoration and repair of any damage to the interior of any individual dwelling, including without limitation all fixtures, cabinets and improvements therein, together with restoration and repair of all interior paint, wall coverings and floor coverings, shall be made by and at the individual expense of the Owner of the dwelling so damaged.

END OF ARTICLE 10  
DESTRUCTION OF IMPROVEMENTS



**ARTICLE 11**

Declarant's Rights and Reservations

11.1 Declarant's Right of Access.

Declarant is undertaking the work of construction of the Project and the creation of the residential development on the Property. The completion of that work and the sale or other disposition of the Lots is essential to the establishment and 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:

11.1.1 Prevent Declarant, its contractors, or subcontractors from doing on the Property, whatever is reasonably necessary or advisable in connection with the completion of the work; or

11.1.2 Prevent Declarant 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 same in parcels by sale or other disposition; or

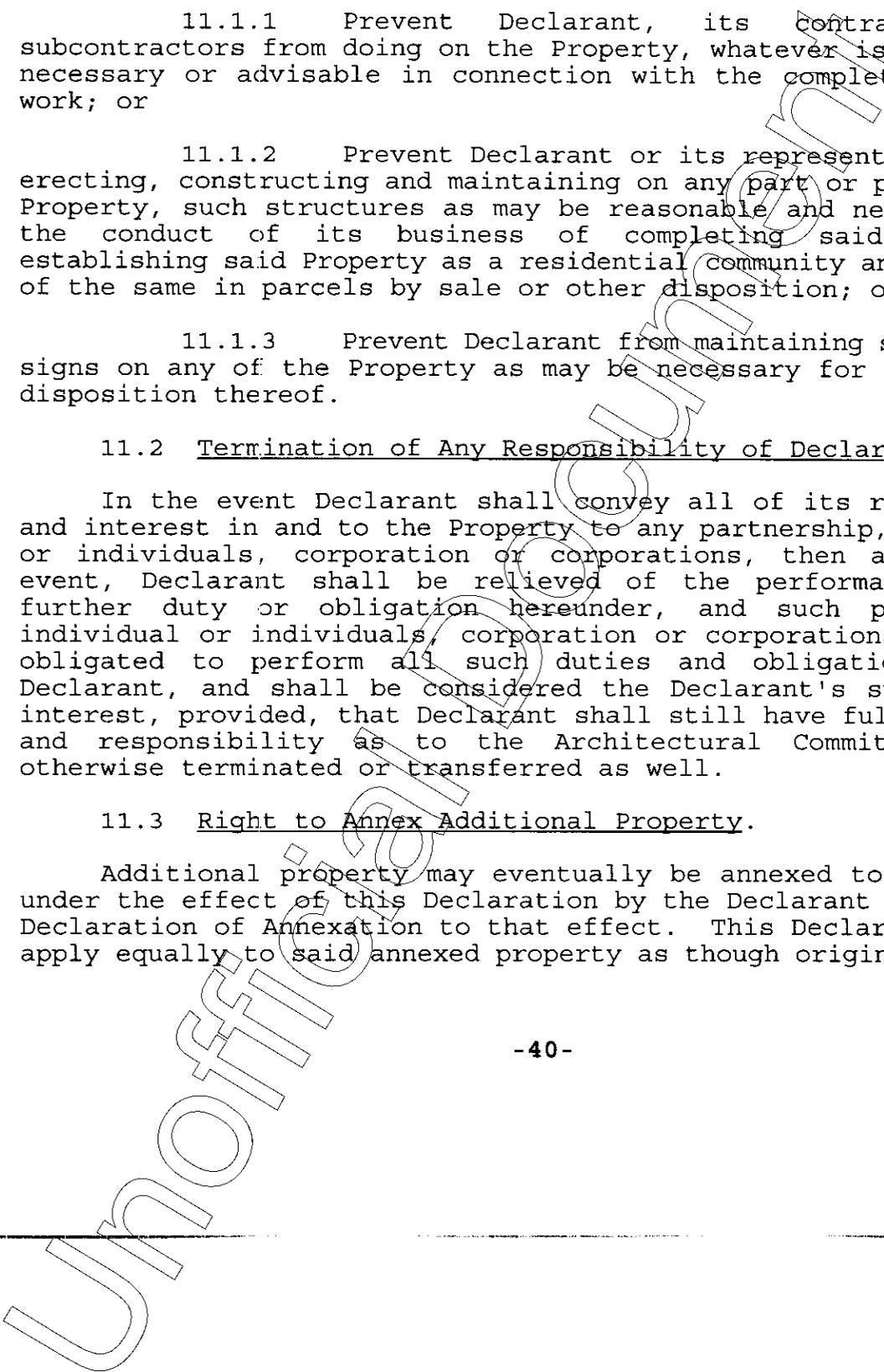
11.1.3 Prevent Declarant from maintaining such sign or signs on any of the Property as may be necessary for the sale or disposition thereof.

11.2 Termination of Any Responsibility of Declarant.

In the event Declarant shall convey all of its right, title and interest in and to the Property to any partnership, individual or individuals, corporation or corporations, then and in such event, Declarant shall be relieved of the performance of any further duty or obligation hereunder, and such partnership, individual or individuals, corporation or corporations, shall be obligated to perform all such duties and obligations of the Declarant, and shall be considered the Declarant's successor in interest, provided, that Declarant shall still have full authority and responsibility as to the Architectural Committee unless otherwise terminated or transferred as well.

11.3 Right to Annex Additional Property.

Additional property may eventually be annexed to and placed under the effect of this Declaration by the Declarant recording a Declaration of Annexation to that effect. This Declaration shall apply equally to said annexed property as though originally a part





hereof. No signature of Members of this Association shall be required to effect annexation of additional property.

Each Declaration of Annexation shall legally describe the property to be annexed and set forth any Common Area and General Common Area to be included within such newly annexed property, and may contain such ancillary additions and modifications of the Covenants and restrictions contained herein as may be necessary to reflect the different character, if any, of the newly annexed property which are not inconsistent with the scheme of this Declaration. In particular, the Declaration of Annexation shall specify all private roads and a specific procedure as to the collection of maintenance assessments for the maintenance of such private roadways.

Upon annexation of additional property, the annexed property shall become subject to this Declaration without the necessity of amending individual sections hereof. The Owners of Lots will continue to have the same easements, rights and interests therein and will acquire similar easements, rights and interests in the annexed property. Owners of Lots in the newly annexed property will likewise acquire similar easements, rights and interests in all portions of the Project and will become Members of the Association.

END OF ARTICLE 11  
 DECLARANT'S RIGHTS AND RESERVATION

Unofficial Document



## ARTICLE 12

### Rights of Mortgagees

Notwithstanding any other provision of this Declaration, no amendment or violation of this Declaration shall operate to defeat or render invalid the rights of any mortgagee of a Lot made in good faith for value, provided that after the foreclosure of any such mortgage, such Lot shall remain subject to this Declaration, as amended. Notwithstanding any and all provisions of this Declaration to the contrary, in order to induce various lenders to participate in the financing of the sale of Lots within the Project, the following provisions are added hereto (and to the extent these added provisions conflict with any other provisions of this Declaration, these added restrictions shall control):

12.1 Each mortgagee of a mortgage encumbering any Lot, upon filing a written request for notification with the Board, is entitled to written notification from the Association of any default by the mortgagor of such Lot in the performance of such mortgagor's obligations under this Declaration, which default is not cured within thirty (30) days after the Association learns of such default. For purposes of this Declaration, a "first mortgage" shall mean a mortgagee of a mortgage with first priority over other mortgages on a Lot.

12.2 Each first mortgagee of a mortgage encumbering any Lot, which obtains title to such Lot pursuant to judicial foreclosure or the powers provided in such mortgage, shall take title to such Lot free and clear of any claims for unpaid assessments or charges against such Lot which accrued prior to the time such holder acquired title to such Lot.

12.3 Unless at least two-thirds (2/3rds) of the mortgagees (based upon one (1) vote for each mortgage owned) or two-thirds (2/3rds) of the Owners other than Declarant) have given their prior written approval, neither the Association nor the Owners shall:

12.3.1 change the method of determining the obligations, assessment dues or other charges (other than the special assessments or late charges imposed by the Board in accordance with the provisions of this Declaration), which may be levied against any Owner; or

12.3.2 by act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Area or General Common Area. (The granting of easements for public utilities or for other purposes consistent with the intended use of the Common Area or General Common Area under this Declaration shall not be deemed a transfer within the meaning of this clause); or



12.3.3 fail to maintain or cause to be maintained fire and extended coverage insurance on the Common Area and/or General Common Area as provided in Article 9 of this Declaration.

12.4 Mortgagees, upon written request, shall have the right to (1) examine the books and records of the Association during the normal business hours; (2) require from the Association the submission or annual financial reports and other financial data; (3) receive written notice of all meetings of the Owners; and (4) designate, in writing, a representative to attend all such meetings.

END OF ARTICLE 12  
RIGHTS OF MORTGAGEES

Unofficial Document



**ARTICLE 13**

Duration and Amendment

13.1 Duration.

This Declaration shall continue in full force for a term of fifty (50) years from the date hereof, after which time the same shall be automatically extended for successive periods of ten (10) years, unless a Declaration of Termination is recorded, meeting the requirements as an amendment to this Declaration as set forth in Paragraph 13.2. There shall be no severance by sale, conveyance, encumbrance or hypothecation of an interest in any Lot from the concomitant Membership of the Association, as long as this Declaration shall continue in full force and effect.

13.2 Amendment.

Notice of the subject matter of a proposed amendment to this Declaration in reasonably detailed form shall be included in the notice of the meeting of the Association at which a proposed amendment is to be considered. A resolution adopting a proposed amendment may be proposed by an Owner at a meeting of the Members of the Association. The resolution shall be adopted by the vote, in person or by proxy, or written consent of Members representing not less than a majority of the voting power of the Association, provided that the specified percentage of the voting power of the Association necessary to amend a specified provision of this Declaration shall not be less than the percentage of affirmative votes prescribed for action to be taken under that provision, if any. A copy of each amendment shall be certified by at least two (2) officers of the Association and the amendment shall be effective when the certificate of amendment is recorded. Notwithstanding the foregoing, any of the following amendments, to be effective, must be approved in writing by the record holders of a majority of the first mortgages on all of the Lots in the Project at the time of such amendment, based upon one (1) vote for each mortgage owned:

13.2.1 Any amendment which affects or purports to affect the validity or priority of encumbrances or the rights or protection granted to encumbrances as provided herein.

13.2.2 Any amendment which would require a mortgagee after it has acquired a Lot through foreclosure to pay more than its proportionate share of any unpaid assessment or assessments accruing after such foreclosure.

13.2.3 Any amendment which would or could result in an encumbrance being canceled by forfeiture, or in the individual Lot not being separately assessed for tax purposes.

Unofficial Copy



13.2.4 Any amendment relating to the insurance provisions as set out in Article 9 hereof, or to the application of insurance proceeds as set out in Article 10 hereof.

13.2.5 Any amendment which would or could result in the partition or subdivision of a Lot, in any manner inconsistent with the provisions of this Declaration.

13.2.6 Any amendment which would subject any Owner to a right of first refusal or other such restriction in favor of the Association, if such Owner exercises such right to sell, transfer or otherwise convey such Lot.

A certificate, signed and sworn to by two (2) officers of the Association, that the required number of Owners and/or mortgagees have either voted for or consented in writing to any amendment adopted as provided above, when recorded, shall be conclusive evidence of that fact.

13.3 Protection of Declarant.

Notwithstanding any other provision of this Declaration, the prior written approval of Declarant, as developer of the Property, will be required before any amendment which would impair or diminish the rights of Declarant to complete the Property or sell or otherwise dispose of Lots therein in accordance with this Declaration shall become effective.

END OF ARTICLE 13  
DURATION AND AMENDMENT



**ARTICLE 14**  
General Provisions

14.1 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, by 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 attorneys' fees as are ordered by the court. Failure by any such person or entity to enforce any such provision shall in no event be deemed a waiver of the right to do so thereafter.

14.2 Invalidity of Any Provision.

Should any provision of this Declaration be declared invalid or in conflict with any law of the jurisdiction where the Project is situated, the validity of all other provisions shall remain unaffected and in full force and effect.

14.3 Conflict of Project Documents.

If there is any conflict among or between the Project Documents, the provisions of this Declaration shall prevail; thereafter, priority shall be given to Project Documents in the following order: Plat Map, Articles, Bylaws, and rules and regulations of the Association. Notwithstanding the foregoing, any provision in any of the Project Documents which is for the protection of mortgagees shall have priority over any inconsistent provision in that document or in any other Project Document.

END OF ARTICLE 14  
GENERAL PROVISIONS

