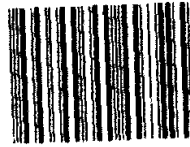


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Snohomish County

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Return Name and Address:  
Anne Gregerson  
3042 Marine Drive  
Bremerton, WA 98312

**Document Title**

Declaration of Protective Covenants, Conditions and Restriction

**Grantor**

Anne Gregerson

**Grantee(s)**

Public

**Legal Description (Abbreviated)**

A PORTION OF THE NE 1/4 OF THE NW 1/4 AND THE SE 1/4  
OF THE NW 1/4 AND THE SW 1/4 OF THE NE 1/4 OF SEC 9  
T27N. R9E W.M.  
Additional Legal description is on page 12 of document

**Assessor's Property Tax Parcel/Account Number**

092709-1-019-0008

**DECLARATION OF  
PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS  
VISTA ESTATES**

THIS INDENTURE AND DECLARATION running with the land, made this 5 day  
of May, 1999, by **Anne Gregerson**,

**WITNESSETH:**

WHEREAS, DECLARANTS are the owners of certain real property (the "Real Property"), described as the recorded Plat of **VISTA ESTATES**, consisting of Lots 1 through 42, Recording Number 9905055012 Book \_\_\_\_\_, Pages \_\_\_\_\_, and any amendments, corrections, or addenda thereto subsequently recorded in Snohomish County, Washington.

WHEREAS, DECLARANTS desire to impose certain protective covenants upon Lots 1 through 42 inclusive upon the Real Property (hereinafter the "Lots") for the mutual benefit of all owners, present and future.

NOW THEREFORE, DECLARANTS hereby declare as follows:

**ARTICLE I**

- 1.1 **DECLARATION** The Lots shall be held, sold and conveyed subject to the easements, covenants, conditions and restrictions set forth herein, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the Lots and houses. Such easements, covenants, conditions and restrictions shall run with the land and shall be binding on all parties having or acquiring any right, title or interest in any Lot and shall inure to the benefit of each and every other Lot as the dominant tenement.
- 1.2 **TERM** This Declaration shall be effective for an initial term, expiring December 31, 2010, and thereafter by automatic extension, for successive periods of ten (10) years each, unless terminated at the expiration of the initial term or any succeeding ten year term by a Termination Agreement executed by the then owners of not less than seventy-five percent (75%) of the Lots then subject to this Declaration.
- 1.3 **ARCHITECTURAL CONTROL COMMITTEE** The Architectural Control Committee (the "ACC") shall consist of not more than three (3) members who shall be appointed initially by D. B. Johnson Construction, Inc. (Builder) and remain in office until 42 new homes on the lots subject to this Declaration have been built, sold, and conveyed to a consumer. At any time prior to the conveyance of the new homes, Builder reserves the right to dissolve the ACC appointed by itself, thereby vesting the membership of the Homeowners Association with the authority to appoint a replacement ACC or act in the place of the ACC. The ACC may appoint a single person to act on behalf of the ACC. No member of the ACC shall be entitled to compensation.

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**ARTICLE II**  
**COMMON AREAS AND EASEMENTS**

- 2.1 **COMMON AREAS** "Common Areas" shall include Rural Open Space Tracts 995,996,997 and 998 as set forth, described or depicted in the recorded Plat of **Vista Estates**, and other tracts that may be subsequently reserved for any and all easements, improvements and facilities reserved including, without limitation, access easements, private street, or common areas dedicated to community usage and/or enjoyment. The Owners of the Lots subject to the Common Areas shall not in any manner interfere with the Association's maintenance, use and operation of the Common Areas, but such owners may use the Common Areas within their respective Lots in a manner that does not so interfere.
- 2.2 **ALTERATION OF COMMON AREAS** Nothing shall be altered or constructed upon or removed from the Common Area except upon the prior written consent of the Board.
- 2.3 **EASEMENTS** Declarants do hereby establish, create and reserve for the benefit of itself, the Association and all Owners, and their respective heirs and assigns, easements for the installation and maintenance of street landscaping, subdivision signage and lighting, common area sprinkler systems, and all utilities, including, but not limited to, storm sewers and drainage systems and electrical, telephone, and water lines as shown on the final plat of **VISTA ESTATES**. No one Lot owner shall allow or permit any structure or landscaping to be located, installed or grown upon the area subject to said easements which might in any way damage or interfere with the installation and operation of such utilities system. Each person utilizing said easement areas location on another's Lot shall promptly restore such area to a condition as close to its original condition as reasonably practical after making such use. Each Lot Owner shall maintain the area of his Lot subject to said easements in a condition which will not interfere with the operation and maintenance of said utilities and systems.
- 2.4 **EASEMENTS OF DECLARANTS** During the period that Declarants or the Builder own any interest in the Real Property primarily for the purpose of sale, Declarants shall have an alienable and transferable and right and easement on, over, through, under and across the Common Areas for the purpose of construction improvements and for installing, maintaining, repairing and replacing such other improvements to the Property as are contemplated by this Declaration or as Declarants desires, in its sole discretion and for the purpose of doing all things reasonably necessary and proper in connection therewith, provided in no event shall Declarants have any obligation to do any of the foregoing.
- 2.5 **SETBACKS** No building or structure shall be located within fifty (50) feet of any road center line, within five (5) feet of any easement, nor within five (5) feet of a side lot line. However, the ACC shall have the right to require additional setback requirements solely at its discretion. In the event that the Snohomish County regulations are more restrictive than the above described regulations, Snohomish county regulations shall prevail and be strictly adhered to. Further, any owner must have specific written approval for the ACC on the placement of any building or non-exempt structure prior to construction. The rear 30' of marked lots are Native Growth Protection Areas. "All Native Growth Protection Areas shall be left in a substantially native state. No clearing, grading, filling, building construction or placement, fence construction, or road construction of any kind shall occur, except for removal of hazardous trees. The activities set forth in SCC 32.10 110 (29) (a), (c) and (d) are allowed when approved by the County."

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### ARTICLE III

- 3.1 **SITE PREPARATION** Clearing and grading, including, but not limited to, the cutting or transplanting of any and all natural vegetation on any Lot, shall not be undertaken until plans for the single family dwelling to be constructed thereon are approved by the ACC as provided for herein. In any event, however, No trees of any kind shall be cut-down, cleared or removed, other than trees that may become a hazard, diseased or fall from natural causes, nor shall any other cutting, clearing or removal of any other natural vegetation, occur within the side lot setback area as listed in paragraph 2.5 without the prior approval of the Architectural Control Committee.
- 3.2 **CONSTRUCTION APPROVAL** No building or other structure shall be commenced, erected or altered upon any Lot, nor shall any exterior addition be made until the construction plans and specifications and a plot plan showing the nature, kind, shape, height, materials, colors and location of the same shall have been submitted to and approved in writing by the ACC as to harmony of exterior design and location in relation to, and its effect upon, surrounding structures and topography as solely determined by the ACC. If the ACC fails to approve or disapprove such design and location within fifteen (15) days after such plans and specification have been received by it, approval will not be required, and this Article will be deemed to have been fully complied with. All plans, specifications and plot plans are to be submitted to the Committee at the following address: c/o Gregerson 3042 Marine Drive, Bremerton, Washington 98312; or at such address as may hereafter be given in writing to the Lot Owners by the **DECLARANTS** or the ACC.
- 3.3 **CONSTRUCTION TIME** Any dwelling or structure erected or placed on any Lot shall be completed as to external appearance, including finishing paint within (9) months from the date of start of construction. If there are reasons beyond the control of the Lot Owner, a longer period before completion may be permitted with the approval of the ACC, if such approval is given within the original nine-month period. Front yard landscaping of each Lot shall be completed within six (6) months of occupancy of each dwelling. Should there be reasons beyond the control of the Lot owner, the ACC may approve an extension for landscaping provided such approval is given before the end of the original six-month period.
- 3.4 **USE RESTRICTIONS** The dwellings within the Structures are intended for and restricted to use as single family residences only, on an ownership, rental, or lease basis, and for social, recreational or other reasonable activities normally incident to such use. In addition to the foregoing Declarants and any Participating Builder may use dwelling it owns as sales offices and models for sales of other Lots or houses.
- 3.5 **FENCES** No fence, wall, or hedge shall be erected or placed on any Lot nearer to any street than the minimum building setback line, or the actual building setback lines, whichever is further from the street except that nothing shall prevent the erection of a necessary retaining wall, the top of which does not extend more than two feet above the finished grade at the back of said wall. Fences bordering common areas shall be erected with the finished side facing the common areas. No fencing shall be permitted in the front yard. On corner Lots, fencing shall only be

allowed from the rear corner of the house to the rear lot line along the exterior side lot line. All fencing must be approved in writing by the ACC prior to installation, and shall be no higher than six (6) feet. No cyclone fencing allowed.

- 3.6 **GARAGES** Two-car garages are required and shall be incorporated in or made a part of the dwelling house. This shall not preclude any Lot Owner from the right to build additional garages as out-buildings, although such out-buildings will require ACC approval prior to construction.
- 3.7 **"SITE BUILT CONSTRUCTION"** All dwellings shall be of a "site built" variety. Mobile homes, manufactured housing and modular homes are specifically not permitted.
- 3.8 **ANTENNAS** No radio or television antennas shall be placed on a lot within the Plat of Vista Estates. However an antenna dish with a diameter not exceeding thirty-six (36) inches may be acceptable if it is appropriately shielded from view from the street, adjoining lots and all common areas. All such antenna dishes shall have their location approved by the ACC prior to installation.
- 3.9 **MAXIMUM BUILDING HEIGHT** The vertical distance from the building grade to the highest point to the deck line of a mansard roof or to the average height of the highest gable of a pitch or hip roof shall not exceed thirty (30) feet. Building grade is defined as the highest point of the building envelope. Any deviation to this height restriction must have written approval from the ACC.
- 3.10 **EXTERIOR DECKS AND PATIOS** Decks and patios higher than 30 inches above existing grade shall be subject to the same restrictions as would a building placed on the same location.
- 3.11 **PROPANE GAS TANKS** Any home utilizing propane gas (or equivalent) for heating, cooking, or other appliance use shall appropriately shield the tank from view from the street, adjoining lots, and all common areas. The exact location of the tank on the Lot shall be submitted to and approved in writing by the ACC prior to construction.

#### ARTICLE IV

- 4.1 **BUSINESS AND COMMERCIAL USE** Except for model homes or builder's temporary sales offices, no visible or audible trade, craft, business, profession, commercial or similar activity of any kind shall be conducted on any lot. Nor shall any goods, materials or supplies used in connection with any trade, service or business be placed outside on any lot at any time in such a way as to be visible from the street, an adjoining lot or any common areas, except the right of the Builder and the Declarant to construct residences on any lot and to store construction equipment on said lots in the normal course of construction. Home occupation use of residences may be allowed if municipal regulations permit such use; provided however, the home occupation use shall in no way affect the appearance of the residential structure and/or garage, shall be fully enclosed without outside storage and shall not create noise, vibration, smoke, dust, odors, heat, light or glare beyond which is acceptable in a residential area.

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- 4.2 **MAINTENANCE OF STRUCTURES AND LANDSCAPING** All structures upon a Lot shall at all times be maintained in good condition and repair and be properly painted, stained, or otherwise finished. All trees, hedges, shrubs, flowers, and lawns shall be maintained and cultivated so that the Lot is not detrimental to the neighborhood as a whole, as determined by the ACC or Home Owners Association. Sloped banks upon any Lot shall be properly watered and maintained by the owner thereof.
- 4.3 **VEHICLES** Recreation vehicles and/or commercial vehicle, including, but not limited to boats, campers, motor homes, trucks, pickups and trailers - whether operable or not - of any kind ~~which~~ parked or stored at any Lot shall be shielded from view from the street, adjoining lots and all common areas
- Parking outside of garages is restricted to parking of operative automobiles. The Board may require removal of any inoperative or unsightly vehicle, and any other equipment or item improperly stored in parking spaces all in accordance with the Rules and Regulations adopted from time to time by the Board. If that vehicle or equipment is not removed, the Board may cause removal at the risk and expense of the Owner thereof.
- 4.4 **PETS** No animals, livestock or poultry shall be raised, bred or kept on any lot. Dogs, cats and household pets, in reasonable numbers, may be kept on a lot if they are not kept, bred or maintained for any commercial purposes, and provided that the Owners of the lot conform to all city and county ordinances and all state laws applicable to keeping of pets. All animal enclosures must be kept in a clean, neat, and odor-free condition at all times. Additionally, animal enclosures should be shielded from view from the street. The Board may at any time require the removal of any pet which it finds is unreasonably disturbing to other Owners, and the Board may exercise this authority for specific pets even though other pets are allowed to remain. Dogs must be kept on leash.
- 4.5 **GARBAGE AND TRASH** No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage and other waste shall be kept only in sanitary containers properly screened and shielded from adjacent properties. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. No trash, refuse pile, vehicles, underbrush, compost pile or other unsightly growth or objects shall be allowed to group, accumulate or remain on any Lot so as to be a detriment to the neighborhood or become a fire hazard.
- 4.6 **NOXIOUS OR OFFENSIVE ACTIVITY** No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done or maintained thereon which may be or become any annoyance or nuisance to the neighborhood or detract from its value, as determined by the Declarant or the Board of Directors.
- 4.7 **TEMPORARY RESIDENCE** No outbuilding, basement, tent, shack, garage, trailer or shed or temporary building of any kind shall be used as a residence either temporarily or permanently, except for a construction shack used by an Owner's construction contractor during the construction period.
- 4.8 **DRILLING, MINING, ETC.** Exploration for any recovery of minerals, oil and gas, sand and gravel or other materials, by any means or method, is prohibited

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- 4.9 **SIGNS** No signs shall be displayed to the public view on any Lot, except one professional of not more than six (6) square feet advertising the property for sale or rent, or signs used by the **DECLARANTS**, or agents thereof, to advertise the property during the construction and sales period. (Declarants, or its designee, shall have the ability to utilize larger signs for marketing purposes as determined by Declarant) The ACC shall have the sole jurisdiction on all sign within the boundaries of **VISTA ESTATES**, including any and all common areas.
- 4.10 **HOMEOWNERS ASSOCIATION** Every Lot owner, by acceptance of a deed or contract for such Lot, is hereby deemed to covenant and agree to membership in the **VISTA ESTATES HOMEOWNERS ASSOCIATION**, for the purpose of owning property and property rights as common area for the benefit of homeowner's and for the purposes of maintaining repairing, replacing, or improving any such property or any improvements, including landscaping, placed thereon. Such membership shall be appurtenant to the Lot owned by such Lot owner and may not be transferred except by sale or transfer of the Lot itself. Every Lot owner is further deemed to covenant and agree to pay when due any and all dues, assessments, or other charges that may be levied from time to time by the **VISTA ESTATES HOMEOWNERS ASSOCIATION**, in accordance with the Articles of Incorporation of such Association, and any sums not paid within thirty (30) days of the date due shall become a continuing lien on the Lot owned, which lien may be foreclosed by the Association. Any lien created hereby shall be subordinate only to any duly recorded purchase money mortgage, deed of trust or real estate contract which appears as a "first lien" against the Lot.
- 4.11 **COMMON AREAS** The following expenses shall be considered expenses in common with all the Lot owners: operation and maintenance of entrance gates and private roads, taxes; and maintenance of common area landscaping entry lighting. Common expenses shall be inclusive of the cost of liability and casualty insurance in whatever amount is reasonable and deemed appropriate. The responsibility for the common expenses herein shall be administered by said Association.
- 4.12 **NON-LIABILITY OF ACC AND HOMEOWNER'S ASSOCIATION MEMBERS** Neither the ACC, the DECLARANT, the Homeowner's Association, nor any member thereof, shall be liable to any Owner, occupant, builder, or developer for any damages, loss or prejudice suffered or claimed on account of any action or failure to act of the Committee or member thereof, provided that the member has acted in good faith and on the basis of the facts as known to him.
- 4.13 **HOMEOWNER'S DUES** The initial Homeowner's dues shall be set at One Hundred twenty-five dollars ( \$125.00) per year, payable on or before January 30th of each year for that calendar year. Prorated Homeowner's dues for a Lot shall be collected from the purchaser when the lot with a dwelling is sold and conveyed to a consumer by the Builder. After that point Homeowners dues shall be assessed on January 1 of each year. In addition to the above annual assessment, there shall be a one time assessment on each lot of Fifty dollars (\$50.00) to be collected from the purchaser at the closing of the sale by the Builder to the consumer.
- 4.14 **ASSESSMENTS** The Board may also, from time to time impose such Special Assessments as may be determined by the Board, subject to the restrictions in this Declaration and the Bylaws.

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## ARTICLE V

- 5.1 **AMENDMENT** This Declaration can be amended at any time by Declarant or Builder prior to the sale of all Lots by the Builder to consumers. Any such amendment must be recorded and notice of such amendment must be provided to all Lot owners.
- 5.2 **ENFORCEMENT** The Declarants or the ACC shall have the right to enforce any provision of this Declaration or to recover damages resulting from any violation thereof by any proceeding at law or in equity. Thirty (30) days after written notice to the owner of any Lot setting forth a violation, DECLARANTS, the ACC or the agent of either may enter upon such Lot, which entry shall not be deemed a trespass, and take whatever steps are necessary to correct the violation. The expenses thereof, if not paid by such owner within thirty (30) days after written notice and billing, may be filed as a lien upon such Lot. Failure of the DECLARANTS of the ACC to enforce any provision herein shall in no event be deemed a waiver of the right to do so. In the event of legal action, the prevailing party shall be entitled to recover actual costs and reasonable attorney fees.
- 5.3 **SEVERABILITY** Invalidation of any provision hereof shall not affect the other provisions, which shall remain in full force and effect.
- 5.4 **NOTICE** Any notice required hereunder shall be deemed effective when personally delivered or when mailed by first class mail to the owner of public record at the time of such mailing to such owner's address as appears on the Snohomish County Tax Records.

### Section 6.1

#### ASSOCIATION BOARD

During the Development Period the Declarant shall manage the Association and shall have all the powers of the Board set forth herein. The Declarant may, from time to time, select a temporary board of not fewer than 3 persons who need not be Owners to manage the Association during the Development Period. The temporary board shall have the full authority to manage the Association under the Governing Documents and shall be subject to all provisions to the Governing Documents; provided that, after selecting a temporary board, Declarant may at any time terminate the temporary board and reassume its management authority under this Section or select a new temporary board. Upon termination of the Development Period, the terms of the temporary Board selected by the Declarant, if any, shall terminate and the Board shall manage the Association as provided herein. The Board shall be elected from among the Owners, as provided in the Bylaws of the Association. The Board shall elect officers of the Association from among the board members, which shall include a president who shall preside over meetings of the board and meetings of the Association.

### Section 6.2

#### VOTES APPURTENANT TO LOTS

Every Owner shall be a member of the Association and shall be entitled to cast one vote in the Association for each Lot owned. A vote shall be appurtenant to and held and owned in the same manner as the beneficial fee interest in the Lot to which it relates. A vote shall not be separated from ownership of the Lot to which it relates; provided, however, that when more than one entity holds the beneficial fee interest in any Lot, the vote therefore shall be cast as the Owners among themselves determine, but in no event shall more than one vote be cast with respect to any Lot; and if the several Owners of a Lot are unable to agree as to the casting of their vote, such vote shall not be counted. If a Lot is further subdivided as provided in Section 5.1 hereof, the Owner of each additional Lot created shall be entitled to one vote in the Association for each Lot owned.

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**Section 6.3 INITIAL NUMBER OF VOTES; ADDITIONAL PHASES**

From the commencement of the existence of the Association, there shall be a total of 42 outstanding votes in the Association. During the Development Period, the Declarant shall be entitled to cast 42 votes, less one vote for each Lot then owned by an owner other than Declarant.

**Section 6.4 OWNER'S COMPLIANCE WITH GOVERNING DOCUMENTS**

By acceptance of a deed to a Lot, recording of a real estate contract conveying title to a Lot, or any other means of acquisition of an ownership interest, the Owner thereof covenants and agrees, on behalf of himself and his heirs, successors, and assigns, to observe and comply with all terms of the Governing Documents and all rules and regulations duly promulgated pursuant to Association Action.

**Section 6.5 BYLAWS, RULES AND REGULATIONS**

The Board on behalf of the Association shall have the power to adopt, modify, and amend rules and regulations governing the use of **VISTA ESTATES**, provided that such rules and regulations shall not be inconsistent with this Declaration. The rules and regulations shall apply uniformly to all Owners, except as specifically provided herein. The Board shall have the power to enforce the rules and regulations on behalf of the Association and may prescribe penalties for the violation of such rules and regulations, including but not limited to suspension of the right to use the common areas or portions thereof. Any such rules and regulations shall become effective 30 days after promulgation and shall be mailed to all owners prior to their effective date. A copy of the rules and regulations then in force shall be retained by the secretary of the Association. The Declarant on behalf of the board may adopt the initial bylaws and rules and regulations.

**Section 6.6 ARCHITECTURAL CONTROL COMMITTEE**

At such time as Builder dissolves the ACC appointed by itself, the board of directors shall have the option of appointing a three member replacement ACC as follows. One member of the committee shall be appointed for a term of one (1) year, one member shall be appointed for a term of two (2) years, and the third member shall be appointed for a term of three (3) years. Thereafter members of the committee shall be appointed for three-year terms. Member of the ACC need not be members of the Homeowners Association. In the event that the Board does not appoint an Architectural Control Committee, the duties assigned to the ACC shall become the responsibility of the Board. No member of the ACC shall be entitled to compensation. The ACC may appoint a single person to act on behalf of the ACC.

**6.6.1 JURISDICTION AND PURPOSE**

The committee shall review proposed plans and specifications for construction of all residences and other structures within **VISTA ESTATES**, and including any additions, exterior alterations, landscaping, clearing, painting and excavation. the Owner shall submit architectural and landscaping plans and specifications to the Committee for its review, together with a site plan for the Lot showing the location of the drainfield. The Committee shall adopt and publish rules and procedures for the review of such plans and specifications. It shall be the obligation of each owner to be familiar with the rules and procedures of the Committee.

### **6.6.2 APPROVAL PROCEDURES**

A preliminary application for approval must be submitted in writing by the Owner to the Committee at the registered office of the Association. Within fifteen (15) days following receipt of a preliminary application, the Committee shall notify the Owner in writing as to whether the application is complete and, if not, of any additional information that may be required before the Committee can review the application. The application must, in form and substance, comply with the Committee's rules and procedures including the payment of a non-returnable fee as may be set by the Board of Directors for purpose of defraying the costs associated with the Committee's review of the preliminary application. This fee may be adjusted from time to time by the Board of Directors in accordance with its rules and procedures. The Committee shall review the application in accordance with the provisions of this Section 2.7 as soon as possible after a complete application has been filed. The decision of a majority of the members of the Committee shall be the decision of the Committee. One copy of approved plans will remain in the committee's files. All disapproved plans will be returned to the Owner.

### **6.6.3 FAILURE OF COMMITTEE TO TAKE ACTION**

Except as provided in Section 2.7.5 below, in the event that the Committee fails to respond to an Owner's complete and properly submitted application within fifteen (15) days after the Committee has notified the Owner that the application is complete, formal written approval will not be required, and the provisions for approval shall be deemed to have been fully complied with.

### **6.6.4 COMMITTEE'S OBLIGATION**

The Committee, in its deliberations and in the discharge of its obligations here-under, shall act objectively and fairly in making decisions concerning various plans, specifications, plot plans and landscape plans submitted to it by various Owners for consideration in accordance with the provisions of this Declaration. Further, the determinations of the Committee as to noncompliance shall be in writing, signed by the Committee, and shall set forth in reasonable detail the reason for noncompliance. The Committee may approve, approve with conditions, or disapprove an application or any part thereof. In all cases, the ultimate responsibility for satisfying all local building codes and governmental requirements rests with the Owner. The Committee shall be held harmless from building requirements not complied with.

### **6.6.5 EXEMPTIONS AND VARIANCES FROM COMMITTEES REQUIREMENTS**

The Committee may, upon application, grant exemptions and variances from the rules and procedures of the Committee and the requirements of this Declaration when the party requesting such exemption or variance establishes to the satisfaction of the committee that the improvement or other matters which are desired by the applicant are aesthetically as appealing, suited to climatic conditions, and compatible with the overall character of the development as are similar improvements or matters which conform to the requirements of this Declaration. Requests for an exemption or variance shall be submitted in writing to the Committee and shall contain such information as the committee shall from time to time require. The Committee shall consider applications for exemption or variance and shall render its decisions within thirty (30) days after notice to the Owner of proper submission. The failure of the Committee to approve an application for an exemption or variance shall constitute disapproval of such application.

## ASSOCIATION BUDGET, ASSESSMENTS, AND LIENS

### Section 7.1 OWNER'S COVENANTS TO PAY ASSESSMENTS

By acquisition of any ownership interest in a Lot, the Owner thereof covenants and agrees thereby, on behalf of himself and his heirs, successors, and assigns, to pay the Association, in advance, all general and specific assessments levied as provided herein.

### Section 7.2 ASSOCIATION BUDGET

The Association shall prepare, or cause the preparation of, an operating budget for the Association at least annually, in accordance with generally accepted accounting principles. The operating budget shall set forth all sums required by the Association, as estimated by the Association, to meet its annual costs and expenses. These costs shall include but are not limited to all management and administration costs, operating and maintenance expenses of the Common Areas, (including the amount of all taxes and assessments levied on the Common Areas), the cost of liability and other insurance on the Common Areas, and charges for any services furnished to the Association, the cost of utilities, and the cost of funding all reserves established by the Association. The funds required to meet the Association's annual expenses shall be raised from a general assessment against each Owner as provided hereafter. The Association may revise the operating budget after its preparation at any time and from time to time, as it deems necessary or advisable in order to take into account and defray additional costs and expenses of the Association.

### Section 7.3 LEVY OF GENERAL ASSESSMENT

In order to meet the costs and expenses projected in its operating budget, the Association shall by Board Action determine and levy in advance on every Owner an annual assessment as provided in Section 4.13 of this Declaration. Such assessment shall be levied on January 1<sup>st</sup> of each year and due on January 30<sup>th</sup> of each year.

### Section 7.4 LEVY OF SPECIAL ASSESSMENT

Special Assessments may also be imposed by the board for unforeseen circumstances. Such special assessments require ratification by two-thirds (2/3) of the votes of all member of the Homeowners Association present or represented by proxy at meeting duly called for that purpose. Written notice of such meeting called for such purpose shall be sent to all Owners, no fewer than fourteen (14) days, nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting, which notice shall include a summary of the proposed special assessment.

### Section 7.5 COLLECTION OF ASSESSMENTS

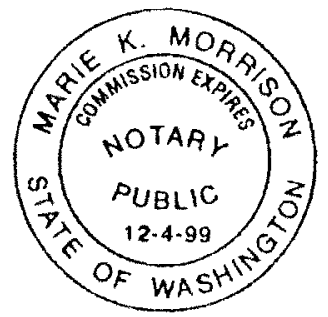
Each General or Special Assessment shall be a charge on the land which shall be a continuing lien upon the property against which each such assessment is made until paid. Each such assessment shall also be the personal obligation of the person who was the owner of such property at the time the assessment or charge fell due. The personal obligation for delinquent assessments shall not pass to his successors in the title unless expressly assumed by them. Owners of lots by their acceptance of a deed or by their signature to a contract for the purchase of a lot agree that interest at the rate of 12% per annum, and costs and reasonable attorney's fees, to collect said assessments regardless of whether suit is actually commenced, shall be additional charges which may be collected. An officer of the Homeowners Association may record a notice of lien with the County Auditor at any time after sixty (60) days after delinquency of any assessment, which notice shall state the amount then owing. A release of lien shall be filed when assessments are paid current, including assessments thereafter accruing, plus any interest, attorneys fees and costs then owing.

*Anne Gregerson*  
ANNE GREGERSON

STATE OF WASHINGTON     )  
                                      )     ss.  
COUNTY OF SNOHOMISH    )

On this day personally appeared before me ANNE GREGERSON, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged to me that she signed the same as her free and voluntary act and deed for the uses and purposes therein mentioned.

SUBSCRIBED AND SWORN to before me by ANNE GREGERSON on this 5<sup>th</sup> day of May, 1999.



*Marie K Morrison*  
PRINTED NAME: Marie K Morrison  
NOTARY PUBLIC in and for the State of  
Washington.  
My commission expires: 12-4-99

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