

After Recording Return to:  
Courtney Norris  
Norris Homes, Inc.  
2053 Faben Drive  
Mercer Island, WA 98040  
(206) 275-1901



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KING COUNTY, WA

## **DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS & RESTRICTIONS OF THE GREENS**

Grantor: Norris Homes, Inc.

Grantee: The Greens

Reference Numbers of Documents Assigned or Released:

Legal Description (abbreviated): Lots 1 through 20 of the plat of The Greens recorded under King County Recording No. 20071229001424

Complete Legal Description is located on Page 2 of this document

Assessor's Tax Parcel Numbers: Not Yet Assigned (Parent Parcel Number 252103-9003)

**THIS DECLARATION** running with the land, made this 25<sup>th</sup> day of August, 2007, by Norris Homes, Inc. ("Declarant" and "Developer" as appropriate). To the extent that other Covenants, Conditions and restrictions exist (either prior or subsequent) regarding the property contained within the legal description herein, the present Declaration of Protective Covenants is intended to co-exist and overlap existing and subsequent Covenants and not replace existing and subsequent Covenants.

**WITNESSETH:**

**WHEREAS**, Declarant is the owner in fee of certain real property (the "Real Property") located in the County of King, State of Washington, which has been subdivided and which is legally described as follows:

**THE EAST 455 FEET OF THE SOUTH 698 FEET OF THE NORTH 748 FEET OF GOVERNMENT LOT 2, SECTION 25, TOWNSHIP 21 NORTH, RANGE 3 EAST, WILLAMETTE MERIDIAN, IN KING COUNTY, WASHINGTON;**

**EXCEPT THE WEST 24 FEET THEREOF CONVEYED TO KING COUNTY FOR ROAD PURPOSES BY DEED RECORDED UNDER RECORDING NUMBER 9201270655.**

**SITUATED IN THE CITY OF FEDERAL WAY, COUNTY OF KING, STATE OF WASHINGTON.**

For ease of reference herein only, the real property subject to these covenants, conditions and restrictions is commonly referred to herein as "Lots of The Greens." These CC&R's shall apply equally to all lots set forth above.

The Declarant hereby covenants, agrees and declares that all of the Properties and Housing Units constructed thereon are and will be held, sold and conveyed subject to the following covenants, conditions, restrictions, easements and reservations, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the Properties for the benefit of all of Properties, their owners and their heirs, successors and assigns. These covenants, conditions, restrictions, easements and reservations are equitable servitudes and negative easements which shall run with the Properties and shall be binding on all parties having or acquiring any right, title or interest in the Properties or any part thereof, shall inure to the benefit of each owner, shall survive and continue to run with the Properties and not be discharged by a sale of the Real Property or any portion thereof in the manner described in RCW 84.64.460. Acceptance of an interest in a Lot or a Housing Unit and Lot shall be deemed acceptance of the terms and provisions of this Declaration.

The Declarant or its successor and assigns may become the owner of certain real property, which is adjacent to the Real Property described above. The adjacent real property, or a portion thereof, may be subjected to the terms and provisions of this Declaration of Protective Covenants, Conditions and Restrictions at the option of the Developer, as hereinafter provided.

**NOW, THEREFORE,** Declarant hereby declares as follows:

## **ARTICLE ONE**

### **Definitions**

For purposes of the Declaration and the Articles and Bylaws of the Association, certain words and phrases have particular meanings, which are as follows:

1. "ACC" shall mean the Architectural Control Committee, as appointed pursuant to Article Nine, Section Four.
2. "Articles" shall mean the Association's articles of incorporation and any amendments.
3. "Association" shall mean The Greens Homeowners Association, a Washington nonprofit corporation, its successors and assigns.
4. "Board" or "Board of Directors" shall mean the Board of Directors of the Association.
5. "Bylaws" shall mean the Associations Bylaws and any amendments.
6. "Common Areas" shall mean those portions of the Properties which have been designated to be used in common for the benefit of all lot owners, including easements which are for the benefit of all lot owners and/or the Association. These common areas shall include, but not be limited to, the following:
  - a. Tract A is a conservation (wetland/wetland buffer) and open space tract.
  - b. Tract B is a usable open space tract.
  - c. Tracts E, F, and G are landscape buffer tracts.
  - d. The follow Limited Common Areas are only for the benefit of certain lots which are defined below:
    1. Tract D is a private joint use driveway tract for ingress, egress, and utility purposes for lots 1, 2, 5, and 6.
7. "Common Services" shall mean:
  - a. Maintenance of the common areas as required by the Association.

- b. Maintenance of the street trees planted within and/or abutting the common areas both public and private within the plat.
- c. Such additional services as shall be determined by the Board of Directors of the Association or the Declarant/Developer during the development period as set forth below.
8. "Declaration" shall mean this Declaration of Protective Covenants, Conditions and Restrictions.
9. "Declarant/Developer" shall mean Norris Homes, Inc. or any persons or entities to which it assigns its rights as Declarant/Developer, or succeeds to its interest.
10. "Housing Unit" shall mean the building occupying a Lot.
11. "Institutional First Mortgagee" or "Mortgagee" shall mean a bank or savings and loan association or established mortgage company, or other entity chartered under federal or state laws, any corporation or insurance company or state or federal agency which holds a first mortgage or deed of trust against a Lot or Housing Unit thereon.
12. "Lot" shall initially refer to one of the Lots located in the Real Property described herein. At such time as additional adjacent real property may be subjected to the Declaration, "Lot" shall include those lots shown on and included in the plat of said additional property. "Maintained Lot" shall refer to any Lot and Housing Unit which receives Common Services. The Developer may designate a Maintained Lot in this Declaration, or in an amendment to this Declaration which adds additional adjacent property. All provisions of this Declaration which refer to Lots include Maintained Lots.
13. "Member" shall mean every person or entity that holds a membership in the Association.
14. "Mortgage" shall mean a mortgage or deed of trust encumbering a Lot or other portion of the properties.
15. "Owner" shall mean the record owner of a Lot, whether one or more persons or entities, but excluding those having such interest merely as security. A real estate contract purchaser shall be deemed the Owner.
16. "Person" shall mean a natural person, a corporation, a partnership, trustee or other legal entity.
17. "Properties" shall initially mean the Real Property. If additional adjacent Real Property is subjected to the Declaration, "Properties" shall mean the real property described in this Declaration and the plat or plats of the additional adjacent real property.

18. "Sale" or "Sold" shall mean the date upon which ownership of a Lot is transferred from an Owner to another person or entity by recordation of an instrument of transfer such as a deed or real estate contract.

## ARTICLE TWO

### Management of Common Areas. Common Services Enforcement of Protective Covenants, Conditions and Restrictions

General note concerning use and development of Lots. These CC&R's are not intended to modify and/or impair any easements and licenses of record. Therefore, all structures, development, fences, driveways and the like must not interfere with easements and licenses of record and also must comply with all applicable City, State and government codes and regulations that exist regardless of approval by the Declarant and/or Homeowner's Association. The Declarant and/or Homeowner's Association is/are not liable or responsible for approval of an item that may ultimately have to be removed or modified based on a City, State or government code or regulation. For example, if the Homeowner's Association approves a fence to be built by a Lot Owner and the Lot Owner erects the fence in an easement that interferes with the easement and must be removed, the Declarant and Homeowner Association shall have absolutely no liability to the Lot Owner simply because they approved the construction of the fence.

Section One: Development Period. During the development period, the Association, the ACC, the Common Areas and all Common Services shall, for all purposes, be under the management and administration of the Developer.

- a. The development period for the Real Property shall be that period of time from the date of recording of this Declaration until 180 days after the date upon which 100% of the lots in The Greens have been sold by the Developer, or Developer's assignee to individual builders or Lot Owners or any shorter period, as determined by the Developer. It is contemplated at the time of execution of this document that the current developer will sell the entire Plat to Norris Homes, Inc. and Norris Homes, Inc. will be substituted to the rights of the Developer after the closing of the transaction. If Norris Homes, Inc. closes the purchase of the entire Plat, then Norris Homes, Inc. shall be considered the Developer under the CC&R's for ease of reference.
- b. Front Yard Installation. The front yard must be installed within 30 days of Final Occupancy Permit being issued by The City of Federal Way. Yard installation plans must be pre-approved by the Homeowner's Association prior to commencement of installation. Yards and all additional areas must comply with the City of Federal Way's rules and regulations dealing with "Impervious Surface" and any similar restrictions with respect thereto as it relates to a minimum percentage of grass area.

- c. **Back Yard Installation.** The back yard of a lot must be installed within 90 days of Final Occupancy Permit being issued by the County of King. Yard installation plans must be pre-approved by the Homeowner's Association prior commencement of installation. Yards must consist of a minimum percentage of grass and additional areas as to comply with the rules and regulations of the County of King.

**Section Two: Directors. Temporary Board During Development Period.** During the development period, the Developer shall appoint at least 1 director, and may appoint any persons the Developer chooses as directors. The directors will continue to serve as directors of the Association until a successor is appointed by the Developer, until a director is chosen by vote at the end of the development period or until the director resigns. The Developer may, at its option and at such time as the Developer deems appropriate, select a temporary board of at least 1 to five persons who may or may not be purchasers of Lots. This temporary board shall have the authority and such rights, responsibilities, privileges and duties to manage the Association under this Declaration, the Articles and Bylaws, as are assigned to the temporary Board by the Developer, except the right to participate in selection of members of the ACC, appeals of the ACC's decisions, or promulgation of guidelines for ACC evaluation of submissions by Lot Owners. The temporary Board shall be subject to all provisions of the Declaration, the Articles and Bylaws, provided, that after selecting any such temporary board, the Developer, in the exercise of its sole discretion, may at any time terminate such temporary board and resume its management authority or select a new temporary board.

**Section Three: Purpose of Development Period.** These requirements and covenants are made in order to ensure that the Properties and the Association will be adequately administered in the initial phases of development, to ensure an orderly transition of Association operations, and to facilitate the Developer's completion of construction of Housing Units.

**Section Four: Authority of Association After Development.** At the expiration of Developer's management authority the Association shall have the authority and obligation to manage and administer the Common Areas and to enforce these covenants, conditions and restrictions. Such authority shall include all authority provided for in the Association's Articles, Bylaws, rules and regulations, as initially adopted, or as the same may hereafter be amended, and all the authority granted to the Association by this declaration, either directly or by necessary implication. The Association shall also have the authority and obligation to manage and administer the activities of the ACC in its responsibilities as described in Article Ten, Section Five.

**Section Five: Authority of Association Regarding Common Areas.** The Association shall have the authority and obligation to collect assessments from the lot owners. The Association shall administer and manage the Common Areas as well as Common Services.

**Section Six: Delegation of Authority.** The Board of Directors or the  
Declaration of Protective Covenants,  
Conditions and Restrictions

Declarant/Developer may delegate any of its managerial duties, powers, or functions to any person, firm, or corporation. The Board shall not be liable for any breach of duty, negligence, omission, intentional act or improper exercise by a person who is delegated any duty, power or function by the Board of Directors.

### ARTICLE THREE

#### Membership

Membership. Every person or entity who is an Owner of any Lot agrees to be a Member of the Association by acceptance of a deed for such Lot. Membership shall be appurtenant to and may not be separated from ownership of any Lot. All Members shall have rights and duties as specified in this Declaration, and in the Articles and Bylaws of the Association.

### ARTICLE FOUR

#### Voting Rights

Section One: Voting Rights. Members shall be entitled to one vote for each Lot owned. When more than one person or entity owns an interest in any Lot, the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot. The voting rights of any Member may be suspended as provided in the Declaration, or the Articles or Bylaws of the Association.

Section Two: Voting Rights for Maintained Lots. Owners of Maintained Lots shall be entitled to one vote for each Lot owned in any election of a representative to the ACC, subject to limitations as described in Section One. Only Owners of Maintained Lots shall be entitled to vote for representatives on the ACC.

### ARTICLE FIVE

#### Property Rights in Common Areas

Every Member, subject to governmental rules and restrictions and subject to the notes on the plat, shall have a right, easement of enjoyment in and to, and an easement for ingress and egress over and upon the Common Areas either owned by the Association or in which the members of the Association have an undivided interest as set forth in this Declaration. These rights and easements shall be appurtenant to and shall pass with the title to every Lot, subject to the following restrictions:

- a. Rules and Regulations. The right of the Association to limit the number of guests of Members, and to adopt rules and regulations, and establish appropriate penalties for violation of such rules;

- b. Utilities. The right of the Association to exclusive use and management of said Common Areas for utilities such as pipes, wires, conduits, and other utility equipment, supplies and material;
- c. Declaration/Developers Rights. The rights reserved to the Developer in the Declaration;
- d. Right to Transfer. The right of the Association to dedicate or transfer by deed all or any part of the Common Areas to any Member, person, entity, public agency, authority or utility. No such dedication or transfer shall be effective without the approval of two-thirds of the Members.
- e. Other Restrictions. The other restrictions, limitations and reservations contained or provided for in the Declaration and the Articles and Bylaws of the Association.

## **ARTICLE SIX**

### **Maintenance, Common Expenses and Common Services**

#### **Section One: Standard of Maintenance - Common Areas:**

- a. Tract A is dedicated to and maintained by the Association for conservation (wetland/wetland buffer) and open space purposes. Removal or disturbance of vegetation and landscaping within the regulated wetlands and buffers within said tract is prohibited, except as necessary for maintenance or replacement of existing plantings and as approved by the City of Federal Way. This open space tract shall not be developed with any buildings and may not be used for financial gain.
- b. Tract B is dedicated to and maintained by the Association as usable open space. This open space tract shall not be developed with any buildings and may not be used for financial gain.
- c. Tracts E, F, and G are landscape buffer tracts dedicated to and maintained by the Association.
- d. Any street trees shall be owned and maintained by the Association, until the lot closest to the tree is purchased from the Declarant, at which time it becomes the responsibility of the lot owner to maintain the tree and any landscaping in the planter strip.
- e. Any street lights shall be maintained and paid for by the Association.
- f. The follow Limited Common Areas are only for the benefit of certain lots which are defined below:



- i. Tract D is dedicated to and maintained by lots 1, 2, 5, and 6 as a private joint use driveway tract for ingress, egress, and utility purposes.

Section Two: Standard of Maintenance - Lots. Each Lot Owner hereby covenants and agrees to maintain his respective Lot and the Housing Unit located thereon in the same condition as a reasonably prudent homeowner would maintain their home so that the Real Property will reflect a high pride of ownership.

Each Lot Owner shall perform the maintenance and upkeep of any drainage and/or underground drain lines and catch basins installed by the Developer on their Lot which are servicing the yard drainage needs on more than one Lot. In addition to maintaining each Lot Owner's individual Lot, each Lot owner shall maintain that area of the Planter Strip that is between each Lot's Owner's individual Lot and the street for the width of the Planter Strip that is of equal length of the Lot Owner's Lot.

Section Three: Remedies for Failure to Maintain. If any Lot Owner shall fail to conduct maintenance on his Lot or the Housing Unit located thereon, or fails to maintain the Lot and Housing Unit in the same condition as a reasonably prudent homeowner, or in a manner which preserves the drainage for other Lots, the Association shall have the right to notify the Lot Owner in writing of the maintenance required. If the maintenance is not performed within (30) days of the date notice is delivered to the non-performing Lot Owner, the Association shall have the right to provide such maintenance, and to levy an assessment against the non performing Lot Owner and his Lot for the cost of providing the maintenance. The assessment shall constitute a lien against the Lot owned by the non-performing Lot Owner and may be collected and foreclosed in the same manner as any other annual or special assessment. The Association shall have all remedies for collection as provided in Article Nine of the Declaration.

Section Four: Common Expenses. The Association shall perform such work as is necessary to carry out the duties described in this Declaration, and shall delegate the responsibility for management and supervision of such work to the Board, the ACC or to a manager or agent hired by the Board for the purpose of such management and supervision. Expenses for such work shall be paid by the Association for the benefit of all Lot Owners and shall be referred to as Common Expenses. The Common Expenses shall be paid by the Association from funds collected from assessments paid by Lot Owners as hereinafter provided. The Common Expenses shall include, but shall not be limited to, the following:

- a. The expense of maintaining the Common Areas as more particularly set forth in Section One;
- b. The real property taxes levied upon the Common Areas.
- c. The cost of maintaining all required insurance coverage and fidelity bonds on any Common Areas, and for directors and officers of the Association

and the ACC

- d. The cost of any repairs or replacement of Common Areas;
- e. Utility charges attributable to Common Areas owned by the Association;
- f. The cost of operating any recreational facilities;
- g. Any other expense which shall be designated as a Common Expense in the Declaration or from time to time by the Association.

## ARTICLE SEVEN

### Assessments

Section One: Types of Assessments. Each Lot shall be subject to annual assessments or charges and certain special assessments in an amount to be determined by the Association. Each Maintained Lot shall, in addition to the assessments and charges for Lots, be subject to annual assessments or charges and certain special assessments for Common Services.

Section Two: One-Time Initiation Fee and Annual Assessments. It is understood that all owners of lots within The Greens will become members of the The Greens Homeowners Association, a non-profit corporation organized and existing under the laws of the State of Washington. This Association, will provide for the assessment and collection of a one-time initiation fee approximately \$500.00 for each Purchaser of a Lot, at closing which will be paid directly to Developer to partially reimburse Developer for expenses associated with certain improvements installed by Developer on behalf of the Association.

In addition to the one-time initiation fee, The Association will also assess annual dues and each member is to maintain and improve the common areas of The Greens. The annual dues of the Association are \$500.00 per annum until amended and shall be paid to The The Greens Homeowners Association on a pro rata basis depending on the actual closing date of an owner's purchase of a Lot.

The initial annual assessment shall be \$500.00 per Lot commencing on January 1<sup>st</sup> of each year, 20% of which shall be allocated and paid to the Declarant/Developer for plat management services provided or by a professional management firm hired by the Declarant/Developer to the Association. Such allocation of funds to the Declarant/Developer shall cease when the development period expires and the Association assumes collection costs, bookkeeping, and other management responsibilities, which are described with particularity in the By-Laws of the Association. Each Builder/Lot Owner, upon purchasing from a Developer shall pay the pro rata portion of said assessment. Said annual assessment shall be due on or before January 30<sup>th</sup> of each year in which the assessment is made. The above referenced annual assessment and all subsequent annual assessments shall be paid to the Homeowners Association

who shall then pay for the expenses of the Association as required under the terms of this Declaration. In the event the expenses of the Association are in excess of the assessments collected, then the Builder/Owners who subsequently purchase from the Declarant shall pay the difference to the Association on a pro rata basis as determined by the number of Lots owned by all such Builder/Owners. At such time as there had been sufficient assessments collected by the Association, then said Builder/Owner shall be reimbursed.

*The Declarant shall not be responsible or liable for the payment of any assessment against any Lot owned by the Declarant.*

Section Three: Determination of Amount. The Board of Directors of the Association shall determine the amount of annual assessment necessary to pay Common Expenses at least 15 days prior to the start of its fiscal year. The amount of annual assessment may be increased or decreased periodically as may be necessary from time to time to provide properly for payment of the Common Expenses. The amount of such annual assessments shall be equal for all Lots subject to said annual and special assessments except for assessments of Owners of Maintained Lots. There shall be no annual assessment for Lots or Maintained Lots owned by Developer, without the consent of the Developer. The Association may create and maintain from regular annual assessments a reserve fund for replacement of those Common Area improvements which can reasonably be expected to require maintenance or replacement. Written notice of all assessments shall be given to each Owner. If the Board or ACC fails to fix an assessment for a fiscal year, the assessment shall be automatically continued at the sum previously set by the Board or ACC until such time as the Board acts.

Section Four: Certificate of Payment. The Association shall, upon written demand, furnish a certificate in writing setting forth whether the assessment on a specified Lot or Maintained Lot has been paid. A reasonable charge may be made for the issuance of the certificate. Such certificate shall be conclusive evidence of payment of any assessment stated to have been paid.

Section Five: Special Assessments. In addition to the annual assessments authorized above, the Association, by and through its Board of Directors, or the ACC may levy, in any year, a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of facilities in the Common Areas, including the necessary fixtures and personal property related thereto, or the provision of any necessary Common Services. However, Lots owned by the Developer shall not be subject to special assessments and the Developer shall not be obligated to pay any special assessments. Assessments may be made based upon the estimated cost of such work, prior to the work's commencement, provided such estimate has been provided by a licensed contractor retained by the Board or ACC for the purpose of such estimate. All special assessments for construction of new facilities or acquisition of new equipment, which is not for the upgrade, repair or replacement of existing construction or equipment, shall require approval of two-thirds the Members or Owners of Maintained Lots, as appropriate.

## ARTICLE EIGHT

**Collection of Assessments. Enforcement  
of Declaration. Attorney's Fees and Costs**

**Section One: Lien - Personal Obligation.** All assessments, together with interest and the cost of collection shall be a charge on the land and will be a continuing lien upon the Lot against which each such assessment is made. The lien shall have all the incidents of a mortgage on real property. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time the assessment fell due. No Owner may waive or otherwise avoid liability for assessments by non-use of the Common Areas, Common Services or abandonment of the Lot.

Initially, the annual homeowner association dues shall be \$500.00 per year. The Board of Directors may amend and modify the annual dues by a majority vote of the Directors presiding at that time. Upon the initial sale of a lot from the Declarant to the initial home purchaser, the home purchaser shall pay the one time initiation fee and the pro-rated annual dues for the remainder of the year at the time of closing.

**Section Two: Delinquency.** If any assessment is not paid within thirty (30) days after its due date, the assessment shall bear interest from said date at twelve percent (12%), or, in the event that twelve percent (12%) exceeds the maximum amount of interest that can be charged by law, then the highest permissible rate as provided for the law. A late charge of five percent (5%) of the amount overdue shall be charged for any payment more than ten (10) days past due. Each Member hereby expressly vests in the Association, or its agents, the right and power to bring all actions against each Member personally for the collection of such assessments as a debt and to enforce lien rights of the Association by all methods for the enforcement of such liens, including foreclosure by an action brought in the name of the Association in a like manner as a mortgage of real property, and such Member hereby expressly grants to the Association the power of sale in connection with such liens. The liens provided for in this section shall be in favor of the association, and shall be for the benefit of the Association. The Association shall have the power to bid at a foreclosure sale and to acquire, hold, lease, mortgage and convey any Lot obtained by the Association.

**Section Three: Suspension of Voting. Rights Common Services.** In the event any Member shall be in arrears in the payment of the assessments due or shall be in default of the performance of any of the terms of the Articles and Bylaws of the Association, the rules or regulations adopted by the Association, or the Declaration for a period of thirty (30) days, said Member's right to vote shall be suspended and shall remain suspended until all payments are brought current and all defaults remedied. In addition, the Association shall have such other remedies against such delinquent Members as may be provided in the Articles, Bylaws or Declaration. Default in the payment of assessments for Common Services shall entitle the ACC to suspend provision of Common Services for the defaulting Owner of a Maintained Lot and ACC voting rights.

**Section Four: Commencement of Assessments.** The assessments shall commence as to

each Lot within the property (except Lots owned by the Developer) upon the first day of the month following the initial conveyance of the Lot. The first assessment on any Lot shall be adjusted according to the number of days remaining in the month. At the time of each initial sale, the Developer may, at its election, collect from each Purchaser an amount equal to six months' assessment for the Association and ACC, to be placed in the Association's account. Any interest earned by the Association on assessments held by it shall inure to the benefit of the Association.

Section Five: Enforcement. The Board may take such action as is necessary, including the institution of legal proceedings, to enforce compliance with or specific performance of any of the covenants or restrictions contained in this Declaration, rules or regulations adopted by the Association, or the provisions of the Articles or Bylaws of the Association. In the event the Board commences an action to enforce any such rights, including the rights of any individual Lot Owner, the prevailing party shall be entitled to its attorney's fees, costs and expenses incurred in the course of such enforcement action as provided in Article Eighteen, Section Five.

## **ARTICLE NINE**

### **Building, Use and Architectural Restrictions**

Section One: Development Period. The Developer hereby reserves for itself, its successors and assigns, the right to exercise any and all powers and controls herein given to the Board of Directors, the ACC or its authorized representative in this Article of the Declaration, during the development period as described in Article Three, Section One. This reserved right shall automatically terminate when the Developer no longer owns any Lot in the Real Property or Adjacent Real Property, or at such earlier time as the reserved right is relinquished to the Board of Directors or the ACC of the Association. Each Lot shall be subject to this reserved right and each Owner shall take subject thereto.

Section Two: Authority of ACC After Development. At the expiration of the developer's management authority during the development period, the ACC shall have the authority and obligation to manage and administer the review of building plans, specifications and plot plans and such other submissions as described in Section Five herein, and to enforce these covenants, conditions and restrictions. Such authority shall include all authority provided for the ACC in the Association's Articles, Bylaws, Rules and Regulations, as initially adopted, or as the same may hereafter be amended; and all the authority granted to the ACC by this Declaration, either directly or by necessary implication.

Section Three: Delegation of Authority of ACC. The ACC or the developer may delegate any of its managerial duties, powers, or functions to any person, firm, or corporation. The ACC shall not be liable for any breach of duty, negligence, omission, intentional act or improper exercise by a person is delegated a duty, power or function by the ACC.

Section Four: Appointment of ACC. The Board shall appoint the members of the ACC. There shall be three members of the ACC, chosen in the manner described in the Articles and Bylaws of the Association.

Section Five: Approval Required. Except as to original construction, alteration, or improvements performed by the Developer, no construction activity of any type including clearing and grading, cutting or transplanting of natural vegetation may begin on a Lot or Common Area and no building, structure, fence or other improvement shall be erected, placed or altered on any Lot or Common Area until at a minimum, the building plans, specifications and plot plans showing the nature, kind, shape, height, materials, exterior color and location of such building, structure or other improvements have been submitted and approved in writing by the ACC or its authorized representative as to harmony of exterior design and location in relation to and its effect upon surrounding structures and topography. Further, no fences, hedges or walls shall be erected or altered and no exterior changes of any kind shall be made to any building including, but not limited to, exterior color changes, additions or alterations until such written approval shall have been obtained.

- a. If the ACC or its authorized representative shall fail to notify the Owner of its action for a period of thirty (30) days following the date of the submission of the required information to the ACC, or its authorized representative, the Owner may proceed with the proposed work notwithstanding the lack of written approval by the ACC or its authorized representative. The required information shall be submitted to the ACC upon personal delivery of a complete set of all required information on the person designated to receive such items by the ACC, or by mail three days after deposit in the U.S. Mail, postage prepaid, certified, return receipt requested, to the ACC in care of the Board of Directors of the Association at the address designated in the most recent notice of assessment issued by the Board, or at such other address as is designated by the ACC by written notice to the Members.
- b. The ACC shall have the authority to adopt and amend written guidelines to be applied in its review of plans and specifications, in order to further the intent and purpose of this Declaration and any other covenants or restrictions covering Real Property. If such guidelines are adopted they shall be available to all interested parties upon request.
- c. The ACC shall meet as is necessary to review any plans or specifications provided pursuant to this Section, and shall keep and maintain a record of all actions taken at meetings or otherwise.
- d. Approval by the ACC of any plans, drawings or specifications shall not be a waiver of the right to withhold approval of any similar plan, drawing, specification or matter submitted for approval.
- e. The ACC may retain and consult persons or entities qualified to assist in the evaluation of plans submitted to the Board for review.
- f. The ACC, its agents and the Members shall not be liable to the

Association, to any Owner or to any other person for any damage, loss or prejudice resulting from any action on a matter submitted to the ACC for approval of plans and specifications or for failure to approve any matter submitted to the ACC. The ACC or its members may consult with the Association or any Owner with respect to any plans, drawings or specifications, or any other proposal submitted to the ACC.

- g. The Board shall serve as an appellate panel to review decisions of the ACC upon request of a party aggrieved by the ACC's decision. The Board shall provide, through rules and regulations, a procedure by which decisions of the ACC may be appealed to the Board. The Board may choose, in its discretion, to limit the scope of such appeals and provide time limitations for appeals to be made to the Board.
- h. The ACC may recommend and request that the Board initiate legal proceedings to enforce the terms of these covenants or orders of the ACC. Legal proceedings may only be instituted, however, after approval of the Board.

Section Six: Restrictions on Permanent and Temporary Structures. If an "out building" or structure is placed or erected on a Lot, the "out building" or structure must conform to all applicable building codes and set back requirements. Despite building and zoning codes, in no event can the "out building or structure be taller than six (6) feet in height measured from the topography of the land to the structure's tallest point including antennae, if any. No basement, tent, shack, garage, barn or other outbuilding or buildings or any structure of a temporary or moveable character erected or placed on the Properties shall at any time be used as living quarters except as specifically authorized by the ACC.

This section and restriction contemplates and includes such things as carports (both permanent and temporary/portable), Recreational vehicle covers (both permanent and temporary/portable), boat covers (both permanent and temporary/portable), and car covers (both permanent and temporary/portable).

Section Seven: No noxious or undesirable thing, activity or use of any Lot in the Properties shall be permitted or maintained. If the ACC shall determine that a thing or use of property is undesirable or noxious, such determination shall be conclusive. The ACC may recommend and the Board may direct that steps be taken as is reasonably necessary, including the institution of legal action, to abate any activity, remove anything or terminate any use of property which is determined by the ACC or described in this Declaration to constitute a nuisance.

Section Eight: Limitation on Animals. No animal, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except cats, dogs, birds or fish may be kept if they are not kept, bred or maintained for any commercial purpose, and they shall not be kept in numbers or under conditions reasonably objectionable in a closely built-up residential community. Animals



shall not be allowed to roam loose outside the limits of any Lot on which they are kept. Any dogs must be kept so as to minimize excessive noise from barking or otherwise shall be considered a nuisance according to the terms of this Declaration.

Section Nine: Limitation on Signs. No sign of any kind shall be displayed to public view on any Lot, except one sign, not to exceed 24 inches by 24 inches, advertising the Lot (where posted) for sale or rent by the Owner thereof, or such Owner's authorized agent. In addition to other rights reserved to the Developer or its successors or assigns in the Declaration, the Developer hereby reserves for itself, its successors or assigns, so long as it owns any Lot, the right to maintain upon the property such signs as in the sole opinion of the Developer are required, convenient or incidental to the merchandising and sale of the Lots. All other signs except as described above shall only be displayed to public view after written approval of the ACC, its authorized representative, or the Developer as herein provided.

Section Ten: Completion of Construction Projects. The work of construction of all building and structures shall be prosecuted diligently and continuously from commencement of construction until the structures are fully completed and painted. All structures shall be completed as to external appearance, including finish painting, within six months of the date of commencement of construction, except such construction as is performed by the Developer, which shall be exempt from the limitations contained in this Section. Except with the approval of the ACC, no person shall reside on the premises of any lot until such time as the improvements to be erected thereon in accordance with the plans and specifications approved by the Board have been completed.

- a. No mobile homes or manufactured homes or modular homes are permitted within The Greens.
- b. The total finished floor area in any one residential unit should be no less than 1500 square feet for ramblers or two stories and 1550 square feet for splits or tri-levels with unfinished basements.
- c. No T-111 siding will be used on the front exterior.
- d. No individual water supply system shall be permitted on any lot.
- e. No individual sewer disposal system shall be permitted on any lot.
- f. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any lot, nor shall oil wells, banks, tunnels, mineral excavations or shafts be permitted upon or in any lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any lot.
- g. No lot or portion of a lot in this plat shall be divided and sold and/or



transferred whereby the ownership of any portion of this plat shall be less than the area required for the use as a single family residence within the prevailing Building Code for the City of Federal Way. The purpose of this section is to prevent the creation of "sub-standard" sized lots and/or "unbuildable" lots.

Section Eleven: Unsightly Conditions. No unsightly conditions shall be permitted to exist on any Lot. Unsightly conditions shall include, without limitation, laundry hanging or exposed in view for drying, litter, trash, junk or other debris; inappropriate, broken or damaged furniture or plants; no decorative gear, equipment, cans, bottles, ladders, trash barrels and other such items; and no awnings, air conditioning units, heat pumps or other projections shall be placed on the exterior walls of any Housing Unit unless prior written approval shall have been obtained from the ACC.

Section Twelve: Antennas Satellite Reception. No radio or television antenna or transmitting tower or satellite dish shall be erected on the exterior of any home or on any lot with the exception that a satellite dish eighteen (18) inches (more or less) in diameter may be attached to the exterior of any home with the approval of the Architectural Control Committee. If the satellite dish is affixed to the exterior of the actual house, there is no height restriction on its placement. However, if the satellite dish is placed on a pole or other structure apart from the house, the satellite dish can be no higher than seven (7) feet tall measured from the topography of the land.

Section Thirteen: Storage of Vehicles. Except as hereinafter expressly provided, the Lots, Common Areas and/or streets located on the Properties shall not be used for the storage and/or overnight parking of any vehicles; and no commercial vehicle, boat, boat trailer, house trailer, camper, truck, truck with camper, or other recreational vehicle or similar object may be stored and/or parked overnight on any part of the Properties, except as specified herein. No inoperable vehicles of any kind, or motorcycles shall be parked, stored, maintained, or constructed on any lot or street unless stored in a garage.

Notwithstanding the foregoing, the following two (2) uses are allowed:

- (1) It may be permissible by the ACC to approve a Lot Owner storing/parking a recreational vehicle, boat and/or boat trailer on the side or backyard of a Lot as long as (a) The ACC approves the Lot Owner's plans in advance; (b) a fence is constructed in conformity with the CC&R's with a gate made of the same material and height as the overall fence so that when the gate is closed, the object stored/parked is adequately screened from view in the sole discretion of the ACC on a case by case basis; (c) the ingress and egress of the object does not require a path that encroaches on another Lot Owner's parcel; and (d) if the ACC deems it important to the overall aesthetics of the neighborhood, the ACC can require an area of the Lot demarked as the ingress/egress path to be surfaced with crushed rock, asphalt or concrete and the ACC can require additional landscaping be maintained to enhance the overall appearance of the Lot.

- (2) Another use that is allowed concerns Lot Owners who have guests visiting them who intend to stay in a camper, trailer, or other form of recreational vehicle, may secure written permission from the ACC or its authorized representative, for guests to park a vehicle upon the Lot owned by a Lot Owner or the public street adjacent to a Lot for a period of up to 7 consecutive calendar days. The same camper, trailer or other form of recreational vehicle must then be immediately removed and cannot be parked in any area subject to these CC&Rs within the following 50 weeks. The privilege shall only exist, however, after the written permission has been obtained from the ACC or its authorized representative. Violation of this restriction shall result in a \$100 per day fine for each day of the violation.

The ACC or its authorized representative may give written notice of a violation to the Lot Owner or occupant and the Lot Owner or occupant shall have two (2) days from the date of receipt of the written notice to take whatever actions are necessary to remedy the violation. If said Lot Owner shall not comply within the three-day period, the ACC or its authorized representative is hereby granted the right to remove at the expense of the Owner thereof, any vehicles or similar items which are parked or stored in violation of the terms and provisions hereof. The Lot Owners hereby grant to the Association and the ACC an express easement for the purpose of going upon the Lots of said Lot Owners or public streets for the purpose of removing any vehicles or similar items which are parked or stored in violation of the terms and provisions hereof.

No mechanical repair shall be conducted on any Lot unless such repairs are conducted in a fully enclosed garage on the Lot on the Owner's private vehicle. Any such repair activity must be conducted in a manner which is not offensive to persons residing in the neighborhood, is not unsightly and does not result in unusual noise or debris being placed upon the premises. The power of the ACC to remove any inoperable vehicle or motorcycle or other motorized apparatus on which mechanical repairs are being conducted in violation of the terms of the covenant shall be exercised in the same manner as described above, in this Section.

Section Fourteen: Setbacks. No building shall be located on any Lot nearer to the front lot line or nearer to the side street than the minimum building setback lines adopted by the governmental authority with jurisdiction over the Properties. For purposes of this covenant, eaves, steps and open porches shall not be considered a part of a building; provided, however, that this shall not be construed to permit any portion of a building on a Lot to encroach upon another Lot.

Section Fifteen: Roofs. Roofs on all buildings must be finished with tile, cedar shakes or composition roof unless approval for use of other material is granted by the ACC or its authorized representatives. The color of the roofing material must be approved either by the Declarant or the Homeowner Association.

Section Sixteen: Driveways. All driveways and parking areas shall be exposed.

aggregate, unless approval for use of another material is granted by the ACC or its authorized representatives.

Section Seventeen: Fences and Walls. In order to preserve the aesthetics of the Properties, no fence, wall or hedge shall be erected or placed on any Lot unless prior written approval has been obtained from the ACC. The design and color of any fence on the properties shall be approved by the ACC before construction, and shall be substantially similar or in harmony with other fences located on the Properties. Fences are to be constructed of cedar material and shall not exceed 6 feet in height and stained a natural color.

Fences can not be erected in the front yard. A backyard fence can not extend beyond the front of the house or garage depending on the respective side the fence is built.

Section Eighteen: Residential Use Only: Home Businesses Limitation and Home Office Exception.

- a. Home Business: Except for Developer's temporary sales offices and model homes, no Lot shall be used for other than one detached single-family dwelling with driveway parking for not more than three cars, and no trade, craft business, commercial or manufacturing enterprise or business or commercial activity of any kind shall be conducted or carried on upon any to or within any building located on a lot; nor shall any goods, materials or supplies used in connection with any trade, service or business, wherever the same may be conducted, be kept or stored, outside any building on any Lot; nor shall any goods, used for private purposes and not for trade or business be kept or stored outside any building on any Lot.
- b. Home Office: However, the provisions of this Section may be waived in writing by the ACC upon application by a Lot Owner for "home office" use. In drawing a distinction between a Home Business and a Home Office, a Home Office will not adversely impact the neighborhood in the sole discretion of the Homeowner's Association, no clients or customers would visit the home and the Lot Owner would not have any other employees or independent contractors. Such application shall describe the type of home office use to be conducted, the estimated amount of traffic generated and the impact of such activity on the neighborhood. The ACC shall exercise its sole discretion to approve or disapprove such activity, balancing the interests of the Lot Owner with the impact on the neighborhood. Nothing in this Section shall permit the use of a Lot for a purpose which violates law or applicable zoning codes.

Section Nineteen: Refuse: No garbage, rubbish or cuttings shall be deposited on or left on the Lot premises, unless placed in an attractive container suitably located and screened from public view. No building material of any kind shall be placed or stored upon any Lot until the Owner is ready to commence construction; then such material shall be placed within the property line of the Lot upon which the structures are to be erected and shall not be placed in the street.

Section Twenty: Fuel Tanks Prohibited. No fuel tank shall be maintained on any Lot.

Section Twenty-One: Excavations. Except with permission of the ACC, or except as may be necessary in connection with the construction of any improvement approved by the ACC, no excavation shall be made nor shall any dirt be removed from a Lot.

Section Twenty-Two: Underground Utilities Required. Except for any facilities or equipment provided by the Developer or any utility, all electrical service, telephone lines and other outdoor utility lines shall be placed underground.

Section Twenty-Three: Enforcement. The Association, or the Developer during the development period, may, but is not required to, take any action to enforce the provisions of the Declaration available to it under law, including but not limited to specific performance, injunctive relief, and damages. Any Member may also enforce the terms of this Article, but must first obtain an order from a court of competent jurisdiction entitling the Member to relief. In the event that a Member takes action to enforce the terms of this Article, the Association shall not be in any way obligated to join in such action, or pay any of the attorney's fees, costs and expenses incurred in such action.

Section Twenty-Four: Restrictions on Use of Cul de Sac, Streets, Common Areas and Open Spaces. Lot Owner will not be allowed to erect basketball goals or place portable basketball goals in any location in front of the house including the cul de sac, streets, common areas, open spaces and/or sidewalks. Basketball backboard/hoop may not be attached to the garage area of the front of the house in the driveway area

Bicycle/skateboard/rollerblade/roller-skate/scooter use shall be allowed; however, they cannot be ridden on the sidewalks and cannot interfere with the adjacent property owner's quiet enjoyment of their respective property.

## **ARTICLE TEN**

### **Easements**

Section One: No Implied Easements. There are no implied easements over, upon or across any portion of the Properties.

Section Two: Easement for Encroachments. Each Lot is, and the Common Areas are, subject to an easement for encroachments created by construction settlement and overhangs as designed or constructed by the Developer, and to a valid easement for said encroachments and for maintenance of the same as long as the encroachments remain.

Section Three: Easements on Exterior Lot Lines. In addition to easements reserved on any plat of the properties or shown by instrument of record, easements for utilities and drainage are reserved for the Developer or its assigns, over a five-foot wide strip along each side of the

interior Lot lines, and seven feet over the rear and front of each Lot, and over, under, and on the Common Areas. Within all of the easements, no structure, planting or fill material shall be placed or permitted to remain which may, in the opinion of the Board or ACC, damage or interfere with the installation and maintenance of utilities, or which may obstruct or retard the flow of water through drainage channels and the easements. The easement area of each Lot and all improvements within it shall be maintained continuously by the Owner of such lot, except those improvements for which a public authority, utility company or the Association is responsible.

Section Four: Association's Easement of Access. The Association, the ACC, the ACC and its agents shall have an easement for access to each Lot and to the exterior of any building located thereon during reasonable hours as may be necessary for the following purposes: (a) cleaning, maintenance, repair or replacement of any home or Lot as provided in Article Seven, Section Three of this Declaration which shall also include the reasonable right of entry to the interior of any building, to the extent necessary to perform the work described in that article and section; (b) repair, replacement or improvement of any Common Area accessible from that Lot; (c) emergency repairs necessary to prevent damage to the Common Areas or to another Lot, or to the improvements thereon; (d) cleaning, maintenance, repair or restoration work which the Owner is required to do but has failed or refused to do; (e) all cleaning, maintenance or replacement of any home or lot as provided in Article Fourteen, Section Four, which shall also include the right of entry to the interior of any building, to the extent necessary to perform the work described in that article and section; (f) all work necessary to perform Common Services for Maintained Lots; and (g) all acts necessary to enforce these Covenants.

Section Five: Easement for Public Service Personnel. An easement for access by police, fire, rescue and other personnel is reserved across all Common Areas as necessary or appropriate for the performance of their public duties.

Section Six: Easement for Developer/Declarant. Developer/Declarant shall have an easement across all Common Areas for ingress, egress, storage and placement of equipment and materials, and other actions necessary or related to the development or maintenance of the Real Property.

Section Seven: Easement for installation and maintenance of utilities and drainage facilities. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. Within these easements, no structure planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities or which may change the direction of flow or drainage channels in the easements. The easement(s) of each lot and all improvements in it shall be maintained continuously by the owner of the lot, except for those improvements for which a public authority or utility company is responsible.

## ARTICLE ELEVEN

### Mortgage Protection

Section One: Mortgagees. Notwithstanding and prevailing over any other provisions of the Declaration, the Association's Articles of Incorporation or Bylaws, or any rules, regulations or management agreements, the following provisions shall apply to and benefit each Institutional First Mortgagee (Mortgagee) which holds a mortgage given for the purpose of obtaining funds for the construction or purchase of a Housing Unit on any Lot or the improvement of any Lot.

Section Two: Liability Limited. The Mortgagee entitled to the protection hereof shall not in any case or manner be personally liable for the payment of any assessment or charge, nor for the observance or performance of any covenant, restriction, regulation, rule, Association Article of Incorporation or Bylaw, or management agreement, except for those matters which are enforceable by injunctive or other equitable actions, not requiring the payment of money, except as hereinafter provided.

Section Three: Mortgagee's Rights During Foreclosure. During the pendency of any proceeding to foreclose the mortgage, the Mortgagee or the receiver, if any, may exercise any or all of the rights and privileges of the Owner of the mortgaged Lot, including but not limited to the right to vote as a Member of the Association to the exclusion of the Owner's exercise of such rights and privileges.

Section Four: Acquisition of Lot by Mortgagee. At such time as the Mortgagee shall become entitled to possession of the Lot, the Mortgagee shall be subject to all of the terms and conditions of the Declaration, and the Articles, Bylaws, rules and regulations of the Association, including but not limited to the obligation to pay for all assessments and charges accruing thereafter, in the same manner as any Owner; provided, however, the Mortgagee shall acquire the title to said Lot free and clear of any lien authorized by or arising out of any provisions of the Declaration which secure the payment of any assessment for charges accrued prior to the date the Mortgagee became entitled to possession of the Lot.

Section Five: Reallocation of Unpaid Assessment. If it is deemed necessary by the Association, any unpaid assessment against a Housing Unit foreclosed against may be treated as a common expense of other Lots. Any such unpaid assessment shall continue to exist as a personal obligation of the defaulting Owner of the respective Lot to the Association.

Section Six: Subordination. The liens for assessments provided for in this instrument shall be subordinate to the lien of any Mortgage, or other security interest placed upon a Lot or Housing Unit as a construction loan security interest or as a purchase price security interest, and the Association will, upon demand, execute a written subordination document to confirm the particular superior security interest.

Section Seven: Mortgagee's Rights. Any Mortgagee shall have the right on request therefore to: (a) inspect the books and records of the Association during normal business hours;

(b) receive an annual audited financial statement of the association within (90) days following the end of any fiscal year; and (c) receive written notice of all meetings of the Association and designate a representative to attend all Such meeting.

Section Eight: Limitation on Abandonment of Common Areas. The Association shall not, without the prior written approval of fifty-eight percent (58%) of the Mortgagees, seek to abandon the Common Areas for reasons other than substantial destruction or condemnation of the property.

Section Nine: Notice. Mortgagees shall be entitled to timely written notice of: (a) substantial damage or destruction of any Housing Unit or any part of the Common Areas or facilities; (b) any condemnation or eminent domain proceedings involving any Housing Units or any portion of Common Areas or facilities; (c) any default under this Declaration or the Articles, Bylaws or rules and regulations of the Association by an Owner of any Housing Unit on which it holds the mortgage which is not cured within thirty (30) days; (d) any sixty (60) day delinquency in the payment of assessments or charges owed by the Owner of any Housing Unit on which it holds the mortgage; (e) ten (10) days' prior written notice of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; and (f) any proposed action that requires the consent of a specific percentage of Mortgagees.

## **ARTICLE TWELVE**

### **Management Contracts**

Each Member hereby agrees that the Association and the ACC may enter into such agreements for the performance of any or all of the functions of the Association and the ACC with such persons or entities as the Association shall deem fit and proper in its judgment and discretion; provided, however, any agreement for professional management of the Properties, or any other contract providing for services by the Developer must provide for termination by either party without cause after reasonable notice.

## **ARTICLE THIRTEEN**

### **Insurance and Condemnation**

Section One: Coverage. The Association shall purchase as a Common Area Expense and shall have authority to and shall obtain insurance for the Common Areas against loss or damage by fire or other hazards in an amount sufficient to cover the full replacement value in the event of damage or destruction. It shall also obtain a comprehensive public liability policy covering the Common Areas. The comprehensive public liability coverage shall be in an amount to be determined by the Association, but shall not be less than \$1,000,000 concerning all claims for personal injury and/or property damage arising out of a single Occurrence. It shall also obtain, if available at a reasonable cost, insurance to cover the Board and the ACC, its agents and employees, from any action brought against them arising out of actions taken in furtherance of the Association's duties under this Declaration. Following the development period, all such



insurance coverage shall be written in the name of the Association as trustee for each of the Members of the Association. Costs of insurance obtained by the Developer during the development period shall be a Common Area Expense. The Association shall review the adequacy of the Association's insurance coverage at least annually. All policies shall include a standard mortgage's clause and shall provide that they may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least ten (10) days prior written notice to any and all, insured named therein, including Owners and Institutional First Mortgagees.

Section Two: Homeowner's Insurance Required. In addition to the aforementioned insurance carried by the Association, every Owner, at his own expense, shall insure his own Housing Unit against loss or damage by fire or other hazards in an amount equal to the full replacement value thereof, during any construction period and thereafter.

Section Three: Fidelity Bond. The Association shall obtain fidelity bonds which shall afford coverage to protect against dishonest acts on the part of officers, directors, managers, volunteers, trustees, and employees of the Association and the ACC or the managing agent and all the persons who handle or are responsible for handling funds of the Association and the ACC in an amount equal to three (3) months assessments on all Lots, including reserve funds. All such fidelity bonds shall name the Association as an Obligor, contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of employee or similar expression, and provide that they may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least ten (10) days prior written notice to any and all insureds named therein, including Owners and Institutional First Mortgagees.

Section Four: Replacement, Repair After Loss. In the event of the damage or destruction of the Common Areas covered by insurance written in the name of the Association, the Association may, upon receipt of the insurance proceeds, and to the extent of such proceeds contract to rebuild or repair such damaged or destroyed portions of the Common Areas to as good a condition as they were when the loss occurred; provided, however, that the Association's election not to rebuild the Common Areas shall require the approval of two-thirds (2/3) of the Association. The Association may in its sole discretion contract with any licensed contractor for reconstruction or rebuilding of such destroyed portions of the Common Areas.

In the event of damage or destruction by fire or other casualty to any Housing Unit, the Owner thereof shall, upon receipt of the insurance proceeds, contract to repair or rebuild such damage or destroyed portions in a good workmanlike manner in conformance with the original plans and specifications of said Housing Unit. Plans and specifications for such damaged or destroyed Housing Unit may be modified and the damaged or destroyed Housing Unit may be reconstructed in accordance with said modified plans and specifications if the Owner of the damaged or destroyed Housing Unit secures the approval of the ACC or the Developer, as the case may be, provided in this Declaration. In the event such Owner refuses or fails to commence such repair or rebuilding within thirty (30) days after such damage or destruction, unless such period is otherwise extended by the Association, the Association is hereby authorized by such



Owner, if the Association so desires, to repair, rebuild or clear and clean up any such Housing Unit. The Association shall first obtain an estimate of cost of performing such repair, rebuild or clearing/clean up work as is necessary, such estimate to be performed by a licensed contractor approved by the Board for such purpose. Upon provision of the estimate, the Association may assess the Lot owner for the cost of the proposed improvements, and such assessment shall become a lien in the manner described in Article Nine. Any rebuilding shall be done in a good and workmanlike manner. The Owner shall pay the Association the amount reasonably necessary to perform such repairs and reconstruction, and the Housing Unit shall continue to be subject to the lien for such amount until it is paid in full. The Association may, at any time, enforce its rights as provided in the Declaration for collection of the assessment and foreclosure of the lien.

Section Five: Condemnation. If at any time or times during the continuance of the Housing Unit ownership pursuant to this Declaration, all or any part of the Common Areas shall be taken or condemned by any public authority or sold or otherwise disposed of in lieu of or in advance thereof, the provisions of this Section Five shall apply, and notice of the proceedings or proposed acquisition shall promptly be given to each Owner and to each Institutional First Mortgagee.

All compensation, damages, or other proceeds there from, the sum of which is hereinafter called the Condemnation Award shall be payable to the Association. The Condemnation Award shall be apportioned among the Owners as directed by the Association who shall fairly and promptly allocate and distribute such Condemnation Award. If the entire property is condemned or taken, ownership in the Common Areas shall terminate. The Condemnation Award shall then be distributed among the Owners in like proportions.

## **ARTICLE FOURTEEN**

### **Rules and Regulations**

The Association and/or its Board of Directors is hereby authorized and empowered to adopt rules and regulations governing the use of the Properties and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof. All Lot Owners shall be given written notice of the rules and regulations or the rules and regulations may be posted in a conspicuous place in the Common Areas.

## **ARTICLE FIFTEEN**

### **Remedies and Waiver**

Section One: The remedies provided herein, including those for collection of any assessment or other charge or claim against any Member, for and on behalf of the Association and the ACC, or Developer, are in addition to, and not in limitation of, any other remedies provided by law.

Section Two: No waiver. The failure of the Association, the ACC, the Developer or of any of their duly authorized agents or any of the Owners to insist in any one or more instances

upon the strict performance of or compliance with the Declaration or any of the Articles, Bylaws or rules or regulations of the Association, or to exercise any right or option contained therein, or to serve any notice or to institute any action or summary proceedings, shall not be construed as a waiver or relinquishment of such right for the future, but such right to enforce any of the provisions of the Declaration or of the Articles, Bylaws or rules or regulations of the association shall continue and remain in full force and effect. No waiver of any provision of the Declaration or of the Articles, Bylaws, rules or regulations of the Association shall be deemed to have been made, either expressly or implied, unless such waiver shall be in writing and signed by the Board of Directors of the Association pursuant to authority contained in a resolution of the Board of Directors.

## **ARTICLE SIXTEEN**

### **Benefits and Burdens Run with the Land**

The covenants, restrictions, reservations and conditions contained herein shall run with the land as covenants real and equitable servitudes and shall be binding upon the Properties and each portion thereof and all persons owning, purchasing, leasing, subleasing or occupying any Lot on the Properties, and upon their respective heirs, successors and assigns. After the date on which the Declaration has been recorded, these covenants, restrictions, reservations and conditions may be enforced by the Association or Developer which shall have the right to enforce the same and expend Association monies in pursuance thereof, and also may be enforced by the Owner of any Lot.

## **ARTICLE SEVENTEEN**

### **General Provisions**

Section One: Singular and Plural. The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

Section Two: Severability. The invalidity of any one or more phrases, sentences, clauses, paragraphs or sections hereof shall not affect the remaining portions of this Declaration or any part hereof, all of which are inserted conditionally on their being held valid in law and in the event that one or more of the phrases, sentences, clauses, paragraphs or sections contained herein should be invalid, this Declaration shall be construed as if such invalid phrase, sentence, clause, paragraph, or section had not been inserted.

Section Three: These covenants, restrictions, reservations and conditions shall remain in full force and effect for a period of twenty (20) years from the date hereof. Thereafter, they shall be deemed to have been renewed for successive terms of ten (10) years, unless revoked or amended as hereinabove provided.

Section Four: Perpetuities. In the event that any provision or provisions of this

Declaration violate the rule against perpetuities, such provision or provisions shall be construed as being void and of no effect as of twenty-one (21) years after the death of the last surviving incorporator of the Association, or twenty-one (21) years after the death of the last survivor of all of the said incorporators children and grandchildren who shall be living at the time this instrument is executed, whichever is later.

Section Five: Attorney's Fees, Costs and Expenses. In the event the Association employs an attorney to enforce any provision of the Declaration, the Articles, Bylaws of the Association, or rules and regulations adopted by the Association, the prevailing party in any action for enforcement shall be entitled to the award of reasonable attorney's fees, costs and all expenses incurred in the action, whether determined by judgment, arbitration or settlement.

Section Six: Method of Notice. Any notice required by the Declaration or the Articles or Bylaws of the Association or the rules and regulations adopted by the Association shall be deemed properly given when deposited in the United States mail, postage prepaid.

## **ARTICLE EIGHTEEN**

### **Amendment and Revocation**

Section One: Exclusive Method. This instrument may be amended, and partially or completely revoked only as herein provided or otherwise provided by law.

Section Two: Amendment by Developer. During the development period, the Developer may amend this instrument in any and all respects including, but not limited to, adding Additional Real Property and to comply with the requirements of the Federal National Mortgage Association, Government National Mortgage Association, Veterans Administration or Federal Home Loan Mortgage Corporation by recording an acknowledged document setting forth specifically the provisions amending this instrument.

Section Three: Meeting. This Declaration may be amended at any annual meeting of the Association, or at a special meeting called for such purpose, if fifty-eight percent (58%) or more of the Owners vote for such amendment, or without such meeting if all Owners are notified in writing of such amendment, and if fifty-eight percent (58%) or more of the Owners vote for such amendment by written ballot. Notice of any proposed amendment shall be given to all Owners not less than ten (10) days prior to the date of the annual meeting or of any special meeting at which the proposed amendment shall be considered. Notwithstanding any of the foregoing, fifty-one percent (51%) of all Institutional First Mortgagees who have requested notification of amendments must give prior written approval to any material amendment to the Declaration or Bylaws, including any of the following:

- 3.1 Voting rights;
- 3.2 Assessments, assessment liens and subordination of such liens;

- 3.3 Reserves for maintenance, repair and replacement of Common Areas;
- 3.4 Insurance or fidelity bonds;
- 3.5 Responsibility for maintenance and repair;
- 3.6 Contraction of the project or the withdrawal of property from the Properties;
- 3.7 The boundaries of any Lot;
- 3.8 Leasing of Housing Units other than as Set forth herein;
- 3.9 Imposition of any restrictions on the right of an Owner to sell or transfer his or her Lot;
- 3.10 Any decision by the Association to establish self-management when professional management had been required previously by an Institutional First Mortgagee;
- 3.11 Restoration or repair (after hazard damage or partial condemnation) in a manner other than that specified in this Declaration.
- 3.12 Any action to terminate the legal status of the Properties after substantial destruction or condemnation occurs; or
- 3.13 Any provisions which are for the express benefit of Institutional First Mortgagees.

Section Four: Effective Date. Amendments shall take effect only upon recording with the Recorder of King County.

Section Five: Protection of Developer/Declarant. For such time as Developer shall own Lots located in the Properties there shall be no amendments to the Declaration, the Articles of Incorporation, the Bylaws of the Association, or any Rules and Regulations adopted by the Association which:

- a. Discriminate or tend to discriminate against the Developer's rights.
- b. Change Article I (Definitions) in a manner which alters the Developer's right or status.
- c. Alter the character and rights of membership or the rights of the Developer as set forth in Article III.
- d. Alter its rights as set forth in Article X relating to architectural controls.
- e. Alter the basis for assessments, or the Developer's exemption from assessments.

- f. Alter the number or selection of Directors as established if in the Bylaws.
- g. Alter the Developers rights as they appear under this Article.

IN WITNESS WHEREOF, the Declarant has hereunto set its hand this 25<sup>th</sup> day of August, 2007:

DECLARANT: Norris Homes, Inc., a Washington corporation.

By: Courtney Norris V.P.  
Courtney Norris, Vice President

STATE OF WASHINGTON )  
COUNTY OF KING )§

On this 25 day of August, 2007, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Courtney Norris to me known to be the Vice President of Norris Homes, Inc., the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute the said instrument.

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



Alicia Mandy Warren  
Printed Name: Alicia Mandy Warren  
NOTARY PUBLIC in and for the State of  
Washington, residing at Kent  
My commission expires: 11-10-11