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Snohomish County

Return to;

Mona Lisa Estate Partners
8227 44th Ave. W suite M
Mukilteo, WA 98275

CONDITIONS COVENANTS RESTRICTIONS

The Plat of; HIGHLAND VIEW ESTATES

Reference number; 9707175004

Grantor; MONA LISA ESTATE
PARTNERS

Grantee; HIGHLAND VIEW
ESTATES

Legal Description;

A PORTION OF THE E 1/2 OF THE SE 1/4 OF SEC.22, TWP.31N, RNG. 5 E., AND
A PORTION OF THE W 1/2 OF THE SW 1/4 OF SEC.23, TWP.31N, RNG. 5E., W.M.
CITY OF ARLINGTON
SNOHOMISH COUNTY, WASHINGTON

ASSESSOR'S PARCEL NUMBER(S);

233105-3-004-0001
233105-3-011-0002
233105-3-005-0000
233105-3-007-0008
233105-4-015-0007
233105-3-005-0000
233105-3-007-0008

DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS

OF

HIGHLAND VIEW ESTATES

ARLINGTON, WASHINGTON

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ARTICLE 1 INTERPRETATION

1.1 Liberal Construction. The provisions of this Declaration shall be liberally construed to create a uniform plan for the operation and maintenance of Highland View Estates.

1.2 Covenant Running with Land. This Declaration shall be a set of covenants running with the land binding on Declarant, its successors and assigns, all subsequent owners of the Property, together with their grantees, successors, heirs, executors, administrators, devisees or assigns.

1.3 Declarant is Original Owner. Declarant is the original Owner of all Lots and Property and will continue to be deemed the Owner thereof except as conveyances or documents changing such ownership regarding specifically described lots are filed of record.

1.4 Captions. Captions of the various articles and sections are for convenience only and are not intended to modify or affect the meaning of any of the substantive provisions hereof.

1.5 Definitions.

1.5.1 "Association" means the association of Lot Owners provided for in Article 4 and its successors and assigns.

1.5.2 "Board" means the Board of Directors of the Association provided for in Article 4.

1.5.3 "Common Area" means all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the Owners and shall include all Common Area described on the Plat Map.

1.5.4 "Declarant" means the undersigned (being the sole Owner of the real property described in Exhibit A hereof) and its successors and assignees if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development and by written instrument in recordable form be specifically assigned the rights and duties of Declarant.

1.5.5 "Declaration" means this declaration and any amendments thereto.

1.5.6 "Home" means any structure, or a portion of a structure, located on a Lot, which structure is designed and intended for use and occupancy as a residence by a single family or which is intended for use in connection with such residence.

1.5.7 "Lot" means and refer to any plot of land shown upon any recorded Plat

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Map of Highland View Estates, excluding Common Areas. "Lot" shall not include any land now or hereafter owned by the Association or by all of the Lot Owners as tenant-in-common, nor include any land shown on the Plat Map but dedicated to the public or to a governmental entity.

1.5.8 "Mortgage" means a recorded mortgage or deed of trust that created a lien against a Lot and shall also mean a real estate contract for the sale of a Lot.

1.5.9 "Mortgagee" means the beneficial owner, or the designee of the beneficial owner, of an encumbrance on a Lot created by mortgage or deed of trust and shall also mean the vendor, or the designee of a vendor, of a real estate contract for the sale of a Lot.

1.5.10 "Owner" means and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Home which is a part of Highland View Estates and, except as may be otherwise expressly provided herein, shall, in the case of a Lot which has been sold pursuant to a real estate contract, include any person of record holding a vendee's interest under such real estate contract, to the person of record holding a vendee's interest under such real estate contract, to the exclusion of the vendor thereunder. Any person or entity having such an interest merely as security for the performance of an obligation shall not be considered an owner.

1.5.11 "Person" shall include natural persons, partnerships, corporations, associations and personal representatives.

1.5.12 "Property", "Highland View Estates", or "Premises" means the real estate described in Exhibit A and all improvements and structures thereon, including such additions thereto as may hereafter be brought within the jurisdiction of the Association.

1.5.13 "Plat Map" means the Plat Maps recorded in conjunction with the Plat of Highland View Estates

1.6 Percentage of Mortgagees. For purposes of determining the percentage of first mortgagees approving a proposed decision or course of action, a mortgagee shall be deemed a separate mortgagee for each Lot on which it holds a mortgage that is a first lien on the Lot.

1.7 Percentage of Owners. For purposes of determining the percentage of Owners approving a proposed decision of course of action, an Owner shall be deemed a separate Owner for each Lot owned.

ARTICLE 2 OWNERSHIP OF COMMON AREAS

The Common Areas, if any, within any subsequent or precedent phases(s) will be deemed to

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be conveyed to the Association upon the recording of an amendment to this Declaration incorporating such phase within Highland View Estates and will be depicted on the Plat Map recorded in conjunction with such phase. The Common Areas shall exclude those portions of common areas (and improvements thereto) which have been or may hereafter be, dedicated to and owned by a governmental entity. The Common Areas shall for all purposes be under the control, management and administration of the Declarant until all Class B memberships terminate, and under the control, management and administration of the Association thereafter. The Association (and the Owners who are member thereof) have the responsibility and obligation to maintain, repair and administer the Common Areas in a clean, attractive, sanitary and safe condition and in full compliance with applicable governmental laws, rules and regulations and the provisions of this Declaration.

ARTICLE 3 OWNERS PROPERTY RIGHTS

3.1 Owners' Easements of Enjoyment. Every Owner shall have a non-exclusive right and easement, in common with all Owners, of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

3.1.1 The right of the Association to limit access to those portions of the Common Areas, which in the opinion of the Board, are dangerous.

3.1.2 The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area.

3.1.3 The right of the Association to suspend voting rights and right to use Common Areas by an Owner for: any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations. Until all Class B memberships terminate, the Association shall be required to suspend the voting rights of, and the rights to the use of, recreational facilities by a member for non-payment of an assessment, if the Declarant so requests.

3.1.4 The rights of the Association to dedicate or transfer all or any part of the Common Area, including easements across such properties, to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members of the Association. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds (2/3) of the Owners has been recorded and the provisions of Article 12 hereof have been observed.

3.1.5 The right of the Association to limit the number of guests of members;

3.1.6 The right of the Association, in accordance with this Declaration and its Articles and Bylaws, to borrow money for the purpose of improving the Common Area and

facilities and in aid thereof, to mortgage such property, but the right of such mortgagee in such property shall be subordinate to the rights of the homeowners hereunder and subject to the provisions of Section 11.1;

3.1.7 The right of the Association to take such steps as are reasonably necessary to protect any such mortgaged property against foreclosure, including, but not limited to, the right to charge admission and other fees as a condition to continued enjoyment by the member and, if necessary, to open the enjoyment of such properties to the public; and

3.1.8 Until all Class B memberships terminate, the exercise of all of the rights and powers set forth in subsections 3.1.2, 3.1.3, 3.1.4, 3.1.5, 3.1.6 and 3.1.7 shall require the prior written approval of Declarant.

3.2 Delegation of Use. Any Owner may delegate (in accordance with the Bylaws), his right of enjoyment to the Common Area and Facilities to the member of his family, or his tenants or contract purchasers who reside on Highland View Estates; and (subject to regulation by the Association) to his temporary guests.

ARTICLE 4 OWNERS' ASSOCIATION

4.1 Establishment. There is hereby created an association to be called HIGHLAND VIEW ESTATES HOMEOWNERS ASSOCIATION (referred to hereinafter as the "Association").

4.2 Form of Association. The Association shall be a nonprofit corporation formed and operated pursuant to Title 24, Revised Code of Washington. In the event of any conflict between this Declaration and the Articles of Incorporation for such non-profit corporation, the provisions of this Declaration shall prevail.

4.3 Membership.

4.3.1 Qualification. Each Owner of a Lot in Highland View Estates (including Declarant) shall be a member of the Association and shall be entitled to one membership for each Lot so owned. Ownership of a Lot shall be the sole qualification for membership in the Association.

4.3.2 Transfer of Membership. The Association membership of each Owner (including Declarant) shall be appurtenant to the Lot giving rise to such membership, and shall not be assigned, conveyed, pledged or alienated in any way except upon the transfer of title to that Lot and then only to the transferee of title to such Lot. An attempt to make a prohibited transfer shall be void. Any transfer of title to a Lot shall operate automatically to transfer the membership in the Association appurtenant thereto to the new Owner thereof.

4.4 Voting.

4.4.1 Classes of Voting membership. The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners except the Declarant. Class A members shall be entitled to one vote for each Lot owned.

Class B. The Class B member shall be the Declarant, which shall be entitled to three (3) votes for each Lot owned. The Class B memberships for the first phase of the development of Highland View Estates shall cease and be converted to Class A memberships on the happening of the first of the following events:

(a) when the total votes outstanding in the Class A memberships are equal to total or greater than votes outstanding in the Class B memberships, or

(b) the date when Declarant's management powers terminate, as provided in Section 5.2.

If the Declarant proceeds with the development of additional phases of Highland View Estates then the Declarant shall be entitled to additional Class B membership votes, three (3) votes for each unsold lot in the additional phase being developed. The Class B memberships for each additional phase of development of Highland View Estates shall cease and be converted to Class A memberships as each such lot is sold or when the Declarant's management powers terminate, as provided in Section 5.2.

In determining whether any given proposition shall have been approved by the membership, the total number of Class A and Class B votes shall be combined and appropriate percentage applied against that combined number.

4.4.2 Number of Votes. Except as provided above, the total voting power of all Owners shall equal the number of Lots at any given time and total number of votes available to Owners of any one Lot shall be one vote.

4.5 Bylaws of Association. Bylaws for the administration of the Association and Highland View Estates and to further the intent of this Declaration, shall be adopted or amended by the Owners at a regular or special meeting; provided, that the initial Bylaws shall be adopted by Declarant. In the event of any conflict between this Declaration and any Bylaws, the provisions of this Declaration shall prevail.

ARTICLE 5 MANAGEMENT OF THE ASSOCIATION

5.1 Administration of the Development. The Owners covenant and agree that the

administration of Highland View Estates shall be in accordance with the provisions of this Declaration and the Bylaws of the Association which are made a part hereof.

5.2 Management by Declarant. Highland View Estates shall be managed by the Declarant until the earlier of: (a) one hundred twenty (120) days after all Class B memberships terminate and Declarant elects not to proceed with any further phases of development of Highland View Estates; provided that if Declarant does not elect to proceed with any further phases of development of Highland View Estates within one (1) year after all Class B memberships terminate, then Declarant's management authority shall automatically terminate; or (b) the date on which Declarant elects to permanently relinquish all of its authority under this Section 5.2 by written notice to all Owners. Declarant, so long as it is managing Highland View Estates or a managing agent selected by Declarant, shall have the exclusive power and authority to exercise all the rights, duties and functions of the Board set forth or necessarily implied in this Declaration; provided, however, that the Association may not, however, be bound directly or indirectly to any contracts or leases without the right of termination exercisable without cause and without penalty at any time after transfer of control to the Board elected pursuant to Section 5.3, upon not more than ninety (90) days' notice to the other party to the contract.

5.3 Management by Elected Board of Directors. At the expiration of Declarant's management authority under Section 5.2 administrative power and authority shall vest in a Board of Directors elected from among the Lot Owners. The number of directors shall be specified in the Bylaws and shall be sufficient to adequately handle the affairs of the Association. The Board may delegate all or any portion of its administrative duties to a managing agent or officer of the Association. All Board offices shall be open for election at an organizational meeting. The Board shall elect from among its members a president who shall preside over meetings of the Board and meetings of the Association.

5.4 Authority Duties of the Board. On behalf of and acting for the Association, the Board (or the Declarant or Declarant's managing agent as provided in Section 5.2 hereof), for the benefit of Highland View Estates and Owners, shall have all powers and authority permitted to the Board under this Declaration, including but not limited to the following:

5.4.1 Assessments. Establish and collect regular assessments (and special assessments to the extent necessary and permitted hereunder) to defray expenses attributable to carrying out its duties hereunder and maintain an adequate reserve fund for the maintenance, repair and replacement of those portions of the Common Areas or facilities which must be maintained, repaired or replaced on a periodic basis, which reserve shall be funded by the above assessments.

5.4.2 Service. Obtain the services of persons or firms as required to properly manage the affairs of Highland View Estates to the extent deemed advisable by the Board including legal and accounting services, property management services as well as such other personnel as the Board determines to be necessary or proper for the operation of the Common Areas, whether such personnel as the Board shall determine are necessary or proper for the operation

5.4.4 Insurance. Obtain and pay for policies of insurance or bonds providing Common Area casualty and liability coverage, and for fidelity of Association officers and other employees, the requirements of which are more fully set forth hereinafter.

5.4.5 Maintenance and Repair of Common Areas. Pay for the costs of painting, maintenance, repair and all landscaping and gardening work for all Common Areas, and improvements located thereon, so as to keep Highland View Estates in good, clean, attractive, sanitary and safe condition in full compliance with applicable governmental laws, rules and regulations and provisions of this Declaration. The foregoing shall include replacing and repairing of furnishings and equipment, if any, for the Common Areas as the Board shall determine are necessary and proper.

5.4.6 Maintenance of Rights of Way, etc. To the extent deemed advisable by the Board, pay for the costs of maintaining and landscaping rights-of-way, traffic islands and medians, or other similar areas which are within or adjacent to Highland View Estates boundaries, and which are owned by or dedicated to a governmental entity, if the governmental entity fails to do so; provided, the Lot Owner at the Owner's expense (rather than the Association) shall maintain and landscape such areas as are adjacent such Owner's Lot which are not Common Areas.

5.4.7 Fences, etc. To the extent deemed advisable by the Board, pay for the cost of maintaining, repairing and replacing: perimeter and interior fences, if any; and landscaping and improvements on easements, if any, which are located on or across Lots; provided, the Board at its option may require a Lot Owner at the owner's expense to maintain, repair and replace such fences, landscaping and improvements as are adjacent to the Owner's Lot.

5.4.8 Enforce Declaration. Enforce the applicable provisions of the Declaration for the management and control of Highland View Estates

5.4.9 Maintaining and Payment for Materials, Services, etc. Contract and pay for any materials, supplies, labor and services which the Board determines are necessary or proper for the enforcement of this Declaration, including legal, accounting, management or other services; provided that if for any reason any materials, supplies, labor or services are provided for particular Lots or their Owners, the cost thereof shall be specially charged to Owner of such Lots.

5.4.10 Attorney in-fact. Each Owner, by the mere act of becoming an Owner,

irrevocably appoints the Association as his attorney-in-fact, with the power of substitution, to take such action as reasonably necessary to promptly perform the duties of the Association and Board, including but not limited to the duties to maintain, repair and improve the property, to deal with the property upon damage or destruction, and to secure insurance proceeds.

5.4.11 Borrowing of Funds. In the discharge of its duties and the exercise of its powers as set forth herein, but subject to the limitations set forth herein, the Board may borrow funds on behalf of the Association.

5.4.12 Adoption of Rules and Regulation. When and to the extent deemed advisable by the Board, to adopt reasonable rules and regulations governing the maintenance and use of Highland View Estates and other matters of mutual concern to the Lot Owners, which rules and regulations are not inconsistent with this Declaration and the Bylaws and which treat all Owners fairly and on a non-discriminatory basis.

5.4.13 Additional Powers of Association. In addition to the duties and powers of the Association, as specified herein, and elsewhere in the Declaration, but subject to the provisions of this Declaration, the Association, acting through its Board, shall have the power to do all other things which may be deemed reasonably necessary to carry out its duties and the purposes of this Declaration.

ARTICLE 6 ARCHITECTURAL CONTROL

6.1 Construction and Exterior Alteration or Repair.

6.1.1 All buildings and structures (including, without limitation, concrete or masonry walls, rockeries, fences, swimming pools, or other structures) to be constructed in Highland View Estates, and all exterior alterations and repairs (including, but not limited to, reroofing or repainting) of any buildings or structures in Highland View Estates and visible from any public street, Common Area or other Lot must be approved by the Board of Directors of the Association, or by an Architectural Control Committee(ACC) composed of three (3) or more representatives appointed by the Board; provided, that while Declarant owns any Lots within Highland View Estates Declarant at its option may exercise all of the rights and powers of the Board under Section 6.1 including without limitation the appointment of members of the ACC. References in this Article 6 to the ACC shall be deemed to include the ACC, the Board, or the Declarant, as circumstances may dictate. Complete plans and specifications of all such proposed buildings, structures, and exterior alterations and repairs, together with detailed plans showing the proposed location of the same on the particular building site and other data requested by the ACC, shall be submitted to the ACC before construction, alteration or repair is started. Construction, alteration or repair shall not be started until written approval thereof is given by the ACC. Any exterior modifications in accordance with plans and specifications developed by the Declarant and filed with the Board of Directors at the time of transfer (pursuant to Article 5.3) will be deemed approved exterior modifications.

6.1.2 The ACC will review submittals as to the quality of workmanship and materials planned and for conformity and harmony of the external design with proposed or existing structures on neighborhood residential Lots or building sites, and as to location of the building with respect to topography, finish grade elevation, and building setback restrictions.

6.1.3 If the ACC fails to approve or disapprove such design and location within thirty (30) days after the plans and specifications have been submitted to it, such plans and specifications will be deemed approved.

6.1.4 All plans and specifications submitted for approval by the ACC must be submitted to the ACC at least thirty (30) days prior to the proposed construction, exterior alteration, or repair starting date. The maximum height of any building shall be established by the ACC as part of the plan approval and shall be given in writing together with the approval.

6.1.5

One complete set of plans and specifications shall in each case be delivered to and left with the ACC permanently. The ACC shall have the right to refuse or suggest modification to any design only as noted in 6.1.2 for improvements

6.1.6

The ACC shall have the right to take into consideration the suitability of the exterior color scheme, and the harmony thereof, with the surroundings.

6.1.7

Recreational and structured recreational equipment, shall be subject to all the conditions, restrictions, and requirements as noted in 6.1.1 for all buildings and structures.

6.1.8 The ACC shall have the right to require, at a Lot Owner's expense, the trimming or topping (or, if deemed necessary by the ACC, removal) of any tree, hedge or

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shrub on a lot which the ACC determines is unreasonably blocking or interfering with the view or access to sunlight of another Lot.

6.1.9 The ACC shall have the right to specify precisely the size, color and style of mailboxes, and of the post or support on which such mailboxes are affixed, and their location within Highland View Estates

6.1.10 Declarant (including any successor in interest to Declarant's status as Declarant) shall not be subject to the restrictions of this Section 6.1 as to any Lot owned by Declarant, whether or not any Class B membership exists and whether or not management of the Association has been relinquished by Declarant pursuant to Section 5.2 hereof.

6.2 Sales Facilities of Declarant. Notwithstanding any provision in this Declaration to the contrary, Declarant (its agents, employees and contractors shall be permitted to maintain during the period of sale of Lots and/or Homes upon such portion of Highland View Estates (other than Lots sold by Declarant) as Declarant may choose, such facilities as in the sole opinion of the Declarant may be reasonably required, convenient or incidental to the construction, sale or rental of Lots and Homes, including, but not limited to, a business office, storage area, signs, model units, sales office, construction office, and parking cars for all prospective tenants or purchasers of Declarant.

ARTICLE 7 USE AND MAINTENANCE OBLIGATIONS OF OWNERS

7.1 Maintenance of Lots. Each Owner, at the Owner's sole cost and expense, shall promptly and continuously maintain, repair and restore the Owner's Lot (including the yard and landscaping) and Home and other improvements located thereon, and also such other areas as may be required pursuant to Section 5.4.6 and 5.4.7, in a good, clean, attractive, safe and sanitary condition and in full compliance with all applicable governmental laws, rules and regulations and the provisions of this Declaration and the rules and regulations of the Association.

7.2 Residential Use. Except as provided in Section 7.6, all Lots and improvements located thereon shall be used, improved and devoted exclusively to residential use. Nothing herein shall be deemed to prevent the Owner from leasing a Lot and improvements subject to all of the provisions of the Declaration.

7.3 Restriction on Further Subdivision. No Lot or portion of a Lot in this plat shall be divided and sold or resold, or ownership changed or transferred whereby the ownership of any portion of this plat shall be less than the area required for the use district in which located; provided, the foregoing shall not prohibit deeds of correction, deeds to resolve boundary disputes and similar corrective instruments. Lots may be joined and joined Lots may subsequently be subdivided only into the Lots originally joined.

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7.4 Rental Lots.

7.4.1 With respect to the leasing, renting, or creation of any kind of tenancy of a Lot and improvements thereon by its Owners, such Owner shall be prohibited from leasing or renting less than the entire Lot or improvements thereon, or (with exception of a lender in possession of a Lot and improvements thereon following a default in a first mortgage, a foreclosure proceeding or any deed of trust sale or other arrangement in lieu of a foreclosure) for a term of less than thirty (30) days; and all leasing or rental agreements shall be in writing and be subject to the Declaration and Bylaws (with a default of the tenant in complying with the Declaration and Bylaws constituting a default under the lease or rental agreement).

7.4.2 If a Lot or Home is rented by its Owner, the Board may collect, and the tenant or lessee shall pay over to the Board, so much of the rent for such Lot or Home as is required to pay any amounts due the Association hereunder, plus interest and costs, if the same are in default over thirty (30) days. The renter or lessee shall not have the right to question payment over to the Board, and such payment will discharge the lessee's or renter's duty of payment to the Owner for rent, to the extent such rent is paid to the Association, but will not discharge the liability of the Owner, and the Lot or Home under this Declaration for assessments and charges, or operate as an approval of the lease. The Board shall not exercise this power where a receiver has been appointed with respect to the lot or its Owner; nor in derogation of any rights which a mortgagee of such Lot may have with respect to such rents. Other than as stated herein there are no restrictions on the right of any Owner to lease or otherwise rent his Home.

7.5 Zoning Regulations. Zoning regulations, building regulations, environmental regulations and other similar governmental regulations applicable to the Property subject to this Declaration shall be observed. In the event of any conflict between any provision of such governmental regulations and restrictions of this Declaration, the more restrictive provisions shall apply.

7.6 Business Use. No business of any kind shall be conducted on any Lot with the exception of (a) the business of Declarant in developing and selling all of the Lots and (b) such home occupation which may be permitted by the appropriate local government and which is not otherwise in violation of the provisions of this Declaration.

7.7 Building Setback Requirements. All buildings and other Lot improvements shall comply with all applicable governmental requirements, including, without limitation, minimum setback requirements.

7.8 Oil and Mining Operations. 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, tanks, 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 erected, maintained or permitted upon any Lot.

7.9 Catch Basin. No private catch basins or other surface or subsurface water drainage systems may be connected to the street or to a public storm drainage system without the consent of the governmental authority having jurisdiction over the street or public storm drainage system. The cleaning of any catch basins on individual Lots shall be carried out at least once prior to September 15 of each calendar year

7.10 Lot Size. No residential structure shall be erected or placed on any Lot which has a lot area of less than that required by governmental entity having appropriate jurisdiction over High Clover Park.

7.11 Garages. Every Home must have garage which holds at least two full-sized cars, but no more than three full-sized vehicles (any car, boat, recreational vehicle, etc. Shall be deemed as one car for purposes of this limitation).

7.12 Square Footage. Each single family residence must include a minimum of 1,100 square feet for one story structures, and 1400 square feet for two story structures, excluding garage and porches.

7.13 Mobile or Manufactured Housing. Custom designs by licensed architects shall be strongly encouraged and any use of repetitive design shall be strictly discouraged and/or prohibited at the discretion of the ACC. The ACC may refuse to approve a plan based on design or repetitive use of a plan, or for failure to meet the approved criteria as set forth. There shall be no mobile or manufactured housing.

7.14 Driveway Standards. All driveways on private lots shall be constructed of concrete with a minimum of aggregate finish or other material approved by ACC.

7.15 Parking. Unless substantially screened from view from the street or from the ground level of adjacent Lots in a manner reasonably approved by the ACC, no recreational vehicles, commercial vehicles, construction or like equipment, boats, or trailers (utility, boat, camping, horse, or otherwise) shall be allowed to be parked or stored on any Lot, or street for a period in excess of 14 days. The Board of Directors shall have full authority to determine if any vehicle is obnoxious or undesirable to other Lot Owners and take appropriate steps to correct such a violation of this covenant.

7.16 Roof. The exterior of all roofs shall be composed of materials approved by

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ACC. All roofs must have a pitch of at least 4/12, unless approved by the ACC based on considerations regarding a specific Lot. Under no circumstances are flat roofs allowable.

7.17 Exterior Finish. LAP Siding on front of houses. Sheet siding or better on sides and rear

Exterior trim, fences, doors, railing, decks, eaves, gutter and the exterior finish of garages and other accessory building shall be designed, built and maintained to be compatible with the exterior of the structures they adjoin. —

7.18 Utilities. All utilities shall be installed underground. No fuel tank shall be maintained above ground unless properly screened in a manner acceptable to the ACC.

7.19 Antenna. No antenna, satellite dish with a diameter larger than twenty-four inches, or other similar type of exterior equipment shall be allowed on any lot unless approved by the ACC. No such equipment shall be visible from the street.

7.20 Fencing. No fences or site-screening improvements shall be erected without the written approval of the ACC. Fences may only be placed (a) along the rear property line, (b) along the side lot lines from the front building line to the rear lot line and (c) from a side lot line fence to the side of a house. No fence may exceed 6 feet in height and under no circumstances may obstruct view from any other lot, provided that the height limitation shall not apply to site screening approved by the ACC pursuant to Section 7.15. A fence must be constructed of wood or other material approved by the ACC. All fences must also comply with the building code of the City of Arlington. Hedges or other solid screen planting may be used as lot line barriers subject to the same height restrictions as fences.

7.21 Fireplace Chimneys. Fireplace chimneys must be constructed with material approved by the ACC and otherwise required by this Declaration.

7.22 Garbage and Refuse. No garbage, refuse, rubbish, cuttings, or debris of any kind shall be deposited on or left upon any Lot unless placed in an attractive container suitably located and screened from the view of any other lot Owner. All equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition. No building material of any kind shall be placed or stored on any property within the development until the Lot Owner is ready to commence construction, and then such materials shall be placed within the boundary lines of the Lot upon which its use is intended. Garbage cans may only be placed in public view on the day of garbage pick-up. All woodpiles and storage areas must be placed so that they do not obstruct or hamper any other Lot Owner's view and must be suitably screened from all other Lot Owner's views.

7.23 Games and Play Structures. No platform, dog house, playhouse or structure of a similar kind or nature shall be constructed on any part of a Lot located in front of the rear

line of the residence constructed thereon, and any such structure must have prior approval of the ACC. No such structures shall be built by a private Lot owner in any Common Areas or park area.

7.24 Tool Sheds. Custom built or manufactured tool sheds not larger than 200 square feet and not higher than eight feet may be constructed at a suitable location on a Lot, subject to the advance approval of the ACC as to design, color and location.

7.25 Construction of Significant Recreational Facilities. The construction of any significant recreational facilities on any Lot including, but not limited to, such items as swimming pools, tennis, badminton, or pickle ball courts shall require the approval of the ACC and shall be subject to the requirements adopted by the ACC.

7.26 Livestock and Poultry. No animals or reptiles of any kind shall be kept on Highland View Estates except that dogs, cats, and other indoor household pets may be kept provided that they are not kept, bred, or maintained for any commercial purpose. No individual Lot Owner shall keep more than two animals of the same kind or four animals in total. No dogs shall be allowed outside of a fenced yard without being on a leash and tended by a person.

7.27 Landscaping. All cleared areas in front of building line to the street shall be fully landscaped within 30 days, depending on weather conditions, of the time when the house is ready for occupancy. Owner shall install or have installed within 6 months of occupancy the balance of all landscaping unless a time longer is approved by the ACC.

7.28 Signs. No signs of any kind, nor for any uses shall be erected, posted, painted or displayed on any building site in this subdivision whatsoever, except: public notice by a political division of the State or County or as required by law; any building or the builder's agent may erect and display signs during the period the builder is building and selling property in the subdivision as approved by the ACC; and any Lot Owner or the Lot Owner's agent wishing to sell that Owner's Lot may place one sign not larger than 900 square inches on the property itself subject to the approval of the ACC.

7.29 Temporary Structures. No trailer, basement, tent, shack, garage, barn or other outbuildings or any structure of a temporary character erected or placed on Highland View Estates shall at any time be used as a residence, even temporarily. No building or structure shall be moved on to Highland View Estates from any land outside the development. A trailer may be placed and occupied by the designated subdivision sales agent with the prior written approval of the ACC. A construction shack may be used by an Owner's construction contractor during the construction period.

7.30 Completion of Construction. All construction shall begin within six (6) months of the date of closing for each Lot. Any dwelling or structure erected or placed on any Lot shall be completed as to external appearances, including finish painting or stained, and

shall be connected to sewers within eight (8) months from the date of commencement of construction, unless some longer period of time is approved in writing by the ACC.

7.31 Easements. Easements for the installation and maintenance of utilities and drainage, and irrigation facilities, are reserved as shown on the recorded Plat. Within these easements, no structure, planting or other materials shall be placed or permitted to remain which may damage or interfere with the installation and/or maintenance of such utilities, or which may change the direction, obstruct or retard the flow of water through a drainage channel in the easements. The surface of easements on any Lot and all improvements in it shall be maintained continuously by the Lot Owner.

7.32 Use During Construction. Except with the approval of the ACC, no person shall reside upon the premises of any Lot until such time as the improvements to be erected thereon are in accordance with the plans and specifications approved by the ACC. Completion shall be considered receipt of a final inspection or issue of certificate of occupancy for the dwelling unit by the local governmental agency having jurisdiction for the subject of the inspection or the certificate.

7.33 Excavations. Except with the permission of the ACC, or except as may be necessary in connection with the construction of any approved improvement or minor landscaping contouring, no excavation shall be made nor shall any dirt be removed from or added to any lot herein.

7.34 Nuisances. No noxious or undesirable thing or noxious or undesirable use shall be permitted or maintained upon any Lot or upon any other portion of Highland View Estates. If the Board of Directors determines that a thing or use is undesirable or noxious, that determination shall be conclusive.

7.35 Clothes Lines, Other Structures. No clothes lines or other structures of a similar nature shall be visible from the front street.

7.36 Common Drives. Common drives, walks, (if any) and paths (if any) shall be used exclusively for normal transit and no obstructions shall be placed thereon or therein except by the express written consent of the Board.

ARTICLE 8 COMMON EXPENSES AND ASSESSMENTS

8.1 Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within Highland View Estates hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association any assessment duly levied by the Association as provided herein. Such assessments, together with interest, costs, late charges and reasonable attorney's fees, shall be a charge on the land and shall be a continuing

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lien upon the property against which each such assessment is made. Each such assessment, together with interest costs, late charges and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless the lien for such delinquent assessments had been properly recorded prior to title transfer or unless expressly assumed by them. Provided, however, that in the case of a sale of any Lot which is charged with the payment of an assessment or assessments payable in installments, the person or entity who is the Owner immediately prior to the date of any such sale shall be personally liable only for the amount of the installments due prior to that date. The new Owner shall be personally liable for installments which become due on and after that date. Any lien hereunder shall survive a foreclosure by any mortgagee or deed of trust holder or any other person possessing foreclosure rights and the obligation underlying the lien shall be the personal obligation of any person coming into title of a foreclosed Lot.

8.2 Uniform Rate. Any assessments which may be levied from time to time pursuant to the authority of the Board as set forth in Section 5.4.1 hereof, shall be fixed at a uniform rate for each Lot, except for assessments levied against an Owner for the purpose of reimbursing the Association for costs incurred in bringing the Owner or his Home and/or Lot into compliance with the provisions of this Declaration. Declarant shall pay any assessment levied against any Lots owned by it. An assessment against a lot shall be the joint and several personal obligation of all Owners of that Lot.

8.3 Limitation on Annual Assessment Amount.

8.3.1 Board Authority. The Board shall have the authority, without obtaining prior approval of the Owners to levy assessments in a given calendar year totaling not more than \$200.00 per lot. Assessments included in the foregoing calculation shall not include any assessments which are levied against an Owner for reimbursing the Association for costs incurred in bringing the Owner of his Home and/or Lot into compliance with the provisions of this Declaration.

8.3.2 Inflationary Increase in Dollar Limit. The dollar amount specified in Section 8.3.1 shall be increased proportionately by the increase in the consumer price index for the City of Seattle, Washington, for All Urban Consumers, prepared by the United States Department of Labor for the base period, January 1, 1996, to adjust for any changes in the index.

8.3.3 Owner Approval Required. Except as to governmental assessments as provided in Section 8.3.4, any assessment to be levied in a calendar year which would cause the total of all assessments for the year to exceed the sum per Lot permitted by Section 8.3.1 shall require the calling of a meeting of the Association upon notice sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting, and the approval at such meeting of the levy of such assessment by a majority of the Lots represented at such meeting, provided a quorum is present as defined in the Bylaws. In addition, any

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borrowing by the Association in any amount shall require the approval of the member in the manner set forth herein.

8.3.4 Governmental Assessments. If any governmental authority issues an assessment against the Association or its properties for any reason, including taxes, the Board may issue a special assessment against the Lots to pay for the cost of the assessment and/or the reasonable cost of contesting the assessment.

8.4 Accounts. Any assessments collected by the Association shall be deposited in one or more insured institutional depository accounts established by the Board. The Board shall have exclusive control of such accounts and shall maintain accurate records thereof. No withdrawal shall be made from the accounts except to pay for charges and expenses authorized by the Declaration.

8.5 Lien. If any assessment or installment thereof remains delinquent for more than thirty (30) days, the Board may, upon fifteen(15) days' prior written notice to the Owner of that Lot, accelerate and demand immediate payment of the entire assessment. The amount of any assessment assessed or charged to any Lot plus interest, costs, late charges and reasonable attorneys' fees, shall be a lien upon such Lot. A Notice of Assessment shall be recorded in the office of the Snohomish County Auditor, or its successor. Such Notice of Assessment may be filed at any time at least fifteen (15) days following delivery of the notice of default referred to above in this Section 8.5. The lien for payment of such assessments and charges shall have priority over all other liens and encumbrances, recorded or unrecorded, limited as provided in Section 11.1. Suit to receive a money judgment for unpaid assessments or charges shall be maintainable without foreclosure or waiver of therein securing the same.

8.6 Waiver of Homestead. Each Owner hereby waives, to the extent of any liens created pursuant to this Article, the benefit of any homestead of exemption law in effect at the time any assessment or installment thereof becomes delinquent or any lien is imposed pursuant to the terms hereof.

8.7 Continuing Liability for Assessments. No Owner may exempt himself from liability for his Assessments by abandonment of his Lot.

8.8 Records; Financial Statements. The Board shall prepare or cause to be prepared for any calendar year in which the Association levies or collects Any assessments and shall distribute to all Owners, a balance sheet and an operating (income/expense) statement for the Association, which shall include a schedule of assessments received and receivable, identified by the number of the Lot and the name of the Owner so assessed. The Board shall cause detailed and accurate record of the receipts and expenditures of the Association to be kept specifying and itemizing the maintenance, operating, and any other expenses incurred. Such records, copies of this Declaration, the Articles and the Bylaws, and any resolutions authorizing expenditures of Association funds shall be available for examination by any owner at convenient hours of weekdays.

8.9 Certificate of Assessment. A certificate signed and acknowledged by the treasurer or the president of the Board, or an authorized agent thereof if neither the president nor treasurer is available, stating the indebtedness for assessments and charges or lack thereof secured by the assessment lien upon any Lot shall be conclusive upon the Association as to the amount of such indebtedness on the date of the certificate, in favor of all persons who rely thereon in good faith. Such a certificate shall be furnished to any Owner or any encumbrance of a Lot within a reasonable time after request, in recordable form, at a reasonable fee. Unless otherwise prohibited by law, any creditor holding a lien on a Lot may pay any unpaid assessments or charges with respect to such Lot, and upon such payment, shall have a lien on such Lot for the amounts paid of the same rank as the lien of his encumbrance.

8.10 Foreclosure of Assessment Lien: Attorneys' Fees and Costs. The Declarant or Board, on behalf of the Association, may initiate action to foreclose the lien of, or collect, any assessment. In any action to foreclose the lien of, or otherwise collect, delinquent assessments or charges, any judgment rendered in favor of the Association shall include a reasonable sum for attorneys' fees and all costs and expenses reasonably incurred in preparation for or in the prosecution of the action, in addition to taxable costs permitted by law.

8.11 Curing of Default. The Board shall prepare and record a satisfaction and release of the lien for which a Notice of Assessment has been filed and recorded in accordance with this Article upon timely payment of other satisfaction of all delinquent assessments set forth in the Notice, and all other assessments which have become due and payable following the date of such recordation with respect to the Lot as to which such Notice of Assessment was recorded, together with all costs, late charges and interest which have accrued thereon. A fee of twenty-five dollars (\$25.00) covering the cost of preparation and recordation shall be paid to the Association prior to such action. The satisfaction of the lien created by the Notice of Assessment shall be signed by the president or treasurer of the Association or by any authorized representative of the Board. For the purposes of this paragraph, the term "costs" shall include costs and expenses actually incurred or expended by the Association in connection with the cost of preparation and recordation of the Notice of Assessment and in efforts to collect the delinquent assessments secured by the lien and a reasonable sum for attorneys' fees.

8.12 Payment by Owners. Each Owner shall be obligated to pay its share of common expenses and special charges made pursuant to this Article to the treasurer for the Association. Annual Assessments shall be paid in full on or before the annual due date established by the Board. Special assessments shall be payable annually, or in equal monthly installments on or before the first day of each month during each year, or in such other reasonable manner as the Board shall designate. Assessments for each Lot Owner shall begin on the date the Owner closes the transaction in which he acquires right, title or interest in the Lot. Assessments for the initial month shall be prorated if closing occurs on other than the first of the month. Any assessment or charge which remains unpaid for at least thirty(30) days

shall bear interest at the rate of twelve percent (12%) from due date until paid. In addition, the Board may impose a late charge in an amount not exceeding twenty-five(25%) of any unpaid assessment or charge which has remained delinquent for more than fifteen (15) days.

8.13 Omission of Assessment. The omission by the Board or the Association to fix the estimated assessments and charges hereunder for the next year before the expiration of any current year shall not be deemed a waiver or modification in any respect of the provisions of this Declaration, or a release of the Owner from the obligation to pay the assessments and charges, or any installment thereof for that or any subsequent year. The assessment and charge fixed for the preceding year shall continue until a new assessment or charge is fixed.

8.14 Assessment Deposit. A lot Owner may be required, by the Board or by the managing agent, from time to time, to make and maintain a deposit of not more than the total of: one (1) Annual Assessment; plus either one (1) Special Assessment if Special Assessments are payable on an annual basis, or three (3) Special Assessment installments if Special Assessments are payable on a monthly or other periodic basis. Such deposit may be collected as are other assessments and charges. Such deposit shall be held in a separate fund, be credited to such Owner, and be for the purpose of establishing a working capital fund for the initial Highland View Estates operations and a reserve for delinquent assessments. Resort may be had thereto at any time when such Owner is ten (10) days or more delinquent in paying his assessments and charges, to meet unforeseen expenditures, to acquire additional equipment of services deemed necessary or desirable by the Board, or as a credit against any Annual or Special assessment to become due from such Owner. The deposits shall not be considered as advance payments of Annual Assessments. All or any portion of such deposit may at any time be refunded to the Owner by the Association at the discretion of the Board, such refund being made as a cash refund or a credit against assessments subsequently to become due or a combination thereof.

8.15 Exempt Property. The following property subject to this Declaration shall be exempt from the assessments created herein:

8.15.1 All properties dedicated to and accepted by a governmental entity;

8.15.2 All Common Properties; and

8.15.3 All properties owned by a charitable or nonprofit organization exempt from taxation by the laws of the State of Washington.

However, the land or improvements, which are referred to in Sections 8.15.1, 8.15.2 and 8.15.3 and which are devoted to dwelling use, shall not be exempt from the assessments.

8.16 Effect of Legal Proceedings. In any legal proceeding commenced pursuant to Section 9.1.1, and notwithstanding the assessment limitations provided for in this Declaration, the court having jurisdiction over such proceeding shall also have jurisdiction and power to

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cause assessments to be levied and collected on an equal per Lot basis in such amount as is reasonably necessary to cause Highland View Estates to be properly administered in accordance with the provisions of this Declaration and the Bylaws, or to cause the provisions of this Declaration and the Bylaws to be properly applied and enforced.

ARTICLE 9 COMPLIANCE WITH DECLARATION

9.1 Enforcement.

9.1.1 Compliance of Owner. Each Owner, Board member and Association shall comply strictly with the provisions of this Declaration and with the Bylaws and administrative rules and regulations adopted by the Association (as these may be lawfully amended from time to time). Failure to comply shall be grounds for an action to recover sums due for damages, or injunctive relief, or both, maintainable by the Board (acting through its officers on behalf of the Association and the owners), or by the aggrieved Owner on his own against the party (including an Owner of the Association) failing to comply.

9.1.2 Compliance of Lessee. Each Owner who shall rent or lease his Lot shall insure that the lease or rental agreement will be in writing and subject to the terms of this Declaration, Articles of Incorporation, if any, and Bylaws. The agreement shall further provide that failure of any of any lessee to comply with the provisions of the documents shall be a default under the lease.

9.1.3 Attorneys' Fees. In any action to enforce the provisions of this Declaration, the Articles or the Bylaws, the prevailing party in such legal action shall be entitled to an award for reasonable attorneys' fees and all costs and expenses reasonably incurred in preparation for a prosecution of the action, in addition to taxable costs permitted by law.

9.2 No Waiver of Strict Performance. The failure of the Board, or Declarant or Declarant's managing agent, as applicable, in any one or more instances to insist upon or enforce the strict performance of any of the terms, covenants, conditions or restrictions of this Declaration, or of any Bylaws or administrative rules or regulations, shall not construed as a waiver or relinquishment for the future of such term, covenant, condition or restriction, but such term, covenant, condition or restriction shall remain in full force and effect. No waiver by the Board of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Board. In any action brought on behalf of the Association to enforce any part of these covenants, no Member may raise the defense that the covenants, or any part thereof, are not enforceable because of the existence of other violations of the covenants unless that Member has provided written notification of the other violations to the Association prior to that Member being notified of his violation of these covenants.

9.3 Right of Entry. Violation of any of the provisions hereof shall give to

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Declarant, its successors, or the Association, the right to enter upon the Lot as to which such violation exists and to abate, correct and remove, at the expense of the Owner thereof, any erection, thing or condition that may be or exists thereon contrary to the provisions hereof. Such entry shall be made only after three (3) days' written notice to the Owner and with as little inconvenience to the Owner as possible, and any damage caused thereby shall be repaired by the Association. Declarant, its successors, or the Association shall not be deemed guilty of any manner of trespass by such entry, abatement or removal.

9.4 Remedies Cumulative. The remedies provided are cumulative, and the Board may pursue them concurrently, as well as any other remedies which may be available under law although not expressed herein.

ARTICLE 10 MORTGAGE PROTECTION

10.1 No Personal Liability. So long as a Board member, Association Committee member, Association officer, or Declarant exercising the powers of the Board, has acted in good faith, without willful or intentional misconduct, upon the basis of such information as may be possessed by such person, no such person shall be personally liable to any Owner, or other party, including the Association, for any damage, loss or prejudice suffered or claimed on account of any act, omission, error, negligence (except gross negligence), and discretionary decision, or failure to make a discretionary decision, by such person in such person's official capacity; PROVIDED, that this section shall not apply where the consequences of such act, omission, error or negligence are covered by insurance or bonds obtained by the Board pursuant to this Declaration.

10.2 Indemnification of Board Members. Each Board member or Association committee member, or Association Officer, or Declarant exercising the powers of the Board, and their respective heirs and successors, shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of being or having held such position at the time such expenses or liabilities are incurred, except in such cases wherein such person is adjudged guilty of intentional misconduct, or gross negligence or a knowing violation of law in the performance of his duties, and except in such cases where such person has participated in a transaction from which that person will personally receive a benefit in money, property, or services to which that person is not legally entitled; PROVIDED, that in the event of a settlement, the indemnification shall apply only when the Board approves such settlement and reimbursement as being in the best interest of the Association. Nothing contained in this Section 10.2 shall, however, be deemed to obligate the Association to indemnify any Member or Owner of a Lot who is or has been Board member or officer of the Association with respect to any duties or obligations assumed or liabilities incurred by him under and by virtue of the Declaration as a Member or Owner of a Lot covered thereby.

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ARTICLE 11 MORTGAGEE PROTECTION

11.1 Priority of Mortgages. Notwithstanding all other provisions hereof, the liens created under this Declaration upon any Lot for assessments shall be subject to tax liens on the Lot in favor of any assessing unit and/or special district and be subject to the rights of the secured party in the case of any indebtedness secured by first lien mortgages which were made in good faith and for value upon the Lot. If a court of competent jurisdiction rule that the Mortgagee or other purchaser of a Lot as a result of mortgage or other foreclosure or deed in lieu thereof is not liable for the share of any assessment by the Association chargeable to such Lot which becomes due prior to such foreclosure, such unpaid share of common expenses or assessments shall be deemed to be common expenses collectible from all of the Lot Owners including such possessor, his successor and assigns. For the purpose of this section the terms "mortgage" and "mortgagee" shall not mean a real estate contract or the vendor, or the designee of a vendor thereunder, or a mortgage or a deed of trust (or mortgagee or beneficiary thereunder) securing a deferred purchase price balance owed with respect to a sale by an individual Lot Owner other than Declarant.

11.2 Effect of Declaration Amendments. No amendment of this Declaration shall be effective to modify, change, limit or alter the rights expressly conferred upon Mortgagees in this instrument with respect to any unsatisfied mortgage duly recorded unless the amendment shall be consented to in writing by the holder of such mortgage. Any provision this Article conferring rights upon Mortgagees which is inconsistent with any other provision of this Declaration shall control over such other inconsistent provisions.

11.3 Right of Lien Holder. A breach of any of the provisions, conditions, restrictions, covenants easements or reservations herein contained shall not affect or impair the lien or charge of any bona fide Mortgage made in good faith and for value on any Lots; provided, however, that any subsequent Owner of the Lot shall be bound by these provisions whether such Owner's title was acquired by foreclosure or trustee's sale or otherwise.

11.4 Change in Manner of Architectural Review and Maintenance Within High Clover Park; Insurance and Use of Proceeds. The Association shall not, without prior written approval of seventy-five (75%) of all first Mortgagees (based upon one vote for each first Mortgage owned) or Owners (other than the sponsor, developer or builder) of record by act or omission change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearance of Homes, the exterior maintenance of Homes, maintenance of walkways, fences and driveways, or the upkeep of lawns and planting in the development, including the provisions of Articles 4 and 5 hereof.

11.5 Copies of Notices. If the first Mortgagee of any Lot has so requested the Association in writing, the Association shall give written notice to such first Mortgagee that an Owner/mortgagor of a Lot has for more than sixty (60) days failed to meet any obligation under this Declaration. Any first Mortgagee shall, upon written request, also be entitled to

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receive written notice of all meetings of the Association and be permitted to designate a representative to attend all such meetings.

11.6 Furnishing of Documents. The Association shall make available to prospective purchasers, Mortgagees, insurers, and guarantors, at their request, current copies of the Declaration, Bylaws, and other rules governing Highland View Estates and the most recent balance sheet and income/expenses statement for the Association, if any has been prepared.

ARTICLE 12 EASEMENTS

12.1 Association Functions. There is hereby reserved to Declarant and the Association, or their duly authorized agents and representatives, such easements as are necessary to perform the duties and obligations of the Association as are set forth in the Declaration, or in the Bylaws, and rules and regulations adopted by the Association.

12.2 Easements Over Common Areas. The Board, on behalf of the Association and all members thereof, shall have authority to grant (in accordance with applicable governmental laws and regulations) utility, road and similar easements, licenses and permits, under, through or over the Common Areas, which easements the Board determines are reasonably necessary to the ongoing development and operation of Highland View Estates ES.

12.3 Access to Public Streets. Each Owner and his guests and invitees shall have a perpetual, non-exclusive easement across the Common Areas and across all roadways constructed within Highland View Estates thereby providing access throughout Highland View Estates ES and to public streets.

12.4 Utility Easements. On each Lot, easements are reserved as provided by the Plat Map and applicable laws, ordinances and other governmental rules and regulations for utility installation and maintenance, including but not limited to, underground electric power, telephone, water, sewer, drainage, gas, and accessory equipment, together with the right to enter upon the Lots at all times for those purposes. Within these easements, no structure, planting, or other material shall be placed or permitted to remain which may damage, interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements.

12.5 High Clover Park Entry Signs. On each Lot adjacent to roadway entrance into Highland View Estates ES and on such portion of that Lot as determined by Declarant, the Declarant may at any time erect (and the Association as a common expense will thereafter maintain, repair and replace) such Highland View Estates ES entry and identification signs (landscaping, fencing and improvements relating thereto) as Declarant and the Association deem necessary and appropriate.

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ARTICLE 13
TERM OF DECLARATION

13.1 Duration of Covenants. The covenants contained herein shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded, after which time the covenants shall be automatically extended for successive periods of ten (10) years, unless an instrument executed in accordance with Section 14.1 below shall be recorded, abandoning or terminating this Declaration.

13.2 Abandonment of Subdivision Status. The Association shall not, without the prior written approval of the Governmental entity having jurisdiction over Highland View Estates and without prior written approval of one hundred percent(100%) of all first Mortgagees (based upon one vote for each first Mortgage owned) and Owners (other than the sponsor, developer or builder) of record, seek by act or omission to abandon or terminate the subdivision status of Highland View Estates as approved by the governmental entity having appropriate jurisdiction over Highland View Estates.

ARTICLE 14
AMENDMENT OF DECLARATION, PLAT MAP

14.1 Declaration Amendment. Amendments to the Declaration shall be made by an instrument in writing entitled "Amendment to Declaration" which sets forth the entire amendment. Except as otherwise specifically provided for in this Declaration, any proposed amendment must be approved by a majority of the Board prior to its adoption by the Owners. Amendments may be adopted at a meeting of the Owners if seventy-five (75%) of the Owners, whether or not present, vote for such amendment, or without any meeting if all Owners have been duly notified and seventy-five (75%) of the Owners consent in writing to such amendment. In all events, the amendment when adopted shall bear the signature of the president of the Association and shall be attested by the secretary, who shall state whether the amendment was properly adopted, and shall be acknowledged by them as officers of the Association. Amendments once properly adopted shall be effective upon recording in the appropriate governmental offices.

In addition to the amendments set forth in this Article 14, any amendment to a provision of the declaration establishing, providing for, governing or regulating the following shall require the consent of seventy-five percent (75%) of the mortgagees and the consent of the Declarant (so long as Declarant owns any Lots): voting; assessments; assessment liens or subordination of such liens; reserves for maintenance, repair and replacements of Common Areas; responsibility for maintenance or repairs; expansion or construction of Highland View Estates or the addition, annexation or withdrawal of property to or from Highland View Estates boundaries of Lots; converting of Lots into Common Areas or vice versa; leasing of Lots; provisions for the benefit of the Declarant; provisions for benefit of first mortgagees, or holders, insurers or guarantors of first mortgages; the interests in Common Area; or imposition of any right of first refusal or similar restrictions on the right of an Owner to sell, transfer or otherwise

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convey a Lot; provided, that a mortgagee who fails to respond in writing within thirty(30) days of a written request to approve an amendment shall be deemed to have approved the request.

It is specifically covenanted and understood that any amendment to this Declaration properly adopted will be completely effective to amend any or all of the covenants, conditions and restrictions contained herein which may be affected and any or all clauses of this Declaration unless otherwise specifically provided in the section being amended or the amendment itself.

14.2 Plat Map. Except as otherwise provided herein, the Plat Map may be amended by revision versions or revised portions thereof referred to and described as to effect in an amendment to the Declaration adopted as provided for in Section 14.1. Copies of any such proposed amendment to the Plat Map shall be made available for the examination of every Owner. Such amendment to the Plat Map shall be effective, once properly adopted, upon having received any governmental approval required by law and recorded in the appropriate city or county office in conjunction with the Declaration amendment.

14.3 Amendments to Conform to Construction. Declarant, upon Declarant's sole signature, and as an attorney-in-fact for all Lot Owners with an irrevocable power coupled with an interest, may at any time, until all Lots have been sold by Declarant, file an amendment to the Declaration and the Plat Map to conform data depicted therein to improvements as actually constructed and to establish, vacate and relocate utility easements and access road easements.

14.4 Amendments to Conform to Lending Institution Guidelines. So long as Declarant continues to own one or more Lots, Declarant, on its signature alone, and as an attorney-in-fact for all Lot Owners with an irrevocable power coupled with an interest, may file such amendments to the Declaration and Plat Map as are necessary to meet the then requirements of Federal National Mortgage Association, Veterans Administration, Federal Home Loan Mortgage Corporation, or other agencies, institutions or lenders financing and/or title insuring the purchase of a Lot from the Declarant.

14.5 Article 16 Amendments. Declarant, upon Declarant's sole signature, and as an attorney-in-fact for all Lot Owners with an irrevocable power coupled with an interest, may at any time, until all Lots have been sold by Declarant, file such amendments to the Declaration and Plat Map as are necessary in the exercise of Declarant's power under Article 16.

ARTICLE 15 INSURANCE

The Board shall have authority in the exercise of its discretion to obtain and maintain at all times as a common expense a policy or policies and bonds of: liability insurance and property insurance covering the ownership, use and operation of all of the Common Areas (and Common Area improvements), if any, including common personal property and supplies

belonging to the Association, fidelity coverage for Association Board members (including Declarant), officers, employees or agent; and such other insurance as the Board may deem advisable or as may be required by the Federal National Mortgage Association, Federal Home Loan Mortgage Association, Veterans Administration or similar agencies or lending institutions. In the event of damage to or destruction of any part of the Common Area improvements, the Association shall repair or replace the same from the insurance proceeds available. If such insurance proceeds are insufficient to cover the costs of repair or replacement of the property damaged or destroyed, the Association may make a Reconstruction Assessment against all Lot Owners to cover the additional cost of repair or replacement not covered by the insurance proceeds, in addition to any other Common Assessments made against such Lot Owner.

ARTICLE 16

ANNEXATION AND WITHDRAWAL OF ADDITIONAL PROPERTIES

16.1 Annexation by Declarant. Although not obligated to do so, Declarant reserves the right to develop as single family residential subdivisions Additional Lands which would be in addition to and would be nearby the land described in Exhibit "A". Declarant may cause all or any portion of such Additional Lands to be annexed to the existing Property without the assent of the member of the Association: PROVIDED, however, that the annexation of Additional Lands described in this section shall be adjacent to the then existing Highland View Estates

Such Additional Lands shall be deemed "adjacent" to the existing Highland View Estates even if separated therefrom by land which: is owned by Declarant, the Association or the Lot Owners as tenants-in-common; or is owned by or dedicated to the public or a governmental agency or instrumentality; or is available for the use of benefit of the Association or Lot Owners by easement or otherwise; or is a public or private street, path, bicycle path, railroad track or other improvement or easement for public transportation or utility service.

16.2 Non Declarant Annexations. Annexation of additional properties (other than Declarant annexations provided for in Section 16.1 hereof) shall require the assent of two-thirds (2/3) of the member of the Association, at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than thirty (30) days or more than sixty(60) days in advance of the meeting setting forth the purpose of the meeting. At this meeting the presence of member or of proxies entitle to cast sixty percent (60%) of the votes shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called subject to the notice requirement set forth above and the required quorum at such subsequent meeting shall be one-half (1/2) of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting. In the event two-thirds (2/3) of the members are not present in person or by proxy, members not present may give their written consent to the action taken thereat. Until all Class B memberships terminate, annexation of Additional Properties under this section shall also require the prior written approval of the Declarant.

16.3 Common Areas Within Divisions. Common Areas within a Division

subsequently annexed to the existing Property shall be available for the common use of all Owners of Lots within such subsequently annexed Division as well as within the existing Property. Likewise, Common Areas within the existing Property shall be available for the common use of all Owners of Lots within the existing Property as well as within such subsequently annexed Divisions.

ARTICLE 17 MISCELLANEOUS

17.1 Notices.

17.1.1 Delivery of Notices and Documents. Any written notice or other document as required by this Declaration, may be delivered personally or by mail. If by mail such notice, unless expressly provided for herein to the contrary, shall be deemed to have been delivered and received forty-eight (48) hours after a copy thereof has been deposited in the United States mail, postage prepaid, addressed as follows:

(a) If to an Owner, other than Declarant, to the registered address of such Owner, as filed in writing with the Board pursuant to the requirement of the Bylaws.

(b) If to Declarant, whether in its capacity as an Owner, or in any other capacity, the address which Declarant shall have advised the Board in writing.

(c) Prior to the organizational meeting, notices to the Board shall be addressed to the address set forth in (b) above. Thereafter, notices to the Board shall be addressed either to an address to be posted by the Board at all times in a conspicuous place or to the registered office of the Association. In addition, from and after the organizational meeting, notice of the address of the Association shall be given by the Board to each Owner, within a reasonable time after the Board has received actual notice of such Owner's purchase of a Lot.

17.2 Conveyances; Notice Required. The right of an Owner to sell, transfer, or otherwise convey his Lot shall not be subject to any right of approval, disapproval, first refusal or similar restriction by the Association or the Board, or anyone acting on their behalf. An Owner intending to sell a Lot shall deliver a written notice to the Board, at least two (2) weeks before closing, specifying: the Lot being sold; the name and address of the purchaser, of the closing agent, the name and address of the title insurance company insuring the purchaser's interest; and the estimated closing date. The failure of an Owner to properly give such notice to the Board shall not invalidate the sale. The Board shall have the right to notify the purchaser, the title insurance company, and the closing agent of the amount of unpaid assessments and charges outstanding against the Lot, whether or not such information is requested.

17.3 Successor and Assigns. This Declaration shall be binding upon and shall inure to the benefit of the heirs, personal representatives, successors and assigns of Declarant, and

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the heirs, personal representatives, grantees, lessees, sublessees and assignees of the Owners.

17.4 Joint and Several Liability. In the case of joint ownership of a Lot, the liability of each of the Owners thereof in connection with the liabilities and obligations of Owners, set forth in or imposed by this Declaration, shall be joint and several.

17.5 Mortgagee's Acceptance.

17.5.1 Priority of Mortgage. This Declaration shall not initially be binding upon any Mortgagee of record at the time of recording of the Declaration but rather shall be subject and subordinate to that mortgage.

17.5.2 Acceptance Upon First Conveyance. Declarant shall not consummate the conveyance of title of any Lot until the Mortgagee shall have accepted the provisions of this Declaration and made appropriate arrangements for partial release of Lots from the lien of that Mortgage. The issuance and recording of provisions of this Declaration and the status of the Lots remaining subject to its Mortgage as well as its acknowledgment that such appropriate arrangements for partial release of Lots has been made; provided, that, except as to Lots so released, the mortgage shall remain in full effect as to the entire Property.

17.6 Severability. The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion thereof shall not affect the validity of enforceability of any other provision hereof.

17.7 Effective Date. The Declaration shall take effect upon recording.

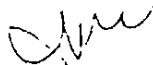
17.8 Government Right of Access. Governmental entities shall have right of access and inspection for the open space area and any drainage facilities contained therein.

Certified as adopted on

ADDENDUM NO. 1
TO CONDITIONS COVENANTS AND
RESTRICTION
HIGHLAND VIEW ESTATES
DISPOSITION OF TRACTS A-O

- I. Parcel designated as Tract "A" on the *Plat of Highland View Estates* Dedicated to the City of Arlington for a sewer pump station.
- II. Parcels designated as Tracts "B, C, D, E, and F" on the *Plat of Highland View Estates* are Dedicated to the City of Arlington for storm water detention.
- III. Parcel Designated as "Tract G" on the *Plat of Highland View Estates* is Dedicated to the Highland View Estates Homeowners Association, and to be maintained and cared for as provided herein.
- IV. Parcel designated as Tract "H and I" on the *Plat of Highland View Estates* are Dedicated to the City of Arlington for wetland mitigation purposes.
- V. Parcel designated as Tract "J" on the *Plat of Highland View Estates* is to remain the property of August G. Nold.
- VI. Parcel designated as Tract "K" on the *Plat of Highland View Estates* is Dedicated to the City of Arlington for road purposes.
- VII. Parcels designated as Tracts "L, M, N, AND O" on the *Plat of Highland View Estates* is Dedicated to the Highland View Estates Home owners Association for landscape buffers to be maintained and cared for as provided herein.

Addendum #1 CC&R
Highland View Estates



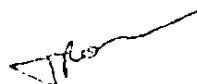
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HIGHLAND VIEW ESTATES

ADENDUM NUMBER 2 TO COVENANTS, CONDITIONS AND RESTRICTION JULY 7, 1997

Tract "J" shown on the Final Plat of Highland View Estates, also known as Bud Nold's Parcel is hereby exempted from all Covenants, Conditions and restrictions contained herein.

L-5995 Addendum #2
7-7-97



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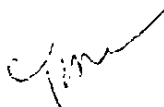
LEGAL DESCRIPTION
ROAD DEDICATION

The East 10 feet of the West 40 feet of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$.

Together with the East 10 feet of the West 40 feet of the South 990 feet of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$.

All in section 23, Township 31 North, Range 5 East, Willamette Meridian.

L-3905 Road Dedication



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MCNA LISA ESTATE PARTNERS

BY: T.G. WEST, INC.

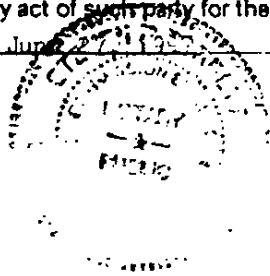
BY:

Terry R. Martin
Terry R. Martin, President

STATE OF WASHINGTON)
COUNTY OF SNOHOMISH) SS

I certify that I know or have satisfactory evidence that Terry R. Martin
is the person who appeared before
me, and said person acknowledged that he signed this instrument, on oath stated that he is
authorized to execute the instrument and acknowledge it as the President of T.G. West, Inc.
General Partner of Mona Lisa Estate Partners to be the
free and voluntary act of such party for the uses and purposes mentioned in this instrument.

Dated: June 27, 1999



Steven P. Barrett
STEVEN P. BARRETT
Notary Public in and for the State of Washington
Residing at Edmonds
My appointment expires: 9/15/99

9707170322

200104170428



200104170428

04/17/2001 03:19 PM Snohomish
P.0004 RECORDED County

Return Name and Address:

Highland View Estates HOA
17704 Upland Drive
Arlington, WA 98003

Please print or type information

Document Title(s)	
1.	Memorandum to Public
2.	
3.	
4.	
Grantor(s)	
1.	SAR VERBAAN
2.	
3.	
4.	
<input type="checkbox"/> Additional names on page _____ of document	
Grantee(s)	
1.	Highland View Estates Homeowners Association
2.	
3.	
4.	
<input type="checkbox"/> Additional names on page _____ of document	
Legal description (abbreviated i.e. lot, block, plat OR section, township, range, qtr /qtr)	
Highland View Estates Homeowners Association	
<input type="checkbox"/> Additional legal is on page _____ of document	
Reference Number(s) (Auditor File Numbers) of Documents assigned or released:	
① 9707175004	
② 9797170300	
<input type="checkbox"/> Additional numbers on page _____ of document	
Assessor's Property Tax Parcel/Account Number	
<input type="checkbox"/> Property Tax Parcel ID is not yet assigned	
<input type="checkbox"/> Additional parcel numbers on page _____ of document	
The Auditor/Recorder will rely on the information provided on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information.	

All first edition copies of Articles of Incorporation and Bylaws will
be held on file with our office Any Lot's for sale / potential buyers are here by notified
of the existence of the Highland View Estates Homeowners' Association
Please obtain a copy of these documents by writing / requesting a copy to
Highland View Estates Homeowners' Association
17724 Upland Drive
Arlington, WA 98223

RE: 9707175004
RE: 9797170322

By Sal Velasquez
Secretary/ Treasurer
4/16/01



Pg 2

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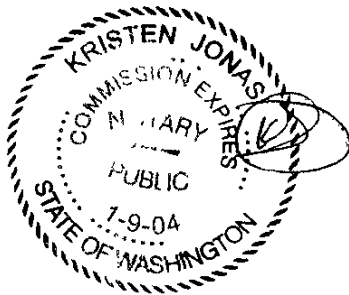
STATE OF WASHINGTON)

ss

COUNTY OF SNOHOMISH)

On this day personally appeared before me SAL VELASQUEZ known to me to be the individual(s) described herein and who executed the within and foregoing instrument, and on oath stated that he/she is authorized to execute the instrument and acknowledged it to be the free and voluntary act of such party for the uses and purposed mentioned in the instrument.


Given under my hand and seal this 16 day of APRIL, 2001



[Signature]
Notary Public in and for the
State of Washington, residing
at SEDOO WOODLEY
My commission expires, 1/9/04
Name KRISTEN JONAS

200104170428

STATE of WASHINGTON



SECRETARY of STATE

I, RALPH MUNRO, Secretary of State of the State of Washington and custodian of its seal,
hereby issue this


CERTIFICATE OF INCORPORATION

to


HIGHLAND VIEW ESTATES HOMEBOWNERS'
ASSOCIATION

a Washington Non Profit corporation. Articles of Incorporation were filed for record in
this office on the date indicated below.

UBI Number: 601 828 100 Date: October 28, 1997



Given under my hand and the Seal of the State
of Washington at Olympia, the State Capital


RALPH MUNRO
Ralph Munro, Secretary of State
2-567910-1

1997 3302 3579 001-007

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