

MAY 26 1994

RALPH MUNRO
SECRETARY OF STATE

ARTICLES OF INCORPORATION
OF
GLEN ACRES OWNERS' ASSOCIATION

The undersigned, acting as incorporator of a corporation under the Washington Nonprofit Corporation Act (Ch. 24.03 RCW), adopts the following Articles of Incorporation for the corporation.

ARTICLE 1.

Name

The name of this corporation is Glen Acres Owners' Association.

ARTICLE 2.

Duration

The duration of this corporation is perpetual.

ARTICLE 3.

Purposes

This corporation is organized to provide an owners association pursuant to the Declaration and Covenants, Conditions, Restrictions, Easements and Reservations for Glen Acres as recorded under No. 9403230265 in the real property records of Snohomish County, Washington, as amended by that Certificate of First Amendment to the Declaration and Covenants, Conditions, Restrictions, Easements and Reservations for Glen Acres as recorded under No. 9405241301 in the real property records of Snohomish County, Washington, as subsequently amended (hereinafter collectively called the "Declaration"), to provide for maintenance, preservation, and control of development of the lots and common areas of the Plat of Glen Acres residential subdivision, as more particularly described in the Declaration, located in Snohomish County, Washington, and to engage in all such activities as are incidental or conducive to the attainment of the objectives of the corporation and all activities which are permitted to be done by a nonprofit corporation under any laws that may now or hereafter be applicable or available to this corporation. The powers of this corporation shall be subject to and shall be exercised in accordance with the laws of the State of Washington and with the Declaration as amended from time to time.

ARTICLE 4.

Dissolution

Upon dissolution or final liquidation of the corporation, the assets of the corporation shall be distributed among the members of the corporation in accordance with the Declaration and the Bylaws.

ARTICLE 5.

Members

The corporation shall have one class of members, which shall consist of the Owners of the Lots in the Plat of Glen Acres, as set forth in the Declaration. The rights, privileges and obligations of the members are set forth in the Declaration and in the Bylaws of the corporation.

ARTICLE 6.

Registered Office and Agent

The name of the initial registered agent of the corporation is Ms. Beth A. Clark. The address of the initial registered office of the corporation is Foster Pepper & Shefelman, 1111 Third Avenue, Suite 3400, Seattle, Washington 98101.

ARTICLE 7.

Directors

The number of directors of this corporation shall be fixed by the Bylaws and may be increased or decreased from time to time in the manner specified therein. The initial Board of Directors shall consist of two directors. The names and addresses of the persons who shall serve as directors until their successors are elected and qualify, unless they resign or are removed are:

Mr. Jeffrey Wright
J. Wright Development Company
Suite 3100, 1111 Third Avenue
Seattle, Washington 98101

Mr. John R. Day
Parkwood Homes, Inc.
Nine Lake Bellevue, Suite 204
Bellevue, Washington 98005

ARTICLE 8.

Limitation of Liability

A director of the corporation shall not be personally liable to the corporation or its members for monetary damages for conduct as a director, except for liability of the director (i) for acts or omissions which involve intentional misconduct by the director or a knowing violation of law by the director, or (ii) for any transaction from which the director will personally receive a benefit in money, property or services to which the director is not legally entitled.

Any repeal or modification of this Article by the directors or members of the corporation shall not adversely affect any right or protection of any individual who is or was a director of the corporation which existed at the time of such repeal or modification.

ARTICLE 9.

Indemnification

To the full extent permitted by the Washington Nonprofit Corporation Act, the corporation shall indemnify against all expenses and liabilities, including reasonable attorneys' fees, any individual made a party to a proceeding because that individual is or was a director or officer of the corporation and shall advance or reimburse the reasonable expenses incurred by such individual in advance of final disposition of the proceeding, without regard to the limitations in RCW 23B.08.510 through 23B.08.550 of the Washington Business Corporation Act, or any other limitation which may hereafter be enacted to the extent such limitation may be disregarded if authorized by the Articles of Incorporation, to the full extent and under all circumstances permitted by applicable law.

Any indemnification provided under this Article shall, unless limited by the terms of the undertaking to indemnify, continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of his or her heirs, executors and administrators.

Any repeal or modification of this Article by the directors or members of the corporation shall not adversely affect any right or protection of any individual who is or was a director or officer of the corporation existing at the time of such repeal or modification.

ARTICLE 10.

Amendment

Any amendment to these Articles of Incorporation shall require the approval of sixty percent (60%) of the votes of the members of the corporation and such other approvals as may be required in the Declaration.

ARTICLE 11.

Incorporator

The name and address of the incorporator is as follows:

Roger A. Pearce
Foster Pepper & Shefelman
1111 Third Avenue, Suite 3400
Seattle, Washington 98101

Executed in duplicate on May 18, 1994.

Roger A. Pearce
ROGER A. PEARCE

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

Roger A. Pearce, being first duly sworn on oath says: That he is the incorporator of Glen Acres Owners' Association, that he has read the foregoing Articles Of Incorporation Of Glen Acres Owners' Association, knows the contents thereof, and believes the same to be true.

Dated this 18th day of May, 1994.



(Signature of Notary)

MARC T. KRETSCHMER

(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of
Washington, residing at Seattle, WA

My appointment expires 8-9-97



BYLAWS OF GLEN ACRES OWNERS' ASSOCIATION

The following are Bylaws of the Glen Acres Owners' Association, a corporation organized under the Washington Nonprofit Corporation Act (RCW 24.03, the "Nonprofit Corporation Act"). These Bylaws provide for governance of the Glen Acres Owners' Association and, among other things, for the maintenance of common areas and the control of development of the Plat of Glen Acres residential subdivision ("Glen Acres")

Glen Acres is a subdivision located in Snohomish County, Washington as described in the Declaration And Covenants, Conditions, Restrictions, Easements And Reservations For Glen Acres recorded in the Snohomish County real property records under recording No. 9403230265, in the real property records of Snohomish County, Washington, as amended by that Certificate of First Amendment to the Declaration and Covenants, Conditions, Restrictions, Easements and Reservations for Glen Acres as recorded under No. 9405241301 in the real property records of Snohomish County, Washington, as subsequently amended (hereinafter collectively the "Declaration").

Words and phrases that are defined in the Declaration shall have the same meaning in these Bylaws. The Declaration is hereby incorporated into these Bylaws, and any inconsistency between these Bylaws and the Declaration will be resolved in favor of the Declaration.

These Bylaws apply to the entire Property, as defined in the Declaration, which includes the initial Property, as described in Exhibit A to the Declaration, and any of the Additional Property, as described in Exhibit B to the Declaration, which Declarant may hereafter submit to the provisions of the Declaration. Each Owner of a Lot in the Property automatically, by virtue of their fee simple ownership, becomes a member of the Glen Acres Owners' Association (the "Association"). All present and future Owners, Mortgagees and other encumbrances, lessees, tenants, licensees, and occupants of Lots, and their guests and employees, and any other person who may use the Common Areas of the Property are subject to these Bylaws, to the Declaration as it may from time to time be amended, and to the rules and regulations pertaining to use and operation of the Property.

ARTICLE 1. MEMBERSHIP; VOTING; REGISTER.

Section 1.1 Membership. The Owners of Lots in the Property shall constitute the members of the Association, as set forth in the Declaration. Corporations, partnerships, associations, and other legal entities, trustees under an express trust, and other

fiduciaries, as well as natural persons may be members of the Association. Owners of a Lot as joint tenants, tenants in common, community property, or other ownership involving more than one person, shall be joint members of the Association, but shall have only one membership and one vote in the Association per Lot owned.

Section 1.2 Number of Votes. The total number of votes shall be equal to the total number of Lots in the Property currently entitled to vote. Each Lot shall be allocated one vote.

Section 1.3 Voting by Multiple Owners. The vote for a Lot must be cast as a single vote and fractional votes will not be allowed. If there is more than one entity or person constituting the Owner of a particular Lot, such joint owners must agree amongst themselves how their vote will be cast for that Lot. If such joint owners cannot agree on how to vote on any matter, such Lot shall have no vote in the Association on the matter in question.

Section 1.4 Voting Representative. An Owner may, by written notice to the Board of Directors of the Association (the "Board"), designate a voting representative for the Lot. The voting representative need not be an Owner. Such designation may be revoked at any time by written notice to the Board from any person having an ownership interest in the Lot, or by actual notice to the Board of the death or judicially declared incompetence of any person with an ownership interest in the Lot, except in cases in which the person designated is a Mortgagee of the Lot. This power of designation and revocation may be exercised by the guardian of an Owner, the attorney-in-fact of the Owner under a durable power of attorney, or the administrators or executors of an Owner's estate. If a Lot is owned by husband and wife and only one of them is at a meeting, the one who is present will represent the marital community.

Section 1.5 Voting by Proxy; Pledged Votes to Mortgagee. The vote allocated to a Lot may be cast pursuant to a proxy duly executed by the Owner. An Owner may not revoke a proxy given pursuant to this section except by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. Unless stated otherwise in the proxy, a proxy terminates 11 months after its date of issuance. An Owner may, but shall not be obligated to, pledge his or her vote on all issues or on specific issues to a Mortgagee. If an Owner is in default under a first Mortgage or Deed of Trust on the Lot for ninety (90) days or more, the Mortgagee shall automatically be authorized to declare at any time thereafter that the Owner has pledged his or her vote on all issues to the Mortgagee during the continuance of the default. If the Board has been notified of any such pledge to a Mortgagee, only the vote of the Mortgagee will be recognized on the issues that are subject to the pledge.

Section 1.6 Persons Under Disability. Minors and persons declared legally incompetent shall be eligible for membership in the Association, if otherwise qualified, but shall not be permitted

to vote except through a legally appointed, qualified, and acting guardian of their estate voting on their behalf, or, in the case of a minor with no legal guardian of his estate, through a parent having custody of the minor.

Section 1.7 Register of Members. The Board shall cause a register to be kept containing the names and addresses of all members of the Association. Persons who purchase an interest in a Lot shall promptly inform the Board of their interest. Persons who claim to be members of the Association shall, upon request, furnish the Board with copies of any documents under which they assert ownership of a Lot or any interest therein, and any Mortgages or Deeds of Trust thereon.

ARTICLE 2. MEETINGS OF MEMBERS.

Section 2.1 Place. Meetings of the members of the Association shall be held at such suitable place as may be convenient to the membership and designated from time to time by the Board.

Section 2.2 Annual Meeting. The annual meeting of the Association shall be held in the first quarter of each fiscal year on a date fixed by the Board, which date shall not be less than 30 nor more than 60 days after notice of the meeting is given to the members. At such annual meeting the Owners shall elect members to the Board or fill vacancies therein, and transact such other business as shall properly come before the meeting.

Section 2.3 Budget. The financial statement for the preceding fiscal year (if any) and the proposed budget the Board has adopted for the pending fiscal year shall be presented at the Annual Meeting. Unless at the meeting members holding a majority of the votes in the Association vote to reject the budget, the budget is ratified, whether or not a quorum is present for the meeting. In the event the proposed budget is rejected or the ratification of the budget is otherwise invalid, the budget last ratified by the Owners shall be continued until a budget proposed by the Board is ratified.

Section 2.4 Special Meetings. A special meeting of the Association may be called by the president, by resolution of the Board or upon the written request of Owners having 20% of the votes in the Association not less than 14 nor more than 60 days in advance of the meeting. No business shall be transacted at a special meeting except as stated in the notice given therefor unless consented to by four-fifths of the Owners present either in person or by proxy.

Section 2.5 Notice of Meetings. It shall be the duty of the secretary to give notice of each annual and special meeting to each member of the Association. Such notice shall be hand-delivered or sent prepaid by first-class United States mail to the mailing

address of each Lot or to any other mailing address designated in writing by the Owner. Notice shall be deemed received on the third day of regular mail delivery after the mailing of said notice. Notice of any meeting shall state the time and place of the meeting and the items on the agenda to be voted on by the members; including the general nature of any proposed amendment to the Declaration, Articles, or Bylaws, any changes in the previously approved budget that result in a change in Assessment obligations, and any proposal to remove a director or officer. Before any meeting of the Association, any member may, in writing, waive notice of such meeting. Attendance by a member at a meeting of the Association shall be a waiver by him of timely and adequate notice unless he expressly challenges the notice when the meeting begins.

Section 2.6 Quorum. The presence in person or by proxy of members of the Association or voting representatives holding 25% of the total voting power of the Association shall constitute a quorum for the transaction of business at any meeting of members of the Association.

Section 2.7 Adjournment of Meetings. If any meeting of Owners cannot be organized because a quorum has not attended, the Owners present in person or by proxy may adjourn the meeting to a time not less than 48 hours from the time the original meeting was called.

Section 2.8 Majority Vote. Except as otherwise provided by the Declaration or by these Bylaws, passage of any matter submitted to vote at a meeting where a quorum is present, shall require the affirmative vote of a simple majority of the votes present.

Section 2.9 Voting for Excess Annual Assessment Increases and Special Assessments. Notwithstanding anything to the contrary herein, annual assessments of the Association (except the first annual assessment which is already subject to the maximum limit imposed by Section 8.03 of the Declaration above) may not be increased by more than five percent (5.00%) over the annual assessments for the previous year and special assessments may not be levied unless such an increase in the annual assessment or the special assessment levy has been approved by majority vote of the Non-Declarant Owners. For purposes of this Section 2.09 "Non-Declarant Owners" shall mean all Owners except Declarant and any Participating Builders, and "majority vote of Non-Declarant Owners" shall mean the lesser of (i) fifty-one percent (51%) of all of the Non-Declarant Owners or their proxies or, (ii) two thirds (2/3) of the Non-Declarant Owners or their proxies in attendance at a meeting of the Association, provided that at least sixty percent (60%) of the Non-Declarant Owners or their proxies are in attendance at such meeting.

Section 2.10 Order of Business. The order of business at meetings of the Association shall be as follows, unless dispensed with on motion:

- (a) Roll call;
- (b) Proof of notice of meeting or waiver of notice;
- (c) Minutes of preceding meeting;
- (d) Reports of officers;
- (e) Reports of committees;
- (f) Election of inspectors of election;
- (g) Election of directors (annual meeting or special meeting called for such purpose);
- (h) Unfinished business;
- (i) New business;;
- (j) Adjournment.

Section 2.11 Parliamentary Authority. In the event of dispute, the parliamentary authority for the meetings shall be the most current available edition of Robert's Rules of Order or such other published code of parliamentary procedure as shall be approved by a majority at the meeting.

ARTICLE 3. BOARD OF DIRECTORS.

Section 3.1 Number, Term and Qualifications. The affairs of the Association shall be initially governed by a Board of two directors who shall be appointed by the Declarant pursuant to the Declaration and who shall serve until removed by Declarant or until successors are elected and qualified. Members of the Board appointed by the Declarant need not be Owners. Within the period commencing 30 days before the Transition Date and ending 30 days after the Transition Date, there shall be a meeting of the members of the Association (the "Transitional Meeting").

At the Transitional Meeting, the Owners will elect a Board of five (5) directors to replace the Board appointed by Declarant. The new directors will serve until the first day of the calendar month following the date of adjournment of the next annual meeting following the Transitional Meeting. Thereafter, the term of office for directors will begin on the first day of the calendar month following the date of adjournment of the annual meeting at which they are elected. The normal term of office for directors will be for three years or until their successors are elected and take office. However, to provide for staggered terms, at the first annual meeting one-third of the number of directors (or the whole number nearest to one-third) shall be elected for one year, the same number shall be elected for two years, and the remainder shall be elected for three years.

All directors elected by the Owners after the Transition Date shall be members of the Association. If a corporation is a member of the Association, any one of its officers, directors, or shareholders may be elected to the Board; if a partnership is a member, any one partner of such partnership may be elected to the Board.

Section 3.2 Powers and Duties. The Board shall have all the powers and duties provided for in the Declaration, the Articles, and the Washington Nonprofit Corporations Act (ch. 24.03 RCW).

Section 3.3 Vacancies. Vacancies on the Board caused by reasons other than the removal of a director by a vote of the Association shall be filled by vote of a majority of the remaining directors, even though they may constitute less than a quorum. Each person so selected shall be a director until a successor is elected at the next annual meeting of the Association to serve the balance of the unexpired term.

Section 3.4 Removal of Directors. At any regular or special meeting after the Transitional Meeting, any one or more of the directors may be removed, with or without cause, by members holding a majority of the votes in the Association and a successor may then be elected to fill the vacancy thus created and to serve the balance of the unexpired term. Any director whose removal has been proposed shall be given an opportunity to be heard at the meeting.

Section 3.5 Compensation. No compensation shall be paid to directors for their services as directors.

Section 3.6 Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board shall be given to each director personally or by mail, telephone, or telegraph, at least three days before the day fixed for the meeting.

Section 3.7 Special Meetings. Special meetings of the Board may be called by the president on three days' notice to each director, given personally or by mail, telephone, or telegraph, which notice shall state the time, place, and purpose of the meeting. Special meetings of the Board shall be called by either the president or secretary in like manner and on like notice on the written request of any two directors.

Section 3.8 Waiver of Notice. Before any meeting of the Board, any director may, in writing, waive notice of such meeting. Attendance by a director at any meeting of the Board shall be a waiver by him of timely and adequate notice unless he expressly challenges the notice when the meeting begins. If all directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at the meeting.

Section 3.9 Quorum. At all meetings of the Board, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board. If there is less than a quorum present at any meeting of the Board, the majority of those present may adjourn the meeting from time to time. At the adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 3.10 Open Meeting. Any Owner or voting representative may attend any meeting of the Board, but shall not be entitled to participate except with the consent of the Board. The Board may, however, go into private, executive session to consider the employment or dismissal of any agent or other persons employed by the Association, or to hear complaints or charges brought against such person, unless the person requests a public hearing, or to discuss with legal counsel litigation in which the Association is or is likely to become a party if public discussion would adversely affect the interests of the Association in such litigation.

ARTICLE 4. OFFICERS.

Section 4.1 Designation. The principal officers of the Association shall be a president, a vice president, a secretary, and a treasurer, all of whom shall be elected by the Board. Officers may be members of the Board. Officers must be members of the Association. The directors may appoint from the Board such other officers as in their judgment may be necessary or desirable. Two or more offices may be held by the same person, except that a person may not simultaneously hold the offices of president and secretary.

Section 4.2 Election of Officers. Officers of the Association shall be elected at the Transitional Meeting and shall be elected annually thereafter by the Board at the first Board meeting after the annual meeting of the Association. All officers shall hold office at the pleasure of the Board.

Section 4.3 Removal of Officers. At any regular meeting of the Board or at any special meeting of the Board called for such purpose, upon an affirmative vote of a majority of the members of the Board, any officer may be removed, either with or without cause. A successor to the removed officer may be elected at any such meeting.

Section 4.4 President. The president shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board and shall have all powers and duties usually vested in the office of the President.

Section 4.5 Vice President. The vice president shall perform the duties of the president when the president is absent or unable

to act, and shall perform such other duties as may be prescribed by the Board.

Section 4.6 Secretary. The secretary shall keep the minutes of all meetings of the Board and of the Association and shall have custody of the business records of the Board and the Association, other than financial records kept by the treasurer. He shall also perform such other duties as may be prescribed by the Board.

Section 4.7 Treasurer. The treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association.

Section 4.8 Other Officers and Employees. Other officers of the Association and any persons employed to assist the officers, shall have such authority and shall perform such duties as the Board may prescribe within the provisions of the applicable statutes, the Declaration, the Articles, and these Bylaws.

Section 4.9 Compensation. The Board may pay reasonable compensation to any officer or Owner who performs substantial services for the Association in carrying out the management duties of the Board. The Board's decision to compensate an officer shall not become final until 60 days after notice of it (including the amount of compensation to be paid) has been given to all persons entitled to notice of meetings of the Association, and such decision may be reversed by the members of the Association at a meeting duly called and held within 60 days after the notice of the decision was given.

ARTICLE 5. COMMITTEES.

Section 5.1 Committees of Directors. The Board may appoint one or more committees. Such committees, if composed entirely of Board members, shall have and exercise, to the extent provided in the resolution establishing the committee, the authority of the Board in the management of the Association. The appointment of any such committee shall not relieve the Board of its ultimate responsibility for administration and management.

Section 5.2 Other Committees. Other committees, not having or exercising the authority of the Board in the management of the Association, may be appointed by the president or the Board, and such committees may be composed of one or more members of the Association.

ARTICLE 6. HANDLING OF FUNDS.

Section 6.1 Accounts. The Association shall establish the necessary accounts to provide properly for the operation and maintenance of the Common Areas. Overall superintendence of these

funds shall be the responsibility of the treasurer of the Association.

Section 6.2 Operating Fund. There shall be established an account to be known as the "Operating Fund." This fund will be used for the normal operation of the Association. The Operating Fund will receive all Assessments, any initial contributions to the fund, and other monies received by the Association. Checks shall be issued from this account for all necessary management and operation expenditures of a routine or minor nature that do not require resort to the Reserve Fund for Common Areas. Funds for the Reserve Fund for Insurance Premiums and the Reserve Fund for Common Areas will normally be deposited in the Operating Fund and checks immediately issued to the other fund so an overall account of the funds received and disbursed by the Association is centralized in the check register of the Working Capital Fund account.

Section 6.3 Reserve Fund for Insurance Premiums. The Association shall maintain a fund which shall be known as the "Reserve Fund for Insurance Premiums." Each month the treasurer shall cause to be deposited into this fund an amount equal to at least one-twelfth of the total cost of all premiums for the policy or policies and bonds the Association is required to purchase. Such premiums shall be paid out of this fund.

Section 6.4 Reserve Fund for Common Areas. The Association shall maintain a fund which shall be known as the "Reserve Fund for Common Areas." The Treasurer shall deposit to this reserve account amounts reasonably anticipated to be required for the periodic maintenance, repair, and replacement of the Common Areas.

Section 6.5 Combination and Deposit or Investment of Funds. All funds of the Association shall be kept in accounts or deposits that are insured by agencies of the United States. The funds of the Association shall not be commingled with the funds of any other association or with the funds of any director, officer or manager of the Association. The reserve funds may be combined in one or more savings accounts, certificates of deposit, or other accounts or deposits. Withdrawals of reserve funds from such account shall require the signature of at least two persons who are officers or directors of the Association.

ARTICLE 7. KEEPING RECORDS AND REPORTS.

The Board shall cause to be kept complete, detailed, and accurate books and records of the receipts and expenditures of the Association, in a form that complies with generally accepted accounting principles. The books and records, authorizations for payment of expenditures, and all contracts, documents, papers, and other records of the Association shall be available for examination by the Owners, Mortgagees, and the agents or attorneys of either of them, during normal business hours and at any other reasonable time or times.

50-
RECORDED AT THE REQUEST OF
AND AFTER RECORDING RETURN TO:

Beth A. Clark
Foster Pepper & Shefelman
Suite 3400, 1111 Third Avenue
Seattle, Washington 98101

REC-36-
'94 MAR 23 AM 11:22

BOB HERMILLER ALBION
S40HCHISE COURT

DECLARATION

AND

COVENANTS, CONDITIONS, RESTRICTIONS, EASEMENTS
AND RESERVATIONS

FOR

GLEN ACRES

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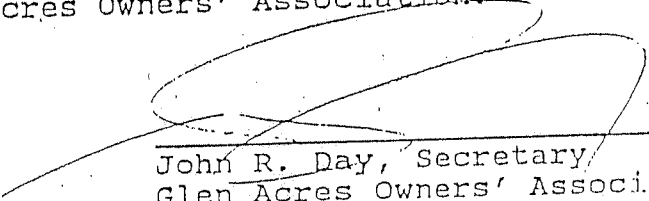
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ARTICLE 8. AMENDMENTS.

At any regular or special meeting after the Transitional Meeting, these Bylaws may be amended by members holding a majority of the votes in the Association and such other approvals as may be required in the Declaration.

The foregoing Bylaws were adopted on the 26th day of May, 1994, by the Consent In Lieu Of Organizational Meeting Of The Board Of Directors Of Glen Acres Owners' Association.

5/26/94
(date)



John R. Day, Secretary
Glen Acres Owners' Association

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THIS DECLARATION AND COVENANTS, CONDITIONS, RESTRICTIONS, EASEMENTS AND RESERVATIONS FOR GLEN ACRES (the "Declaration") is made by Sound Subdivision I Limited Partnership, a Washington Limited Partnership ("Declarant"), as of this 23rd day of MARCH, 1994.

RECITALS

Declarant is the owner of certain real property (the "Plat of Glen Acres") located in Snohomish County, Washington. The Plat of Glen Acres has been granted preliminary plat approval by Snohomish County, as depicted in the approved site plan which is a part of the preliminary plat approval granted pursuant to Snohomish County Ordinance No. 248905225 ("Preliminary Plat Approval").

Phase 1 of the Plat of Glen Acres consists of eighty-three (83) Lots, legally described in Exhibit A hereto and depicted in the final plat of Phase 1 of Glen Acres, recorded in Volume 56 of Plats, pages 220-229 records of Snohomish County, Washington. Phase 1 also is referred to herein as the "Property."

Declarant wishes to subject the Property to this Declaration.

As hereinafter provided in this Declaration, Declarant retains and reserves the right, privilege and option to submit to the provisions of this Declaration at a later time and from time to time as a part of the Glen Acres community, all or any portion of certain of the property comprising the Plat of Glen Acres, as legally described in Exhibit B hereto (the "Additional Property").

NOW, THEREFORE, Declarant declares that all of the property described in Exhibit A, and any Additional Property described in Exhibit B as may by amendment be subjected to this Declaration, shall be held, transferred, sold, conveyed, leased, used and occupied subject to the covenants, conditions, restrictions, easements, assessments, and liens hereinafter set forth which are for the purpose of protecting the value and desirability of and which shall touch and concern and run with title to the real property subjected to this Declaration and which shall be binding on all parties having any right, title, or interest in the described property or any portion thereof, and their respective heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

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ARTICLE 1
DEFINITIONS

Section 1.01 Words Defined. For the purposes of this Declaration and any amendments hereto, the following terms shall have the following meanings and all definitions shall be applicable to the singular and plural forms of such terms:

1.01.01 "Additional Property" shall mean the real property shown on Exhibit B which may be included in the Glen Acres community, together with all improvements thereon.

1.01.02 "Association" shall mean the Glen Acres Owners' Association described in Article 5 of this Declaration, its successor and assigns.

1.01.03 "Board" shall mean the board of directors of the Association.

1.01.04 "Common Area" and "Common Area Improvements" shall mean all real and personal property now or hereafter owned by the Association for the common use and enjoyment of the Owners. The Common Areas may include maintenance areas, storm-water retention and detention tracts and areas to be owned by the Association, native growth protection areas, sidewalks, street lighting, if any, planted landscape features, signage and any other areas owned by the Association and designated as Common Areas by Declarant. The Common Areas to be owned by the Association at the time of conveyance of the first Lot to an Owner other than Declarant are described herein and depicted on the final recorded plat of the Property. Additional Common Areas designated as such on later divisions of the Plat of Glen Acres may be dedicated at the time Additional Property is added to the Property by amendment hereto.

1.01.05 "Construction" and "Constructed" shall mean any construction, reconstruction, erection or alteration of an improvement on a Lot, except wholly interior alterations to a then existing Structure.

1.01.06 "County" shall mean Snohomish County and its designated agents, as well as its successors.

1.01.07 "Declarant" shall mean Sound Subdivision I Limited Partnership, a Washington Limited Partnership.

1.01.08 "Declaration" shall mean this Declaration of Covenants, Conditions, Restrictions, and Reservations for Glen Acres, as it may from time to time be amended.

1.01.09 "First Mortgage" and "First Mortgagee" shall mean, respectively: (a) a recorded Mortgage on a Lot that has legal priority over all other Mortgages thereon; and (b) the holder of a first mortgage on a Lot who has notified the

Association in writing of its interest. For purposes of determining the percentage of First Mortgagees approving a proposed decision or course of action in cases where a Mortgagee holds First Mortgages on more than one Lot, such Mortgagee shall be deemed a separate Mortgagee for each such First Mortgage so held.

1.01.10 "Federal Mortgage Agencies" shall mean those federal agencies which may have an interest in the Property, such as the Federal Housing Administration, the Veterans Administration, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, or the successors to their interests.

1.01.11 "Lot" shall mean any one of the eighty-three (83) Lots in the Plat of Phase 1, together with the Structures and improvements, if any, thereon, and shall include any subsequent lots intended for a single-family dwelling shown on any recorded plat for a subsequent division within the Plat of Glen Acres at such time as such subsequent division is added hereto.

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

1.01.13 "Mortgagee" shall mean the beneficial owner, or the designee of the beneficial owner, of an encumbrance on a Lot created by a 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.

1.01.14 "Owner" shall mean the record owner, whether one or more Persons, of fee simple title to a Lot within the Property, including a contract seller except those having such interest merely for the performance of an obligation.

1.01.15 "Participating Builder" shall mean a Person who acquires from Declarant two or more Lots for the purpose of improving the same for resale to future Owners.

1.01.16 "Person" shall mean an individual, corporation, partnership, association, trustee, or other legal entity.

1.01.17 "Plat of Phase 1" shall mean the recorded plat of Phase 1 of Glen Acres and any amendments, corrections or addenda thereto subsequently recorded.

1.01.18 "Property" shall mean the land described on Exhibit A, together with all improvements thereon, and upon submission to the provisions of this Declaration, the land described in Exhibit B or any portion thereof, together with improvements thereon.

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1.01.19 "Structure" shall mean any residence, accessory building, fence, wall, driveway, walkway, patio, deck, swimming pool, or the like constructed on a Lot.

1.01.20 "Transition Date" is defined in Section 5.10.

Section 1.02 Form of Words. The singular form of words shall include the plural and the plural shall include the singular. Masculine, feminine, and neuter pronouns shall be used interchangeably.

ARTICLE 2 PLAN OF DEVELOPMENT

Section 2.01 Development of Property. The Glen Acres community initially shall consist of the Property described in Exhibit A. The Property contains eighty-three (83) Lots and one single-family residence may be constructed on each such Lot. As depicted in the Plat of Phase 1, zero lot line residences are to be constructed on some of the Lots. The Property also includes the Common Areas owned by the Association and designated as such on the Plat of Phase 1. All Lots within Glen Acres shall be and are hereby restricted exclusively to a single-family residential use and shall be subject to the standards and restrictions set forth in Article 4 hereof.

Declarant shall have the right, but not the obligation, for so long as Declarant owns any Lot or has the unexpired option to add the Additional Property or any portion thereof to the property, to make improvements and changes to all Common Areas for:

- (a) installation and maintenance of any improvements; and
- (ii) installation and maintenance of any water, sewer and other utilities systems and facilities.

Notwithstanding anything herein to the contrary, Declarant, in connection with completion of final plat improvements within the Plat of Phase 1, also shall complete construction of any improvements contemplated for Open Space Recreation Tract 991 as referenced in Section 3.01.02 hereof.

Section 2.02 Plan of Development of Additional Property. Declarant hereby reserves the option, to be exercised in its sole discretion, to submit from time to time the Additional Property or portion or portions thereof to the provisions of this Declaration and thereby to cause the Additional Property or a portion or portions thereof to become part of the Property. At this time, Declarant intends that the Glen Acres community shall include three (3) additional single-family residential phases, in addition to the Property. Declarant intends that in the event all phases are included in the Property, there shall be approximately 191 single-family residences, together with certain Common Areas devoted to passive and active recreational use by all Owners on an equal basis. However, Declarant is not obligated to include

any Additional Property or improvements to the Property as presently configured and reserves the right to develop more or fewer Lots, and more or less recreational improvements within the Common Areas, at Declarant's sole option, consistent with the following:

2.02.01 The option to add the Additional Property as described herein may be exercised from time to time by Declarant in its sole discretion at any time prior to the expiration of the ten (10) year period commencing on the recording date of this Declaration;

2.02.02 Portions of the Additional Property may be added to the Property at different times, and there are no limitations fixing the boundaries of those portions or regulating the order, sequence or location in which any of such portions may be added to the Property;

2.02.03 If the Additional Property or any portion thereof is added to the development, the layout and design of the Property shall be substantially in accordance with the Plat of Glen Acres previously approved by the County;

2.02.04 The option reserved by Declarant to cause all or any portion of the Additional Property to become part of the development shall in no way be construed to impose upon Declarant any obligation to add all or any portion of the Additional Property or to construct thereon any improvements of any nature whatsoever. The option reserved to Declarant to add the Additional Property may be exercised by execution of an amendment to this Declaration which shall be filed with the Auditor's Office of Snohomish County, Washington, together with a revision of or addition to the site plan showing the Additional Property or such portion or portions thereof as are being added. Simultaneously therewith, Declarant shall convey to the Association all Common Areas contained within the Additional Property. Any such amendment shall expressly submit the Additional Property or such portion thereof to all the provisions of this Declaration. If the Additional Property or any portion thereof is added to the Property, then the number of votes in the Association shall also increase accordingly by the number of Lots in the Additional Property so that there shall continue to be a uniform and consistent method of voting an assessment within the Property.

Section 2.03 Interest Subject to Plan of Development.
Every purchaser of a Lot within the Property shall purchase such interest and every Mortgagee and lienholder holding an interest therein shall take title, or hold such security interest with respect thereto, with notice of Declarant's plan of development as herein set forth and Declarant shall have and does hereby specifically reserve the right to add the Additional Property or any portion thereof to the Property as hereinabove provided. Declarant further reserves the right with respect to all Lots within the Additional Property to convey to the Purchaser thereof

the title to such interest, together with its appurtenant membership and voting rights in the Association. Any provision of this Declaration to the contrary notwithstanding, the provisions of the foregoing plan of development as set forth in this Article 2 may not be abrogated, modified, rescinded, supplemented or amended in whole or in part without the prior written consent of Declarant.

ARTICLE 3
COMMON AREAS AND EASEMENTS

Section 3.01 Common Areas. "Common Areas" and "Common Area Improvements" initially shall include the Common Areas in tracts described or depicted in the Plat of Phase 1. Specifically, Declarant at this time contemplates that the tracts described in Section 3.01.01 shall be part of the Property (and the Additional Property when and if added). Declarant further contemplates that at the time all or a portion of the Additional Property is incorporated, Common Areas and Common Area Improvements within the Additional Property, including the tracts described in Section 3.01.02, also shall be made subject to this Declaration, shall be deemed included within the definition of "Common Areas" and "Common Area Improvements" and shall be maintained by the Association as further described herein:

3.01.01 Tracts Within the Property.

Area Tracts.

(i) Open Space/Native Growth Protection

Tract 995

(ii) Recreation Open Space Tracts.

Tracts 990 open space recreation
991 open space recreation
993 tot lot
994 open space recreation
996 tot lot

(iii) Drainage Tracts.

Tracts 2006
2002
2008

3.01.02 Tracts Within the Additional Property.

(i) Open Space/Native Growth Protection

Area Tracts.

Tracts 982
986

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987
989
992
998
999

(ii) Recreation Open Space Tracts.

Tracts	983	tot lot
	984	sport court
	985	open space recreation
	988	tot lot
	997	open space recreation

In addition, Common Areas shall include all recreational facilities from time to time constructed therein by Declarant in connection with development of the Additional Property. ALL RECREATIONAL FACILITIES WITHIN COMMON AREAS, WHENEVER AND WHEREVER LOCATED, SHALL BE AVAILABLE FOR USE ON A NON-DISCRIMINATORY BASIS BY ALL OWNERS WITHIN THE PROPERTY, INCLUDING ANY ADDITIONAL PROPERTY FROM TIME TO TIME MADE A PART HEREOF.

Section 3.02 Association to Maintain Common Areas. The Association shall have the right and the obligation to maintain the Common Areas.

Section 3.03 Alteration of Common Area. Nothing shall be altered or constructed upon or removed from the Common Areas except upon the prior written consent of the Board. With respect to those Common Areas which include native growth protection areas, no construction or alteration shall be allowed within such native growth protection areas without the prior written consent of the County.

Section 3.04 Easements for Utilities and Drainage. Declarant does hereby establish, create and reserve for the benefit of itself, the Association and all Owners, and their respective heirs and assigns, the following non-exclusive easements:

(a) An easement to Lake Stevens Sewer District, PUD #1 of Snohomish County, GTE Northwest, Inc., Waste Management-Northwest, Inc. and their successors and assigns, under and upon the exterior ten (10) feet, parallel with and adjoining the street frontage of all Lots and tracts, in which to install, lay, construct, renew, operate, and maintain underground conduits, cable, pipelines, water and sewer mains, and wires with necessary facilities and other equipment for the purpose of service to this subdivision and other property with electric, telephone, gas, cable T.V. service, sewer and water, together with the right to enter upon the Lots at all times for the purposes stated;

(b) An easement five (5) feet in width, parallel with and adjacent to all rear Lot lines for the purposes of utilities and private drainage;

(c) With respect to Lots on which zero lot line residences are to be constructed ("Zero Lot Line Lots"), an easement for the purpose of utilities and private drainage two and one-half (2-1/2) feet in width, parallel with and adjacent to the interior lot line opposite such residence, and with respect to Lots on which zero lot line residences shall not be constructed, an easement two and one-half (2-1/2) feet in width, parallel with and adjacent to all interior Lot lines;

(hereinafter, the "Utilities and Drainage Easements"). No Lot Owner shall allow or permit any structure, fill or landscaping to be located, installed or grow upon the area subject to the Utilities and Drainage Easements which might in any way damage or interfere with the installation and operation of such utilities and systems. In particular, no lines or wires for the transmission of electric current or for telephone use, cable t.v., fire or police signals, or for other purposes, shall be placed upon any Lot outside the structures thereon unless the same shall be underground or in conduit attached to a structure. Each person utilizing the Utilities and Drainage Easements areas located on another's Lot shall promptly restore such area to a condition as close to its original condition as reasonably practical after making such use. Each Lot Owner shall maintain the area of his Lot subject to the Utilities and Drainage Easements in a condition which will not interfere with the operation and maintenance of said utilities and systems.

(d) With respect to Zero Lot Line Lots only, the following non-exclusive appurtenant easements, for the benefit of the owner of the Zero Lot Line Lot: (i) an easement five (5) feet in width, parallel with and over and across the first five (5) feet of the sideyard of the Lot abutting the zero lot line residence, which easement shall be for the maintenance and repair of the zero lot line residence by the Owner thereof; and (ii) an easement two (2) feet in width, parallel with and over and across the first two (2) feet of the sideyard of the Lot abutting the zero lot line residence, which easement shall be for eave overhangs, foundations, siding, window framing and other related appurtenances to the zero lot line residence. Owners of Lots subject to such easements in favor of the Zero Lot Line Lots shall be entitled to all reasonable use of the easement area, so long as such use does not interfere with or impair the easement rights herein granted.

Section 3.05 Storm Water Facilities. All storm water detention and retention facilities located in tracts or easements outside of the County right-of-way shall be owned and maintained by the Association as a Common Area expense.

Section 3.06 Public Areas. Any public areas within the Property shall be subject to all ordinances, rules and regulations of the appropriate governmental agencies with jurisdiction.

ARTICLE 4 CONSTRUCTION ON LOTS AND USE OF LOTS

Section 4.01 Permitted Structures. No Structure of any kind shall be constructed, altered, added to or maintained upon any Lot or any other part of the Property, except: (a) improvements or structures which are constructed by Declarant or its agents or assigns; (b) such structures as are approved by the Board in accordance with this Article 4; or (c) structures which pursuant to this Article 4 do not require consent of the Board.

Section 4.02 Uniformity of Use and Appearance. One of the purposes of this Declaration is to assure within the Property: (a) a uniformity of use and quality of workmanship, materials, design, maintenance and location of Structures with respect to topography and finish grade elevation; and (b) that there will be no undue repetition of external designs. It is in the best interests of each Owner that such uniformity of use be maintained as hereinafter provided. Architecture of all structures shall be limited to traditional styles. Contemporary style architecture will not be considered for approval under Section 4.03. No building (except for accessory structures) shall be erected, altered, placed or permitted to remain on any Lot other than one single family dwelling. Accessory structures including storage buildings are permitted as allowed by the requirements of this Article 4. Notwithstanding anything herein set forth, the Construction of any Structure shall comply with the more restrictive of either (i) the terms and conditions of this Declaration or (ii) the laws, codes, ordinances and regulations of any governmental entity having jurisdiction.

Section 4.03 Submission of Plans. At least twenty (20) days before commencing Construction of any Structure on any Lot, the Owner shall submit to the Board two (2) complete sets of detailed building, Construction, surface water run-off control and landscaping plans and specifications and a site plan showing the location of all proposed Structures (the plans, specifications and site plans are individually and collectively referred to herein as the "Plans"). The Plans shall be submitted in a form satisfactory to the Board, which may withhold its approval by reason of its reasonable dissatisfaction with the location of the Structure on the Lot, color scheme, finish, architecture, height, impact on view from another Lot or Lots, appropriateness of the proposed Structure, materials used therein, or because of its reasonable dissatisfaction with any other matter which, in the reasonable judgment of the Board, would render the proposed Structure inharmonious with the general plan of development of the Property or other Structures nearby. The Board's approval or disapproval of Plans shall be in writing and approval shall be

evidenced by written endorsement on such Plans, one copy of which shall be delivered to the Owner of the Lot upon which the Structure is to be Constructed. In any judicial action to enforce the Board's decision the losing party shall pay the prevailing party's attorney's fees and costs including those incurred in connection with any appeal.

Section 4.04 Construction. No Structure shall be Constructed or caused to be Constructed on any Lot unless the Plans for the Structure, including landscaping, have been approved in writing by the Board. The Board's review and approval or disapproval of Plans on the basis of cost, aesthetic design, harmony with previously approved Structures on or about other Lots in the Property, location, or consistency with this Declaration shall be absolute and enforceable in any court of competent jurisdiction. The Board's approval of any Plans, however, shall not constitute any warranty or representation whatsoever by the Board or any of its members that such Plans were examined or approved for engineering or structural integrity or sufficiency or compliance with applicable governmental laws, codes, ordinances and regulations, and each owner hereby releases any and all claims or possible claims against the Board or any of them, and their heirs, successors and assigns, or of any nature whatsoever, based upon engineering or structural integrity or sufficiency or compliance with applicable governmental laws, codes, ordinances and regulations.

Section 4.05 Minimum Size.

4.05.01 Floor Area. The floor area of the main house Structure, exclusive of open porches and garages shall be not less than: (a) 1,100 square feet for a dwelling containing a single level; and (b) 1,400 square feet for a dwelling containing two levels. The Board shall have the discretion to reduce minimum floor area requirements upon a showing of topographical or other physical constraints which limit buildable area.

4.05.02 Lot Size. 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 the lot is located.

Section 4.06 Maximum Height. All buildings or Structures shall be Constructed in accordance with the County and other applicable codes.

Section 4.07 Use Restrictions.

4.07.01 Residential Use. The dwellings within the Structures are intended for and restricted to use as single family residences only, on an ownership, rental, or lease basis, and for social, recreational, or other reasonable activities normally incident to such use. In addition to the foregoing,

Declarant and any Participating Builder may use dwellings it owns as sales offices and models for sales of other Lots.

4.07.02 Maintenance of Buildings and Lots. Each Owner shall, at the Owner's sole expense, keep the interior and exterior of the Structure on the Owner's Lot, as well as the Lot, in a clean and sanitary condition, free of rodents and pests, and in good order, condition and repair and shall do all redecorating, painting, landscaping, and maintenance at any time necessary to maintain the appearance and condition of the Structure and the Lot.

4.07.03 Completion of Construction. Any Structure erected or placed on any Lot shall be completed as to external appearance within nine (9) months from the date Construction is started, however, with good cause shown, the Board may extend this term. All yards and landscaping must be completed within three (3) months from the date of completion of the Structure, however, with good cause shown, the Board may extend this term. All Lots shall be maintained in a neat and orderly condition during Construction.

4.07.04 Parking. No trucks, campers, trailers, boats, motorcycles or other vehicle or any part thereof shall be parked or permitted to remain on any Lot, unless the same is stored in a garage. No such vehicles shall be parked overnight on any street adjoining any Lot; provided that such vehicles belonging to guests may occasionally be so parked.

4.07.05 Signs. No sign of any kind shall be displayed to the public view on or from any Lot without the prior written consent of the Board, except for "For Rent" or "For Sale" signs in a form not prohibited by any rules and regulations of the Board. This Section shall not apply to the Declarant or any Participating Builder.

4.07.06 Animals. Animals, including horses, live-stock, poultry, reptiles or pigs, shall not be kept on any lot. Household pets shall not exceed three in number; provided that unweaned puppies or kittens may be kept. All animal enclosures must be kept in a clean, neat and odor-free condition at all times. All animals must be kept at a distance of not less than fifteen (15) feet from abutting Structures and storm water facilities. The Board may at any time require the removal of any pet which it finds is disturbing other Owners or tenants unreasonably, in the Board's determination, and may exercise this authority for specific pets even though other pets are permitted to remain. Notwithstanding anything set forth herein all Owners shall comply with all applicable governmental laws, codes, ordinances, and regulations pertaining to animals.

4.07.07 Temporary Structures. No Structure of a temporary character, trailer, tent, shack, garage, barn, or other

outbuilding shall be installed, placed or used on any Lot as a residence, either temporarily or permanently.

4.07.08 Clothes Lines. No washing, rugs, clothing, apparel or any other article shall be hung from the exterior of any Structure or on a Lot so as to be visible from the streets and roadways adjoining the Lots.

4.07.09 Radio and Television Aerials. No television or radio aerial shall be erected or placed on any Lot which is more than six (6) feet in height above the highest point (exclusive of chimneys) on the Structure upon which it is erected. No rotary beams, separate towers or other similar devices shall be constructed on any Lot without the written approval of the Board. No satellite receiving dishes or other such electronic receiving devices shall be located on any Lot in a location that is visible from the adjoining homes, streets, and roadways. All aerial installations must receive prior written approval from the Board.

4.07.10 Trash Containers and Debris. All trash shall be placed in sanitary containers either buried or screened so as not to be visible from adjoining Structures or streets or roadways. No Lot or Common Area or any portion thereof shall be used as a dumping ground for trash or rubbish of any kind. Yard rakings, dirt and debris resulting from landscaping work or Construction shall not be dumped onto adjoining lots or streets or roadways. Compost piles may be kept upon the Lots provided they are kept in a clean, neat and sanitary condition.

4.07.11 Offensive Activity. No trade, craft, business, profession, commercial or manufacturing enterprise or business or commercial activity of any kind, including day schools, nurseries, or church schools, shall be conducted or permitted on any Lot, nor shall goods, equipment, vehicles or materials used in connection therewith, be kept, parked, stored, dismantled or repaired outside of any Lot or any street within the Property. No noxious or offensive activity, including but not limited to the creation of excess levels of noise, shall be carried on in any Lot, nor shall anything be done therein which may be or become an annoyance or nuisance to other Owners or tenants.

4.07.12 Setbacks. Front and rear yard setbacks will be per County requirements. Side yard setbacks shall be as depicted in the plat map approved by the County. All Structures shall maintain a minimum ten (10) foot building setback from the upland edge of any adjacent wetland buffers. For purposes of this subsection 4.07.12, eaves, steps and open porches shall not be considered as part of the Structure; provided that this Section shall not be construed to permit any portion of a Structure on any Lot to encroach upon any other Lot. All Structures shall also comply with all applicable governmental laws, codes, ordinances and regulations pertaining to setbacks.

4.07.13 Fences. No fence shall be constructed on any Lot without the prior written approval of the Board, which approval may be granted or denied in the Board's sole discretion. All fences shall be 1" x 6" cedar construction or better and shall otherwise be constructed in a good and workman-like manner, shall be artistic in design and shall not detract from the appearance of any adjacent structures. In addition, the finished wood side of the fence shall face the adjacent Lot(s). No fence shall exceed six (6) feet in height. No fence shall be allowed within the front yard setback. With the exception of fences to be located on Zero Lot Line Lots, any fence adjacent to a garage shall be located a minimum of ten (10) feet back from the front elevation of the garage, and any fence located adjacent to a residence shall be located a minimum of five (5) feet back from the front elevation of the residence. With respect to fences located on Zero Lot Line Lots, any fence located adjacent to the residence shall be located a minimum of five (5) feet back from the front elevation of the residence.

4.07.14 Underground Utilities. All utility lines or wires located outside a dwelling unit shall be in conduits attached to such units or underground.

4.07.15 Drainage. All building downspouts, footing drains, and drains from all impervious surfaces, including without limitation, patios and driveways, shall be connected to the approved permanent storm drain outlet. This plan shall be submitted with the application for any building permit. All connections of the drains must be constructed and approved prior to the final building inspection approval. All roof drains shall be connected to public storm sewer system. Absolutely no dumping of any pollutants into the storm sewer systems shall be permitted.

4.07.16 Damage. Any damage to streets, plat improvements, entry structure, fences, landscaping, mailboxes, lights and lighting standards by Lot Owners, their children, contractors, agents, visitors, friends, relatives or service personnel shall be repaired by such Owner within twelve (12) days from the occurrence of such damage.

4.07.17 Driveways. All driveways shall be paved with concrete from the edge of the paved street to connect with the paved surface of the floor of the garage.

4.07.18 Front Yard Landscaping. All front yards of Lots shall be landscaped primarily with grass sod from the edge of the right-of-way to the residence; provided, however, that within such front yard areas may be located flower beds, paths and patio areas. In addition, each Owner shall be responsible for landscaping and thereafter maintaining the planting strip along the right-of-way adjacent to each Owner's Lot. The planting strip shall be planted with grass sod and street trees

no more than thirty-five (35) feet apart, according to an approved list of street tree species designated by Declarant.

4.07.19 Mailboxes. All mailboxes must be of a standard accepted by the U.S. Postal Authorities and must be located in those areas so designed by the U.S. Postal Department. Structures containing mailboxes must be approved by the Board.

4.07.20 Compliance with Laws. Notwithstanding anything to the contrary set forth herein, each Owner and the Association shall comply with the more restrictive of either (a) the terms and conditions of this Declaration, or (b) the laws, codes, ordinances, and regulations of any governmental entity having jurisdiction.

ARTICLE 5 GLEN ACRES OWNERS' ASSOCIATION

Section 5.01 Organization. The Glen Acres Owners' Association is an unincorporated association of all Owners. It is contemplated that Declarant shall file articles of incorporation after the date hereof in order to incorporate the Association under the laws of the state of Washington relating to nonprofit corporations. Declarant also shall adopt bylaws which, together with the articles and this Declaration shall govern the affairs of the Association.

Section 5.02 Board of Directors. The affairs of the Association shall be governed by a Board of Directors (the "Board") which shall be composed of one or more members, to be determined in the reasonable discretion of the Board. The Declarant initially shall constitute the Board and shall be fully authorized to exercise the powers of the Association until the Transition Date as defined in Section 5.10. Subject to any specific requirements hereof, the Board shall have authority to establish operating rules and procedures. In the event of death or resignation of any member or members of the Board, the remaining member or members, if any, shall have full authority to appoint a successor member or members. Members of the Board shall not be entitled to any compensation for services performed pursuant to this Declaration.

Section 5.03 Qualification for Membership. Each fee owner of a Lot (including Declarant) on the Property shall be a member of the Association and shall be entitled to one membership and one vote for each Lot owned; provided, that if a Lot has been sold on contract, the contract purchaser shall exercise the rights of an owner for purposes of the Association, and this Declaration except as hereinafter limited, and shall be the voting representative unless otherwise specified. Ownership of a Lot shall be the sole qualification for membership in the Association.

Section 5.04 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, transferred, pledged, hypothecated, conveyed, or alienated in any way except upon the transfer of title to the Lot and then only to the transferee of title to the Lot. Any 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 to the new Owner.

Section 5.05 Number of Votes. The total voting power of the Association at any given time shall equal the number of Lots included within the Property at that time. The Owner or Owners of each Lot within the Property shall be entitled to one vote. If a Person (including Declarant) owns more than one Lot, he or she shall have the votes appertaining to each Lot owned.

Section 5.06 Voting. If a Lot is owned by husband and wife and only one of them is at a meeting, the one who is present will represent the marital community. The vote for a Lot must be cast as a single vote, and fractional votes shall not be allowed. If joint Owners are unable to agree among themselves how their vote shall be cast, they shall lose their right to vote on the matter in question.

Section 5.07 Pledged Votes. An Owner may, but shall not be obligated to, pledge his vote on all issues or on certain specific issues to a Mortgagee; provided, however, that if an Owner is in default under a mortgage or deed of trust on his Lot for ninety (90) consecutive days or more, the Owner's Mortgagee shall automatically be authorized to declare at any time thereafter that the Lot Owner has pledged his vote to the Mortgagee on all issues arising after such declaration and during the continuance of the default. If the Board has been notified of any such pledge to a Mortgagee, only the vote of the Mortgagee will be recognized on the issues that are subject to the pledge.

Section 5.08 Annual and Special Meetings. Within the period commencing thirty (30) days before the Transition Date and ending thirty (30) days after the Transition Date, there shall be a meeting of the members of the Association and thereafter there shall be an annual meeting of the members of the Association in the first quarter of each fiscal year at such reasonable place and time as may be designated by written notice from the Board delivered to the Owners no less than thirty (30) days before the meeting. At the first such meeting, and at each annual meeting thereafter, the Owners shall elect by majority vote individuals to serve as Board members until a successor is elected at the next annual meeting. Each Lot shall be entitled to one vote for each director and the voting for directors shall be noncumulative. The financial statement for the preceding fiscal year (if any) and the budget the Board has adopted for the pending fiscal year shall be presented at the annual meeting for the information of the members. Special meetings of the members of the Associa-

tion may be called at any time upon not less than fourteen (14) days prior written notice to all Owners, for the purpose of considering matters which require the approval of all or some of the Owners, or for any other reasonable purpose. Any First Mortgagee of a Lot may attend or designate a representative to attend the meetings of the Association.

Section 5.09 Books and Records. The Board shall cause to be kept complete, detailed, and accurate books and records of the receipts and expenditures (if any) of the Association, in a form that complies with generally accepted accounting principles. The books and records, authorizations for payment of expenditures, and all contracts, documents, papers, and other records of the Association shall be available for examination by the Lot Owners, Mortgagees, and the agents or attorneys of either of them, during normal business hours and at any other reasonable time or times.

Section 5.10 Transition Date. The "Transition Date" shall be the date control of the Board passes from Declarant to the Association. The Transition Date will be the earlier of:
(a) the date designated by Declarant in a written notice to the Owners, which date may be by Declarant's election any date after this Declaration has been recorded, (b) seven years after the recording of this Declaration; or (c) the 120th day after Declarant has transferred title to the purchasers of Lots representing 75% of the total voting power of all Lot Owners in the Association. For purposes of the foregoing clause (c), however, transfer of title to a Lot by Declarant to any Participating Builder shall be disregarded and title to any Lot owned by Participating Builder shall not be deemed transferred for purposes of determining the Transition Date until the Lot is further transferred by Participating Builder to a purchaser who is not either a Participating Builder or Declarant. From and after the Transition Date, the then Owners of 60% of the Lots in the Property shall have the power through a written instrument recorded in the real property records of Snohomish County, Washington, to restrict or eliminate all or any of the approval powers and duties of the Board set forth in this Declaration, excluding the duty to maintain the Common Areas.

ARTICLE 6 NOTICES FOR ALL PURPOSES

All notices given under the provisions of this Declaration or rules or regulations of the Association shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, the notice shall be deemed to have been delivered on the third day of regular mail delivery after a copy has been deposited in the United States mail, first class, postage prepaid, addressed to the Person entitled to such notice at the most recent address known to the Board. Mailing addresses may be changed by notice in writing to the Board. Notices to the Board

may be given to any Board member or mailed to the following address:

Sound Subdivision I Limited Partnership
c/o Mr. Jeffrey Wright
J. Wright Development Company
Suite 3100, 1111 Third Avenue
Seattle, Washington 98101

The Board's address may be changed from time to time by the execution and recording of an instrument in the real property records of Snohomish County, Washington which (a) refers to this Declaration and this Article 6 and (b) sets forth the Board's new address.

ARTICLE 7 AUTHORITY OF THE BOARD

Section 7.01 Adoption of Rules and Regulations. The Board is empowered to adopt, amend, and revoke on behalf of the Association detailed administrative rules and regulations necessary or convenient from time to time to insure compliance with the general guidelines of this Declaration to promote the comfortable use and enjoyment of the Property and to govern the operation and procedures of the Association. The rules and resolutions may, without limitation, authorize voting by proxy or mail, or both, on Association matters. The rules and regulations of the Association shall be binding upon all owners and occupants and all other Persons claiming any interest in the Property.

Section 7.02 Enforcement of Declaration, Etc. The Board shall have the power to enforce the provisions of this Declaration, and the rules and regulations of the Association for the benefit of the Association. The failure of any Owner to comply with the provisions of this Declaration, or the rules and regulations of the Association will give rise to a cause of action in the Association (acting through the Board) and any aggrieved Lot Owner for recovery of damages, or injunctive relief, or both. If a legal action is brought to interpret or enforce compliance with the provisions of this Declaration, or the rules or regulations of the Association, the prevailing party shall be entitled to judgment against the other party for its reasonable expenses, court costs, and attorneys' fees in the amount awarded by the Court.

Section 7.03 Goods and Services. The Board shall acquire and pay for as common expenses of the Association all goods and services reasonably necessary or convenient for the efficient and orderly maintenance of all portions of the Common Areas not maintained by public utility companies or a governmental entity. The goods and services shall include (by way of illustration and not limitation) utility services for the Common Areas; policies of insurance; and maintenance, repair, landscaping, gardening,

and general upkeep of the Common Areas. The Board may hire such employees as it considers necessary.

Section 7.04 Protection of Common Areas. The Board may spend such funds and take such action as it may from time to time deem necessary to preserve the Common Areas, settle claims, or otherwise act in what it considers to be the best interests of the Association.

ARTICLE 8 BUDGET AND ASSESSMENT FOR COMMON EXPENSES

Section 8.01 Fiscal Year; Preparation of Budget. The Board may adopt such fiscal year for the Association as it deems to be convenient. Unless another year is adopted, the fiscal year will be the calendar year. As soon as the Board in its discretion deems advisable and prior to the expiration of each fiscal year thereafter, the Board shall establish a budget for the costs of maintaining the Common Area during the ensuing fiscal year. The Board shall then assess each Lot within the Property with its pro rata share, based upon the number of Lots then within the Property, of such estimated costs. The Board, at its election, may require the Lot Owners to pay the amount assessed in equal quarterly installments or in a lump sum annual installment. The Board shall notify each Lot Owner in writing at least 30 days in advance of each assessment period of the amount of the assessment for said period, which notice shall be accompanied by a copy of the budget upon which the assessment is based. The assessments levied by the Board shall be used exclusively to promote the recreation, health, safety and welfare of the Lot Owners and for the improvement and maintenance of the Common Areas.

Section 8.02 Certificate of Unpaid Assessments. Any failure by the Board or the Association to make the budget and assessments hereunder before the expiration of any fiscal year for the ensuing fiscal year shall not be deemed a waiver or modification in any respect of the provisions of this Declaration, or a release of the Owners from the obligation to pay assessments during that or any subsequent year, and the assessment amount and payment method established for the preceding fiscal year (if any) shall continue until a new assessment is established. Upon the request of any Owner or Mortgagee or prospective Owner or prospective Mortgagee of a Lot, the Board will furnish a statement of the amount, if any, of unpaid assessments charged to the Lot. The statement shall be conclusive upon the Board and the Association as to the amount of such indebtedness on the date of the statement in favor of all purchasers and Mortgagees of the Lot who rely on the statement in good faith. All assessments and other receipts received by the Association shall belong to the Association.

Section 8.03 Date of Commencement of Annual Assessments. The annual assessments provided for herein shall commence as to all Lots at such time as the Board in its absolute discretion deems advisable. The first annual assessment shall be adjusted according to the number of months remaining in the fiscal year and shall not exceed a maximum of \$100 per Lot.

ARTICLE 9
LIEN AND COLLECTION OF ASSESSMENTS

Section 9.01 Assessments Are a Lien: Priority. All unpaid sums assessed by the Association for the share of the common expenses chargeable to any Lot and any sums specially assessed to any Lot under the authority of this Declaration shall constitute a lien on the Lot and all its appurtenances from the date the assessment becomes due and until fully paid. The lien for such unpaid assessments shall be subordinate to tax liens on the Lot in favor of any assessing unit and/or special district, and to all sums unpaid on all First Mortgages of record, but, to the extent permitted by applicable law, shall have priority over all other liens against the Lot. A First Mortgagee that obtains possession through a Mortgage foreclosure or deed of trust sale, or by taking a deed in lieu of foreclosure or sale, or a purchaser at a foreclosure sale, shall take the Lot free of any claims for the share of common expenses or assessments by the Association chargeable to the Lot which became due before such possession, but will be liable for the common expenses and assessments that accrue after the taking of possession. The Lot's past-due share of common expenses or assessments shall become new common expenses chargeable to all of the Lot owners, including the Mortgage or foreclosure sale purchaser and their successors and assigns, in proportion to the number of Lots owned by each of them. Notwithstanding any of the foregoing, however, the Owner and the real estate contract purchaser shall continue to be personally liable for past due assessments as provided in Section 9.03. For purposes of this Section, "Mortgage" does not include a real estate contract and "Mortgagee" does not include the vendor or the assignee or designee of a vendor of a real estate contract.

Section 9.02 Lien May Be Foreclosed. The lien for delinquent assessments may be foreclosed by suit by the Board, acting on behalf of the Association, in like manner as the foreclosure of a mortgage of real property. The Board, acting on behalf of the Association, shall have the power to bid in the Lot at the foreclosure sale, and to acquire and hold, lease, Mortgage, and convey the same.

Section 9.03 Assessments Are Personal Obligations. In addition to constituting a lien on the Lot, all sums assessed by the Association chargeable to any Lot, together with interest, late charges, costs and attorneys' fees in the event of delinquency, shall be the joint and several personal obligations of

the Owner and any contract purchaser of the Lot when the assessment is made and their grantees. Suit to recover personal judgment for any delinquent assessments shall be maintainable without foreclosing or waiving the liens securing them.

Section 9.04 Late Charges and Interest on Delinquent Assessments. The Board may from time to time establish late charges and a rate of interest to be charged on assessments delinquent for a period of more than ten (10) days after the date when due. In the absence of another established, nonusurious rate, delinquent assessments shall bear interest at the rate of twelve (12%) per annum. If an installment on an assessment against a Lot is not paid when due, the Board may elect to declare the entire assessments against the Lot for the remainder of the fiscal year to be immediately due and payable.

Section 9.05 Recovery of Attorneys' Fees and Costs. In any action to collect delinquent assessments, the prevailing party shall be entitled to recover as a part of its judgment a reasonable sum for attorneys' fees and all costs and expenses reasonably incurred in connection with the action, in addition to taxable costs permitted by law.

Section 9.06 Remedies Cumulative. The remedies provided herein are cumulative and the Board may pursue them, and any other remedies which may be available under law although not expressed herein, either concurrently or in any order.

Section 9.07 No Avoidance of Assessments. No Owner may avoid or escape liability for assessments provided for herein by abandoning his or her Lot.

ARTICLE 10

FAILURE OF BOARD TO INSIST ON STRICT PERFORMANCE NO WAIVER

The failure of the Board in any instance to insist upon the strict compliance with this Declaration or rules and regulations of the Association, or to exercise any right contained in such documents, or to serve any notice or to institute any action, shall not be construed as a waiver or a relinquishment for the future of any term, covenant, condition, or restriction. The receipt by the Board of payment of any assessment from an Owner, with knowledge of any breach by the Owner, shall not be a waiver of the breach. No waiver by the Board of any requirement shall be effective unless expressed in writing and signed for the Board.

ARTICLE 11

LIMITATION OF LIABILITY

So long as a Board member, or Association member, or Declarant has acted in good faith, without willful or intentional mis-

conduct, upon the basis of such information as is then possessed by such Person, then no such Person shall be personally liable to any Owner, or to any other Person, including the Association, for any damage, loss, or prejudice suffered or claimed on account of any act, omission, error, or negligence of such Person; provided, that this Article shall not apply where the consequences of such act, omission, error, or negligence are covered by any insurance actually obtained by the Board.

ARTICLE 12 INDEMNIFICATION

Each Board member, and Declarant 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 holding or having held such position, or any settlement thereof, whether or not he holds such position at the time such expenses or liabilities are incurred, except to the extent such expenses and liabilities are covered by insurance and except in such cases wherein such Board member or Declarant is adjudged guilty of willful misfeasance in the performance of his or her duties; provided, that in the event of a settlement, the indemnification shall apply only when the Board approves such settlement and reimbursement as being for the best interests of the Association.

ARTICLE 13 INSURANCE

At such times as the Board deems appropriate, the Board shall cause the Association to purchase and maintain as a common expense a policy or policies which the Board deems necessary or desirable to provide casualty insurance; comprehensive liability insurance; with such deductible provisions as the Board deems advisable; insurance, if available, for the protection of the Association's directors, and representatives from personal liability in the management of the Association's affairs; and such other insurance as the Board deems advisable. The Board shall review the adequacy of the Association's insurance coverage at least annually.

ARTICLE 14 DAMAGE AND REPAIR OF DAMAGE TO PROPERTY

In the event of any casualty, loss or other damage to the Common Area for which the then current assessments by the Board are insufficient to repair, or restore or for which there are not insurance proceeds or insufficient insurance proceeds available to the Board for such restoration or repair, the Board may make a special assessment against each Lot within the Property for its

pro rata share of the cost and expenses to repair and/or restore the Common Areas. The special assessment shall be payable, at the determination of the Board, in either monthly or quarterly installments or in a single lump sum amount. The Board shall notify each Lot Owner of any such special assessment not less than twenty (20) days prior to the date such special assessment or the first installment thereon is due and payable, which notice shall be accompanied by a reasonably detailed statement of the Board's estimated costs and expenses of repairing and/or restoring the Common Areas.

ARTICLE 15 AMENDMENTS OF DECLARATION

Section 15.01 Amendments by Declarant. Prior to the Transition Date, Declarant may amend this Declaration by an instrument in writing filed and recorded in the Records of Snohomish County, Washington, without the approval of any owner or Mortgagee; provided, however, that, with the exception of the addition of any portion of the Additional Property to the terms of this Declaration, (a) in the event that such amendment materially alters or changes any Owner's right to the use and enjoyment of his Lot or the Common Areas as set forth in this Declaration or adversely affects the title to any Lot, such amendment shall be valid only upon the written consent thereto by a majority in number of the then existing Owners affected thereby, or (b) in the event that such amendment would materially and adversely affect the security, title and interest of any Mortgagee, such amendment shall be valid only upon the written consent thereto of all such Mortgagees so affected. Notwithstanding the foregoing to the contrary, no consent or approval of any Owner, any Mortgagee or any other person shall be required in connection with Declarant's filing of amendments to the Declaration for the purpose of submitting the Additional Property or any portion thereof to the provisions of this Declaration as provided in Section 2.02 hereof.

Each Owner, by acceptance of a deed or other conveyance of a Lot, agrees to be bound by such amendments as are permitted by this Section 15.01 and further agrees that, if requested to so do by Declarant, such Owner will consent to the amendment of this Declaration or any other instruments relating to the Property: (a) if such amendment is necessary to bring any provision hereof or thereof into compliance or conformity with the provisions of any applicable governmental statute, rule, or regulation or any judicial determination which shall be in conflict therewith, (b) if such amendment is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to any Lots subject to this Declaration, (c) if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans, including, any Federal Mortgage Agencies, to enable such lender or purchaser to make or purchase mortgage loans on any Lot or other improvements subject to this Declara-

tion, or (d) if any such amendment is necessary to enable any governmental agency or reputable private insurance company to insure Mortgages on the Lots or other improvements subject to this Declaration. Any such amendments by Declarant shall not require the consent of any Owner but may be executed by Declarant and recorded in the real property records of Snohomish County, Washington.

Section 15.02 Amendments by Association. Any Owner may propose amendments to this Declaration to the Board. A majority of the members of the Board may cause a proposed amendment to be submitted to the members of the Association for their consideration. If an amendment is proposed by Owners of 20% or more of the Lots, then, irrespective of whether the Board concurs in the proposed amendment, it shall be submitted to the members of the Association for their consideration at their next regular or special meeting for which timely notice may be given. Notice of a meeting at which an amendment is to be considered shall include the text of the proposed amendment. Amendments may be adopted at a meeting of the Association or by written consent of the requisite number of Persons entitled to vote, after notice has been given to all Persons entitled to receive notice of a meeting of the Association. The unanimous consent of all Owners shall be required for adoption of either: (a) an amendment changing the voting power or portion of assessments appurtenant to each Lot; or (b) an amendment of Section 4.07 or of this Article 15. All other amendments shall be adopted if approved by the Owners of two-thirds (2/3) of the Lots. Once an amendment has been adopted by the Association, the amendment will become effective when a certificate of the amendment, executed by a member of the Board, has been recorded in the real property records of Snohomish County, Washington.

Section 15.03 Amendments to Article 3. Notwithstanding the foregoing provisions regarding amendments, no amendment to this Declaration which affects the obligation of Owners to maintain Common Areas and Easements as set forth in Article 3 hereof shall become effective without the prior written consent of the County.

ARTICLE 16 ANNEXATION AND SUBDIVISION

Residential property other than the Additional Property and Common Areas may be annexed or added to the Property only with the consent of two-thirds of the Association. No Lot shall be subdivided or combined without the approval of all Lot Owners. Notwithstanding the foregoing, no Lot or portion of any Lot shall be divided and sold or resold or ownership transferred whereby ownership of any Lot shall be less than the area required for the use district of the County. No Common Area may be abandoned or ownership thereof sold or transferred without the approval of all Lot Owners and the consent of the County.

ARTICLE 17
FHA/VA APPROVAL

Prior to the Transition Date, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration if such administrations have insured any of the Lots or hold a first mortgage on any of the Lots: annexation of additional properties, dedication of Common Areas other than by Declarant pursuant to Article 2 hereof, or any material amendment to this Declaration.

ARTICLE 18
CERTAIN RIGHTS OF DECLARANT

For such time as Declarant shall own Lots or have the unexpired right to add the Additional Property, 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 Declarant's rights as an Owner.
- (b) Change Article 1 ("Definitions") in a manner which alters Declarant's rights or status;
- (c) Alter Declarant's rights under Article 2 regarding the submittal of the Additional property to this Declaration;
- (d) Alter previously-recorded or written agreements with public or quasi-public agencies regarding easements and rights-of-way; or
- (e) Alter the Declarant's rights as they appear under this Article.

ARTICLE 19
DURATION

The covenants, conditions, and restrictions of this Declaration shall run with and bind the Property and shall inure to the benefit of and be enforceable by the Owners, their respective legal representatives, heirs, successors and assigns, for a period of thirty (30) years from the date this Declaration is recorded, after which time the covenants, conditions and restrictions shall be automatically extended for successive periods of ten (10) years each unless an instrument signed by a majority of the then Owners has been recorded agreeing to terminate the covenants, conditions and restrictions. Notwithstanding the foregoing, no such termination shall be effective so as to terminate the obligation of the Owners to maintain the Common

Areas and Easements as set forth in Article 3 hereof without the prior written consent of the County.

ARTICLE 20
SEVERABILITY

The provisions of this Declaration shall be independent and severable, and the unenforceability of any one provision shall not affect the enforceability of any other provision, if the remainder affects the common plan.

ARTICLE 21
EFFECTIVE DATE

This Declaration shall be effective upon recording.

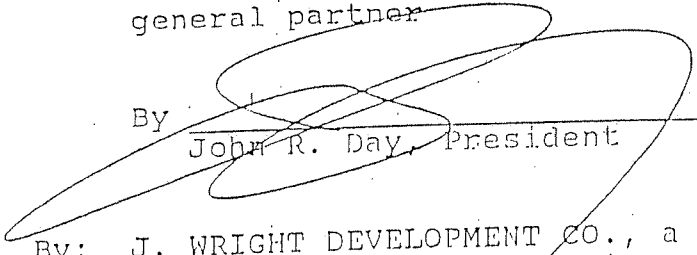
ARTICLE 22
ASSIGNMENT BY DECLARANT

Declarant reserves the right to assign, transfer, sell, lease, or rent all or any portion of the Property and reserves the right to assign all or any of its rights, duties, and obligations created under this Declaration.

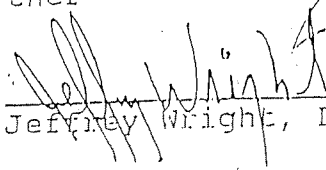
DATED as of the date first written above.

DECLARANT: SOUND SUBDIVISION LIMITED PARTNERSHIP, a
Washington limited partnership

By: MIDDLEFORK DEVELOPMENT CORPORATION,
a Washington corporation, its
general partner

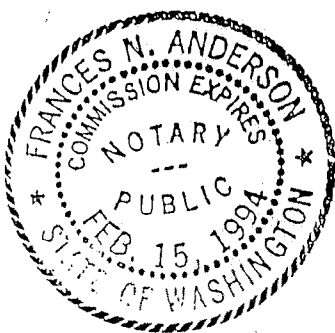
By 
John R. Day, President

By: J. WRIGHT DEVELOPMENT CO., a
Washington corporation, its general
partner

By 
Jeffrey Wright, President

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

THIS IS TO CERTIFY that on this 22nd day of March, 1993 before me, the undersigned a notary public in and for the State of Washington, duly commissioned and sworn, personally appeared John R. Day, to me known to be the President of Middlefork Development Corporation, a corporation, to me known to be a general partner of Sound Subdivision I Limited Partnership, the limited partnership that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation and said partnership for the uses and purposes therein mentioned.

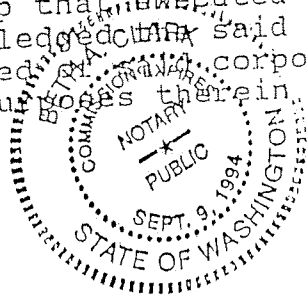


Frances N. Anderson
FRANCES N. ANDERSON
Notary Public in and for the State of
Washington, residing at Bothell

My appointment expires: 2-15-98

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

THIS IS TO CERTIFY that on this 21st day of March, 1993 before me, the undersigned a notary public in and for the State of Washington, duly commissioned and sworn, personally appeared Jeffrey Wright, to me known to be the President of J. Wright Development Co., a corporation, to me known to be a general partner of Sound Subdivision I Limited Partnership, the limited partnership that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation and said partnership for the uses and purposes therein mentioned.



Beth A. Clark
BETH A. CLARK
Notary Public in and for the State of
Washington, residing at Spokane

My appointment expires: Sept. 9, 1994

9403230265

CONSENT OF MORTGAGEE

The undersigned Mortgagee hereby consents to this Declaration and joins in it solely for the purpose of subjecting and subordinating its security interest in the Property or any portion thereof and its appurtenances to this Declaration as if the Declaration had been recorded earlier in time to Mortgagee's interest.

MORTGAGEE:

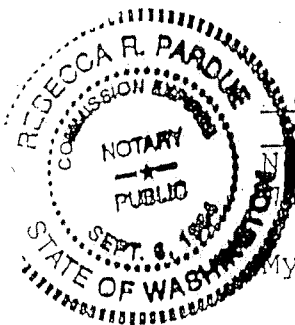
Key Bank of Washington

By Kenneth Paauw Kenneth Paauw
Its Vice President

STATE OF WASHINGTON)
COUNTY OF KING) ss.

I certify that I know or have satisfactory evidence that Kenneth Paauw signed this instrument, on oath stated that he was authorized to execute the instrument, and acknowledge it as the Vice President of Key Bank Of Washington to be the free and voluntary act for the uses and purposes mentioned in the instrument.

DATED: March 22, 1994



Rebecca R. Pardue
Rebecca R. Pardue

Notary Public in and for the State of Washington, residing at Everett

My appointment expires 9-6-94

9403230265

EXHIBIT A
TO CC&RS FOR GLEN ACRES

Legal Description of Phase 1

MIDDLEFORK DEVELOPMENT CORPORATION, a Washington Corporation as to that portion of the north half of the southeast quarter of the southwest quarter of Section 13, Township 29 North, Range 5 East, W.M. in Snohomish County, Washington, being a 60.00 foot strip of land 30.00 feet in width on each side of the following described centerline;

Commencing at the northeast corner of the southwest quarter of said Section 13; thence south $00^{\circ}45'57''$ west along the west line of the southwest quarter of said Section 13, a distance of 1349.87 feet to the beginning of said centerline; thence south $89^{\circ}52'14''$ west a distance of 170.00 feet to the beginning of a curve to the left whose radius center bears south $00^{\circ}07'46''$ east a distance of 200.00 feet; thence along the arc of said curve, a distance of 121.20 feet through a central angle of $34^{\circ}43'20''$; thence south $55^{\circ}08'54''$ west a distance of 78.60 feet to the beginning of a curve to the right whose radius center bears north $34^{\circ}51'06''$ west a distance of 200.00 feet; thence along the arc of said curve, a distance of 121.20 feet through a central angle of $34^{\circ}43'20''$; thence south $89^{\circ}52'14''$ west a distance of 642.50 feet to the beginning of a curve to the right whose radius center bears north $00^{\circ}07'46''$ west a distance of 200.00 feet; thence along the arc of said curve, a distance of 157.53 feet through a central angle of $45^{\circ}07'46''$; thence north $45^{\circ}00'00''$ west a distance of 61.68 feet to a point on the west line of the southeast quarter of the southwest quarter of said Section 13, said point also bears south $00^{\circ}02'55''$ west a distance of 42.39 feet from the northwest corner of the southeast quarter of the southwest quarter of said Section 13, said point also being the terminus of said centerline;
EXCEPT the east 30.00 feet thereof;
AND EXCEPT that portion lying within 87th Avenue Southeast and SOUND SUBDIVISION 1 LIMITED PARTNERSHIP, a Washington Limited Partnership, as to the remainder.

That portion of the southeast quarter of the southeast quarter of Section 14, Township 29 North, Range 5 East, W.M. in Snohomish County, Washington and that portion of the west half of the southwest quarter of Section 13, Township 29 North, Range 5 East, W.M. in Snohomish County, Washington, lying southerly of SR 204, described as follows;

Beginning at the southwest corner of said Section 13;
thence north $89^{\circ}44'26''$ east, along the south line of said Section 13, a distance of 139.25

feet;

thence north $03^{\circ}10'45''$ west a distance of 50.06 feet;

thence north $26^{\circ}06'44''$ east a distance of 63.85 feet;

thence north $41^{\circ}36'33''$ east a distance of 127.45 feet;

thence north $19^{\circ}26'37''$ east a distance of 102.60 feet;

thence north $58^{\circ}02'54''$ east a distance of 65.67 feet;

thence north $22^{\circ}50'51''$ east a distance of 54.05 feet;

thence north $05^{\circ}48'26''$ west a distance of 66.18 feet;

thence north $20^{\circ}52'33''$ east a distance of 69.87 feet;

thence north $46^{\circ}20'43''$ east a distance of 62.36 feet;

thence south $64^{\circ}46'32''$ east a distance of 78.82 feet;

thence north $68^{\circ}05'26''$ east a distance of 88.64 feet;

thence north $24^{\circ}51'06''$ east a distance of 78.54 feet;

thence north $11^{\circ}20'53''$ east a distance of 85.00 feet;

thence north $21^{\circ}51'25''$ west a distance of 39.32 feet;

thence north $43^{\circ}27'49''$ west a distance of 99.90 feet;

thence north $05^{\circ}08'43''$ west a distance of 44.51 feet;

thence south $69^{\circ}07'51''$ east a distance of 83.88 feet;

thence north $38^{\circ}21'52''$ east a distance of 121.11 feet to a point on a curve to the left

whose radius center bears north $03^{\circ}08'49''$ east a distance of 276.00 feet;

thence along the arc of said curve a distance of 146.76 feet through a central angle of $30^{\circ}28'02''$;

thence south $12^{\circ}30'37''$ east a distance of 58.97 feet;

thence south $25^{\circ}26'23''$ east a distance of 67.04 feet;

thence north $78^{\circ}14'29''$ east a distance of 50.79 feet;

thence north $12^{\circ}48'19''$ west a distance of 50.24 feet;

thence north $69^{\circ}44'18''$ east a distance of 26.80 feet;

thence north $01^{\circ}20'58''$ west a distance of 111.64 feet;

thence north $58^{\circ}27'54''$ east a distance of 31.69 feet to a point on a curve to the right

whose radius center bears south $31^{\circ}32'06''$ east a distance of 174.00 feet;

thence along the arc of said curve a distance of 92.45 feet through a central angle of $30^{\circ}26'27''$;

thence south $22^{\circ}37'51''$ west a distance of 80.19 feet;

thence south $17^{\circ}21'39''$ east a distance of 168.96 feet;

thence south $60^{\circ}31'46''$ east a distance of 82.03 feet;

thence south $05^{\circ}45'15''$ west a distance of 134.01 feet;

thence south $88^{\circ}49'57''$ east a distance of 95.00 feet to a point on the east line of the west half of the southwest quarter of said Section 13 that bears north $00^{\circ}02'54''$ east a

distance of 929.81 feet from the southeast corner of the west half of the southwest
quarter of said Section 13;
thence north $00^{\circ}02'54''$ east, along the east line of the west half of the southwest quarter
of said Section 13, a distance of 1520.13 feet to a point on the southerly right of way of
SR 204;
thence south $54^{\circ}19'46''$ west along the southerly right of way of SR 204, a distance of
230.94 feet to the beginning of a curve to the left whose radius center bears south
 $35^{\circ}40'14''$ east a distance of 5620.00 feet;
thence along the arc of said curve, a distance of 203.64 feet through a central angle of
 $02^{\circ}04'34''$;
thence north $37^{\circ}44'48''$ west a distance of 10.00 feet to a point on a curve to the left
whose radius center bears south $37^{\circ}44'48''$ east a distance of 5630.00 feet;
thence along the arc of said curve, a distance of 838.07 feet through a central angle of
 $08^{\circ}31'44''$;
thence south $43^{\circ}43'28''$ west, along the southerly right of way of SR204, a distance of
154.07 feet;
thence south $46^{\circ}16'32''$ east a distance of 59.40 feet;
thence south $05^{\circ}58'22''$ west a distance of 47.54 feet;
thence south $33^{\circ}53'35''$ east a distance of 52.81 feet;
thence south $54^{\circ}37'22''$ east a distance of 66.29 feet;
thence south $49^{\circ}04'29''$ east a distance of 201.52 feet to a point on a curve to the left
whose radius center bears south $56^{\circ}27'14''$ east a distance of 401.00 feet;
thence along the arc of said curve, a distance of 56.50 feet through a central angle of
 $08^{\circ}04'23''$;
thence south $42^{\circ}16'03''$ west a distance of 30.92 feet to the beginning of a curve to the
left whose radius center bears south $68^{\circ}39'23''$ east a distance of 411.00 feet;
thence along the arc of said curve, a distance of 68.88 feet through central angle of
 $09^{\circ}36'06''$;
thence south $08^{\circ}47'04''$ east a distance of 31.65 feet to the beginning of a curve to the
left whose radius center bears south $82^{\circ}29'49''$ east a distance of 401.00 feet;
thence along the arc of said curve, a distance of 14.01 feet through a central angle of
 $02^{\circ}00'06''$;
thence south $05^{\circ}30'05''$ west a distance of 111.27 feet to the beginning of a curve to the
right whose radius center bears north $84^{\circ}29'55''$ west a distance of 374.00 feet;
thence along the arc of said curve, a distance of 90.67 feet through a central angle of
 $13^{\circ}53'26''$;
thence south $19^{\circ}23'31''$ west a distance of 22.46 feet;
thence south $20^{\circ}07'17''$ west a distance of 100.66 feet;
thence south $20^{\circ}52'33''$ west a distance of 162.63 feet;
thence south $37^{\circ}34'30''$ west a distance of 34.80 feet;
thence south $20^{\circ}52'33''$ west a distance of 63.56 feet;
thence south $04^{\circ}11'27''$ west a distance of 34.83 feet;
thence south $20^{\circ}52'33''$ west a distance of 14.46 feet to the beginning of a curve to the
right whose radius center bears north $69^{\circ}07'27''$ west a distance of 374.00 feet;
thence along the arc of said curve, a distance of 73.30 feet through a central angle of
 $11^{\circ}13'44''$;
thence south $74^{\circ}34'06''$ west a distance of 98.52 feet;
thence south $08^{\circ}44'03''$ west a distance of 118.03 feet;
thence south $39^{\circ}13'12''$ west a distance of 46.14 feet to the beginning of a curve to the

left whose radius center bears south $50^{\circ}46'48''$ east a distance of 306.00 feet;
 thence along the arc of said curve, a distance of 85.96 feet through a central angle of $16^{\circ}05'42''$;
 thence south $00^{\circ}39'52''$ east a distance of 0.93 feet to the beginning of a curve to the left
 whose radius center bears south $57^{\circ}06'26''$ east a distance of 180.00 feet;
 thence along the arc of said curve, a distance of 105.47 feet through a central angle of $33^{\circ}34'23''$;
 thence south $00^{\circ}39'52''$ east a distance of 14.88 feet;
 thence north $89^{\circ}28'23''$ east a distance of 30.00 feet to a point that bears north $00^{\circ}39'52''$
 west from the point of beginning;
 thence south $00^{\circ}39'52''$ east along the west line of said Section 13, a distance of 15.00
 feet to the point of beginning;

TOGETHER WITH that portion of the north half of the north half of the southeast quarter
 of the southwest quarter of Section 13, Township 29 North, Range 5 East, W.M. in
 Snohomish County, Washington, being a 60.00 foot strip of land 30.00 feet in width on
 each side of the following described centerline;

Commencing at the northeast corner of the southwest quarter of said Section 13;
 thence south $00^{\circ}45'52''$ west along the east line of the southwest quarter of said Section
 13, a distance of 1348.75 feet to the beginning of said centerline;
 thence south $89^{\circ}52'14''$ west a distance of 170.00 feet to the beginning of a curve to the
 left whose radius center bears south $00^{\circ}07'46''$ east a distance of 200.00 feet;
 thence along the arc of said curve, a distance of 121.20 feet through a central angle of
 $34^{\circ}43'20''$;
 thence south $55^{\circ}08'54''$ west a distance of 78.60 feet to the beginning of a curve to the
 right whose radius center bears north $34^{\circ}51'06''$ west a distance of 200.00 feet;
 thence along the arc of said curve, a distance of 121.20 feet through a central angle of
 $34^{\circ}43'20''$;
 thence south $89^{\circ}52'14''$ west a distance of 642.50 feet to the beginning of a curve to the
 right whose radius center bears north $00^{\circ}07'46''$ west a distance of 200.00 feet;
 thence along the arc of said curve, a distance of 157.53 feet through a central angle of
 $45^{\circ}07'46''$;
 thence north $45^{\circ}00'00''$ west a distance of 61.69 feet to a point on the west line of the
 southeast quarter of the southwest quarter of said Section 13, said point also bears south
 $00^{\circ}02'55''$ west a distance of 42.38 feet from the northwest corner of the southeast
 quarter of the southwest quarter of said Section 13, said point also being the terminus of
 said centerline;

EXCEPT the east 30.00 feet thereof;
 AND EXCEPT that portion lying within County Roads;

ALSO TOGETHER WITH that portion of the north half of the north half of the southeast
 quarter of the southwest quarter of Section 13, Township 29 North, Range 5 East, W.M.
 in Snohomish County, Washington, described as follows;

Commencing at the northeast corner of the southwest quarter of said Section 13;
 thence south $00^{\circ}45'52''$ west, along the east line of the southwest quarter of said Section
 13, a distance of 1404.61 feet;
 thence north $89^{\circ}14'08''$ west a distance of 30.00 feet to the true point of beginning, said

thence north $89^{\circ}14'08''$ west a distance of 30.00 feet to the true point of beginning, said point being a point on a curve to the left whose radius center bears north $89^{\circ}14'08''$ west a distance of 25.00 feet;
thence along the arc of said curve a distance of 39.66 feet through a central angle of $90^{\circ}53'38''$;
thence north $89^{\circ}52'14''$ east a distance of 25.39 feet to a point on the westerly right of way of 91st Avenue Southeast, said point also bears north $00^{\circ}45'52''$ east from the true point of beginning;
thence south $00^{\circ}45'52''$ west a distance of 25.39 feet to the true point of beginning.

EXHIBIT B
TO CC&RS FOR GLEN ACRES

Legal Description of Additional Property

Lots 1 through 6; 15 through 40; 99 through 106; and 120 through 162 of that certain plat of Glen Acres, the legal description of which is as follows:

PARCEL A:

All that portion of the Northwest quarter of the Southwest quarter of Section 13, Township 29 North, Range 5 East, W.M., in Snohomish County, Washington, lying Southeasterly of that certain tract conveyed to State of Washington for Secondary State Highway No. 15-A by deed recorded under Recording No. 1125090, and recorded under Auditor's File Nos. 8601310310 and 8601310311.

PARCEL B:

The Southwest quarter of the Southwest quarter of Section 13, Township 29 North, Range 5 East, W.M., in Snohomish County, Washington;

EXCEPT the East 465 feet thereof;

ALSO EXCEPT portion conveyed to State of Washington for Highway purpose by deed recorded under Recording No. 1127779 and Recording Nos. 8601310310 and 8601310311.

PARCEL C:

The East 465 feet of the Southwest quarter of the Southwest quarter of Section 13, Township 29 North, Range 5 East, W.M., in Snohomish County, Washington;

EXCEPT portion conveyed to the State of Washington for highway purposes by deeds recorded under Auditor's File Nos. 8601310310 and 8601310311.

PARCEL D:

The South half of the North half of the Southeast quarter of the Southwest quarter of Section 13, Township 29 North, Range 5 East, W.M., in Snohomish County, Washington;

EXCEPT the Westerly 30 feet and the Easterly 30 feet conveyed to Snohomish County for road by deed recorded in Volume 402 of Deeds, page 585, under Recording No. 1009256 and EXCEPT portion conveyed to the State of Washington for highway purposes by deeds recorded under Auditor's File Nos. 8601310310 and 8601310311.

PARCEL E:

All that portion of the Southeast quarter of the Southeast quarter of Section 14, Township 29 North, Range 5 East, W.M., in Snohomish County, Washington, described as follows:

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Commencing at the Southeast corner of said Section 14;
 Thence North 00°44'53" West along the East line of said Section for
 15.00 feet to the North margin of 4th Street Southeast and the True
 Point of Beginning;
 Thence North 00°44'53" West, along the said East line of said Section
 for 114.50 feet to an intersection with a curve to the left the radius
 point of which bears South 57°11'28" East 100.00 feet from said point
 of intersection;
 Thence Southwesterly 105.42 feet along said curve through a central
 angle of 33°33'25";
 Thence South 00°44'53" East 14.78 feet more or less, to the North
 margin of 4th Street Southeast;
 Thence North 89°40'30" East along said North margin 30.00 feet, more
 or less, to the East line of said Section 14 and the True Point of
 Beginning;
 EXCEPT portion conveyed to the State of Washington for Highway purposes
 by deeds recorded under Auditor's File Nos. 8601310310 and 8601310311.
 All situate in the County of Snohomish, State of Washington.
 EXCEPT the following described real property:

MIDDLEFORK DEVELOPMENT CORPORATION, a Washington Corporation as to
 that portion of the north half of the north half of the southeast quarter of the
 southwest quarter of Section 13, Township 29 North, Range 5 East, W.M. in
 Snohomish County, Washington, being a 60.00 foot strip of land 30.00 feet in width
 on each side of the following described centerline;

Commencing at the northeast corner of the southwest quarter of said Section 13;
 thence south 00°45'57" west along the west line of the southwest quarter of said
 Section 13, a distance of 1349.87 feet to the beginning of said centerline;
 thence south 89°52'14" west a distance of 170.00 feet to the beginning of a curve
 to the left whose radius center bears south 00°07'46" east a distance of 200.00
 feet;
 thence along the arc of said curve, a distance of 121.20 feet through a central
 angle of 34°43'20";
 thence south 55°08'54" west a distance of 78.60 feet to the beginning of a curve
 to the right whose radius center bears north 34°51'06" west a distance of 200.00
 feet;
 thence along the arc of said curve, a distance of 121.20 feet through a central
 angle of 34°43'20";
 thence south 89°52'14" west a distance of 642.50 feet to the beginning of a curve
 to the right whose radius center bears north 00°07'46" west a distance of 200.00
 feet;
 thence along the arc of said curve, a distance of 157.53 feet through a central
 angle of 45°07'46";
 thence north 45°00'00" west a distance of 61.68 feet to a point on the west line of
 the southeast quarter of the southwest quarter of said Section 13, said point also
 bears south 00°02'55" west a distance of 42.39 feet from the northwest corner of
 the southeast quarter of the southwest quarter of said Section 13, said point also
 being the terminus of said centerline;
 EXCEPT the east 30.00 feet thereof;
 AND EXCEPT that portion lying within 87th Avenue Southeast and SOUND
 SUBDIVISION 1 LIMITED PARTNERSHIP, a Washington Limited Partnership, as to
 the remainder.

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That portion of the southeast quarter of the southeast quarter of Section 14, Township 29 North, Range 5 East, W.M. in Snohomish County, Washington and that portion of the west half of the southwest quarter of Section 13, Township 29 North, Range 5 East, W.M. in Snohomish County, Washington, lying southerly of SR 204, described as follows;

Beginning at the southwest corner of said Section 13;
thence north $89^{\circ}44'26''$ east, along the south line of said Section 13, a distance of 139.25 feet;
thence north $03^{\circ}10'45''$ west a distance of 50.06 feet;
thence north $26^{\circ}06'44''$ east a distance of 63.85 feet;
thence north $41^{\circ}36'33''$ east a distance of 127.45 feet;
thence north $19^{\circ}26'37''$ east a distance of 102.60 feet;
thence north $58^{\circ}02'54''$ east a distance of 65.67 feet;
thence north $22^{\circ}50'51''$ east a distance of 54.05 feet;
thence north $05^{\circ}48'26''$ west a distance of 66.18 feet;
thence north $20^{\circ}52'33''$ east a distance of 69.87 feet;
thence north $46^{\circ}20'43''$ east a distance of 62.36 feet;
thence south $64^{\circ}46'32''$ east a distance of 78.82 feet;
thence north $68^{\circ}05'26''$ east a distance of 88.64 feet;
thence north $24^{\circ}51'06''$ east a distance of 78.54 feet;
thence north $11^{\circ}20'53''$ east a distance of 85.00 feet;
thence north $21^{\circ}51'25''$ west a distance of 39.32 feet;
thence north $43^{\circ}27'49''$ west a distance of 99.90 feet;
thence north $05^{\circ}08'43''$ west a distance of 44.51 feet;
thence south $69^{\circ}07'51''$ east a distance of 83.88 feet;
thence north $38^{\circ}21'52''$ east a distance of 121.11 feet to a point on a curve to the left whose radius center bears north $03^{\circ}08'49''$ east a distance of 276.00 feet;
thence along the arc of said curve a distance of 146.76 feet through a central angle of $30^{\circ}28'02''$;
thence south $12^{\circ}30'37''$ east a distance of 58.97 feet;
thence south $25^{\circ}26'23''$ east a distance of 67.04 feet;
thence north $78^{\circ}14'29''$ east a distance of 50.79 feet;
thence north $12^{\circ}48'19''$ west a distance of 50.24 feet;
thence north $69^{\circ}44'18''$ east a distance of 26.80 feet;
thence north $01^{\circ}20'58''$ west a distance of 111.64 feet;
thence north $58^{\circ}27'54''$ east a distance of 31.69 feet to a point on a curve to the right whose radius center bears south $31^{\circ}32'06''$ east a distance of 174.00 feet;
thence along the arc of said curve a distance of 92.45 feet through a central angle of $30^{\circ}26'27''$;
thence south $22^{\circ}37'51''$ west a distance of 80.19 feet;
thence south $17^{\circ}21'39''$ east a distance of 168.96 feet;
thence south $60^{\circ}31'46''$ east a distance of 82.03 feet;
thence south $05^{\circ}45'15''$ west a distance of 134.01 feet;
thence south $88^{\circ}49'57''$ east a distance of 95.00 feet to a point on the east line of the west half of the southwest quarter of said Section 13 that bears north $00^{\circ}02'54''$ east a

distance of 929.81 feet from the southeast corner of the west half of the southwest
quarter of said Section 13;
thence north $00^{\circ}02'54''$ east, along the east line of the west half of the southwest quarter
of said Section 13, a distance of 1520.13 feet to a point on the southerly right of way of
SR 204;
thence south $54^{\circ}19'46''$ west along the southerly right of way of SR 204, a distance of
230.94 feet to the beginning of a curve to the left whose radius center bears south
 $35^{\circ}40'14''$ east a distance of 5620.00 feet;
thence along the arc of said curve, a distance of 203.64 feet through a central angle of
 $02^{\circ}04'34''$;
thence north $37^{\circ}44'48''$ west a distance of 10.00 feet to a point on a curve to the left
whose radius center bears south $37^{\circ}44'48''$ east a distance of 5630.00 feet;
thence along the arc of said curve, a distance of 838.07 feet through a central angle of
 $08^{\circ}31'44''$;
thence south $43^{\circ}43'28''$ west, along the southerly right of way of SR 204, a distance of
154.07 feet;
thence south $46^{\circ}16'32''$ east a distance of 59.40 feet;
thence south $05^{\circ}58'22''$ west a distance of 47.54 feet;
thence south $33^{\circ}53'35''$ east a distance of 52.81 feet;
thence south $54^{\circ}37'22''$ east a distance of 66.29 feet;
thence south $49^{\circ}04'29''$ east a distance of 201.52 feet to a point on a curve to the left
whose radius center bears south $56^{\circ}27'14''$ east a distance of 401.00 feet;
thence along the arc of said curve, a distance of 56.50 feet through a central angle of
 $08^{\circ}04'23''$;
thence south $42^{\circ}16'03''$ west a distance of 30.92 feet to the beginning of a curve to the
left whose radius center bears south $68^{\circ}39'23''$ east a distance of 411.00 feet;
thence along the arc of said curve, a distance of 68.88 feet through central angle of
 $09^{\circ}36'06''$;
thence south $08^{\circ}47'04''$ east a distance of 31.65 feet to the beginning of a curve to the
left whose radius center bears south $82^{\circ}29'49''$ east a distance of 401.00 feet;
thence along the arc of said curve, a distance of 14.01 feet through a central angle of
 $02^{\circ}00'06''$;
thence south $05^{\circ}30'05''$ west a distance of 111.27 feet to the beginning of a curve to the
right whose radius center bears north $84^{\circ}29'55''$ west a distance of 374.00 feet;
thence along the arc of said curve, a distance of 90.67 feet through a central angle of
 $13^{\circ}53'26''$;
thence south $19^{\circ}23'31''$ west a distance of 22.46 feet;
thence south $20^{\circ}07'17''$ west a distance of 100.66 feet;
thence south $20^{\circ}52'33''$ west a distance of 162.63 feet;
thence south $37^{\circ}34'30''$ west a distance of 34.80 feet;
thence south $20^{\circ}52'33''$ west a distance of 63.56 feet;
thence south $04^{\circ}11'27''$ west a distance of 34.83 feet;
thence south $20^{\circ}52'33''$ west a distance of 14.46 feet to the beginning of a curve to the
right whose radius center bears north $69^{\circ}07'27''$ west a distance of 374.00 feet;
thence along the arc of said curve, a distance of 73.30 feet through a central angle of
 $11^{\circ}13'44''$;
thence south $74^{\circ}34'06''$ west a distance of 98.52 feet;
thence south $08^{\circ}44'03''$ west a distance of 118.03 feet;
thence south $39^{\circ}13'12''$ west a distance of 46.14 feet to the beginning of a curve to the

left whose radius center bears south $50^{\circ}46'48''$ east a distance of 306.00 feet;
thence along the arc of said curve, a distance of 85.96 feet through a central of
 $16^{\circ}05'42''$;
thence south $00^{\circ}39'52''$ east a distance of 0.93 feet to the beginning of a curve to the left
whose radius center bears south $57^{\circ}06'26''$ east a distance of 180.00 feet;
thence along the arc of said curve, a distance of 105.47 feet through a central angle of
 $33^{\circ}34'23''$
thence south $00^{\circ}39'52''$ east a distance of 14.88 feet;
thence north $89^{\circ}28'23''$ east a distance of 30.00 feet to a point that bears north $00^{\circ}39'52''$
west from the point of beginning;
thence south $00^{\circ}39'52''$ east along the west line of said Section 13, a distance of 15.00
feet to the point of beginning;

TOGETHER WITH that portion of the north half of the north half of the southeast quarter
of the southwest quarter of Section 13, Township 29 North, Range 5 East, W.M. in
Snohomish County, Washington, being a 60.00 foot strip of land 30.00 feet in width on
each side of the following described centerline;

Commencing at the northeast corner of the southwest quarter of said Section 13;
thence south $00^{\circ}45'52''$ west along the east line of the southwest quarter of said Section
13, a distance of 1348.75 feet to the beginning of said centerline;
thence south $89^{\circ}52'14''$ west a distance of 170.00 feet to the beginning of a curve to the
left whose radius center bears south $00^{\circ}07'46''$ east a distance of 200.00 feet;
thence along the arc of said curve, a distance of 121.20 feet through a central angle of
 $34^{\circ}43'20''$;
thence south $55^{\circ}08'54''$ west a distance of 78.60 feet to the beginning of a curve to the
right whose radius center bears north $34^{\circ}51'06''$ west a distance of 200.00 feet;
thence along the arc of said curve, a distance of 121.20 feet through a central angle of
 $34^{\circ}43'20''$;
thence south $89^{\circ}52'14''$ west a distance of 642.50 feet to the beginning of a curve to the
right whose radius center bears north $00^{\circ}07'46''$ west a distance of 200.00 feet;
thence along the arc of said curve, a distance of 157.53 feet through a central angle of
 $45^{\circ}07'46''$;
thence north $45^{\circ}00'00''$ west a distance of 61.69 feet to a point on the west line of the
southeast quarter of the southwest quarter of said Section 13, said point also bears south
 $00^{\circ}02'55''$ west a distance of 42.38 feet from the northwest corner of the southeast
quarter of the southwest quarter of said Section 13, said point also being the terminus of
said centerline;
EXCEPT the east 30.00 feet thereof;
AND EXCEPT that portion lying within County Roads;

ALSO TOGETHER WITH that portion of the north half of the north half of the southeast
quarter of the southwest quarter of Section 13, Township 29 North, Range 5 East, W.M.
in Snohomish County, Washington, described as follows;

Commencing at the northeast corner of the southwest quarter of said Section 13;
thence south $00^{\circ}45'52''$ west, along the east line of the southwest quarter of said Section
13, a distance of 1404.61 feet;
thence north $89^{\circ}14'08''$ west a distance of 30.00 feet to the true point of beginning, said

thence north $89^{\circ}14'08''$ west a distance of 30.00 feet to the true point of beginning, said point being a point on a curve to the left whose radius center bears north $89^{\circ}14'08''$ west a distance of 25.00 feet;
thence along the arc of said curve a distance of 39.66 feet through a central angle of $90^{\circ}53'38''$;
thence north $89^{\circ}52'14''$ east a distance of 25.39 feet to a point on the westerly right of way of 91st Avenue Southeast, said point also bears north $00^{\circ}45'52''$ east from the true point of beginning;
thence south $00^{\circ}45'52''$ west a distance of 25.39 feet to the true point of beginning.

Filed for Record at the Request of
and After Recording Return to:

FOSTER PEPPER & SHEFELMAN
1111 Third Avenue, Suite 3400
Seattle, Washington 98101-3299
Attention: Beth A. Clark

CERTIFICATE OF FIRST AMENDMENT
TO
DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS
FOR
GLEN ACRES
(Adding Sections 8.04 and Article 23
and Amending Sections 3.04(d)
and 8.01 and Articles 14 and 17)

THIS CERTIFICATE OF FIRST AMENDMENT ("Certificate") is made
this 20th day of May, 1994, by Sound Subdivision I Limited
Partnership, a Washington limited partnership ("Declarant").

Declarant, as Declarant, subjected certain real property in
Snohomish County, Washington to certain covenants, conditions and
restrictions pursuant to the Declaration and of Covenants,
Conditions, Restrictions, Easements and Reservation for Glen Acres
dated March 23, 1994 and recorded in Snohomish County under
Recording No. 9403230265 (the "Declaration"). All capitalized
terms used herein and not otherwise defined shall have the meanings
set forth in the Declaration.

Declarant desires to add a new Section 8.04 and a new Article
23 to the Declaration and to amend Section 8.01 and Articles 14 and
17 of the Declaration in order to ensure that the Declaration is
acceptable for FHA/HUD mortgage purposes. In addition, Section
3.04(d) is being amended to clarify the rights and obligations of
an Owner of a Lot subject to an easement benefitting a Zero Lot
Line Lot.

Accordingly, Declarant hereby declares:

1. Section 3.04(d) is amended by adding to the end of this
Section a sentence which reads: "For example, an Owner of a Lot
subject to a Zero Lot Line easement shall be entitled to erect a
fence in such easement area or adjacent boundary areas of its Lot,
subject to any necessary approvals from Snohomish County and the

112225.1.
5/17/94 1:17pm

-1-

FILED BY:
STEWART TITLE

Board, provided that the fence includes a gate or entry that will permit the Owner of the benefitted Zero Lot Line Lot to have unrestricted access to the easement area and the fence does not otherwise hinder, obstruct or impair the ability of Owner of the benefitted Zero Lot Line Lot to exercise its easements rights."

2. Section 8.01 is amended by adding after the third sentence the following new sentence: "If such a budget will require an increase in the annual assessments by more than five percent (5.00%) over the annual assessment of the previous year, either the Board shall revise the budget to reduce the increase in annual assessments to five percent (5.00%) or less or the Board shall obtain the approval for such an increase in accordance with Section 8.04 below."

3. A new Section 8.04 is added to read as follows:

"8.04 Maximum Annual Assessment Increase."

Notwithstanding anything to the contrary herein, annual assessments (except the first annual assessment which is already subject to the maximum limit imposed by Section 8.03 above) may not be increased by more than five percent (5.00%) over the annual assessments for the previous year unless such an increase in the annual assessment has been approved by majority vote of the Non-Declarant Owners. For purposes of this Section 8.04 and for Article 14 below, "Non-Declarant Owners" shall mean all Owners except Declarant and any Participating Builders, and "majority vote of Non-Declarant Owners" shall mean the lesser of (i) fifty-one percent (51%) of all of the Non-Declarant Owners or their proxies or, (ii) two thirds (2/3) of the Non-Declarant Owners or their proxies in attendance at a meeting of the Association, provided that at least sixty percent (60%) of the Non-Declarant Owners or their proxies are in attendance at such meeting."

4. Article 14 is amended by adding to the end of the first sentence the following: "provided such special assessment is first approved by majority vote of the Non-Declarant Owners as defined in Section 8.04."

5. Article 17 is replaced in its entirety with the following new Article 17:

ARTICLE 17
FHA/VA APPROVAL

Prior to the Transition Date, the following actions will require the approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties, dedication of Common Areas, any amendment to this Declaration.

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FILED BY:
STEWART TITIE

6. A new Article 23 is added which reads:

ARTICLE 23

ENFORCEMENT

The Association, the Board or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association, the Board or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

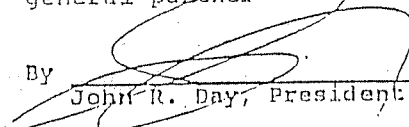
7. All other provisions of the declaration shall remain in full force and effect.

IN WITNESS WHEREOF, a duly authorized officer of the undersigned Declarant has executed this Certificate under seal and certifies that the foregoing is true and correct.

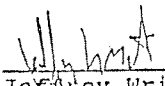
DECLARANT:

SOUND SUBDIVISION LIMITED PARTNERSHIP, a
Washington limited partnership

By: MIDDLEFORK DEVELOPMENT CORPORATION,
a Washington corporation, its
general partner

By: 
John R. Day, President

By: J. WRIGHT DEVELOPMENT CO., a
Washington corporation, its general
partner

By: 
Jeffrey Wright, President

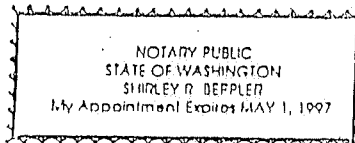
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5/17/94 1:12pm

FILED BY:
SIXPART TITLE

STATE OF WASHINGTON)
COUNTY OF KING) ss.

THIS IS TO CERTIFY that on this 19th day of May, 1994 before me, the undersigned a notary public in and for the State of Washington, duly commissioned and sworn, personally appeared John R. Day, to me known to be the President of Middlefork Development Corporation, a corporation, to me known to be a general partner of Sound Subdivision I Limited Partnership, the limited partnership that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation and said partnership for the uses and purposes therein mentioned.



Shirley R. Beppler
(Signature of Notary)

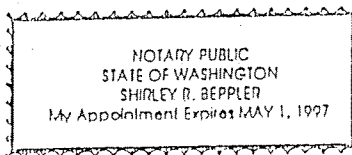
Shirley R. Beppler
(Legally Print or Stamp Name of Notary)

Notary public in and for the state of Washington, residing at Spokane

My appointment expires 5/97

STATE OF WASHINGTON)
COUNTY OF KING) ss.

THIS IS TO CERTIFY that on this 19th day of May, 1994 before me, the undersigned a notary public in and for the State of Washington, duly commissioned and sworn, personally appeared Jeffrey Wright, to me known to be the President of J. Wright Development Co., a corporation, to me known to be a general partner of Sound Subdivision I Limited Partnership, the limited partnership that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation and said partnership for the uses and purposes therein mentioned.



Shirley R. Beppler
(Signature of Notary)

Shirley R. Beppler
(Legally Print or Stamp Name of Notary)

Notary public in and for the state of Washington, residing at Spokane

My appointment expires 5/97

CONSENT OF MORTGAGEE

The undersigned Mortgagee hereby consents to this Certificate and joins in it solely for the purpose of subjecting and subordinating its security interest in the Property or any portion thereof and its appurtenances to this Certificate as if the certificate had been recorded earlier in time to Mortgagee's interest.

MORTGAGEE:

KEY BANK OF WASHINGTON

By: Kenneth P. Prew
Its: OW President
Date: 5/20/94

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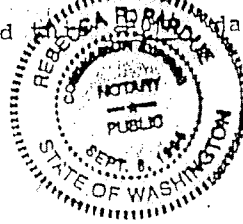
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FILED BY:
STEWART TITLE

STATE OF WASHINGTON)
COUNTY OF KING) ss.

I certify that I know or have satisfactory evidence that Kenneth PAUW is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the Vice President of Key Bank of Washington, a Washington corporation, to be the free and voluntary act of such corporation for the uses and purposes mentioned in the instrument.

Dated 15 day of May, 1994.



Rebecca R. Pardue
(Signature of Notary)

Rebecca R. PARDUE
(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of
Washington, residing at Everett

My appointment expires 9-6-94

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5/17/94 1:12pm

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FILED BY:
STEFART, TITL

RESOLUTION OF THE BOARD OF DIRECTORS OF
GLEN ACRES OWNERS' ASSOCIATION
REGARDING A COLLECTION POLICY
FOR DELINQUENT ACCOUNTS

WHEREAS the Board of Directors of the Association is charged with the responsibility of collecting assessments for common expenses from owners pursuant to Article 7 Section 7.02 of the Declaration; and

WHEREAS from time to time owners become delinquent in their payments of these assessments and fail to respond to the demands from the Board to bring their accounts current; and

WHEREAS the Board deems it to be in the best interests of the Association to adopt a uniform and systematic procedure for dealing with delinquent accounts in a timely manner, and further believes it to be in the best interests of the Association to refer these accounts promptly to an attorney for collection so as to minimize the Association's loss of assessment revenue; and

WHEREAS the Board has directed the Association's attorneys to represent the Association on the terms outlined in this resolution; NOW, THEREFORE,

BE IT RESOLVED that the Association's attorneys shall pursue all collection and other matters which the Board may from time to time refer to them and to provide any advice and counsel which the Board may from time to time require; and

BE IT FURTHER RESOLVED that the Association shall pay the Association's attorneys their usual and customary charges for time incurred in connection with their representation of the Association, together with all costs incurred by the firm, including but not limited to fees and charges for filing, service of process, messenger service, photocopies, postage, long distance calls, investigator's services, credit reports, and title reports, promptly upon receipt of the monthly invoice; and

BE IT FURTHER RESOLVED that pursuant to Article 9 Section 9.04 of the Declaration and RCW 64.38.020(11) there is hereby levied against any assessment account which is not paid in full as of the tenth (10th) day of the month in which it is due a late fee in the amount of Ten Dollars (\$10) and interest at the rate of TWELVE Percent (12%) per year shall begin to accrue on the total amount due; and

BE IT FURTHER RESOLVED that the Board is directed to send to any owner who is more than ten (10) days delinquent in the payment of regular or special Assessments, or other charges authorized by the Association's Governing Documents (hereinafter referred to as 'Assessments'), a written notice (hereinafter referred to as the "First Notice") of the late fee and a request for immediate payment; and

BE IT FURTHER RESOLVED that the Board is directed to send to any owner who is more than one (1) month delinquent in the payment of regular or special Assessments a written notice (hereinafter referred to as the "Second Notice") that, if the account is not paid in full within ten (10) days, a Notice of Claim of Lien will be recorded and a copy thereof will be forwarded to any lender with a mortgage against the lot; and

BE IT FURTHER RESOLVED that the First Notice and the Second Notice sent by the Board to the delinquent owner shall state that any request for special consideration of hardship circumstances, including all reasons why the Board should consider the request, must be submitted in writing to the Board before the Assessment becomes sixty (60) days delinquent, together with a request for a hearing, or in the alternative, a request that the determination be made by the Board based on the written request, and if not so submitted, then such request shall have been deemed waived; and

BE IT FURTHER RESOLVED that the Board is directed to file a Notice of Claim of Lien against the delinquent lot as described in the Second Notice to the owner and is further directed to send a copy thereof to the owner's lender if the owner's Assessments remain delinquent for ten (10) days after the date of the Second Notice; and

BE IT FURTHER RESOLVED that the Board is directed to send to any owner who is more than sixty (60) days delinquent in the payment of Assessments, a written notice (hereinafter referred to as the "Third Notice"), that if the account is not paid in

full within ten (10) days it will be turned over to the Association's attorneys for collection and the owner will be liable for payment of the minimum charge imposed by the Association's attorneys to cover fees and costs charged to the Association; and

BE IT FURTHER RESOLVED that the Board is directed to refer any account which remains delinquent for ten (10) days after the Third Notice to the Association's attorneys for collection; and

BE IT FURTHER RESOLVED that the Board is directed to consult with the Association's attorneys and turn over for collection immediately any account where the owner files or is the subject of a petition for relief in bankruptcy or a lender has commenced any action for foreclosure of its lien against the lot; and

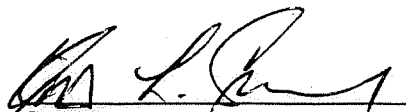
BE IT FURTHER RESOLVED that the following policies shall apply to all delinquent accounts turned over to the association's attorneys for collection:

1. All contacts with a delinquent owner shall be handled through the Association's attorneys. No Association officer or director shall discuss the collection of the account directly with an owner after it has been turned over to the Association's attorneys unless one of the Association's attorneys is present or has consented to the contact.
2. All sums collected on a delinquent account shall be remitted to the Association in care of the Association's attorneys until the account has been brought current.
3. The Association's attorneys' minimum legal fee shall be assessed against each delinquent lot and its owner (including repeat offenders) when the account is turned over to the Association's attorneys for collection. That amount shall be credited against the fees and costs actually incurred in the collection of the owner's account. All legal fees and costs incurred in the collection of a delinquent account shall be assessed against the delinquent lot and owner and shall be collectable as an Assessment as provided in Article 9 Section 9.03 of the Declaration.
4. To the extent that the Association's attorneys, in their discretion, consider it to be appropriate in the circumstances, they are authorized to enter into an installment payment plan, secured by a Stipulation for Judgment; provided, however, that any payment plan which provides for a down payment of less than one third (1/3) of the delinquent balance or a duration in excess of three (3) months shall require the approval of the Board president.
5. Where, at the expiration of the period specified in the Association's attorneys' demand letter, an account remains delinquent and without a payment plan embodied in a signed Stipulation for Judgment, or in the event of a default under the terms of the agreement, the Association's attorneys are authorized to take such further action as they, in consultation with the Board president, believe to be in the best interest of the Association, including but not limited to:
 - a. Filing suit against the delinquent owner for money due;
 - b. Instituting a non-judicial action for foreclosure of the Association's lien; or
 - c. Filing a proof of claim in bankruptcy; or
 - d. Instituting a judicial action for foreclosure of the Association's lien and seeking the appointment of a receiver for the lot; and

BE IT FURTHER RESOLVED that a copy of this resolution shall be sent to all owners at their last known addresses. This resolution was adopted by the Board of Directors on July 24, 1998 and shall be effective on July 31, 1998.

 7/24/98
President

ATTEST:


Secretary

RESOLUTION OF THE BOARD OF DIRECTORS OF
GLEN ACRES OWNERS' ASSOCIATION
REGARDING AN ENFORCEMENT POLICY
FOR THE
COVENANTS, CONDITIONS, RESTRICTIONS,
RULES AND REGULATIONS

WHEREAS the Board of Directors of the Association is charged with the responsibility of enforcing the Covenants, Conditions, Restrictions, Rules and Regulations pursuant to Article 7 Section 7.02 of the Declaration; and

WHEREAS from time to time owners, their lessees, tenants, renters, licensees, occupants of Lots, guests and employees may violate the Covenants, Conditions, Restrictions, Rules and Regulations; and

WHEREAS the Board deems it to be in the best interests of the Association to adopt a uniform and systematic procedure for dealing with violations and assessing fines in a timely manner, and further believes it to be in the best interests of the Association to promptly refer these violations to an attorney for collection of the fines; and

WHEREAS the Board has directed the Association's attorneys to represent the Association on the terms outlined in this resolution; NOW, THEREFORE,

BE IT RESOLVED that the Association's attorneys shall pursue all collection and other matters which the Board may from time to time refer to them and to provide any advice and counsel which the Board may from time to time require; and

BE IT FURTHER RESOLVED that the Association shall pay the Association's attorneys their usual and customary charges for time incurred in connection with their representation of the Association, together with all costs incurred by the firm, including but not limited to fees and charges for filing, service of process, messenger service, photocopies, postage, long distance calls, investigator's services, credit reports, and title reports, promptly upon receipt of the monthly invoice; and

BE IT FURTHER RESOLVED that the Board is directed to send to any Owner who is in violation a written notice (hereinafter referred to as the "First Notice") stating the type(s) of violation(s), a request for compliance within ten (10) days and that a fine will be levied if the violation(s) is(are) not corrected; and

BE IT FURTHER RESOLVED that pursuant to Article 7 Section 7.02 of the Declaration and RCW 64.38.020 (11) there is hereby levied against any Owner that is in violation of the Covenants, Conditions, Restrictions, Rules and Regulations a fine of Ten Dollars (\$10) per Day beginning on the eleventh (11th) day after receipt of the First Notice and shall accrue until the violation(s) is(are) corrected to the Board's satisfaction; and

BE IT FURTHER RESOLVED that payment of the fine without correcting the violation(s) does not relieve the Owner of the responsibility to correct the violation(s) nor does it stop the fine from accruing; and

BE IT FURTHER RESOLVED that the Board is directed to send to any Owner who has not responded to the First Notice a written notice (hereinafter referred to as the "Second Notice") that, if the violation(s) is(are) not corrected within ten (10) days a Notice of Claim of Lien will be recorded and a copy thereof will be forwarded to any lender with a mortgage against the Lot; and

BE IT FURTHER RESOLVED that the Board is directed to file a Notice of Claim of Lien against the Owner's Lot as described in the Second Notice to the Owner and is further directed to send a copy thereof to the Owner's lender if the Owner remains in violation ten (10) days after the date of the Second Notice; and

BE IT FURTHER RESOLVED that the First Notice and the Second Notice sent by the Board to the delinquent Owner shall state that any request for special consideration of hardship circumstances, including all reasons why the Board should consider the request, must be submitted in writing to the Board within ten (10) days of receiving the notice, together with a request for a hearing, or in the alternative, a request that the determination be made by the Board based on the written request, and if not so submitted, then such request shall have been deemed waived; and

BE IT FURTHER RESOLVED that the Board is directed to send to any Owner who has not responded to the Second Notice, a written notice (hereinafter referred to as the "Third Notice"); that if the violation(s) is(are) not corrected within ten (10) days and the fines paid, it will be turned over to the Association's attorneys for collection and the Owner will be liable for payment of the minimum charge imposed by the Association's attorneys to cover fees and costs charged to the Association; and

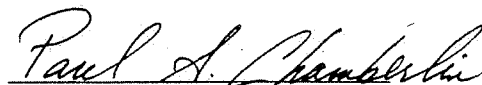
BE IT FURTHER RESOLVED that the Board is directed to refer any account which remains delinquent for ten (10) days after the Third Notice to the Association's attorneys for collection; and

BE IT FURTHER RESOLVED that the Board is directed to consult with the Association's attorneys and turn over for collection immediately any account where the Owner files or is the subject of a petition for relief in bankruptcy or a lender has commenced any action for foreclosure of its lien against the Lot; and

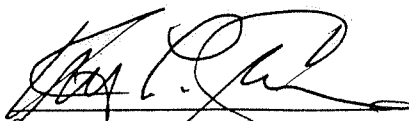
BE IT FURTHER RESOLVED that the following policies shall apply to all delinquent accounts turned over to the association's attorneys for collection:

1. All contacts with a delinquent Owner shall be handled through the Association's attorneys. No Association officer or director shall discuss the collection of the account directly with an Owner after it has been turned over to the Association's attorneys unless one of the Association's attorneys is present or has consented to the contact.
2. All sums collected on a delinquent account shall be remitted to the Association in care of the Association's attorneys until the account has been brought current.
3. The Association's attorneys' minimum legal fee shall be assessed against each delinquent Lot and its Owner (including repeat offenders) when the account is turned over to the Association's attorneys for collection. That amount shall be credited against the fees and costs actually incurred in the collection of the Owner's account. All legal fees and costs incurred in the collection of a delinquent account shall be assessed against the delinquent Lot and Owner and shall be collectable as an Assessment as provided in Article 9 Section 9.03 of the Declaration.
4. To the extent that the Association's attorneys, in their discretion, consider it to be appropriate in the circumstances, they are authorized to enter into an installment payment plan, secured by a Stipulation for Judgment; provided, however, that any payment plan which provides for a down payment of less than one third (1/3) of the delinquent balance or a duration in excess of three (3) months shall require the approval of the Board president.
5. Where, at the expiration of the period specified in the Association's attorneys' demand letter, an account remains delinquent and without a payment plan embodied in a signed Stipulation for Judgment, or in the event of a default under the terms of the agreement, the Association's attorneys are authorized to take such further action as they, in consultation with the Board president, believe to be in the best interest of the Association, including but not limited to:
 - a. Filing suit against the delinquent Owner for money due;
 - b. Instituting a non-judicial action for foreclosure of the Association's lien; or
 - c. Filing a proof of claim in bankruptcy; or
 - d. Instituting a judicial action for foreclosure of the Association's lien and seeking the appointment of a receiver for the Lot; and

BE IT FURTHER RESOLVED that a copy of this resolution shall be sent to all Owners at their last known addresses. This resolution was adopted by the Board of Directors on August 13, 1998 and shall be effective on September 1, 1998.


President

ATTEST:


Secretary