DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF LAKE FOREST ESTATES HOMEOWNERS' ASSOCIATION

As revised - May 2004 Maple Valley, Washington 98038-0782

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DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS OF LAKE FOREST ESTATES HOMEOWNERS' ASSOCIATION

These Covenants, Conditions and Restrictions are promulgated to ensure the maintenance of a high quality residential environment within the boundaries of "Lake Forest Estates." Lake Forest Estates, which is described in Exhibit A, is comprised of certain land situated in the City of Maple Valley, King County, and the State of Washington. All land and improvements now existing or hereafter constructed thereon will be held, sold, conveyed subject to, and burdened by these covenants, conditions, restrictions, reservations, limitations, liens and easements, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of such lands for the benefit of all of such lands and the owners thereof and their heirs, successors, grantees and assigns. All provisions of this Declaration shall be binding upon all parties having or acquiring any right, title or interest in such lands or any portion thereof and shall inure to the benefit of each owner thereof and to the benefit of Lake Forest Estates Homeowners' Association and shall otherwise in all respects be regarded as covenants running with the land.

ARTICLE I

DEFINITIONS

For purpose of the Declaration and Articles of Incorporation and the Bylaws of Lake Forest Estates Homeowner's Association, certain words and phrases shall have particular meaning as follows:

- <u>Section 1</u>. "Association" shall mean and refer to Lake Forest Estates Homeowners' Association, its successors and assigns.
- <u>Section 2.</u> "Board" shall mean and refer to the Board of Directors of the Association, as provided for in Article X.
- Section 3. "Properties" shall mean and refer to the real property described with particularity in Exhibit "A: and such additions to that property which may hereinafter be brought within the jurisdiction of the Association.

- Section 4. "Common Areas" shall mean and refer to all of the real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the members of the Association. The Common Areas to be owned by the Association at the time of the conveyance of the first lot are described as follows:
 - (a) Second Class Shorelands along and within Lake Wilderness, contiguous to the real property described on Exhibit "A" and as shown on the final plat map of Lake Forest Estates.
 - (b) Tracts "A" and "J" respectively, comprising a private waterfront park, including all improvements thereon and subject to the restrictions established thereon through the recording of the plat of Lake Forest Estates in the records of King county
 - (c) Tract "F," a private parking area and recreational facility, including all improvements thereon and subject to the restrictions established thereon through the recording of the plat of Lake Forest Estates in the records of King County.
 - (d) Tracts "G," "H," and "I," respectively, commonly known as "Native Growth Protection Easements," or "Native Growth Protection Tracts," subject to the restrictions set forth on the final plat of Lake Forest Estates as recorded in the records of King County, and further referenced in Section 10 in this Article I.
 - (e) Tract "L," a landscape/open space tract provided for the purpose of accommodating entrance signage and landscaping at the intersection into Lake Forest Estates off of SR-169, together with all improvements thereon and subject to the restrictions established thereon through the recording of the plat of Lake Forest Estates in the records of King County.
- Section 5. "Common Maintenance Areas" shall mean those portions of all real property (including the improvements thereto) maintained by the Association for the benefit of the members of the Association. The areas to be maintained by the Association at the time of recording this Declaration are described as follows:
 - (a) The fence, landscape berm, and entrance signage and landscaping along SR-169 and at the entrance with SE 253rd Place, and as defined within all right-of-way areas; and as a 40-foot B.S.B.L. easement area shown on Lots 1, 84 through 87, 89 and 90.

The fence located on Lots 91, 92 and Lot 93, is the property of and shall be maintained by the Owner(s) of Lot 91, 92 and Lot 93, however painting on the exterior of that fence will be undertaken by the Association.

- (b) Cul-de-sac planter islands in 252nd Court S.E, S.E. 254th Street, 234th Avenue S.E., 232nd Avenue S.E., and 236th Court S.E.
- (c) Easements crossing Tract "B," representing the King County public trail right-of-way to be deeded to King County with recording of the plot.
- (d) All Common Areas as set forth in Section 4 above.

<u>Section 6.</u> "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties. Common Areas and Common Maintenance Areas shall not be regarded as Lots.

- <u>Section 7.</u> "Architectural Control Committee" shall mean and refer to the duly appointed or elected Committee of the Board of Directors as outlined in the By Laws, Article IX and hereinafter referred to as the "ACC."
- <u>Section 8.</u> "Plat" shall mean and refer to the Plat of Lake Forest Estates as approved and to be recorded in King County, Washington, and as referenced under King County BALD File No.888-21. (Also legally described on Exhibit "A" attached hereto.)
- <u>Section 9.</u> "Residence" shall mean and refer to buildings occupying any Lot.
- Section 10. "Native Growth Protection Easements" shall mean and refer to those areas on the Plat which are designated as Native Growth Protection Tracts "G," "H," and "I," respectively. These tracts have been set aside, in the areas indicated on the Plat, for King County, for the protection and preservation of slopes and shoreline areas that are located on the Properties. These tracts are subject to regulations of the City of Maple Valley Department of Public Works, King County, and The State of Washington.
- Section 11. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of (1) a fee simple title to any Lot which is a part of the Properties (but excluding those persons or entities, such as real estate contract sellers, having record title merely as security for the performance of an obligation), or (2) the Purchaser under a real estate contract prior to issuance of the fulfillment deed for the contract.

Section 12. "Proxy" shall mean an agreement, acknowledged in writing that entitles another homeowner to vote on your behalf at a meeting of the membership where the homeowner is unable to attend and the agenda indicates a vote of the membership will be cast at the time of the meeting. Voting for will typically be conducted using written ballots, and if used, a proxy vote will not be applicable. All proxies shall be in writing and sent to or received by the Secretary of the Board of Directors prior to the anticipated vote.

Section 13. "Ballot" shall mean a written ballot, mailed to the homeowner and to be returned to the Secretary of the Board of Directors no later than the date specified on the written ballot. The method designated for returning such ballots will be identified on the ballot form.

ARTICLE II

PRE-EXISTING RESTRICTIONS

If the properties covered by these Covenants, Conditions and Restrictions are already affected by previous covenants, restrictions, conditions, and encumbrances (collectively "prior restrictions"), the Properties will continue to be subject to such prior restrictions to the extent the prior restrictions are valid and legally enforceable.

ARTICLE III

DEED AND DEDICATION OF COMMON AREAS

Section 1. The Association holds title to all of the Common Areas of the Properties of the Association. This title was duly granted by NOVASTAR Enterprises, Inc., the developer. Title is held by the Association for the common use and enjoyment of the Association and the Owners in accordance with these Covenants, Conditions, and Restrictions.

ARTICLE IV

DEED AND DEDICATION OF EASEMENTS

<u>Section 1.</u> The Association holds title to all easements created for the purpose of landscaping, utilities and access, for common use and enjoyment of

the Association and Lot Owners. The Association's right to use such easements are subject to the right of the public to use rights-of-way which have been dedicated as public roads and are open to public access, including emergency vehicle access.

ARTICLE V

ADMINISTRATION AND USE OF COMMON AREAS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right in easement of enjoyment in and to the Common Areas, which shall be appurtenant to and shall pass with title (or, if applicable, with the equitable title held by a real estate contract purchaser), to every Lot subject to the following provisions

- (a) The right of the Association to establish use and operation standards (rules) for all Common Areas to be binding on all Association Members along with enforcement standards.
- (b) The right of the Association to suspend an Owner's right to vote and to use any recreational facilities for any period during which assessments against his or her Lot remain unpaid.
- (c) The right of the Association to dedicate or transfer all or any part of the Common Areas to any public agency, authority or utility for such purposes and subject to such conditions as the Members may deem appropriate. No such dedication or transfer shall be effective unless the instrument agreeing to the transfer is signed by the Owners of two-third (2/3) of the Lots and has been recorded.

Section 2. Insurance. Nothing shall be done or kept in any Common Areas that will increase the rate of insurance on the Common Areas or other Lots or Improvements without the prior written consent of the Board. Nothing shall be done or kept in any Common Areas which will result in the cancellation of insurance on any part of the Common Areas or which would be in violation of any laws or ordinances.

Section 3. Alteration of Common Areas and Common Maintenance
Areas. Except as required for normal and routine maintenance, nothing shall be altered, constructed in, or removed from any Common Maintenance Areas except upon prior written consent of the ACC and/or the Board. There shall be no construction of any kind within the Common Areas except that community improvements may be constructed above the ordinary high water line of Tract

"A" upon written consent of the ACC and/or the Board. Any improvements exceeding \$15,000 shall require two-thirds (2/3) of the members of the Association responding by voting in person or by proxy at a meeting duly called for this purpose to authorize (1) the construction of such improvements and (2) assessments for such improvements. A minimum of forty (40) homeowners' responses are required to validate this vote. Also, any such improvements would be subject to the acquisition of all permits required from governmental agencies. This Article is subject to the provisions of Article 1, Section 12 and Article IX, Section 3.

Section 4. <u>Dumping in Common Areas, Common Maintenance Areas, or Native Growth Protection Easements.</u> No trash, construction debris or waste, plant or grass clippings or other debris of any kind nor hazardous waste (as defined in any federal, state, or local law or regulation) shall be dumped, deposited or placed on any Common Areas, Common Maintenance Areas, or Native Growth Protection Easement.

Section 5. Landscaping and Fencing. No permanent structures or landscaping of any kind, including fences, walls, or shrubs, may be built or placed within any right-of-way, easements, or Native Growth Protection Easements as delineated on the Plat except as deemed appropriate by the ACC. This prohibition shall not apply to the landscape berm on SR-169, the cul-de-sac planters and the median planter island at the entrance to SR-169, nor shall this Section prohibit the Association from installing additional improvements or landscaping within the designated Common Areas or Common Maintenance Areas. Also this prohibition shall not apply to landscaping of front or side yard areas of Lots extending up to the edge of the asphalt streets in the public right-of-way as further set forth in Article XI, Section 13.

ARTICLE VI

MAINTENANCE OF THE COMMON AREAS AND COMMON MAINTENANCE AREAS -DELEGATION OF MANAGEMENT

Section 1. Maintenance of Common Areas. Maintenance of the Common Areas and all improvements thereon shall be the sole responsibility of the Association and shall include, but not limited to maintenance of the Common Maintenance Areas. All maintenance of Lots and Residences located on the Properties shall be the sole obligation of the Owner, provided, however, the Association may, from time to time, provide certain common maintenance of Lots and Residences as may be determined to be in the best interests of all Owners. The Association shall maintain and regulate the use of Common Areas for the benefit of each Lot within the Plat in accordance with requirements set forth by the Plat of Lake Forest Estates and shall do all things necessary to preserve and

maintain the Common Areas for the purpose intended. It shall be the responsibility of the Association to maintain Tract "A" and the improvements thereon to preserve the value of said Tract "A" for the use and enjoyment of the Members of the Association in accordance with all restrictions and limitations established for said Tract "A" through this Declaration, the laws and ordinances of King County, Washington, and all other applicable statutes and regulations. The Board shall have the exclusive right to establish use and operation standards for said Common Areas to preserve the value and desirability of said Common Areas for the enjoyment of the Members of the Association.

Section 2. Responsibility for Maintaining Common Maintenance Areas. The Association is responsible for maintaining and preserving the character of areas designated on the face of the Plat as Common Maintenance Areas, or as defined in this Declaration as Common Maintenance Areas. Common Maintenance Areas have been set aside for landscaping and community identification purposes.

Section 3. Repair of Common Areas and Common Maintenance Areas. Any damage to the Common Areas or Common Maintenance Areas or improvements thereon, including landscaping plantings, fences, berms, etc., by the Owners or their children shall be reported to the Association and be repaired within one (1) week by the Owners who (or whose children) caused the damages. If such repairs are not made in a timely manner, the Association shall execute the repair and the Owner will be obligated to immediately pay the Association or its designee for the repair. If the Owner fails to promptly make payment for such repairs the Owner will be charged interest at the rate of 12 percent (12%) per annum on the payment due, the payment due shall be a personal liability of the Owner, and the amount of the payment due shall be a lien on the Owner's Lot. If the damage cannot reasonably be repaired within one week, the time for the Owner to repair the Property may be extended by the Board to the time reasonably required to repair the Property, provided that the owner promptly communicates with the Board, begins, and diligently pursues, the repair of the damage.

Section 4. Maintenance of Planter Islands, Landscape Berm and Fence along SR-169. It shall be the responsibility of the Association to maintain the planter islands in cul-de-sacs within the Plat, the entry planter island, the landscape berm and painting of the portion of the fence on SR-169 that faces the highway.

Section 5. Maintenance of Landscaping Along Street Right-of-Way. The Association may elect to periodically maintain the landscaping in any or all right-of-way areas within Lake Forest Estates between the edge of the asphalt paving and the adjacent front or side Lot lines. Such maintenance shall be at the sole discretion of the Association and shall not relieve any Owner from the obligations for installation and maintenance of said right-of-way landscaping as is

more fully described herein in Article XI, Section 13.

Section 6. Maintenance by Owners. Tract "D" of Lake Forest Estates is designed as a private drive and is accordingly dedicated to Lots 51 and 52. Those Lots have an equal and undivided interest in Tract "D." The Owners of Lots 51 and 52 share all maintenance costs equally. Such maintenance may include, but not be limited to, repair of the asphalt surface and adjacent slopes.

Section 7. Native Growth Protection Easements or Tracts. The Association shall not permit any structures, filling, grading or obstruction to be placed beyond the building setback lines or within the Native Growth Protection Easements or Tracts unless the Association obtains the approval of the Maple Valley Department of Public Works. No decks, patios, out buildings, or overhangs shall be permitted beyond the building setback line or within the Native Growth Protection Easements or Tracts. Unless the Association obtains the approval of the Maple Valley Department of Public Works, neither the construction of fencing nor the clearing or removal of trees or vegetation shall be permitted within the areas of the Native Growth Protection Easements or Tracts. Dead trees or vegetation growing within the Native Growth Protection Easements or Tracts which present a threat to life and property due to decay or other natural causes may be removed upon obtaining the approval of the Association. In the event of any conflict between this Section and the terms of Article V, Section 5, the terms of this Section shall control.

Section 8. Management. Each Owner expressly covenants that the Board may delegate all or any portion of their management authority to management contracts or other service contracts to provide for maintenance of Common Areas and Common Maintenance Areas and any portion thereof. Any management agreement or employment agreement for the maintenance or management may be terminable by the Association without cause upon 90 days written notice thereof; the term of any such agreement shall not exceed three (3) years, renewable by agreement of the parties for successive periods of up to three (3) years each. Each owner is bound to observe the terms and conditions of any such management agreement or employment contract, all of which shall be made available for inspection by any Owner on request. Any fees or salaries applicable to any such management, employment or service agreement shall be assessed to each Owner.

ASSESSMENTS

Section 1. Each Owner of any Lot, by acceptance of a deed therefore, whether it shall be so expressed in each deed, is deemed to covenant and agree to pay to the Association (1) annual assessments or charges, (2) special assessments for capital improvements, and (3) any assessments made by the Board within thirty (30) days of the date specified by the Association. The annual and special assessments, together with any interest, costs and any reasonable attorneys' fees incurred to collect such assessments, shall be a lien on the land and all improvements thereon, and shall be a continuing lien upon the property against which such assessment is made. Each such assessment, together with any interest, costs and reasonable attorneys' fees incurred in attempting to collect the assessment, shall also be the personal obligation of the person who is the Owner of such Property at the time when the assessment fell due. The personal obligation for delinquent assessments shall continue even if the owner subsequently transfers legal or equitable title to the property; however, the personal obligation for delinquent assessments shall not pass to the delinquent Owner's successors in ownership of the Lot unless expressly assumed by the successor(s). The Association shall record such liens in the Office of the King County Auditor. It is the obligation of the seller and seller's agents to notify purchasers of any existing liens, unpaid assessments and the terms set forth in these covenants.

<u>Section 2.</u> <u>Purpose of Assessments.</u> The assessments levied by the Association shall be used exclusively to (a) promote the recreation, health, safety and welfare of the residents of the Properties, and (b) for the improvements and maintenance of the Common Areas and Common Maintenance Areas as provided in Article VI.

Section 3. Assessments. The annual assessment as of January 1, 2004 shall be \$385.00 per lot. The annual assessment shall be used by the Association for maintenance, repair, professional services, contract services and other purposes permitted by this declaration. The annual assessment may be increased by the Board to reflect increases in costs to manage the Association and to maintain and improve the Common Areas and Common Maintenance Areas. Conversely, the Board shall have the authority to reduce the annual assessments if economic data supports such a reduction because of reduced maintenance costs or other maintenance expenses or the accumulation of high reserve funds.

(a). The annual assessment may be increased each year up to ten percent (10%) above the maximum assessment for the previous

year without a vote of the membership.

- (b) The annual assessment may be increased by more than ten percent (10%) over the previous year's maximum annual assessment if approved by two-thirds (2/3) of the members of the Association, voting in person or by proxy at a meeting duly called for this purpose. This Article is subject to the provisions of Article 1, Section 12 and Article IX, Section 3.
- (c) The Board of Directors shall fix the annual assessment in accord with the above-recited provisions.

Section 4. Special Assessment for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a common assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Maintenance Areas not prohibited by these Covenants, Conditions and Restrictions, including fixtures and personal property related thereto, provided that any such assessment exceeding \$15,000.00 for those capital improvements or repairs shall have the assent of two-thirds (2/3) of the members of the Association responding by voting in person or by proxy as a meeting duly call for this purpose. A minimum of forty (40) homeowners' responses are required to validate this vote. This Article is subject to the provisions of Article 1, Section 12 and Article IX, Section 3.

Section 5. Notice For Any Action Authorized Under Sections 3 and 4. Written notice of the place, day, hour, and purpose of any meeting called to take any action authorized under Sections 3 and 4 of this Article shall be sent to all members not less than thirty (30) days nor more than fifty (50) days in advance of the meeting.

<u>Section 6.</u> <u>Uniform Rate of Assessment.</u> Both annual and special assessments arising under Article VII, Sections 3, 4 and 11, must be fixed at a uniform rate for all Lots or properties. Assessments shall be collected monthly, bi-monthly, quarterly or on an annual basis as determined by the Board of Directors.

Section 7. Date of Commencement of Annual Assessment; Due Dates. The annual assessments described in this Article shall commence on the first of January for the upcoming 12 months. All assessments are due no later than the 28th day of February.

<u>Section 8. Special Assessments for Repairs or Reimbursement.</u> The Board or ACC has authority to collect the cost of any repairs or maintenance

required due to violation of these covenants, by providing notification of a special assessment against the responsible homeowner(s), lot owner(s) or tenant(s). Such a special assessment does not need to comply with Section 6. Notice of such an assessment and a date when payment is due shall be provided to the homeowner(s), lot owner(s) or tenant(s) by certified mail. If not paid when due, the amount owed is subject to lien rights and interest as set forth in Section 9 and 10 below.

Section 9. Effect of Non-Payment of Assessments; Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of twelve (12) percent per annum. Each owner hereby expressly vests in the Association, or its agent, the rights and powers to bring all actions against such Owner personally for the collection of such assessments as debts and to enforce lien rights of the Association by all methods available for the enforcement of such liens, including foreclosure by an action brought in the name of the Association in like manner as a mortgage of property. Such Owner hereby expressly grants to the Association the power of sale in connection with such liens. The liens provided for in this Section shall be in favor of the Association and shall be for the benefit of the Association. The Association shall have the power to bid in an interest at foreclosure sale and to acquire, hold, lease, mortgage and convey the same. The Owner is responsible for payment of all attorneys' fees incurred in collecting past due assessments or enforcing the terms of assessment liens (see Article XV, Section 5) (which provides for recovery of the Associations Attorney's fees and costs). No Owner may waive or otherwise escape liability for the assessments provided herein by non-use of the Common Areas, Common Maintenance Areas or abandonment of his Lot.

The Association shall have the right to suspend the voting rights and enjoyment of Common Areas (see Article VI, Section 1 (b)) of an Owner for any period during which any assessment against the Lot remains unpaid for any infraction of the terms of the Articles of Incorporation, CC&R's, or the Bylaws of the Association.

Section 10. Effect of Lien. A lien under this section shall be prior to all other liens and encumbrances on the Lot or property affected except, (a) liens and encumbrances recorded before the recording of the notice of lien; (b) a mortgage on the unit recorded before the date on which the assessment sought to be enforced became delinquent; and (c) liens for real property taxes and other governmental assessments or charges against the property owner that have statutory priority to the assessment liens by law.

Sale or transfer of the property affected will not relieve the original property owner of his or her personal obligation to extinguish said liens, or

provide payment for the Associations costs and Attorneys' fees as set forth in Section 8 of these Covenants, Conditions and Restrictions unless the Association receives full payment for all delinquencies and costs and fees owed at the time of sale.

All such liens shall attach to the property affected by the delinquency or non-compliance with these CC&R's as well as constitute a personal obligation on the property owners whose name appears on the title at the time the assessment falls due.

Section 11. Exempt Property. All property dedicated to and accepted by local public authority shall be exempt from the assessments provided for in this Article. Common Areas, Common Maintenance Areas and Tract "D" shall also be exempt from any and all assessments provided for in this Declaration. This section shall apply notwithstanding any other provision to the contrary in this Declaration.

ARTICLE VIII

MAINTENANCE OF LOTS

Section 1. Exterior Maintenance by Owner. Each Lot and Residence shall be maintained by the Owner in a neat, clean and sightly condition at all times and shall be kept free of accumulations of litter, junk, containers, equipment, building materials, and other debris. All landscaping areas, including landscaping extending into the city right-of-way, shall be regularly maintained and trimmed to present a clean, neat, and well-maintained appearance. All refuse shall be kept in sanitary containers sealed from the view of any Lot; the containers shall regularly be emptied and the contents disposed of off the Properties. No grass cuttings, leaves, limbs, branches, and other debris from vegetation shall be dumped or allowed to accumulate on any part of the Properties, except that a regularly tended compost device shall not be prohibited.

No storage of goods, motor homes, boats, trailers, trucks (other than pick-ups), campers, or other equipment or devices shall be permitted in open view from any Lot or right-of-way. (Motor homes, boats, trailers, and campers shall be referred to as "Recreational Vehicles.") This provision shall not exclude temporary (less than 48 hours) parking of Recreational Vehicles on the designated driveway areas adjacent to the garage on the Lots while preparing or maintaining such vehicle before or after a trip. This paragraph is not meant to disallow permanent (more than 48 hours) parking or storage of Recreational

Vehicles on the Lots, but if stored, Recreational Vehicles shall be adequately screened from the view of adjacent rights-of-way and Lots. Screening of such

Recreational Vehicles must have the approval of the ACC. Upon 48 hours notice to the Owner of an improperly parked Recreational Vehicle, truck (other than pick-ups), or other equipment or devices, the Board has the authority to have towed, or obtain a court order to have the offending vehicles or other equipment or devices removed, at the Owner's expense, if such vehicles or other equipment or devices parked on any Lot or within the right-of-way for more than 24 hours are still visible from adjacent rights-of-way or residences.

Notwithstanding the foregoing, Owners who have visiting guests intending to stay in a Recreational Vehicle are to advise an ACC member by mail or e-mail prior to the commencement of the parking. Such Recreational Vehicles may be parked upon the Lot owned by the Owner for a maximum period of one (1) week.

<u>Section 2.</u> <u>Easements for Enforcement Purposes.</u> Owners hereby grant to the Association an express easement for the purposes of going upon the Lots of Owners for the purpose of removing Recreational Vehicles, trucks (other than pick-ups), or other equipment or devices that are parked or stored in violation of the terms of this Declaration.

Section 3. Lot Maintenance by the Association. In the event that an Owner shall fail to maintain the exterior of his premises and the improvements situated thereon in a manner consistent with maintenance standards of the Lake Forest Estates Community, including maintenance of landscaping required in the adjacent right of way as set forth in Article XI Section 12, the Board shall, upon receipt of written complaint of any Owner and the subsequent investigation which verifies that complaint, have the right through its agents and employees to enter upon the offending Owner's Lot and repair, maintain and restore the Lot and exterior of the improvements on that Lot if the Owner shall fail to respond in a manner satisfactory to the Board within ten (10) days after receiving notice of the need for corrective action. The cost of such repair, maintenance, or restoration shall be assessed against the Lot, and the Board shall have the right to record a notice of lien for labor, materials furnished, contractor fees, and other costs incurred, including attorney's fees, associated with the Boards restoration action. The Lien may be enforced in the manner provided by Law and as provided for in this Declaration. In the event the estimated cost of repair shall exceed one-half of one percent (.5%) of the County Tax Assessor's value of the Lot, with its improvements, the Board will be required to seek approval of twothirds (2/3) of the members of the Association responding by voting in person or by proxy at a meeting duly called for this purpose, before undertaking such repairs. This Article is subject to the provisions of Article 1, Section 12 and Article IX, Section 3.

HOMEOWNERS' ASSOCIATION

<u>Section 1.</u> <u>Non-Profit Corporation.</u> The Association shall be a non-profit corporation under the laws of the state of Washington.

Section 2. Membership. Every person or entity who is an Owner of any Lot shall become a member of the Association. Membership shall be appurtenant to the Lot and may not be separated from ownership of any Lot and shall not be assigned or conveyed in any way except upon the transfer of title to, or a real estate contract vendee's interest in, said Lot and then only to the transferee of either the title to the Lot or the vendee's interest in the Lot. All Owners shall have the rights and duties specified in the Articles of Incorporation and the Bylaws of the Association.

Section 3. Voting Rights Members of the Association shall be Lot Owners as described in Article I, Section 11. Members shall be entitled to one (1) vote for each Lot owners. When more than one (1) person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they, by majority, determine, but in no event shall more than one (1) vote be cast with respect to any Lot, nor shall any vote be divided. When more than one person holds an interest in any Lot, all such persons shall unanimously designate (in writing delivered to the secretary of the Association) one of the persons (owning an interest in the Lot) to vote (in person or by proxy) the vote for such Lot. The voting rights of any Member may be suspended as provided for in this Declaration, or in the Articles of Incorporation, or in the Bylaws of the Association. The Association shall have the right to suspend the voting rights of a member for any period during which any assessment, or any other charge (as defined in Article XV, Section 6), against the Lot remains unpaid.

<u>Section 4. Meetings.</u> Meetings shall be conducted in accord with the specifications set forth in the Bylaws of Lake Forest Estates Homeowners' Association.

ARTICLE X

MANAGEMENT BY BOARD

<u>Section 1.</u> The Board of Directors. The Association will be managed by, and administrative power vested in a Board of five (5) Directors. These Directors must be Members of the Association. The Association, by Amendment of the Bylaws, may increase or decrease the number of Directors.

<u>Section 2.</u> <u>Terms.</u> Terms of office for individual Directors will be two years. A staggered nomination and election schedule will be established to

protect against block turnover of all Association Directors and to ensure continuity is maintained.

- Section 3. Powers of the Board. All powers of the Board must be exercised in accord with the specifications which are set forth in the Bylaws. The Board, for the benefit of all the Properties and the Lot Owners, shall enforce the provisions of this Declaration and the Bylaws. In addition to the duties and powers imposed by the Bylaws and any resolution of the Association that may be hereafter adopted, the Board shall have the power and be responsible for the following, in way of explanation but not limitations:
 - (a) Insurance. Obtain policies of insurance for Common Areas and Common Maintenance Areas.
 - (b) Legal and Accounting Services. Obtain legal and accounting services if necessary to the administration of Association affairs, administration of the Common Areas and Common Maintenance Areas, or the enforcement of this Declaration.
 - (c) Maintenance. Pay from Association funds, all costs of maintaining the Common Areas and Common Maintenance Areas.
 - (d) Maintenance of Lots. Subject to the requirements of Article VIII, Sections 1 thru 3,maintain any Lot if such maintenance is reasonably necessary in the judgment of the Board to (1) protect Common Maintenance Areas, or (2) to preserve the appearance and value of the Properties or Lot. The Board may authorize such maintenance activities if the Owner or Owners of the Lot have failed or refused to perform maintenance within a reasonable time after written notice of the necessity of such maintenance has been delivered by the Board to the Owner or Owners of such Lot, provided that the Board shall levy a special assessment against the Owner, or Owners of such Lot and the Lot for the cost of such maintenance.
 - (e) Discharge of Liens. The Board may also pay any amount necessary to discharge any lien encumbrance levied against the entire Properties or any part thereof, which is claimed or may, in the opinion of the Board, constitute a lien against the Properties rather than merely against the interest therein of particular Owners. Where one or more Owners are responsible for the existence of such liens, they shall be jointly and severally liable for the entire

cost of discharging the lien(s) and all of any costs or expenses, including reasonable attorneys' fees and costs of title search

incurred by the Board by reason of such lien or liens. Such fees and costs shall be assessed against the Owner or Owners and the Lot(s) responsible to the extent of their responsibility.

- (f) <u>Utilities.</u> Pay all utility charges attributable to Common Areas and Common Maintenance Areas.
- (g) Security. Pay all costs deemed appropriate by the Board to ensure adequate security for the Lots and Common Areas and Common Maintenance Areas constituting the residential community created on the Properties.
- (h) Right to Contract. Have the exclusive right to contract for goods, services, maintenance, and capital improvements provided, however, that such right of contact shall be subject to the provisions of this Declaration.
- (i) Improvement of Common Areas and Common Maintenance
 Areas. Improve the Common Areas and Common Maintenance
 Areas with capital improvements to such areas exceeding
 \$15,000.00 needing the approval of two-thirds (2/3) of the members
 of the Association responding by voting in person or by proxy at a
 meeting duly called for this purpose. A minimum of forty (40)
 homeowners' responses are required to validate this vote. This
 Article is subject to the provisions of Article 1, Section 12 and
 Article IX, Section 3.
- (j) Right of Entry. Enter any Lot or Residence, when reasonable necessary, in the event of emergencies or in connection with any maintenance, landscaping or construction for which the Board is responsible. Except in cases of emergencies, the Board, its agents or employees shall attempt to give notice to the Owner or occupant of any Lot or Residence, 24 hours prior to such entry. Such entry must be made with as little inconvenience to the Owners as practicable, and any damage causes thereby shall be repaired by the Board, at the Association's expense, if the entry was due to an emergency (unless the emergency was caused by the Owner of the Lot entered, in which case the cost shall be specifically assessed to the Lot, the cost of such repair or maintenance activity shall be specifically assessed to that Lot and against the Owner of that lot

as provided in Article VII Section 8. If the emergency or the need for maintenance or repair was caused by another Owner or another

- Lot, the cost thereof shall be specifically assessed against the Owner of the other Lot and against the other lot.
- (k) Promulgation of Rules. Adopt and publish any rules and regulations governing the members and their guests and establish penalties for any infraction thereof.
- (I) <u>Declaration of Vacancies.</u> Declare the office of a member of the Board to be vacant in the event that a member of the Board is absent from three (3) consecutive regular meetings without approval by the Board.
- (m) Employment of Manager. Employ a manager, as independent contractor, or such other employees as the Board deems necessary and describe the duties of such employees.
- (n) Payment for Goods and Services. Pay for all goods and services required for the proper functioning of the Common Areas and Common Maintenance Areas.
- (o) <u>Impose Assessments.</u> Impose annual and special assessments.
- (p) Bank Accounts. Open bank accounts on behalf of the Association and designate the signatories required.
- (q) Exercise of Powers, Duties, and Authority. Exercise for the Association all powers, duties and authority vested in or delegated to the Association and not reserved to the membership by other provisions of the Bylaws, Articles or Incorporation, or this Declaration. The Board shall have all powers and authority permitted under this Declaration and the Bylaws. However, nothing herein contained shall be construed to give the Board authority to conduct a business for profit on behalf of all the Owners or any of them.

LAND USE RESTRICTIONS

Section 1. All Lots within the Properties shall be used solely for private single-family residential purposes. Private single-family residences shall consist of no less than one (1) Lot, and no Lot shall ever be further subdivided. No Residence shall be constructed which exceeds the allowable height set forth in the governing municipal Code for this zone. Each Residence must have a private enclosed car garage for not less than three (3) cars. Garages cannot be converted to living quarters. No single structure shall be altered to provide residence for more than one (1) family. Rambler-type residences (residence consisting of a basement and one story or residence consisting of a single story) shall contain at least 2,000 square feet. Multi-story residences (residence consisting of a basement and two stories or residences consisting of two stories) shall contain at least 2,200 square feet. In computing the total square footage of a residence, the basement, garages or enclosed decks shall not be included.

<u>Section 2</u>. No Lot shall be used in a fashion that unreasonably interferes with any other Owner's right to use and enjoy the other Owner's Lots. The Board or the ACC designated by it shall determine whether any given use of a Lot unreasonably interferes with those rights; such determinations shall be conclusive.

Section 3. No noxious or offensive activity shall be conducted on any Lot, nor shall anything be done or maintained on the Properties that may become an activity or condition that unreasonably interferes with the rights of other Owners to use and enjoy any part of the Properties. No activity or condition shall be conducted or maintained on any part of the Properties, which detracts from the value of the Properties as a residential community. No untidy or unsightly condition shall be maintained on any property. Untidy conditions shall include, but are not limited to, publicly visible storage of wood, boats trailers, mobile homes, recreational vehicles, disabled vehicles of any kind whatsoever, and landscaping which is not properly maintained.

Section 4. Fences, Walls or Hedges. Fences, walls or hedges are permitted on side and rear property lines, up to within the greater of (i) 30 feet of the front property line, or (ii) the distance between the front Lot line and front wall (facade) of the primary Residence, subject to (1) the approval of the ACC and (2) determination whether such fences, walls or hedges would interfere with utility easements reflected on the face of the Plat and other easements elsewhere recorded. In no event shall any fences be allowed between the front Lot line and the front wall (facade) of the primary Residence. No barbed wire,

chain link, or corrugated fiberglass fences shall be erected on any Lot. All fences, open and solid, are to meet the standards set by the ACC and must be approved by the ACC prior to construction. Chain link fences are allowed on

Common Area property only.

<u>Section 5.</u> Removal and Replacement of Trees The Association recognizes the need to preserve the native trees in the development for the enjoyment of the Members. The Association also recognizes that, in some cases, these trees can pose a potential danger to life and property. In that event, Homeowners:

- (a) are to submit plans to the Architectural Control Committee (ACC) identifying the trees to be removed.
- (b) will be required to plant native growth evergreen trees (no dwarf varieties) within 6 months of the tree removal. The trees must be a minimum of five (5) feet tall. The number of trees to be planted shall be at least 50% of the number of trees removed. (For every two trees removed at least one replacement tree shall be planted.) The planting will be subject to the CC&R rules for landscaping. A landscape plan showing the replacement trees must be submitted with the request for tree removal.

Trees whose diameter measures less than six (6) inches (as measured at the 3-foot level) are not affected by this requirement. Such trees may be removed at the homeowner's discretion (except those planted as replacement trees in accordance with (b) above).

Section 6. No mobile or "manufactured" homes, trailers, structures of a temporary character, recreational vehicle, basement, tent, shack, garage, barn, or other out buildings shall be used on any Lot at any time as a Residence, either temporarily or permanently. No vehicles parked in public rights-of-way may be used temporarily or permanently for residential purposes. The Association may permit temporary trailers and/or construction waste collection bins to be placed on an Owners Lot to facilitate construction or remodeling or residence related improvements. All such trailers or collection bins shall be placed only on the Lot where improvements are being made. No such temporary trailers or collection bins may be placed, however, without the written permission of the Board. The Association has the right and authority to deny the placement of temporary trailers and or collection bins on Owners Lots. The Association can also require placement on the Lot to minimize the view from public rights-of-way and other residences and establish the length of time the temporary trailers or collection bins will be permitted on Owners Lots, depending on the type of work being performed.

<u>Section 7.</u> <u>Mining.</u> No oil drilling, oil development operations, oil refining, quarrying, or mining operation of any kind shall be permitted on or in any Lot, nor shall oil wells, tanks, tunnels, mineral excavation or shafts be permitted on

or in any Lot. No derrick or other structures designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot. Oil storage for residential heating purposes is permissible if the storage tank is buried, any necessary permits are obtained, and the storage complies with all applicable environmental laws, rules and regulations.

Section 8. Building Setbacks. No structures shall be located within thirty (30) feet of the front line or nearer to the side street line than minimum dwelling setback lines required by relevant public zoning ordinance. For the purpose of this Covenant, eaves, steps, chimneys, and open porches shall not be considered as part of the dwelling; provided, however, that his shall not be considered to permit any portion of a dwelling on a Lot to encroach any required setbacks by local codes, or to encroach upon another Lot or upon any easements indicated on the face of the Plat or as otherwise recorded, or upon the Common Areas or Common Maintenance Areas. In no event shall any structures violate any provisions of any local municipal zoning ordinance, or any specific setbacks as set forth on the recorded plat map, or any setbacks imposed through the establishment of easements for utilities or access.

Section 9. Signs. No signs, billboards, or other advertising structures or device shall be displayed to the public view on any Lot except one (1) sign not to exceed five (5) square feet in area may be placed on a Lot to offer the property for sale or rent. Political yard signs, not more than five (5) square feet, of a temporary nature will be allowed during campaign periods on Lots. Within five (5) days of the occurrence of the election, such signs must be removed from Lots. The Board may cause any sign placed on Properties in violation of this provision to be removed and destroyed.

The Association shall have the exclusive right to approve any and all signage installations within any part of the real property encompassed within the plat of Lake Forest Estates, and any contractor or real estate agent on behalf of an Owner, shall submit to the Association for prior approval, proposed signs that differ from the guidelines specified in this Section. Signs not approved, which are placed anywhere within Lake Forest Estates, whether on private property or within Common Areas, or rights-of-way, may be promptly removed and disposed of by the Association. The absolute right of the Association to remove unauthorized signs from the premises specifically includes, but is not limited to, the Associations right to remove signs placed by real estate agencies or their representatives, including temporary reader board signs and other signage installations.

<u>Section 10.</u> <u>Animals.</u> No animals, except dogs, cats, caged birds, fish in tanks, and other small household pets, will be permitted on Lots. Dogs shall not be allowed to run at large. Leashed animals are permitted within rights-of-way.

Pet owners accompanying animals are required to exercise "scooping" of animal waste. If the number of pets attributable to any one homeowner becomes a nuisance to other homeowners, which affects the quality and enjoyment of the residential property, the Board may notify the homeowners of the complaint, request corrective action, seek enforcement of these CC&R's and or, seek enforcement of any County or Municipal ordinance violations. Excessive barking or noise complaints may be treated as nuisance complaints. All pens and enclosures must be approved by the ACC prior to construction and shall be kept clean and odor free at all times. If the investigation of the Board indicates that animals are kept in violation of this Section, the Board will give the Owner written notice of the violation. The Owner must remedy such violation within ten (10) days of receiving said notice.

<u>Section 11.</u> <u>Driveways.</u> All driveways shall be paved with "exposed aggregate concrete," unless otherwise approved by the ACC. Asphalt driveways may be allowed for certain Lots involving longer driveways subject to an application to the ACC for such review and approval.

Section 12. Delegation of Use and Responsibilities. Any Owner may delegate to members of their immediate family living at the residence or to tenants, and their immediate family members living in the residence, in accordance with the Bylaws of Lake Forest Estates Homeowners' Association. the Owner's right of enjoyment of Common Areas and Common Maintenance Areas. In the event an Owner rents or leases his property, a copy of this Declaration, as well as any rules and regulations that may be adopted by the Association, shall be made available by the Owner to the prospective renter at the time of commitment to the rental agreement. Each Owner shall also be responsible for informing guests and service personnel of the contents of this Declaration, as well as any rules and regulations that may be adopted by the Association as they may relate to appropriate community behavior. Each Owner personally, and the Owner's Lot, shall be responsible for any damages to any Common Areas and Common Maintenance Areas (or any other area maintained by the Association) or to any other Association property, whether real or personal, caused by an Owner's family, guest, tenant, agent, workman, contractor or other licensee or invitee. The Association shall have a lien upon the Owner's Lot for the amount of damages, which shall be assessed or collected against the Owner or Owner's property as any other assessment.

Section 13. Landscaping Standards. The entire front yard up the edge of the asphalt in the adjacent right-of-way fronting any Lot within Lake Forest Estates shall be landscaped in accordance with plans to be reviewed by the ACC as set forth in Article XIV, Section 8. If inclement weather conditions

prevent the timely installation of said landscaping improvements, the Lot Owner must make application to the ACC for an extension of time until weather conditions sufficiently improve. For corner lots, the "front yard" shall mean the

frontage on both streets, such that both street frontages and yards must be landscaped.

"Front yard" shall be defined as the Lot area extending from the front property line back to a line measured parallel with the front property line, which would coincide with the front wall of the main dwelling on the Lot, exclusive of any garage projections.

The front yard landscaping shall include all of the adjacent public street right-of-way along the Lot frontage out to the edge of the asphalt paving in the public street. Each Lot Owner shall be responsible for installing and maintaining the landscaping within this adjacent right-of-way.

Landscaping on each Lot shall incorporate retention of as many significant evergreen trees as possible, particularly in the side and rear yard areas. Additional clearing of a Lot by the Lot's Owner shall be allowed on Lots as needed to promote potential view of Lake Wilderness or of other territorial areas where the removal of trees would promote and preserve potential views. In each case, removal of trees shall be subject to review and approval by the ACC through the review of the landscaping plan and as set forth in Article XI, Section 5. For corner lots with visible back yard areas from the adjacent street right-ofway, landscaping shall be provided on the entire lot area as set forth in this Section 13, unless otherwise approved by the ACC.

Landscaping within the front yard area of each Lot including the adjacent right-of-way to be landscaped as set forth above, and extending across the full width of each Lot, shall incorporate a minimum of 50 percent (50%) of the area in grass sod as a percentage of the total area being landscaped. Where Lot topography and configuration permit, grass sod shall be extended to directly abut the edge of the asphalt paving within the adjacent right-of-way to encompass 50 percent (50%) of the full Lot width. In cases where this latter criterion cannot be accommodated, plans may be developed for consideration by the ACC that include rockeries, shrubs, and ground cover with the objective of maintaining an "estate" or open front area. In all cases, landscaping will be accomplished in a manner that preserves significant specimen evergreen trees, wherever possible, and which incorporates native ground cover and meandering irregular curved designs delineating grass sod areas from other landscaping materials.

During the development period, some landscaping plans were approved that did not meet the 50% sod rule. Landscaping plans that have been in place longer than 10 years shall not be required to conform to the 50% sod rule.

Section 14. Requirement for Masonry Construction on Chimneys. The primary fireplace chimney in each residence shall be constructed of masonry brick material approved by the ACC, except where both (1) the primary fireplace

chimney is located on the side or the back of the house, and (2) the main part of the chimney is not visible from the frontage street. The chimney must in this case be, however, an approved non-masonry chimney. For residences with more than one fireplace, only the primary fireplace most visible from the right-of-way shall, if required by the previous provisions, be of masonry brick construction. The ACC shall have sole authority to approve non-masonry chimneys qualifying for the exemption from masonry construction and shall review and consider carefully the criteria outlined above prior to approving any residential structure without brick masonry construction of the fireplace chimneys.

- (a) Neither metal fireplace flues or metal fireplace chimneys will be allowed on any residences or other buildings constructed within the plat of Lake Forest Estates unless enclosed within appropriate wood or masonry materials.
- (b) Unless otherwise approved by the ACC, residences otherwise qualifying for an exemption from masonry fireplace construction requirements shall "make up" for the masonry construction elsewhere on the dwelling. The make up masonry construction shall be an amount equal to a minimum of 240 square feet of brick masonry otherwise approved by the ACC.

Section 15. Garages. Each Residence shall incorporate a minimum three-car garage designed and constructed as an integral part of said Residence. Garages cannot be converted to living quarters. Under no circumstances will detached garages be approved by the ACC.

ARTICLE XII

BUILDING RESTRICTIONS

<u>Section 1.</u> <u>Building Materials.</u> The exterior of all construction on any Lot shall be designed, built, and maintained in such a manner as to blend in with the natural surroundings and landscaping within Lake Forest Estates. All homes and other structures, including but not limited to storage sheds, play areas, or decks, constructed on each Lot shall comply with the following provisions:

(a) <u>Materials of Construction</u>: all structures shall be built of new materials, with the exception of "decor" items such as used brick, weathered planking, and similar items. The ACC will determine whether a used material is a "decor" item. In making this

determination, the character of Lake Forest Estates development and whether the material would add to the attractive development of the subdivision will be considered.

- (b) Roofing Materials: Roofing materials shall be cedar shingles or shakes, tile, or alternate materials that have an appearance of shingles, shakes or tile. Asphalt composition roofing of 400 pound rating or heavier will be considered acceptable if meeting the appearance criteria. Samples of roofing materials shall be submitted to the ACC for approval prior to proceeding with replacement. The ACC will maintain a list of approved materials meeting the above criteria, which will be provided to homeowners upon request.
- (c) <u>Siding and Trim.</u> All siding and trim are to be resawn wood or alternative materials that have the appearance of wood. Vinyl siding will not be acceptable. Samples of siding materials shall be submitted to the ACC for approval prior to proceeding with replacement. The ACC will maintain a list of approved materials meeting the above criteria, which will be provided to homeowners upon request.
- (d) <u>Masonry</u>: All visible masonry shall be native stone, brick or stucco.
- (e) Exterior Colors. Exterior colors including siding, trim, eaves, and roofing must be approved by the ACC. Exterior trim, fences, doors, railings, decks, eaves, gutters, and the exterior finish of garages and other accessory buildings shall be designed, built and maintained to be compatible with the exterior of the structure they adjoin. Generally, colors shall be muted earth tones.

Section 2. <u>Maintenance of Lots During Major Renovation of Existing Residences.</u>

- (a) During the period of any major renovation or modification to an existing Residence, pick up of scrap materials and other construction debris will be done daily. No dumping of any such debris or refuse shall be allowed on any Common Areas or Common Maintenance Areas within the Plat of Lake Forest Estates.
- (b) Upon completion of a major renovation or modification, the Lot Owner shall be responsible for establishing or restoring the structure and Lot to a clean presentable condition. In cases where occupancy of the residence shall be delayed beyond the planned

completion date of renovation or modification, the Lot owner will be responsible for maintaining the landscaping improvements and the structure itself in a clean and neat appearance, and shall be responsible for all regular landscape maintenance, watering, trimming, and upkeep to present a finished, manicured appearance of said premises from the adjacent right-of-way. In the event that the Lot Owner, or Owner's construction representative(s), fails to meet the standards set forth in this Section, the Board shall have the right to complete such clean-up activity in accordance with the provisions as set forth in Article VIII.

Section 3. Construction cleanup.

- (a). Once the modifications of existing structures the on a specific Lot have been completed by the Owner or Owner's construction representatives, including all required landscaping improvements on site and within the adjoining rights-of-way as set forth in this Declaration, the ACC, or designated representative, shall conduct a site inspection to verify that the Owner appears to have met all Completion Standards contained in Articles XI and XII of this Declaration.
- (b) Each Lot Owner shall be required to clean up the Lot within ten (10) days of final inspection for major renovations of existing structures.
- <u>Section 4. Permits.</u> No structural modifications may be started on any portion of the Properties without the Owner first obtaining a building permit and other necessary permits from the proper local governmental authority.
- <u>Section 5.</u> <u>Codes.</u> All modifications shall conform to the requirements of The State of Washington and local building codes.
- Section 6. The Time of Completion. The exterior of any structures, including painting or other suitable finish and front yard landscaping shall be completed within six (6) months of the beginning of construction so as to present a finished appearance when viewed from any angle. The construction area shall be kept reasonably clean during the construction period.

<u>Section 7.</u> Entry for Inspection. Any agent, officer or member of the Board or ACC may, at any reasonable predetermined hour upon twenty-four (24) hour's notice during exterior modifications, enter and inspect the structure to determine if there has been compliance with the provisions of this Declaration. The above-

recited individuals shall not be deemed guilty of trespass for such entry or inspection. There is created an easement over, upon and across the residential Lots for the purpose of making and carrying out such inspections

ARTICLE XIII

UTILITIES

<u>Section 1.</u> Wiring. The wiring (other than interior wiring) for buildings of any kind shall be underground.

<u>Section 2.</u> <u>Antennas and Satellite Dishes.</u> No radio or television antennas or satellite dishes greater than three (3) feet in diameter, or similar device shall be permitted unless approved by the ACC. Any such installations shall be fully screened from public view.

ARTICLE XIV

ARCHITECTURAL CONTROL

Section 1. Architectural Control Committee ("ACC"). The Board shall have the authority to appoint an Architectural Control Committee as provided for by this Article XIV and in the Bylaws. The ACC will manage and administer the architectural, lot configuration and plan approval provisions of this Declaration. The members to this Committee will be selected and will serve in accordance with the Bylaws.

Section 2. Jurisdiction and Purpose. The ACC shall review proposed plans and specifications for residences, accessory structures, fences, walls, appurtenant recreational facilities (e.g., hot tubs, basketball courts, tennis courts, swimming pools, bath houses,), or other exterior structures and/or major landscaping modifications to be placed upon the Properties. No exterior addition structural alteration or exterior structures of any kind may be made until plans and specifications showing the nature, kind, shape, height, materials, and location of the purposed structure or alterations have been submitted to and approved, in writing, by the ACC. The ACC shall also review proposals to change the exterior color of homes in the Plat.

The ACC shall determine whether the exterior design and location of the proposed structure, alteration, or color change harmonizes with the (1) surrounding structures, (2) surrounding natural and built environment, and (3) aesthetic character of other homes in the Plat.

The ACC will determine if a lot is maintained in accordance with Article VIII, Section I

<u>Section 3.</u> <u>Address of the ACC.</u> The address of the ACC shall be the mailing address of the Association:

Lake Forest Estates Home Owners' Association Architectural Control Committee PO Box 782 Maple Valley, WA 98038-0782

<u>Section 4.</u> <u>Voting.</u> ACC decisions shall be determined by a majority vote of the members of the ACC.

Section 5. Submission of Plans. All plans and specifications required to be submitted to the ACC shall be submitted by mail to the address of the ACC in duplicate. The written submission shall contain the lot number, name, address and phone number of the Owner submitting the plans and specifications and the following information about the proposed structures or modification (as appropriate to the application being made):

- (a) The Location of the structure upon the Lot.
- (b) The elevation of the structure with reference to the existing and finished Lot grades.
- (c) The general design.
- (d) The interior layout.
- (e) The exterior finish materials and color, including roof materials.
- (f) The landscape plan also showing all existing significant trees to be removed (greater than six (6) inches in diameter measured three
- (3) feet from the base).

(g) Other information which may be required in order to determine whether the structure conforms to the standards articulated in this Declaration and the standards employed by the ACC in evaluating development proposals.

(h) A Plot Plan shall be required, which shall include topography information if the Lot has a grade difference from one side to another of more than ten (10) feet. The Plan shall also include specific details of front and side yard landscaping improvements extending up to the edge of the street paving on the lot frontage.

Section 6. Evaluating Development Proposals. The ACC shall have the authority to establish aesthetic standards for evaluating development proposals. In addition to such standards, in evaluating development proposals, the ACC shall determine whether the external design, color, building materials, appearance, height, configuration, location on the Lot, and landscaping of the proposed structure (the "design elements") harmonize with (1) the various features of the natural and built environment, (2) the aesthetic character of the other homes in Lake Forest Estates, and (3) any other factors which affect the desirability or suitability of a proposed structure or alteration (collectively the "approval factors"). The ACC shall decline to approve any design in which (1) the design elements fail to harmonize with the approval factors described in the previous sentence or which fail to meet any aesthetic standards promulgated by the ACC, (2) impacts adversely on nearby Properties and Common Areas, (3) unreasonably impacts the view of adjacent or nearby Lots within Lake Forest Estates, or (4) is of a temporary or non-permanent nature. ACC determinations may be amended by a majority vote of ACC members.

Section 7. Approval Procedures. Within fourteen (14) days after the receipt of plans and specifications, the ACC shall approve or disapprove the proposed structure. The ACC may decline to approve plans and specifications that, in its opinion, do not conform to restrictions articulated in this Declaration and criteria (including those in Section 10 of this Article XIV) or to its aesthetic standards. In the event of disapproval, the ACC will give the homeowner the reasons for such disapproval with reference to specific restrictions, criteria or aesthetic standards not met in the plans and specifications. The ACC shall indicate its approval or disapproval on one of the copies of the plans and specifications provided by the applicant and shall return the plans and specifications to the address shown on the plans and specifications. In the event that no disapproval of such plans and specifications is given within twenty (20) days of submission, then the plans shall be deemed to be approved.

Section 8. Compliance with Codes/Environmental Laws.

(a) In all cases, ultimate responsibility for satisfying all local building codes, license fees and other land use or Covenants, Conditions &

Restriction requirements rests with the Owner and contractor employed by the Owner. The ACC has no responsibility for ensuring that plans and specifications, which it reviews, comply with local building codes and requirements. The Lot Owner shall hold the ACC members harmless in the event that a structure that the ACC authorizes fails to comply with relevant building and zoning requirements or these covenants and restrictions contained herein. No person on the ACC, or acting on behalf of the ACC, shall be held responsible for any defect in any plans or specifications which are approved by the ACC nor shall any member of the ACC or any person acting on behalf of the ACC be held responsible for any defect in a structure which was built pursuant to plans and specifications approved by the ACC.

(b) Neither the ACC, nor any member of the ACC, nor the Association, nor anyone acting on behalf of the ACC or the Association, shall have any responsibility for compliance by Owner (or any agent, representative, guest, or invitee of Owner) with any environmental laws, regulations, or rules, including, but not limited to those relating to hazardous waste.

Section 9. Variation. The ACC shall have the authority to approve plans and specifications that do not conform to these restrictions in order to (1) overcome practical difficulties or (2) prevent undue hardship from being imposed on an Owner as a result of applying these restrictions. However, such variations may only be approved in the event that the variation will not (1) detrimentally impact on the overall appearance of the development, (2) impair the attractive development of the subdivision or (3) adversely affect the character of nearby Lots. Granting such a variation shall not constitute a waiver of the restrictions articulated in this Declaration. Variations shall only be granted if the ACC determines that the variation would further the purposes and intent of these restrictions. Variations shall only be granted in extraordinary circumstances.

Section 10. Enforcement. The Association, Board or a Lot Owner seeking to enforce the terms and provisions of these CC&R's also has the option of bringing suit for judicial enforcement of any determination of the ACC, or a declaratory action confirming a violation of the CC&R's has occurred. In any judicial action or appeal pursued on behalf of the Association, attorneys' fees shall be collected against the non-complying Lot Owner as set forth in the Declaration (Article XV, Section 5), in addition to any fees or penalties for non-compliance.

In addition to the costs of removal, clean up and related costs, and attorney's fees assessed against the Owners and the property to be collected as any other assessment or lien, interest at 12% accrues from the time the Owner is notified of the lien until the time it is fully paid. If judicial action is taken to prevent

enforcement, and such efforts fail, the Owner shall reimburse the Association for all costs and expenses associated with the legal action, including the Association's attorneys' fees in defending any unsuccessful counterclaims asserted by the non-complying homeowner.

<u>Section 11.</u> <u>Easement for Enforcement Purposes.</u> Owners hereby grant the Association or a designated ACC of the Association, an express easement for the purposes of going upon the Lots and properties of the Owners for the purpose of removing non-complying structures erected or present in violation of the terms and conditions of this Declaration.

<u>Section 12.</u> <u>ACC Liability.</u> The Association shall hold the ACC members, if acting on behalf of the Association, Board, designated ACC, harmless from any actions taken (or actions not taken) under any provision of this Declaration, included but not limited to, actions taken (or not taken) under Articles XII, XIII and XIV of this Declaration

By purchasing a Lot in Lake Forest Estates, the Owners agree that to the extent permitted by law neither the Association (nor any officer, director or representative of the Association), nor any ACC or ACC member shall have any liability to the Owners or to the Association for any actions taken, or actions not taken, while acting on behalf of and for the benefit of the Association.

"Non Action" by the Board or any designated ACC or agent shall not exempt a Lot Owner from compliance or future compliance with any requirement or restriction contained in this Declaration.

ARTICLE XV

GENERAL PROVISIONS

Section 1. Covenants Running with the Land. These covenants are to run with the land and be binding on all parties and persons claiming under them for a period of thirty (30) years from the date these covenants are recorded, after which time the covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by a majority of the individuals then owning Lots has been recorded which reflects their intent to amend, or remove the covenants in whole or in part. These covenants will replace and

supersede any prior covenants in effect. The effective date for these revised covenants is the date when this document is signed by the President of the Association, which can occur only after a sufficient number of ballots (75% of the homeowners based on the prior covenants) have approved these revisions.

Section 2. Amendment. The covenants and restrictions articulated in this Declaration shall run with the land and bind the land for a term of thirty (30) years from the date that this Declaration is recorded. After 30 years have expired, the covenants shall be automatically extended in accordance with the provisions set forth in Section 1 of this Article. This Declaration may be amended if the Owners of at least two-thirds (2/3) of the Lot Owners vote to amend particular provisions of this instrument then in affect (including any prior amendments). This Article is subject to the provisions of Article 1, Section 12 and Article IX, Section 3. All amendments must be filed with the office of the King County Auditor.

<u>Section 3.</u> <u>Insurance.</u> The Association shall have no obligation to obtain any insurance on the Lots or the structures located on the Lots except as expressly provided herein.

<u>Section 4.</u> <u>Enforcement.</u> The Association, the Board, or any Owner shall have the right to enforce, by any legal proceeding, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration (including, but not limited to, provisions in Articles VII, VIII, and XIV. If an Owner seeks enforcement action against another Owner without Association or Board approval, the Association and Board have no obligation to reimburse that Owner for costs and expenses incurred in the enforcement action.

Section 5. Attorneys' Fees. In the event that it is necessary to seek the services of any attorney in order to enforce any (1) provision of this Declaration, or (2) lien created pursuant to the authority of this Declaration, the individual against whom enforcement is sought shall be personally obligated to pay any attorneys' fees incurred. If the Owner fails to pay such fees within thirty (30)) days, such fees shall become a lien against the Owner's Lot. In any legal action commenced in order to enforce the provisions of this Declaration, the prevailing party shall be entitled to recover all reasonable attorneys' fees and expert witness fees incurred in order to enforce the provisions of this Declaration. The prevailing party shall also be entitled to recover all costs.

Section 6. Liens for Other Charges. This Section shall apply to all fees, charges, penalties, interest, costs, attorney's fees and other amounts assessed against an Owner or the Owner's Lot (the "other charges") and which are not described in Sections 3 and 4 of Article VII of this Declaration (the "regular assessments"). Unless otherwise provided in this Declaration, the other charges shall be a personal obligation of the Owner, and also a lien against the Owner's Lot(s) identical to the lien of the regular assessments. The liens upon Lots for other charges may be recorded, collected and foreclosed in the same manner as liens for regular assessments, with the costs (including reasonable attorney's fee) of collection or foreclosure, or both, to be additional "other charges" for

which the Owner shall be personally liable and which shall be a lien on the Owner's Lot enforceable as provided in this Section.

Section 7. Interest. All assessments, penalties, liens, fines, and other charges (defined in Section 5 of this Article XV) shall bear interest, if not paid when due, at the rate of (12%) per annum until paid in full. The interest shall accrue from the due date.

<u>Section 8.</u> <u>Successors and Assigns.</u> The covenants, restrictions and conditions articulated in this Declaration shall run with the land and shall accordingly be binding on all successors and assigns.

Section 9. Severability. The invalidity of any one or more phases, clauses, sentences, paragraphs or sections hereon shall not affect the remaining portions of this Declaration or any part thereof. In the event that one or more of the phases, clauses, sentences, paragraphs or sections contained herein should be invalid, this Declaration shall be construed as if the invalid phrase, clause, sentence paragraph or section had not been inserted.

Section 10. Rule Against Perpetuities. In the event that any provision or provisions of this Declaration violate the rule against perpetuities, such provision or provisions shall be construed as being void and of no effect as of twenty-one (21) years after the death of the last surviving member of the Board appointed by the Association, at the time these covenants are adopted. All such provisions shall be given full effect until the particular provisions become void under this Section.

IN WITNESS WHEREOF the undersigned being the Declaring herein, have hereunto set their hand and seal this 11 day of June, 2004__

<u>/s/ Philip Rodecker</u> Philip Rodocker, President

STATE OF WASHINGTON

COUNTY OF KING

I certify that I know or have satisfactory evidence that Philip Rodocker signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the President of Lake Forest Estates Homeowners' Association to be the free and voluntary act of such part for the uses and purposes mentioned in the instrument.

| DateJune 11, 2004 |
|---|
| Signature of Notary Public/s/ Delrene R. Burnett |
| My Appointment Expires10/15/2005 |

EXHIBIT 'A'

LEGAL DESCRIPTION

FOR

LAKE FOREST ESTATES

PARCEL 'A'

That portion of the Southwest quarter of the Southeast quarter, lying Westerly of Maple Valley-Black Diamond Highway established February 27, 1933, by Volume 32, page 588 of Court Commissioner's Records, Section 22, Township 22 North, Range 6 East, Willamette Meridian, in King County, Washington.

PARCEL 'B'

Government Lot 8 in Section 22, Township 22 North, Range 6 East, Willamette Meridian, in King County, Washington.

TOGETHER WITH that portion of the Columbia and Puget Sound Railroad Company right-of-way lying within said Government Lot 8, as abandoned by Quit Claim Deed recorded under Recording Number 8101140675;

TOGETHER WITH Second Class Shorelands, as conveyed by the State of Washington, situate in front of, adjacent to, or abutting thereon.

EXCEPT that portion thereof deeded to the State of Washington by deed recorded in records of King County, Washington, under Auditor's File No. 8809190666.