

After recording, please return to:

Mallard Cove Maintenance & Recreation Commission
321 East 7th Street
Port Angeles, WA 98362

**AMENDED AND RESTATED DECLARATION OF COVENANTS,
CONDITIONS, RESTRICTIONS AND EASEMENTS FOR MALLARD
COVE**

GRANTORS:

1. Gateway to Joy LLC, a Washington limited liability company;
2. Jason Meadows and Tabatha Meadows, husband and wife;
3. Brian Storman and Paige Storman, a married couple;
4. Christopher James Bruntz and Karri Spady Bruntz, a married couple;
5. Richard W. Winter and Rizabeth Grandinetti Winter, husband and wife;
6. Ronald F. Winter and Millicent S. Winter, a married couple;
7. Julie A. Grattan, a.k.a. Julie A. Jacobsen, a single person;
8. Ronald F. Winter, a married man, as his separate estate;
9. Danielle Desjardins and Joe Desjardines, a married couple;
10. Django Joseph Francis Argilla, an individual;
11. Andrew J. Sallee, a married man and Jane P. Sallee, a married woman;
12. Cory A. Zimmel and Paula K. Zimmel, Trustees of the Zimmel Family Revocable Trust, dated March 8, 2022;
13. James W. Laws;
14. Anthony Galbreath and Katie Galbreath, a married couple;
15. Samuel A. Cessna and Wendy J. Cessna, as Co-Trustees of the Cessna Family Trust dated November 12, 2021;
16. Edward E. Vonderahe and Amy H. Vonderahe;
17. Michelle Nilsen;
18. Dathan D.H. Myers and Jacqueline Anne Myers, husband and wife;
19. Steve Gish and Jeanette Gish, husband and wife;
20. Mallard Cove Maintenance & Recreation Commission, a Washington nonprofit corporation.

GRANTEES:

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5. Richard W. Winter and Rizabeth Grandinetti Winter, husband and wife;
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**ABBREVIATED
LEGAL:**

MALLARD COVE AS PER PLAT, V. 7 OF PLATS, PGS 19
AND 20, CLALLAM COUNTY

TAX PARCEL NOS.:

083021520150; 083021520200; 083021520300; 083021520400;
083021520500; 083021520600; 083021520700; 083021520800;
083021520900; 083021521000; 083021521150; 083021521100;
083021521200; 083021521300; 083021521400; 083021521600;
083021521700; 083021521800; 083021521900; 083021522000;
083021522100; 083021522200; 083021522300; 083021522400;
083021522500; 083021522600; 083021520000

RELATED DOCUMENTS: 405792; 405793; 405795; 405796

This Amended and Restated Declaration of Covenants, Conditions, Restrictions and Easements (“**Declaration**”) is dated this _____ day of _____, 2026, by Gateway to Joy LLC, a Washington limited liability company (“**Gateway**”); Jason Meadows and Tabatha Meadows, husband and wife (“**Meadow**”); Brian Storman and Paige Storman, a married couple (“**Storman**”); Christopher James Bruntz and Karri Spady Bruntz, a married couple (“**Bruntz**”); Richard W. Winter and Rizabeth Grandinetti Winter, husband and wife (“**Richard Winter**”); Ronald F. Winter and Millicent S. Winter, a married couple (“**Ronald Winter**”); Julie A. Grattan, a.k.a. Julie A. Jacobsen, a single person (“**Jacobsen**”); Ronald F. Winter, a married man, as his separate estate (“**Winter**”); Danielle Desjardins and Joe

Desjardins, a married couple (“**Desjardins**”); Django Joseph Francis Argilla, an individual (“**Argilla**”); Andrew J. Sallee, a married man and Jane P. Sallee, a married woman (“**Sallee**”); Cory A. Zimmel and Paula K. Zimmel, Trustees of the Zimmel Family Revocable Trust, dated March 8, 2022 (“**Zimmel**”); James W. Laws (“**Laws**”); Anthony Galbreath and Katie Galbreath, a married couple (“**Galbreath**”); Samuel A. Cessna and Wendy J. Cessna, as Co-Trustees of the Cessna Family Trust dated November 12, 2021 (“**Cessna**”); Edward E. Vonderahe and Amy H. Vonderahe (“**Vonderahe**”); Michelle Nilsen (“**Nilsen**”); Dathan D.H. Myers and Jacqueline Anne Myers, husband and wife (“**Myers**”); Steve Gish and Jeanette Gish, husband and wife (“**Gish**”); Mallard Cove Maintenance & Recreation Commission, a Washington nonprofit corporation (“**Mallard**”) (all parties collectively referred to as the “**Owners**”), under the terms, conditions, and provisions, and for the uses and purposes set forth herein.

This Declaration is made for the purpose of amending and restating in its entirety that certain Declaration of Protective Restrictions for Mallard Cove as recorded under Clallam County Auditor’s File No. 405793, as amended (“**Original Declaration**”).

This Declaration is made and recorded by the Owners pursuant to the Original Declaration.

RECITALS

WHEREAS, Gateway is the owner of that certain real property legally described as follows (“**Gateway Property**”):

LOT 1A, OF MALLARD COVER ALTERATION AS PER PLAT THEREOF
RECORDED IN VOLUME 15 OF PLATS, PAGE 75, RECORDS OF
CLALLAM COUNTY, WASHINGTON.

SITUATE IN THE COUNTY OF CLALLAM, STATE OF WASHINGTON.

WHEREAS, Meadow is the owner of that certain real property legally described as follows (“**Meadow Property**”):

LOTS 2, 3, 4 AND 5 OF MALLARD COVE, AS RECORDED IN VOLUME 7
OF PLATS, PAGES 19 AND 20, RECORDS OF CLALLAM COUNTY,
WASHINGTON.

SITUATE IN CLALLAM COUNTY, STATE OF WASHINGTON.

WHEREAS, Storman is the owner of that certain real property legally described as follows (“**Storman Property**”):

LOTS 6 AND 7 OF MALLARD COVE, AS RECORDED IN VOLUME 7 OF PLATS, PAGES 19 AND 20, RECORDS OF CLALLAM COUNTY, WASHINGTON.

SITUATE IN CLALLAM COUNTY, STATE OF WASHINGTON.

WHEREAS, Bruntz is the owner of that certain real property legally described as follows (“***Bruntz Property***”):

LOT 8 OF MALLARD COVE, AS RECORDED IN VOLUME 7 OF PLATS, PAGES 19 AND 20, RECORDS OF CLALLAM COUNTY, WASHINGTON.

SITUATE IN CLALLAM COUNTY, STATE OF WASHINGTON.

WHEREAS, Richard Winter is the owner of that certain real property legally described as follows (“***Richard Winter Property***”):

LOTS 9 AND 10 OF MALLARD COVE, AS RECORDED IN VOLUME 7 OF PLATS, PAGES 19 AND 20, RECORDS OF CLALLAM COUNTY, WASHINGTON.

SITUATE IN CLALLAM COUNTY, STATE OF WASHINGTON.

WHEREAS, Ronald Winter is the owner of that certain real property legally described as follows (“***Ronald Winter Property***”):

LOT 11 OF MALLARD COVE, AS RECORDED IN VOLUME 7 OF PLATS, PAGES 19 AND 20, RECORDS OF CLALLAM COUNTY, WASHINGTON.

SITUATE IN CLALLAM COUNTY, STATE OF WASHINGTON.

WHEREAS, Jacobsen is the owner of that certain real property legally described as follows (“***Jacobsen Property***”):

LOT 12 OF MALLARD COVE, AS RECORDED IN VOLUME 7 OF PLATS, PAGES 19 AND 20, RECORDS OF CLALLAM COUNTY, WASHINGTON.

SITUATE IN CLALLAM COUNTY, STATE OF WASHINGTON.

WHEREAS, Winter is the owner of that certain real property legally described as follows (“***Winter Property***”):

LOT 13 OF MALLARD COVE, AS RECORDED IN VOLUME 7 OF PLATS,
PAGES 19 AND 20, RECORDS OF CLALLAM COUNTY, WASHINGTON.

SITUATE IN CLALLAM COUNTY, STATE OF WASHINGTON.

WHEREAS, Desjardins is the owner of that certain real property legally described as follows (“*Desjardins Property*”):

LOT 14 OF MALLARD COVE, AS RECORDED IN VOLUME 7 OF PLATS,
PAGES 19 AND 20, RECORDS OF CLALLAM COUNTY, WASHINGTON.

SITUATE IN CLALLAM COUNTY, STATE OF WASHINGTON.

WHEREAS, Argilla is the owner of that certain real property legally described as follows (“*Argilla Property*”):

LOT 15 AND 16 OF MALLARD COVE, AS RECORDED IN VOLUME 7 OF PLATS,
PAGES 19 AND 20, RECORDS OF CLALLAM COUNTY,
WASHINGTON.

SITUATE IN CLALLAM COUNTY, STATE OF WASHINGTON.

WHEREAS, Sallee is the owner of that certain real property legally described as follows (“*Sallee Property*”):

LOT 17 OF MALLARD COVE, AS RECORDED IN VOLUME 7 OF PLATS,
PAGES 19 AND 20, RECORDS OF CLALLAM COUNTY, WASHINGTON.

SITUATE IN CLALLAM COUNTY, STATE OF WASHINGTON.

WHEREAS, Zimmel is the owner of that certain real property legally described as follows (“*Zimmel Property*”):

LOT 18 OF MALLARD COVE, AS RECORDED IN VOLUME 7 OF PLATS,
PAGES 19 AND 20, RECORDS OF CLALLAM COUNTY, WASHINGTON.

SITUATE IN CLALLAM COUNTY, STATE OF WASHINGTON.

WHEREAS, Laws is the owner of that certain real property legally described as follows (“*Laws Property*”):

LOT 19 OF MALLARD COVE, AS RECORDED IN VOLUME 7 OF PLATS,
PAGES 19 AND 20, RECORDS OF CLALLAM COUNTY, WASHINGTON.

SITUATE IN CLALLAM COUNTY, STATE OF WASHINGTON.

WHEREAS, Galbreath is the owner of that certain real property legally described as follows (“***Galbreath Property***”):

LOT 20 OF MALLARD COVE, AS RECORDED IN VOLUME 7 OF PLATS,
PAGES 19 AND 20, RECORDS OF CLALLAM COUNTY, WASHINGTON.

SITUATE IN CLALLAM COUNTY, STATE OF WASHINGTON.

WHEREAS, Cessna is the owner of that certain real property legally described as follows (“***Cessna Property***”):

LOT 21 OF MALLARD COVE, AS RECORDED IN VOLUME 7 OF PLATS,
PAGES 19 AND 20, RECORDS OF CLALLAM COUNTY, WASHINGTON.

SITUATE IN CLALLAM COUNTY, STATE OF WASHINGTON.

WHEREAS, Vonderahe is the owner of that certain real property legally described as follows (“***Vonderahe Property***”):

LOT 22 OF MALLARD COVE, AS RECORDED IN VOLUME 7 OF PLATS,
PAGES 19 AND 20, RECORDS OF CLALLAM COUNTY, WASHINGTON.

SITUATE IN CLALLAM COUNTY, STATE OF WASHINGTON.

WHEREAS, Nilsen is the owner of that certain real property legally described as follows (“***Nilsen Property***”):

LOT 23 OF MALLARD COVE, AS RECORDED IN VOLUME 7 OF PLATS,
PAGES 19 AND 20, RECORDS OF CLALLAM COUNTY, WASHINGTON.

SITUATE IN CLALLAM COUNTY, STATE OF WASHINGTON.

WHEREAS, Myers is the owner of that certain real property legally described as follows (“***Myers Property***”):

LOTS 24 AND 25 OF MALLARD COVE, AS RECORDED IN VOLUME 7 OF PLATS,
PAGES 19 AND 20, RECORDS OF CLALLAM COUNTY,
WASHINGTON.

SITUATE IN CLALLAM COUNTY, STATE OF WASHINGTON.

WHEREAS, Gish is the owner of that certain real property legally described as follows (“***Gish Property***”):

LOT 26A OF MALLARD COVER ALTERATION AS PER PLAT THEREOF
RECORDED IN VOLUME 15 OF PLATS, PAGE 75, BEING AN
ALTERATION OF LOTS 1, 26 AND 27 IN MALLARD COVE, AS PER PLAT
THEREOF RECORDED IN VOLUME 7 OF PLATS, PAGE 19 OF CLALLAM
COUNTY, WASHINGTON.

SITUATE IN THE COUNTY OF CLALLAM, STATE OF WASHINGTON.

WHEREAS, Mallard is the owner of that certain real property legally described as follows (“***Mallard Property***”):

TRACT “A” OF MALLARD COVE, AS RECORDED IN VOLUME 7 OF
PLATS, PAGES 19 AND 20, RECORDS OF CLALLAM COUNTY,
WASHINGTON.

SITUATE IN CLALLAM COUNTY, STATE OF WASHINGTON.

WHEREAS, the Gateway Property, the Meadow Property, the Storman Property, the Bruntz Property, the Richard Winter Property, the Ronald Winter Property, the Jacobsen Property, the Winter Property, the Desjardins Property, the Argilla Property, the Sallee Property, the Zimmel Property, the Laws Property, the Galbreath Property, the Cessna Property, the Vonderahe Property, the Nilsen Property, the Myers Property, the Gish Property, and the Mallard Property are collectively referred to hereinafter as the “***Property***”.

WHEREAS, a residential development consisting of twenty-seven (27) Lots on the Property (the “***Community***”) currently exists.

WHEREAS, the plat map for the Property was recorded under Clallam County Recording No. 405792, which was amended on November 21, 2012 under Clallam County Recording No. 2012-1286960 (collectively, the “***Plat***”).

WHEREAS, the Community was created before July 1, 2018, but elects to be governed by the Washington Uniform Common Interest Ownership Act, Chapter 64.90 RCW, as it may be amended from time to time (the “***Act***”).

WHEREAS, for purposes of the Act, the boundaries of the Units are the same as the boundaries shown on the Plat.

WHEREAS, some of the Homes in the Community share property lines, as shown on the Plat.

WHEREAS, in accordance with this Declaration and the Act, the Owners created an association, which is named Mallard Cove Maintenance & Recreation Commission (the “**Association**”), and whose members are comprised of the Owners.

WHEREAS, the terms of this Declaration shall control over the Plat in the event of any conflict, including the terms of the easements shown on the Plat and the parties responsible for maintenance, use, repair, replacement, and other matters, such as the allocation of costs for the same among the Owners.

NOW THEREFORE, in consideration of the foregoing recitals, which are hereby incorporated herein by reference, Owners hereby subjects the Property, and all portions thereof, and the same shall be held, conveyed, divided, encumbered, hypothecated, leased, used, occupied, and improved subject to, the following terms, provisions, conditions, covenants, easements, restrictions, reservations, and other rights and obligations, as follows:

1. DEFINITIONS. In addition to the terms defined above and elsewhere in this Declaration, the following definitions apply throughout this Declaration:

1.1 “Allocated Interests” means the Common Expense Liability and votes in the Association. The Allocated Interests are determined in accordance with the formula stated in Section 5.4 of this Declaration.

1.2 “Board” means the board of directors of the Association.

1.3 “Building” means each building constructed on the Property. When used in reference to a particular Owner, it refers to the Building containing the Home owned by that Owner.

1.4 “Bylaws” means the bylaws of the Association.

1.5 “Common Amenity Area” means all common areas, including but not limited to beaches, docks, sheds, roads, paths, ponds, pool, community center building, open spaces, and overflow parking identified as Tract “A” on the Plat.

1.6 “Common Expenses” mean any expenses of the Association including allocations to reserves, if reserves are maintained.

1.7 “Common Expense Liability” means the liability for Common Expenses allocated to each Lot pursuant to the formula stated in Section 5.4 of this Declaration.

1.8 “Community-Wide Standard” means the standard of conduct, maintenance, and other activity generally prevailing throughout the Community. The Community-Wide Standard, which will be established initially by Declarant, may be subsequently amended by the Association and may contain both objective and subjective elements. The Community-Wide Standard may evolve over time and as the needs and demands of the Community change.

1.9 “Easement Area” means the location of each easement created, granted, or reserved in the Plat or this Declaration, including, but not limited to, for access (including emergency access), utilities (including overhead and underground electrical, gas, water, sewer and storm facilities), telephone and cable television, maintenance, garage, parking, garbage container storage, amenity areas, mailboxes, and address signs.

1.10 “Home” means the portion of each Building on a Lot. When used in reference to a particular Lot, it refers to the Home on that Lot, and when used in reference to a particular Owner, it refers to the Home on the Lot owned by that Owner.

1.11 “Lots” means Lots 1-27 created by the Plat. When used in reference to a particular Owner, it refers to the Lot owned by that Owner. For purposes of this Declaration and the Act, each Lot is a Unit.

1.12 “Mortgagee” shall mean any party who holds a mortgage, deed of trust, or other security instrument recorded against the Property or a Lot, as applicable.

1.13 “Mortgagee of the Community” means any party who holds a mortgage, deed of trust, or other security instrument recorded against the Property prior to the recording of this Declaration. The Mortgagee of the Community shall be considered a “First Mortgagee” with regard to those Lots covered by its security interest.

1.14 “other governing documents of the Association or Community” means the articles of incorporation of the Association, Bylaws, Plat, and Rules and Regulations.

1.15 “Owner” means the fee simple owner, or purchaser under a real estate contract, of a Lot, as the same may appear from time to time, but excluding those having such interests merely as security for the performance of an obligation. When used in reference to a particular Lot or Home, it refers to the Owner of that Lot or Home. An Owner may be one or more individuals, corporations, trusts, partnerships, limited liability companies, or other entities, but all such individuals and/or entities owning a Lot will be considered together as one Owner, jointly and severally liable and responsible, for all purposes, under this Declaration.

1.16 “person” means a natural person, corporation, company, partnership, trust, or other legal entity.

1.17 “Rules and Regulations” means the rules and regulations of the Association or Community adopted by the Board.

1.18 “Units” means the Lots. When used in reference to a particular Owner, it refers to the Unit owned by that Owner.

2. EFFECT OF THIS DECLARATION. This Declaration is created for the purpose of enhancing and protecting the value, desirability, and attractiveness of the Property, the Community, and the Lots. This Declaration, and all terms, provisions, conditions, easements, covenants, charges, liens, reservations, and restrictions herein, shall: (i) be for the benefit of and protection of the Community, its desirability, value, and attractiveness; (ii) be for the benefit of the Owners and Mortgagees in first priority of the Lots; (iii) touch and concern and otherwise run with the land and be binding upon all parties having or acquiring any right, title, or interest in the Property or any part thereof; and (iv) inure to the benefit of every portion of the Community and any interest therein. Unless otherwise specified in this Declaration, all easements declared and granted in this Declaration are nonexclusive, permanent easements appurtenant. Each Owner, by taking title to a Lot, hereby agrees, on behalf of that Owner and all persons and entities claiming by, through, or under that Owner, to be bound by and to comply with all terms, provisions, conditions, easements, covenants, charges, liens, reservations, and restrictions in this Declaration. Each person by acquiring any interest in any of the Lots hereby agrees to be bound by and to comply with all terms, provisions, conditions, easements, covenants, charges, liens, reservations, and restrictions, and other rights and obligations in this Declaration.

3. COVENANTS AND RESTRICTIONS.

3.1 Residential Use. The Lots may be used only for private single-family residential purposes, including home occupation uses provided that: (i) the existence and operation of the home occupation is not apparent or detectable by sight, sound, vibration, smell or otherwise from the exterior of the Home, (ii) the operation of a home occupation complies with all applicable laws, this Declaration, and the other governing documents of the Association or Community, (iii) the home occupation does not involve persons who do not live in the Home coming onto the Property on a regular basis, (iv) the home occupation does not increase the insurance rates or obligation of the Association, and (v) the home occupation is consistent with the residential character of the Home and does not constitute a nuisance or hazardous or offensive use, as determined by the Board.

3.2 Leasing. This paragraph applies to all lease agreements for one month or longer. All tenants and lessees and other occupants of the Lots shall be bound by all the terms of this Declaration, the other governing documents of the Association or Community, and all other terms of the lease or rental agreement. Notwithstanding the foregoing, each Owner shall be responsible for their tenant's and lessee's (including their guests, invitees and agents) violations of this Declaration and of the other governing documents of the Association or Community. All rentals must be by written lease or rental agreement and include the following language: "Tenant understands that the premises are subject to a Declaration of Covenants and Easements and other governing documents of the Association or Community, which are attached hereto. Tenant agrees to, in all respects, abide by and conform to all requirements of that Declaration of Covenants and Easements and the other governing documents of the Association or Community in Tenant's use of the premises and the common areas of the Community to which Tenant has access. Tenant further agrees that failure to do so shall constitute a default under this lease." A complete copy of this Declaration and the other governing documents of the Association or Community must be included as an exhibit to the lease or rental agreement.

3.3 Short-Term Rentals. This paragraph applies to all short-term rentals (e.g., Airbnb, VRBO) and lease agreements for less than one month. On an annual basis, Owners must obtain approval from the Board before using their Lot as a short-term rental. The Board may establish a short-term rental application process that may include payment of a reasonable fee as adopted by the Board from time to time. All tenants and lessees and other occupants of the Lots shall be bound by all the terms of this Declaration, the other governing documents of the Association or Community, and all other terms of the lease or rental agreement. Notwithstanding the foregoing, each Owner shall be responsible for their tenant's and lessee's (including their guests, invitees and agents) violations of this Declaration and of the other governing documents of the Association or Community. All short-term rentals must be by written lease or rental agreement and include the following language: "Tenant understands that the premises are subject to a Declaration of Covenants and Easements and other governing documents of the Association or Community, which are attached hereto. Tenant agrees to, in all respects, abide by and conform to all requirements of that Declaration of Covenants and Easements and the other governing documents of the Association or Community in Tenant's use of the premises and the common areas of the Community to which Tenant has access. Tenant further agrees that failure to do so shall constitute a default under this lease." A complete copy of this Declaration and the other governing documents of the Association or Community must be included as an exhibit to the lease or rental agreement.

3.3.1 At no point shall a Tenant of a Lot that is used as a short-term rental have the use of the Common Amenity Area dock.

3.3.2 Short-term rentals shall not be used for large parties, and occupancy of a short-term rental Lot shall only be for those that are registered to occupy the Lot during the short-term tenancy. This is intended to curb use of the Community Amenity Area overflow parking and other common areas, as this is for Owners' convenience.

3.4 Signs and Decorations. No signs, other than "For Sale", "For Rent", religious signs, and political signs, shall be placed or displayed on the Lots where the sign is visible from beyond the Lot.

3.5 Pets. The only animals that may be kept on any Lot or the Home on that Lot are dogs, cats, and other similar household pets ("**Permitted Pets**"). Under no circumstances may Permitted Pets be kept, bred, or used on any portion of the Property for any commercial purpose nor in any number that creates a nuisance. Permitted Pets may not be continuously kept outside on any Lot, and Permitted Pets must be continuously controlled and kept in a manner which will not, through noise, odor, aggressive conduct, or otherwise, interfere with the rights of other Owners or those Owners' family member, guest, tenant, customer, invitee, and/or licensee. Subject to this Section and the other governing documents of the Association or Community, Permitted Pets may be walked on the Easement Areas for pedestrian access, ingress, and/or egress if they are on a leash. The Owner and occupant of each Lot shall immediately collect and properly dispose of all pet waste from animals living within or visiting that Lot. The Board may require the removal of any Permitted Pet which the Board finds is unreasonably disturbing other Owners or otherwise in violation of this Section, the other governing documents of the Association or Community, or applicable law, and may exercise this authority for specific Permitted Pets even though other Permitted Pets are allowed to remain.

3.6 Satellite Dish/Antenna. No external antenna, tower, or satellite dish larger than 24 inches in height or diameter is permitted on the Property. No satellite dish of any size that unreasonably blocks the view from another Lot, that requires any ground-mounted installation, or that is located on any portion of another Owner's Lot is permitted on the Property. The restrictions of this Section are deemed modified, to the minimum extent necessary, to comply with applicable law. Before any external antenna, tower, or satellite dish is installed on any Lot, the Owner must submit a written request for such installation to the Committee (as defined below) which shall then obtain the Board's written approval. The Owner's written request for installation of an external antenna, tower, or satellite dish must be accompanied by a written description and drawing describing and depicting the installation location, size, and orientation of the

external antenna, tower, or satellite dish so that the Committee may determine whether the requested installation meets the requirements of this Section. The decision of the Board shall be in writing and shall be final. If the Board approves the request, the Owner: (i) may install the external antenna, tower, or satellite dish in accordance with the specifications submitted to and approved by the Board and any other reasonable restrictions or conditions imposed by the Board; and (ii) must continue to maintain the external antenna, tower, or satellite dish in accordance with such conditions and restrictions and in a safe and secure condition. The Owner of a Lot using an external antenna, tower, or satellite dish shall immediately repair any damage to the exterior of the Home or Building caused by installation of the external antenna, tower, or satellite dish and is responsible for all damage related to the external antenna, tower, or satellite dish. Upon failure of that Owner to maintain the external antenna, tower, or satellite dish in accordance with the provisions of this Section, the Committee may: (a) require that Owner to immediately remove the external antenna, tower, or satellite dish and repair the Home and Building to its original pre-installation condition; or (b) cause such removal and repair without liability to the Board or Association and at that Owner's sole expense. Upon discontinuation of the use of the external antenna, tower, or satellite dish serving any Lot, the Owner of that Lot shall immediately remove the external antenna, tower, or satellite dish and all appurtenances and wires thereto, and repair the Home and Building to its original pre-installation condition. In the event that Owner fails to do so, the Committee may cause such removal and repair without liability to the Board or Association and at that Owner's sole expense.

3.7 Driveway/Walkway. Each Owner may use, and permit the use of, the Common Element driveway and walkway, as designated on the Plat, for ingress and egress to that Owner's Unit. No Owner may park or store, or permit the parking or storing of, any item in the Common Element driveway or walkway that will materially interfere with the rights of the Owners to use and permit the use of the Common Element driveway or walkway for the purposes set forth in this subsection, except as otherwise agreed to by all the Owners.

3.8 Garbage Recycling and Trash. Each Lot's refuse, recycling, and food/yard waste service are individual to that Lot. Each Lot will receive and individual invoice for those services, and each Owner is solely responsible for payment of those services.

3.9 Hazardous Substances. No Owner shall permit any Hazardous Substance to be generated, processed, maintained, stored, transported, handled, disposed of, or otherwise used on, under, or in the Owner's Lot or anywhere else within the Property other than ordinary household cleaning and other supplies in normal amounts used and disposed of in accordance with all applicable laws, this Declaration, and the other governing documents of the Association or

Community. Each Owner shall indemnify, defend, and hold harmless the other Owners and the Association from all claims, actions, suits, procedures, fines, penalties, and liabilities of any kind arising out of or in any way related to the generation, processing, maintenance, storage, transportation, handling, disposal, and/or use of Hazardous Substances on, under, or in the Property by the Owner, tenant, invitee, or licensee of that Owner. As used herein, the term "***Hazardous Substance***" means: (i) any substance, waste, or material that is or becomes regulated under any federal, state, or local statute, ordinance, rule, regulation, or other law now or hereafter in effect pertaining to environmental protection, contamination or cleanup, including, but not limited to, the Toxic Substances Control Act (15 U.S.C. 2601, et seq.), the Washington Environmental Policy Act (Chapter 43.21C RCW, et. seq.), the Washington Water Pollution Control Act (Chapter 90.48 RCW, et seq.), the Washington Hazardous Waste Management Act (Chapter 70.105 RCW, et. seq.), the Washington Model Toxics Control Act (Chapter 70.105D RCW, et. seq.), and any substance, waste, or material which now or hereafter is designated as a "hazardous substance" under the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. § 9601, et seq.) or as "hazardous waste" under the Resource Conservation and Recovery Act (42 U.S.C. 6901, et seq.); (ii) gasoline, diesel fuel, or other petroleum hydrocarbons; (iii) asbestos and asbestos containing materials, in any form; (iv) polychlorinated biphenyls; and (v) any other substances, wastes, or materials which are now or hereafter classified or considered to be hazardous or toxic under the above statutes and ordinances, rules and regulations promulgated thereunder, common law, or any other applicable laws relating to the Property. Without limiting the foregoing, Hazardous Substances shall include, but not be limited to, any substance, waste, or material which after being released into the environment and upon exposure, ingestion, inhalation, or assimilation, either directly from the environment or indirectly by ingestion through food chains, will or may reasonably be anticipated to cause death, disease, cancer, behavioral abnormalities, and/or genetic abnormalities.

3.10 Offensive Activities. No Owner may engage in or permit any activity on the Property which would: (i) constitute or may become a nuisance or unreasonably interfere with or be detrimental to the rights of any other Owner and/or occupant of another Lot, including, but not limited to, their right of quiet enjoyment; or (ii) violate any applicable laws. In addition, Owners may not permit any condition to exist that will induce, breed, or harbor infectious plant diseases or rodents, insects, or other pests.

3.11 Architectural Control Committee. The Architectural Control Committee ("***Committee***") shall be established to oversee and enforce the architectural standards and guidelines set forth in these Declarations. The Committee shall consist of three (3) members appointed by the Board of the Association at the annual meeting. The Committee shall have the authority to

review and recommend that the Board approve or disapprove any proposed construction, modification, or alteration of any structure within the community to ensure compliance with the established architectural standards. All submissions for approval must be made in writing and include detailed plans and specifications. The Committee shall, within thirty (30) days of receipt of a complete submission, make its recommendation to the Board, or request more information. The Board shall make its decision within thirty (30) days of receiving the Committee's recommendation. Failure to obtain the Board's approval prior to commencing any work shall constitute a violation of these Declarations and may result in enforcement actions as outlined in Section 11. The Board shall also have the authority to adopt additional guidelines and procedures as necessary to carry out its duties, provided such guidelines do not conflict with the provisions of these Declarations.

3.11.1 All Buildings shall be of a permanent non-mobile construction. No Building shall be constructed or maintained on any such Lot unless the enclosed ground floor area thereof, exclusive of open porches, patios, garages and other areas, contain not less than 550 square feet.

3.11.2 The work of constructing all Buildings on the Lots shall be done diligently and continuously from commencement of construction until the exteriors thereof are completed and painted or otherwise suitably finished, which finish shall in any event be twelve (12) months from the commencement of construction.

3.11.3 Only Buildings fifteen (15) feet or less in height above ground level shall be constructed, placed or maintained on any Lot, except that the following tax parcel numbers are exempt for this requirement:

0830215226000000
0830215224000000
0830215225000000
0830215201500000
0830215217000000
0830215219000000
0830215218000000
0830215209000000
0830215208000000

3.11.4 No Building shall be constructed, placed or maintained on any Lot so that any part thereof is within any setback established by any governmental authority with jurisdiction over the Property.

3.12 External Appearance and Modifications. No Owner may add to, remove, or otherwise alter any portion of their Home which is visible to other

Owners, including, but not limited to, modifying paint color, building materials, window or door glass or screens, adding or modifying any deck or patio, enclosing any porch, and installing any solar panel, air conditioner, or other equipment (each a “**Modification**”), without the prior written approval of the Board. An Owner may make any alteration to the Owner’s Home that does not change the exterior appearance of the Home, as long as that alteration does not affect the structural integrity, acoustical properties, plumbing, or mechanical or electrical systems for the Lot and complies with all applicable law, this Declaration, and the other governing documents of the Association or Community; any other alterations shall constitute a Modification that requires the Board’s approval pursuant to this Section. An Owner desiring to make a Modification shall make a written request to the Committee and provide the Committee with information concerning the Modification, including any descriptions or depictions, as the Committee may specify or reasonably require. The Board shall have thirty (30) days after receipt of the information from the Committee to approve or deny the Modification; the Board may condition its approval upon the Owner’s compliance with any reasonable restrictions and/or conditions. Failure of the Board to approve or deny the request within the thirty (30) day period shall be deemed approval thereof, unless the Board asks for additional information and in such case, the period shall extend for another thirty (30) days upon the Board’s request. The Board may also retain, at the Owner’s expense, an architect or engineer to review the descriptions and depictions and require evidence satisfactory to it that all permits necessary for the Modification have been obtained. The Board may establish reasonable hours and conditions for performance of Modification-related work within Lots.

3.13 Outdoor Lighting and Light Pollution.

3.13.1 All exterior lights must be sheltered, shielded, focused or housed in such a way that no direct light will be visible from a neighboring Lot or neighboring Building.

3.13.2 All-night (continuously burning) exterior lighting and yard lights are prohibited.

3.13.3 Security lights and floodlights shall be controlled by motion sensors and oriented within sixty degrees of vertical or shielded.

3.13.4 No sodium vapor lights or similar high- intensity lights are allowed.

3.13.5 All exterior lighting installed on any Lot shall be designed, located, and maintained to provide adequate illumination for safety and security while minimizing light intrusion onto neighboring Lots. All outdoor lighting shall be installed and operated in a manner that preserves the quiet enjoyment of

neighboring Owners and supports the Community's desire to reduce light pollution and maintain visibility of the night sky, as reasonably determined by the Association.

3.14 Security Cameras and Privacy Compliance. The installation and use of security video cameras or other surveillance devices within the Community shall be permitted only for lawful security purposes and only to monitor the Owner's own Lot, Building, or Limited Common Elements. No camera or surveillance device may be installed, angled, or configured in a manner that intentionally or unreasonably captures images or recordings of neighboring Lots, Buildings, or areas where another person has a reasonable expectation of privacy, including but not limited to the interior of homes, windows, doors, patios, or private outdoor living spaces. Audio recording is strictly prohibited to the extent restricted or prohibited by applicable state or federal law. All surveillance equipment must be installed and operated in full compliance with applicable privacy, wiretapping, and surveillance laws, and in a manner that preserves the privacy, safety, and peaceful enjoyment of neighboring Owners, as determined by the Association in its reasonable discretion.

3.15 Temporary Structures and Exterior Improvements. No structure of a temporary nature, shed, shack, tent, canopy, trailer, recreational vehicle, camper, tractor, garage, barn, or other outbuilding shall be installed, placed, or used on any Lot, and no fences, walls, shrubs, trees, landscaping, or other exterior improvements to the Lot may be installed by an Owner without the written approval of the Board following the procedure in Section 3.12.

3.16 Common Elements. There are no common elements and no limited common elements, as those terms are defined in the Act, within the Community.

3.17 Common Amenity Area. The Common Amenity Area shall be for the use and enjoyment of all Lots and each portion of the Common Amenity Area shall be maintained by the Association, except as otherwise provided for in this Declaration.

3.17.1 No Owner shall be allowed to park or store any vehicle, trailer, recreational vehicle, camper or tractor in the overflow parking for more than thirty (30) days from October 1 to April 30.

3.18 Subdivision. No Lot may be further subdivided or separated in any manner; provided, that this Section does not prohibit deeds of correction, deeds to resolve boundary disputes, and similar corrective instruments.

3.19 Compliance with Code and Permit Requirements. This Declaration, the other governing documents of the Association or Community, and applicable law

contain various requirements applicable to the Community on an ongoing basis. Except for responsibility which is specifically allocated elsewhere on the Plat or in this Declaration, each Owner shall strictly comply with all requirements of this Declaration, the other governing documents of the Association or Community, and applicable law with respect to that Owner's Lot and the Home and landscaping thereon and therein.

3.20 Sale of Lots. The right of an Owner to convey or sell a Lot shall not be subject to any right of approval, disapproval, first refusal, or similar restriction by the Association, or any other Owner. An Owner intending to convey a Lot shall deliver a written notice to the Association at least two weeks before closing specifying: (i) the Lot being sold; (ii) the name, address, and telephone number of the purchaser, of the closing agent, and of the title insurance company insuring the purchaser's interest; and (iii) the estimated closing date. The Association shall have the right to notify the purchaser, the closing agent, and the title insurance company of any pending litigation or arbitration in which the Association is a party and the amount of unpaid assessments and charges outstanding against the Lot, whether or not such information is requested. At the time of closing, the new Owner shall notify the Association of the date of the conveyance and the Owner's name, address, and telephone number and provide the Association with proof of all insurance required of the Owner under Section 9.5 below. The Board may establish a reasonable transfer fee to be paid by the Owner prior to conveying or selling their Lot.

3.21 Height Restriction. Owners hereby declare, grant and reserve a height restriction over all Lots, except those mentioned in Section 3.11.3, such that any existing landscaping and new landscaping shall be maintained at a height of fifteen (15) feet or less.

3.22 Beach Use. Boats shall only be allowed to be moored/stored on or near the Beach from May 1 through October 31. No boats shall be moored/stored on or near the Beach during the remainder of the year (November 1 through April 30) for any period of time.

3.23 Septic Systems. Owners shall operate and maintain their septic systems so that they are in compliance with county, state and all other applicable regulations. No Owner shall be allowed to have their septic system fail.

4. EASEMENTS.

4.1 Rights to Use. Subject to this Declaration and the other governing documents of the Association or Community, each Owner shall have the right to use, enjoy, and receive the benefit of any easements created hereunder or in the

Plat for the purposes for which they are created. Maintenance of the Easement Areas is addressed below.

4.2 Rights of Association. Owners hereby declare, grant, and reserve such easements to the Owners and the Association as are necessary or convenient to perform the duties and obligations of Owners and the Association as set forth in this Declaration.

4.3 Utilities.

4.3.1 General. Owners hereby declare and grant non-exclusive easements appurtenant over, under, upon, and through each Lot to the Owners of each of the other Lots for the installation, use, maintenance, repair, replacement, and reconstruction of all Utility Facilities in the original location of the Utility Facilities constructed or installed as part of the original construction of the Community. These easements benefit each Lot and the providers of all utilities.

4.3.2 Maintenance, Repair, Replacement, and Reconstruction. Each Owner and the Association shall have reasonable access to each other Lot in order to effect the maintenance, repair, replacement, and reconstruction rights and obligations granted in this Declaration; provided, that each Owner or the Association exercising these rights and performing these obligations shall: (i) provide reasonable advance notice prior to access; (ii) utilize only the portion of the Lot, and only for the duration, as is reasonably necessary to accomplish a permitted purpose and in a manner that will not unnecessarily disturb the quiet enjoyment of the occupants of that other Lot or its Owner; (iii) at its sole expense, repair and restore any damage or disruption done to the other Lot and the improvements thereon resulting from that maintenance, repair, replacement, or reconstruction and/or access to effect the same; and (iv) allow no liens to be placed upon that other Lot. This Section is intended to be interpreted in favor of those Lots burdened by this easement who must grant access for the exercise of these easement rights, and shall be liberally construed to ensure that the Owners and occupants of those Lots are not unreasonably inconvenienced or damaged by reason of the exercise of the easement rights.

4.4 Encroachments and Encroachment into Easements. Owners hereby declare and grant exclusive easements appurtenant over, under, upon, and through each Lot to the Owners of each of the other Lots to maintain any encroachment on that Lot resulting from and/or arising out of: engineering or survey errors; errors in the original construction of the Buildings or other improvements as part of the original construction of the Community; settlement or shifting of any Building or other improvements on any Lot; building projections or overhangs; or any similar cause. Each of these easements shall last so long as the encroachment lasts, including any reconstruction or repair of any such encroaching improvement. The

encroachments for which easements are granted in this Section may not be construed as affecting the marketability of title to any Lot. In addition, encroachment of building footprints, projections, and other building components into access or other easements do not constitute a violation of the rights of any Owner or impair the marketability of title to any Lot and do not give rise to a cause of action for removal of that encroachment or for other relief. These encroachments may remain, and the Buildings may be reconstructed and repaired to include these encroachments. Nothing in this Section diminishes any other easement created, declared, reserved, or granted by this Declaration.

4.5 Easement Maintenance Agreement. Except as otherwise provided in this Declaration or in the Plat, the easements created herein and on the Plat are to be equally maintained, repaired, and reconstructed by the Owners of the Lots.

5. ASSOCIATION.

5.1 Form of Association. The Association shall be a non-profit corporation under the laws of the State of Washington; provided, that the rights and duties of the Owners shall continue to be governed by the provisions of this Declaration.

5.2 Membership.

5.2.1 Number and Qualification. The Association will have 27 memberships. One membership is appurtenant to each Lot and the Owner of each Lot, to which a membership is appurtenant, will be a member of the Association. Being an Owner is the sole qualification for membership in the Association, and no person, other than an Owner, may be a member of the Association.

5.2.2 Transfer. The Association membership of each Owner shall be appurtenant to the Lot giving rise to that membership and may not be assigned, transferred, pledged, hypothecated, conveyed, or alienated in any way except upon transfer of title to that Lot, and then only to the transferee of title to that Lot. Any attempt to make a prohibited transfer of a membership in the Association shall be void. Any transfer of title (or entering into a real estate contract) to a Lot shall operate automatically to transfer the membership in the Association to the new Owner of that Lot.

5.3 Duties. The Association shall exercise the following powers, responsibilities, and duties, and no others, with respect to the Property, unless additional responsibilities and duties for the Property are established in the Bylaws or granted to the Association by 70% of the Owners:

5.3.1 To maintain, repair and replace the improvements in the Common Amenity Area installed as part of original construction of the development,

including, but not limited to, planters and the components thereof such as waterproofing, and to maintain, repair and replace any other improvements in the Common Amenity Area installed by the Association.

5.3.2 To regulate the use of the Common Amenity Area and the easements created, established, or granted on the Plat or this Declaration.

5.3.3 To maintain the roads and streets of the Property.

5.3.4 To maintain exterior concrete stairs, ramps, and handrails, and waterproofing below those stairs.

5.3.5 To install and maintain necessary utilities.

5.3.6 To maintain, repair and replace the pool and pool house, athletic, recreational and other related facilities of the Community and Property.

5.3.7 To maintain the Community beach.

5.3.8 To maintain, repair and replace the Community pump house.

5.3.9 To maintain, repair and replace the boat and swimming docks.

5.3.10 To maintain the mailbox facility and maintain, repair, and replace the mailboxes therein.

5.3.11 To maintain, repair, and replace all site lighting installed by the Association.

5.3.12 To maintain, repair, and replace the landscaping and irrigation system on the Property, including, but not limited to, the common landscaping at the ground level and the irrigation system for landscaping on the ground level.

5.3.13 To maintain, repair, and replace all Utility Facilities located within or serving the Common Amenity Area.

5.3.14 To operate, maintain, repair, and replace the wires, conduit and other components of the CCTV system for the Community, if any, including, but not limited to, cameras later installed by the Association.

5.3.15 To operate, maintain, repair, and replace the wires, conduit and other components of the electrical vehicle charging stations or system later installed by the Association, if any.

5.3.16 To maintain an account with the serving utilities or providers for water, electricity, gas, sewer, and garbage service for the Common Amenity Area.

5.3.17 To establish budgets, establish and collect assessments from the Owners to accomplish the responsibilities and duties of the Association.

5.3.18 To exercise other powers, duties, and responsibilities granted or established in this Declaration.

5.4 Allocation of Common Expenses and Votes. All Common Expenses and votes in the Association shall be allocated equally among all Lots. Each member of the Association has one vote on each matter coming to the members for a vote, even if that member owns more than one Lot.

5.5 Meetings, Audits, Notices of Meetings. Meetings of the members of the Association shall be held in accordance with the Bylaws.

5.6 Bylaws of Association. Declarant has adopted the initial Bylaws of the Association.

5.7 Rules and Regulations. Subject to the Act, the Board may adopt reasonable Rules and Regulations, which are not inconsistent with this Declaration, the Bylaws, the Plat, or applicable law.

6. MANAGEMENT OF THE ASSOCIATION.

6.1 Board of Directors. The Association shall be managed by a Board consisting of three directors, or such larger or smaller number as established the Bylaws. The Board shall operate in accordance with the Bylaws.

6.2 Management by Board of Directors Selected by Owners. Owners or the authorized representatives of Owners shall vote on the terms for each director as set forth in the Bylaws. By majority vote, the Board shall elect from among its directors, officers to include a president (“**President**”) (who shall preside over meetings of the Board and the meetings of the Association), secretary (“**Secretary**”), and treasurer (“**Treasurer**”), all of which officers shall have such duties and powers as may be specified in this Declaration, the Bylaws, and by the Board from time to time.

6.3 Authority and Duties of the Board. Unless otherwise specified in this Declaration, the other governing documents of the Association or Community, Chapter 24.03A RCW, or the Act, the Board may act on behalf of the Association. The Board shall enforce the provisions of this Declaration and shall have all

powers and authority permitted to the Board under this Declaration, the other governing documents of the Association or Community, Chapter 24.03A RCW, and the Act. The Board shall make all decisions for the Association, except for those decisions which are reserved to the Owners by this Declaration, the other governing documents of the Association or Community, or the Act. The Board may delegate all or any portion of its administrative duties to a manager, managing agent, or officer of the Association.

6.4 Fiduciary Duties. In the performance of their duties, directors and officers must exercise the degree of care and loyalty to the Association required of a director or officer of a corporation organized under Chapter 24.06 RCW and are subject to the conflict of interest rules governing directors and officers and are entitled to the immunities from liability available to directors and officers thereunder or provided by this Declaration or the other governing documents of the Association or Community.

6.5 Budget and Assessments.

6.5.1 Fiscal Year. The Board may adopt such fiscal year for the Association as it deems to be convenient. Unless another year is adopted, the fiscal year is the calendar year.

6.5.2 Preparation of Budget. Not less than thirty (30) days before the end of the fiscal year, the Board shall prepare a budget for the Association for the coming year. The budget must include the projected income of the Association by category; the projected Common Expenses and those specially allocated expenses that are subject to being budgeted, both by category; the amount of the assessments per Lot and the date the assessments are due; the current amount of regular assessments budgeted for contribution to the reserve account; a statement of whether the Association has a reserve study that meets the requirements of RCW 64.90.550 and, if so, the extent to which the budget meets or deviates from the recommendations of that reserve study; and the current deficiency or surplus in reserve funding expressed on a per Lot basis.

6.5.3 Ratification of Budget. Within 30 days after adoption of any proposed budget for the Association, the Board shall provide a copy of the proposed budget to all the Owners and shall set a date for a meeting of the Owners to consider ratification of the budget not less than fourteen (14) days nor more than fifty (50) days after providing the proposed budget to the Owners. At that meeting, unless the Owners to which a majority of the votes in the Association are allocated reject the proposed budget, the proposed budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected, or not ratified as such meeting, or the required notice is not given, the periodic budget last ratified by the

Owners shall be continued until such time as the Owners ratify a subsequent budget proposed by the Board.

6.5.4 Supplemental Budget. If during the year the budget proves to be inadequate for any reason, including nonpayment of any Owner's assessment, the Board may prepare a supplemental budget for the remainder of the year. A supplemental budget is subject to ratification in the same manner as ratification of budgets above.

6.5.5 Common Expenses and Special Allocations. Except as provided in this Section, the sums required by the Association for Common Expenses, as reflected by the annual budget and any supplemental budgets, shall be invoiced to the Owners no later than January 31 and payment shall be due no later than March 31 in accordance with the Common Expense Liability for each Lot. Assessments may be rounded to the nearest dollar. Notwithstanding the common Expense Liability for the Lots the Association may assess Common Expenses resulting from the negligence, gross negligence, or willful misconduct of any Owner or that Owner's tenant, guest, licensee, invitee, or occupant, against the applicable Owner, after notice and opportunity to be heard, to the extent permitted by RCW 64.90.480(6) and (7).

6.5.6 Fidelity Bonds. The Board may require that all officers and employees of the Association handling or responsible for Association funds furnish adequate fidelity bonds. The premiums of such bonds shall be paid by the Association.

6.5.7 Special Assessments. For those Common Expenses which cannot reasonably be calculated and paid on an annual basis, the Board may levy a special assessment for those expenses against the Lots, subject to ratification by the Owners in the same manner as ratification of budgets.

6.5.8 Reserve Study. The Board shall comply with the reserve study requirements of Chapter 64.90 RCW for the maintenance obligations of the Association. Unless the Board, in its reasonable discretion, determines that doing so would impose an unreasonable hardship on the Association and the Owners, the Association shall prepare and annually update a reserve study.

6.5.9 Creation of Reserves; Assessments. The Board shall create reserve accounts for anticipated expenses for maintenance, repairs, replacements, and improvements which will occur in the future, to accumulate sufficient funds to pay those expenses when they occur. The reserve accounts must be interest-bearing accounts under the direct control of the Board and the Board is responsible for administering the reserve accounts. After the payment of or provision for Common Expenses and after sufficient funds are collected for reserves, as determined by the Board, any surplus funds of the Association

remaining shall be paid annually to the Owners in proportion to their Common Expense Liability or shall be credited to the Owners to reduce their future Common Expense Liability. The operation of reserve accounts and assessments for reserve accounts shall be further governed by the Bylaws.

6.5.10 Notice of Assessments. The Board shall notify each Owner in writing of the amount and due date for all general and special assessments to be paid for the Owner's Lot at the time of providing the budget to the Owner. The Board shall furnish the same information to an Owner's Mortgagee if so requested.

6.5.11 Payment of Assessments. General assessments shall be due on or before the first day of each month and shall be payable to the Treasurer or any other designated agent of the Association. Any assessments not paid within a grace period of five days, unless a longer period is established by the Board, shall be delinquent and subject to late charges, interest charges, and collection procedures as provided in this Declaration or established by the Board.

6.5.12 Proceeds Belong to Association. All assessments and other receipts received by the Association belong to the Association.

6.5.13 Failure to Assess. Any failure by the Board or the Association to adopt a budget or to make assessments before the beginning of the year for which such budget and assessments are applicable shall not be deemed a waiver or modification of the Association's right to establish assessments, or a release of the Owners from the obligation to pay assessments for that year or any subsequent year. The assessment amounts established for the preceding year shall continue until new assessments amounts are established.

6.5.14 Recalculation of Assessments. If the Common Expense Liability for the Lots change, then all general and special assessments not yet due shall be recalculated in accordance with the reallocated Common Expense Liabilities.

6.6 Owner Approved Decisions. The Board may not, without vote or agreement of the Owners (in a number as set forth in this Declaration, the Bylaws, or applicable law):

6.6.1 Amend this Declaration, except as provided in RCW 64.90.285;

6.6.2 Amend the articles of incorporation for the Association or Bylaws;

6.6.3 Terminate the Community;

6.6.4 Elect Board members, other than to fill vacancies not resulting from removal for the unexpired portion of any term or, if earlier, until the next regularly scheduled election of Board members; or

6.6.5 Determine the qualifications, powers, duties, or terms of Board members.

7. ASSESSMENTS.

7.1 **Obligation to Pay Assessments.** Each Owner is personally obligated to pay all assessments on the Lot owned by that Owner and all other sums, however designated, with respect to that Lot or that Owner, and all those assessments and other sums, together with interest, costs, and reasonable attorneys' fees, shall be a charge on that Lot and shall be a continuing lien upon that Lot. Delinquent assessments shall also be the personal obligation of any successors in title to the Lot who shall be deemed to have assumed the obligation to pay the prior Owner's delinquent assessments at the time of transfer of the Lot for which assessments are delinquent. Each person comprising an Owner is jointly and severally liable for the obligations of that Owner. No Owner is exempt from or may escape liability for assessments or other amounts by non-use or unavailability of any Common Amenity Area or Easement Area; a dispute over the Association's maintenance obligations; abandonment of the Owner's Lot; or by any other basis. The obligation to pay assessments and other amount due to the Association is a separate and independent covenant on the part of each Owner. No diminution or abatement of assessments or other amounts, or setoff, shall be claimed or allowed for any alleged failure of the Association to take some action or perform some function required of it, or for inconvenience or discomfort arising from the making of repairs or improvements, or from any other action it takes or fails to take.

7.2 **Lien Indebtedness.** The Association has a statutory lien on each Lot for outstanding assessments and other sums, together with interest, costs, and reasonable attorneys' fees, as established in the Act, which it may enforce pursuant to the Act, Chapter 61.12 RCW, or any other manner provided by the laws of the State of Washington.

7.3 **Non-judicial Foreclosure of the Association's Lien.** The Board may commence an action to non-judicially foreclose a lien for assessments pursuant to Chapter 61.24 RCW as permitted by RCW 64.90.485(13)(b), and in that foreclosure may recover its reasonable attorneys' fees and all costs and expenses reasonably incurred in the preparation or prosecution of that foreclosure. For the purposes of permitting non-judicial foreclosure: (i) the Community and each Lot is granted in trust to Olympic Peninsula Title (the "**Trustee**") to secure the Owners' respective obligations to pay assessments when due; (b) the Trustee is granted the power to sell the Lots; (c) the Lots are not used principally for

agricultural or farming purposes; and (d) the foregoing power of sale shall be operative with respect to any Lot if the Owner of that Lot fails to pay assessments when due. The Association shall have the power to bid at any resulting sale and to purchase, acquire, lease, hold, mortgage, and convey any Lot.

7.4 Rent Collection by Association. If a Home or Lot is rented or leased by its Owner, the Association may collect, and the tenant or lessee shall pay to the Association, so much of the rent for the Home or Lot as is required to pay any amounts due the Association hereunder, plus interest and costs, if the same are in default for over thirty (30) days. The tenant or lessee shall not have the right to question payment over to the Association, and such payment will discharge the lessee's or tenant's duty of payment to the Owner for rent, to the extent the rent is paid to the Association, but will not discharge the liability of the Owner under this Declaration for assessments and charges, or operate as an approval of the lease or other tenancy. The Association shall not exercise the power described in this Section where a receiver has been appointed with respect to the Home or Lot or its Owner; nor in derogation of any rights which a Mortgagee of that Lot may have with respect to such rents.

8. ALLOCATION OF MAINTENANCE, REPAIR, AND REPLACEMENT OBLIGATIONS.

8.1 Maintenance, Repair, and Replacement of Property.

8.1.1 General. The obligations of the Association for maintenance, repair, and replacement of various components and aspects of the Property are as specified in this Declaration, including, but not limited to, Section 5.3 above. Except as otherwise provided in this Declaration, each Owner shall, at all times, maintain their Lot and the Home, landscaping, and other improvements and features on that Lot in a clean and sanitary condition, free of rodents, insects, and other pests, in good order, condition, and repair, and in a manner consistent with good property management, the other governing documents of the Association or Community, and all applicable laws. In addition, except as otherwise provided in this Declaration, each Owner shall timely perform all maintenance and other work reasonably necessary, from time to time, to maintain the attractive and orderly appearance of the exterior of the Home and other improvements and features on that Owner's Lot.

8.1.2 Exterior Siding, Trim, Windows and Doors. Except as otherwise provided in this Declaration, each Owner shall maintain the exterior siding, trim, windows, and doors on the Home of that Owner's Lot at that Owner's sole cost. Each Owner shall promptly replace any broken glass or failed thermal seals in the windows or exterior doors of that Owner's Home, and shall maintain, repair and

replace all exterior doors and windows as needed. In the event that the Owner intends to repair or replace the exterior siding, trim, windows, or doors of the Home on that Owner's Lot.

8.1.3 Utility Facilities. The portion of the Utility Facilities serving a single Home is the sole responsibility of the Owner of that Home. Any damage caused to any portion of the Utility Facilities by the acts or omissions of an Owner or the occupant of a Lot, or that Owner's or occupant's family, guests, customers, invitees, or licensees, shall be repaired or restored, at that Owner's sole expense, to their pre-damaged conditions within thirty (30) days or such damage and under no circumstances shall access or utility service be denied to other Lots for a duration longer than 24 hours.

8.1.4 Electrical Service for Exterior Lighting. Each Owner shall maintain an electrical account and pay for electrical service to maintain the electricity to the exterior lighting fixtures on their Home that are separately metered to the Home and shall replace the bulbs in those lighting fixtures as the same may be necessary from time to time. Such Owners shall be responsible for paying all costs of maintaining the electrical service, to the extent separately metered to their Homes, and replacing the bulbs and are not entitled to any reimbursement from any other Owner, or other person, with respect to this electrical service and bulb replacement.

8.2 Failure to Perform Obligations. In the event any Owner fails or refuses to perform any obligation required under this Declaration, including, but not limited to, any required maintenance, repair, reconstruction, replacement, restoration, or other obligation or make any payment required under this Declaration after fourteen (14) days written notice from the Association to the Owner, then the Association may enter upon the Lot to perform the required obligation, or make the payment, or otherwise cure the default. All costs related to performance of these obligation, payment, or other cure shall be specifically assessed to that Owner.

9. INSURANCE.

9.1 Insurance Coverage. The Association shall maintain, to the extent reasonably available and subject to reasonable deductibles, a policy or policies and bonds necessary to provide: (i) property insurance; (ii) general liability insurance; (iii) fidelity insurance; (iv) directors and officers liability insurance; (v) worker's compensation to the extent required by applicable laws; and (vi) such other insurance as the Board deems advisable. The Board shall review the adequacy of the Association's insurance coverage with insurance consultants for the Association at least annually. All insurance shall be obtained from insurance carriers that are generally acceptable for developments similar to the Community,

have a financial rating of “A-VII” or better, and authorized to do business in the State of Washington. If the insurance required to be maintained by the Association is not reasonably available, the Association shall promptly provide notice of that fact to the Owners and each Mortgagee to whom a certificate or memorandum of insurance has been issued.

9.2 Property Insurance. The required property insurance coverage shall include extended coverage endorsements, shall be in an amount as near as practicable to the full insurable replacement cost (without deduction for depreciation, but less any other deductions which the Board may find reasonable after consulting with the insurance consultants for the Association), shall cover the Easement Areas and Common Amenity Area, and all equipment and improvements installed therein, and shall insure against all risks of direct physical loss commonly insured against. The full insurable replacement cost, exclusive of the value of land, excavations, foundations, and other items normally excluded from property insurance, shall be reviewed and adjusted as necessary at each renewal date.

9.3 General Liability Insurance. The required general liability insurance coverage shall insure the Board, the Association, the Owners, and the managing agent, if any, and cover all of the Easement Areas and Common Amenity Area on the Property with a “Severability of Interest Endorsement” or equivalent coverage which would preclude the insurer from denying the claim of an Owner because of the negligent acts of the Association or of another Owner, and shall cover liability of the insureds for property damage, bodily injury, and death of persons arising out of the operation, maintenance, and use of the Easement Areas and Common Amenity Area. Such liability insurance coverage shall include, at a minimum, commercial general liability insurance, employers’ liability insurance, automobile liability insurance, water damage liability, liability for property of others, and such other insurance for risks customarily covered with respect to residential and/or live-work developments of similar construction, location, and use. The limits of liability for each type of liability insurance coverage shall be in amounts determined by the Board, and shall be at least \$1,000,000 combined single limit for bodily injury and property damage per occurrence and \$2,000,000 general aggregate.

9.4 Fidelity Insurance. The required fidelity insurance shall insure against dishonest acts on the part of officers, directors, trustees, employees, and agents of the Association and all other persons who handle or are responsible for handling funds of, or administered by, the Association. The managing agent, if any, shall maintain fidelity insurance for its officers, directors, trustees, employees, and agents who handle or who are responsible for handling funds of, or administered by, the Association. All such fidelity insurance shall name the Association as an obligee and shall not be less than the estimated maximum of funds, including

reserve funds, in the custody of the Association at any time during the term of each policy, but under no circumstances, shall the aggregate amount of insurance be less than the semi-annual aggregate assessments. All such insurance policies shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression.

9.5 Directors and Officers Insurance. The required directors and officers liability insurance shall insure those persons entitled to indemnification under this Declaration and the Bylaws, including, but not limited to, directors and officers and other agents of the Association or the Board, and shall be in an amount sufficient to provide for that indemnification as determined by the Board.

9.6 Owner's Insurance. All Owners shall obtain and maintain property insurance, liability insurance, and such other insurance as the Board deems advisable, which shall name the Association as an additional insured, and provide proof of insurance to the Association on at least an annual basis; provided, that no Owner may maintain insurance coverage in any manner which would decrease the amount which the Association, or any trustee of the Association, on behalf of the Owners, would otherwise realize under any insurance policy which the Association may have in force at any particular time. All insurance shall be obtained from insurance carriers that are generally acceptable for developments similar to the Community, have a financial rating of "A-VII" or better, and authorized to do business in the State of Washington. All such insurance policies shall provide that coverage may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without complying with all applicable provisions of Chapter 48.18 RCW. All Owners shall provide the Association with proof of required insurance at the time of closing and at other times upon the request of the Association. Each Owner's insurance shall meet the insurance requirements as now or hereafter established by the Federal National Mortgage Association, Governmental National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Housing Authority, and Veterans Administration ("**Secondary Market Agencies**") so long as any such agencies are either a Mortgagee in first priority or Owner of a Lot within the Property, except to the extent such coverage is not available or has been waived in writing by such agencies. If an Owner fails to obtain any required insurance or fails to pay the premium for that insurance, the Association may (but shall not be obligated to) obtain that insurance and/or make the payments for such Owner, and add the cost of those payments, as a special assessment, to the Owner and that Owner's Lot. To the extent not covered by the insurance of the Association, the property insurance maintained by each Owner shall, at the minimum, provide all risk or special cause of loss coverage in an amount equal to the full replacement cost of the Owner's Home, including all improvements and betterments to the Home, with such reasonable deductibles and exclusions from coverage as the Board may

from time to time approve and in accordance with any Secondary Market Agencies as set forth above. The liability insurance coverage maintained by each Owner shall, at a minimum, cover liability of the insureds for property damage and bodily injury and death of persons arising out of the operation, maintenance, and use of the Owner's Home and such other risks as are customarily covered for similar residential or live-work properties, as applicable, with a limit of liability of at least \$300,000 or such other limits required by any Secondary Market Agencies or the Board.

9.7 Special Policy Requirements. The insurance policies to be maintained pursuant to this Section 9 shall provide that:

9.7.1 Each Owner is an insured person under the policy with respect to liability arising out of the Owner's membership in the Association.

9.7.2 The insurer waives its right to subrogation under the policy against any Owner, and any member of the Owner's household.

9.7.3 No act or omission of any Owner, unless acting within the scope of the Owner's authority on behalf of the Association, will void the policy or be a condition to recovery under the policy.

9.7.4 The insurer shall not be relieved from liability for loss occurring while the hazard to the Easement Areas and Buildings is increased, whether or not within the knowledge or control of the Board, or because of any breach of warranty or condition or any other act or neglect by the Board, the Owners, or any other persons acting under authority of any of them.

9.7.5 Coverage may not be canceled or substantially reduced (including cancellation for nonpayment of premium) without at least 30 days' prior written notice to any and all insureds named therein, including the Board, Owners, Mortgagees, and designated servicers of Mortgagees.

9.7.6 The policy contains a cross-liability endorsement wherein the rights of an insured party under the policy or policies shall not be prejudiced with respect to actions against another insured party thereunder, or other equivalent coverage in cases of liability of the Association or Owners to other Owners.

9.8 Mortgagee Clauses. The insurance policies to be maintained pursuant to this Section 9 shall contain a standard mortgagee clause that shall:

9.8.1 Provide that any reference to a mortgagee in such policy shall mean and include all holders of mortgages of a Lot or a Lot lease or sublease, in their respective order and preference, whether or not named therein.

9.8.2 Provide that such insurance as to the interest of any mortgagee shall not be invalidated by any act or neglect of the Board, Owners, or any persons acting under the authority of them.

9.8.3 Waive any provision invalidating such mortgage clause by reason of failure of any mortgagee to notify the insurer of any hazardous use or vacancy, any requirement that the mortgagee pay any premium thereon, and any contribution clause.

9.9 Reconstruction. In the event of damage or destruction by fire or other casualty of any Home, the Owner shall repair or reconstruct the damage or destroyed portions of the Home in a good workmanlike manner, in accordance with a plan approved by the Association. If the Owner refuses or fails to commence such repair or reconstruction within thirty (30) days, or such longer period as is reasonably necessary to obtain any proceeds of casualty insurance and any required permits or approvals from the applicable governmental authorities, or if the Owner thereafter fails to diligently complete that repair or reconstruction, then the Association may perform the repair or reconstruction. The Owner must reimburse the Association for the amount actually expended by the Association for the repair or reconstruction, and the Association shall have a lien securing that reimbursement, which may also be foreclosed upon, in the same manner provided for herein for outstanding assessments. Each Owner shall be responsible for their share of the cost of such repair or reconstruction regardless of whether insurance proceeds are available to pay all or part of such costs.

9.10 Insurance Proceeds. Insurance proceeds for damage or destruction to any part of the Common Amenity Area shall be paid to the Board or to an insurance trustee designated by the Board, on behalf of the Owners and the Association, which shall segregate such proceeds from other funds of the Association for use and payment for repairs, replacement, reconstruction, or other remediation. The Association, acting through the Board, shall have the authority to settle and compromise any claim under insurance obtained by the Association and the insurer may accept a release and discharge of liability made by the Board on behalf of the named insureds under the policy. Notwithstanding any other provision of this Declaration, the proceeds must be disbursed first for the repair, reconstruction, replacement, or other remediation of the damaged Common Amenity Area, and Owners and lienholders are not entitled to receive payment of any portion of the proceeds.

10. MORTGAGEE PROTECTION. Notwithstanding any other provision of this Declaration, the following shall apply to Mortgagees.

10.1 Mortgagee's Rights Before Possession. Prior to the time a Mortgagee is entitled to possession of a Lot, the Mortgagee shall not, merely by reason of its security interest, be liable for the payment of any assessment under this Declaration, nor for the observation or performance of any covenant or restriction, except those enforceable by equitable relief and not requiring the payment of money and except as hereinafter provided.

10.2 Mortgagee's Rights During Foreclosure. During the pendency of any proceeding to foreclose a mortgage or deed of trust, including any redemption period, the Mortgagee or receiver, if any, may exercise any and all rights and privileges of the Owner of the respective encumbered Lot to the exclusion of the Owner's exercise of such rights.

10.3 Mortgagee as Owner. At such time as a Mortgagee, or any successor or assignee thereof, shall become the record owner of a Unit, the Mortgagee, or successor or assignee, shall be subject to all terms, provisions, conditions, easements, covenants, charges, liens, reservations, and restrictions of this Declaration and the other governing documents of the Association or Community, including the obligation to pay all monies due in the same manner as any Owner.

10.4 Mortgagee's Title Free and Clear of Liens. A Mortgagee acquiring fee simple title to a Lot through foreclosure or deed in lieu thereof shall acquire title to the encumbered Lot free and clear of any lien arising from this Declaration to secure payment of any monies owed but was unpaid prior to the Mortgagee's acquisition of fee title.

10.5 Unpaid Assessments. If determined to be necessary by the Association, any unpaid assessment against a Lot foreclosed upon by a Mortgagee may be treated as a Common Expense of the Lots. Any such unpaid assessments shall continue to exist as a personal obligation of the defaulting Owner of the respective Lot.

11. COMPLIANCE WITH COVENANTS.

11.1 Enforcement. Each Owner shall comply strictly with the provisions of this Declaration and the other governing documents of the Association or Community, as the same may be amended from time to time, and with all decisions made by the Association or the Board pursuant thereto. Failure to comply shall be grounds for an action to recover sums due for damages, or injunctive relief, or both, maintainable by the Board, or by the aggrieved Owner on its own against the party failing to comply. If legal action is brought to interpret or enforce compliance with the provisions of this Declaration, the other governing documents of the Association or Community, or any decision made by the Association or the Board pursuant thereto, the substantially prevailing party

shall be entitled to an award of its reasonable costs and expenses, including court costs and attorneys' fees.

11.2 No Waiver of Strict Performance. The failure of the Board, the Association, or an Owner in any one or more instances to insist upon the strict performance of any of the terms, provisions, conditions, easements, covenants, charges, liens, reservations, or restrictions of this Declaration, of the other governing documents of the Association or Community, or of any decisions made by the Association or the Board pursuant thereto, or to exercise any right or option contained in those documents, or to serve any notice or institute any action, shall not be construed as a waiver, abandonment, or relinquishment of those terms, provisions, conditions, easements, covenants, charges, liens, reservations, or restrictions, but such terms, provisions, conditions, easements, covenants, charges, liens, reservations, or restrictions shall remain in full force and effect. The receipt and acceptance by the Board of any assessment from an Owner, with knowledge of any such breach, shall not be deemed a waiver of that breach, and no waiver by the Board shall be deemed to have been made unless expressed in a writing signed by the Board.

11.3 Right of Entry. Violation of any of the terms, provisions, conditions, easements, covenants, charges, liens, reservations, or restrictions contained in this Declaration, the other governing documents of the Association or Community, or any decision made by the Association or the Board pursuant thereto shall give to the Association the right to enter upon the Lot on which the violation exists and to abate or remove, at the expense of the Owner of that Lot, any condition or tangible object that may exist thereon contrary to the provisions of this Declaration, the other governing documents of the Association or Community, or any decision made by the Association or the Board pursuant thereto. Entry shall be made only after three days' written notice to the Owner, unless it is an emergency, in which case no notice need be given, and with as little inconvenience to the Owner as reasonably possible, and any damage caused thereby shall be repaired by the Owner except to the extent it is the result of the willful misconduct or gross negligence of the Association. The Association shall not thereby be deemed guilty of any manner of trespass by such entry, abatement, or removal.

11.4 Remedies Cumulative. The remedies provided in this Declaration, or to the Board, Association, or any Owner, are cumulative, and the Board, the Association, or an aggrieved Owner may pursue them concurrently, as well as any other remedies which may be available under law or in equity although not expressed herein. Any remedies expressly provided hereunder in no way waive or release any remedy that may otherwise be available under this Declaration, other governing documents of the Association or Community, or applicable law.

12. AMENDMENT OF COVENANTS. This Declaration may be amended by an affirmative vote of sixty-seven percent (67%) of the Owners. Any such amendment shall be notarized and recorded in the records of Clallam County, Washington.

13. MISCELLANEOUS.

13.1 Consistency with the Act. This Declaration is intended to comply with the Act and shall be interpreted in a manner to be consistent with the Act. In the event that a court of competent jurisdiction finally determines that any provision of this Declaration is not consistent with the Act, that provision shall be deemed amended to the minimum extent necessary to be consistent with the Act. Owners reserve the right to record such instruments or amendments to comply with the requirements of the Act.

13.2 Fault or Neglect. Notwithstanding any other provision of this Declaration, if the need for repair, rebuilding, maintenance, reconstruction, alteration, restoration, and/or replacement of the any improvement or landscaping on the Property results from the intentional acts or negligence of an Owner, or occupant of that Owner's Lot, or the licensee or invitee of that Owner or occupant, then that Owner shall promptly repair, rebuild, maintain, reconstruct, restore, or replace the improvement or landscaping and is solely responsible for all costs and damages related to and/or arising out of that intentional act or negligence.

13.3 Term. This Declaration shall be effective in perpetuity unless the Community is terminated pursuant to the Act.

13.4 Notices. All notices, demands, or other communications ("Notices") permitted or required to be given under the provisions of this Declaration shall be in writing and delivered either personally or by mail postage prepaid by certified or registered mail, return receipt requested, unless otherwise provided in this Declaration. Notice shall be deemed given on the date of delivery if delivered personally, or one day after the date of mailing thereof, or on the date of actual receipt, if sooner. Notice to an Owner may be given at any the Lot owned by that Owner; provided, however, that an Owner may from time to time, by Notice to the Association, designate such other place or individual for the receipt of future Notices. If there is more than one person comprising an Owner of a Lot, Notice to any person comprising that Owner shall be sufficient. The address of the Association shall be given to each Owner at or before the time he/she/it becomes an Owner. If the address of the Association is be changed, Notice of the new address shall be given to all Owners.

13.5 Joint and Several Liability. In the case of joint ownership of a Lot, each person comprising that Owner is jointly and severally responsible for all liabilities and obligations of that Lot and that Owner set forth in or imposed by this Declaration and the other governing documents of the Association or Community.

13.6 No Personal Liability. So long as the Association (and its Board members, members, officers, and agents), has acted in good faith, without willful or intentional misconduct, upon the basis of such information as may be actually possessed by such person(s), then no such person(s) 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(s) and shall be protected to the fullest extent permitted by applicable law; provided, that this Section shall not apply where the consequences of such act, omission, error, or negligence are covered by insurance obtained by either the Association or Owner. If applicable law is amended after adoption of this Declaration, then the liability of each such person(s) shall be limited to the fullest extent permitted by applicable law as so amended. No amendment of this Section shall adversely affect any right or protection of such person(s) existing at the time of such amendment.

13.7 Indemnification.

13.7.1 Each Board member, Association officer, shall be indemnified, defended, and held harmless by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed in connection with any proceeding to which he/she/it may be a party, or in which he/she/it may become involved, by reason of being or having held such position, or any settlement thereof, whether or not he/she/it holds such position at the time such expenses or liabilities are incurred, except in cases of willful or intentional misconduct in the performance of such duties; provided, that, in the event of a settlement, the indemnification shall apply only when the Association approves such settlement and reimbursement as being for the best interest of the Association.

13.7.2 The Association may indemnify employees and other agents of the Association as determined by the Board. The Association may maintain insurance on behalf of any person who is or was a Board member, officer, employee, or agent of the Association to protect against any liability asserted against such person(s) in such capacity or arising out of his/her/its status as such, whether or not the Association would have the power to indemnify him/her/it against such liability under applicable law.

13.7.3 The Association shall indemnify, defend, and hold harmless any Board member or officer for any obligation of the Association which the Board member

or officer personally guaranteed; provided, that obligation of the Association was authorized or ratified by the Board.

13.7.4 Any Owner who leases or rents their Lot under sections 3.2 and 3.3 of this Declaration, shall indemnify, defend, and hold harmless the Association and the other Owners, and their respective members, officers, agents, representatives, and employees (collectively, the “Indemnified Parties”) from and against any and all claims, damages, liabilities, losses, demands, suits, penalties, liens, costs, and expenses (including attorney’s fees and legal costs), arising out of or in any way connected with the leasing or rental of their Lots, unless the claims arise from the sole negligence or willful misconduct of an Indemnified Party.

13.7.5 The rights to indemnification conferred by this Section shall not be exclusive of any other right to which any person may have or hereafter acquire under any statute, the other governing documents of the Association or Community, decision of the Owners or Board, or otherwise.

13.8 No Merger. The easements, covenants, and restrictions granted and declared herein shall be fully applicable to the Lots and shall not be extinguished or terminated by the operation of any doctrine of merger or otherwise due to the existing or future common ownership of the Lots.

13.9 Arbitration. Except as expressly provided herein including lien foreclosures, any disagreement between or among any Owner or Owners, the Association, or the Board with respect to the interpretation or application of this Declaration or the obligations arising under this Declaration shall be determined by binding arbitration with Judicial Dispute Resolution, LLC of Seattle, Washington (“JDR”); provided, however, that the Association and Owners shall have the right to sue for injunctive relief. Such arbitration shall be conducted, upon request of the Owner, the Association, or the Board desiring arbitration before an arbitrator of JDR, and in accordance with mutually agreed on rules of arbitration, or, if no agreement is reached, then the rules of JDR. In accordance with such rules, the arbitrator shall determine the controversy in accordance with the laws of the State of Washington as applied to the facts. The expense of arbitration proceedings conducted hereunder shall be borne equally by the parties to such arbitration, except as otherwise determined by the arbitrator. All arbitration proceedings hereunder shall be conducted in Washington. The prevailing party may seek to enforce judgment in a court of competent jurisdiction upon the arbitrator’s award rendered together with any other remedy provided herein and by law.

13.10 Construction. This Declaration shall be construed according to the fair meaning of its terms. The provisions of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity or

unenforceability of any one provision or portion thereof to any circumstance shall not affect the validity or enforceability of that provision or portion to circumstances other than those to which it is invalid or unenforceable. The headings of the various provisions of this Declaration are for convenience only and may not be used in interpreting this Declaration. As used in this Declaration, each pronoun shall include every other pronoun and the plural shall include the singular, and vice versa, all as the context requires.

[Signature Page Follows]

DATED this ____ day of _____, 2026.

OWNER:

Gateway to Joy LLC,
a Washington Limited Liability Company

By: _____
Print Name: _____
Its: _____

STATE OF _____)
) ss.
COUNTY OF _____)

This record was acknowledged before me on _____, 2026 by

as _____ of Gateway to Joy
LLC.

Printed Name: _____
Notary Public
My appointment expires _____

DATED this ____ day of _____, 2026.

OWNER:

Jason Meadows

Tabatha Meadows

STATE OF _____)
COUNTY OF _____) ss.

This record was acknowledged before me on _____, 2026 by
Jason Meadows.

Printed Name: _____
Title: _____
My appointment expires _____

STATE OF _____)
)
COUNTY OF _____) ss.

This record was acknowledged before me on _____, 2026 by
Tabitha Meadows.

Printed Name: _____
Title: _____
My appointment expires _____

DATED this ____ day of _____, 2026.

OWNER:

Brian Storman

Paige Storman

STATE OF _____)
)
COUNTY OF _____) ss.

This record was acknowledged before me on _____, 2026 by
Brian Storman.

Printed Name: _____
Title: _____
My appointment expires _____

STATE OF _____)
)
COUNTY OF _____) ss.

This record was acknowledged before me on _____, 2026 by
Paige Storman.

Printed Name: _____
Title: _____
My appointment expires _____

DATED this _____ day of _____, 2026.

OWNER:

Christopher James Bruntz

Karri Spady Bruntz

STATE OF _____)
) ss.
COUNTY OF _____)

This record was acknowledged before me on _____, 2026 by
Christopher James Bruntz.

Printed Name: _____
Title: _____
My appointment expires _____

STATE OF _____)
) ss.
COUNTY OF _____)

This record was acknowledged before me on _____, 2026 by
Karri Spady Bruntz.

Printed Name: _____
Title: _____
My appointment expires _____

DATED this _____ day of _____, 2026.

OWNER:

Richard W. Winter

Rizabeth Grandinetti Winter

STATE OF _____)
) ss.
COUNTY OF _____)

This record was acknowledged before me on _____, 2026 by
Richard W. Winter.

Printed Name: _____
Title: _____
My appointment expires _____

STATE OF _____)
) ss.
COUNTY OF _____)

This record was acknowledged before me on _____, 2026 by
Rizabeth Grandinetti Winter.

Printed Name: _____
Title: _____
My appointment expires _____

DATED this _____ day of _____, 2026.

OWNER:

Ronald F. Winter

Millicent S. Winter

STATE OF _____)
) ss.
COUNTY OF _____)

This record was acknowledged before me on _____, 2026 by
Ronald F. Winter.

Printed Name: _____
Title: _____
My appointment expires _____

STATE OF _____)
) ss.
COUNTY OF _____)

This record was acknowledged before me on _____, 2026 by
Millicent S. Winter.

Printed Name: _____
Title: _____
My appointment expires _____

DATED this _____ day of _____, 2026.

OWNER:

Julie A. Grattan, a.k.a. Julie A. Jacobsen

STATE OF _____)
) ss.
COUNTY OF _____)

This record was acknowledged before me on _____, 2026 by
Julie A. Grattan, a.k.a Julie A. Jacobsen

Printed Name: _____
Title: _____
My appointment expires _____

DATED this _____ day of _____, 2026.

OWNER:

Ronald F. Winter

STATE OF _____)
) ss.
COUNTY OF _____)

This record was acknowledged before me on _____, 2026 by
Ronald F. Winter.

Printed Name: _____
Title: _____
My appointment expires _____

DATED this _____ day of _____, 2026.

OWNER:

Danielle Desjardins

STATE OF _____)
) ss.
COUNTY OF _____)

This record was acknowledged before me on _____, 2026 by
Daniel Desjardins.

Printed Name: _____
Title: _____
My appointment expires _____

DATED this _____ day of _____, 2026.

OWNER:

Joe Desjardins

STATE OF _____)
) ss.
COUNTY OF _____)

This record was acknowledged before me on _____, 2026 by
Joe Desjardins.

Printed Name: _____
Title: _____
My appointment expires _____

DATED this _____ day of _____, 2026.

OWNER:

Django Joseph Francis Argilla

STATE OF _____)
) ss.
COUNTY OF _____)

This record was acknowledged before me on _____, 2026 by
Django Joseph Francis Argilla.

Printed Name: _____
Title: _____
My appointment expires _____

DATED this _____ day of _____, 2026.

OWNER:

Andrew J. Sallee

Jane P. Sallee

STATE OF _____)
) ss.
COUNTY OF _____)

This record was acknowledged before me on _____, 2026 by
Andrew J. Sallee.

Printed Name: _____
Title: _____
My appointment expires _____

STATE OF _____)
) ss.
COUNTY OF _____)

This record was acknowledged before me on _____, 2026 by
Jane P. Sallee.

Printed Name: _____
Title: _____
My appointment expires _____

DATED this _____ day of _____, 2026.

OWNER:

Zimmel Family Revocable Trust, dated March 8,
2022

Zimmel Family Revocable Trust, dated March 8,
2022

By: _____
Cory A. Zimmel, Trustee

By: _____
Paula K. Zimmel, Trustee

STATE OF _____)
) ss.
COUNTY OF _____)

This record was acknowledged before me on _____, 2026 by
Cory A. Zimmel as trustee of the Zimmel Family Revocable Trust, dated March 8,
2022.

Printed Name: _____
Title: _____
My appointment expires _____

STATE OF _____)
) ss.
COUNTY OF _____)

This record was acknowledged before me on _____, 2026 by
Paula K. Zimmel as trustee of the Zimmel Family Revocable Trust, dated March 8,
2022.

Printed Name: _____
Title: _____
My appointment expires _____

DATED this _____ day of _____, 2026.

OWNER:

James W. Laws

STATE OF _____)
) ss.
COUNTY OF _____)

This record was acknowledged before me on _____, 2026 by
James W. Laws.

Printed Name: _____
Title: _____
My appointment expires _____

DATED this _____ day of _____, 2026.

OWNER:

Anthony Galbreath

Katie Galbreath

STATE OF _____)
) ss.
COUNTY OF _____)

This record was acknowledged before me on _____, 2026 by
Anthony Galbreath.

Printed Name: _____
Title: _____
My appointment expires _____

STATE OF _____)
) ss.
COUNTY OF _____)

This record was acknowledged before me on _____, 2026 by
Katie Galbreath.

Printed Name: _____
Title: _____
My appointment expires _____