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 10-11-2006 09:32am \$76.00  
 SNOHOMISH COUNTY, WASHINGTON

**Return Address**  
 Lakewood Crest LLC  
 18620 Jordan Road  
 Arlington, WA 98223

**NO EXCISE TAX  
 REQUIRED**

**(OCT 11 2006**

BOB DANTINI, Snohomish County Treasurer

By BOB DANTINI

Please print or type information

<b>Document Title(s) or transactions contained therein)</b> 1 COVENANTS AND RESERVATIONS <b>AND EASEMENTS</b> 2 3 4
<b>Grantor(s) (Last name first, then first name and initials)</b> 1 LAKEWOOD CREST LLC 2 3 4 <input type="checkbox"/> Additional names on page ____ of document
<b>Grantee(s) (Last name first, then first name and initials)</b> 1 LAKEWOOD CREST HOMEOWNERS ASSOCIATION 2 3 4 <input type="checkbox"/> Additional names on page ____ of document
<b>Legal description (abbreviated i e lot, block, plat or section, township, range, qtr/qtr )</b> PORTION OF SECTION 13, TOWNSHIP 31N, RANGE 4 E <input type="checkbox"/> Additional legal is on page ____ of document
<b>Reference Number(s) of Documents assigned or released</b> <input type="checkbox"/> Additional numbers on page ____ of document
<b>Assessor's Property Tax Parcel/Account Number</b> 310413-001-005-00 <input type="checkbox"/> Additional parcel numbers on page ____ of document
<b>The Auditor/Recorder will rely on the information provided on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information</b>

When Recorded Return to

Lakewood Crest LLC  
18620 Jordan Road  
Arlington WA 98223

**LAKEWOOD CREST  
Rural Cluster Subdivision  
DECLARATION OF EASEMENTS, RESERVATIONS  
AND RESTRICTIVE COVENANTS**

THIS DECLARATION is made the date stated below by LAKEWOOD CREST, LLC, a Washington limited liability company (the "Declarant")

The Declarant is the Owner of the property legally described in Exhibit A, attached hereto and incorporated herein by this reference, which property is hereinafter referred to as "the Development " The Development includes the residential lots (the "Lots") and common area tracts as delineated on the subdivision survey (the "Plat") of the Development filed of record with the Snohomish County Auditor

The Development includes the Common Areas to be owned and managed by the Homeowners Association as delineated in the Plat, hereafter referred to as the "Common Areas," including, without limitation, a native growth protection areas, restricted open space and sight obscuring buffers, stormwater retention facilities, consisting of Tracts 996, 997, 998 and 999 The Plat also contains Tracts 994 and 995 ("1<sup>st</sup> Drive NW" and "3<sup>rd</sup> Avenue NW," respectively), jointly referred to herein as the "Roads," in which certain Owners retain rights and responsibilities, as delineated below

Declarant wishes to establish easements over the Common Areas and Roads, to establish restrictive covenants applicable to the Development, and to provide for the establishment of a "Homeowners Association " Declarant therefore provides as follows

**I. EASEMENTS**

**A. Common Area Easements** Every present and future owner and contract purchaser of any Lot (each "Owner") shall have a right to an easement for the use and enjoyment of the Common Areas, subject to such uniform rules and restrictions as may be adopted by the Board of Directors of the Homeowners Association and subject to any applicable restrictions on the Plat and compliance with applicable law and regulations

**B. Easements Appurtenant** The easements granted under paragraph A above are appurtenant to all portions of the Development, and are for the benefit of all Owners of any portions of the Development, and, together with all restrictions, reservations, covenants or designations herein, are hereby declared to be covenants running with the land. Said easements, being appurtenant to and for the benefit of all portions of the Development, shall pass to each successor Owner of each Lot, together with any and all restrictions, reservations, covenants and/or designations, contained in this document or hereafter adopted, whether mentioned or not mentioned in the instrument of conveyance of any portion of the Development.

**C. Sharing of Maintenance and Repair Costs for Common Areas** The Owners hereby covenant and agree, and bind themselves, their heirs, successors and assigns by their acceptance of any conveyance of an interest, either by deed or contract, in any portion of the Development, to bear and pay the costs of repair, maintenance and upkeep of the Common Areas. This includes, without limitation, all responsibilities of the Owner as delineated on the Plat. Each party's share of such cost is to be determined by the Homeowners Association hereinafter provided for.

**D. Roads** The Declarant hereby declares, creates and grants an easement over, across and under 1<sup>st</sup> Drive NW for ingress, egress and utilities, for the exclusive benefit of the Owners of Lots 5 – 10, inclusive, and the Association. The Declarant hereby declares, creates and grants an easement over, across and under 3<sup>rd</sup> Avenue NW for ingress, egress and utilities, for the exclusive benefit of the Owners of Lots 1 – 4, inclusive, and the Association. The easement granted over 1<sup>st</sup> Drive NW is appurtenant to Lots 5 – 10, inclusive, and the easement granted over 3<sup>rd</sup> Avenue NW is appurtenant to Lots 1 – 4, inclusive, for the benefit of the Owners of such Lots and any utility companies or districts providing services to said Lots.

**E. Road Easement Costs** The Roads shall be maintained in good condition. The cost of maintenance and repairs with regard to 1<sup>st</sup> Drive NW and any utilities on or under it shall be shared equally by the Owners of Lots 5 – 10 inclusive. The cost of maintenance and repairs with regard to 3<sup>rd</sup> Avenue NW and any utilities on or under it shall be shared equally by the Owners of Lots 1 – 4, inclusive. If the Owners of any such Lots are unable to agree among themselves upon the need for repairs or maintenance, or the details of carrying out or contracting for the same, then any such Owner may refer the matter to the Board of Directors of the Homeowners Association, the Homeowners Association shall then give notice of a meeting to determine the matter, and the determination of a majority of the members of the Board of Directors shall be final and binding on the affected parties. If a party to a dispute is a member of the Board, he or she shall not participate as a member of the Board in any such proceeding and the other Board members may appoint another Owner to act in his or her place.

## II. RESERVATION OF RIGHTS AND POWER OF ATTORNEY

The Declarant hereby reserves unto itself, its heirs, successors and assigns, certain rights in the Development and Common Areas, and the rights reserved are hereby expressly declared to be covenants running with the land, binding on all Owners. The rights reserved are as follows:

A. The right to form a private, non-profit corporation for the benefit of the Owners of property within the Development ("Homeowners Association") and to incorporate the same under the laws of the State of Washington, with the duties and powers discussed in part III of this Declaration, subject to change, expansion, or modification as provided for herein

B. The right to execute and record additional easement, covenant or similar documentation with regard to the Development consistent with the final Plat as approved by Snohomish County

C. Until such time as all of the Lots in the Development have been sold, Declarant reserves the right to modify or amend this Declaration by recording such modification or amendment with the Snohomish County Auditor, and providing copies of said document to all other Owners at the time of said amendment or modification

D. Until such time as all of the Lots in the Development have been sold, Declarant reserves all rights of the Board of Directors of the Homeowners Association and the Architectural Control Committee, as set forth in Article III below

E Each Owner irrevocably appoints the Declarant, or the Declarant's successor and assigns, as his/her true and lawful attorney-in-fact in his name, place and stead, to execute and acknowledge and record any and all instruments necessary or beneficial for carrying out any of the rights reserved above in this Section II IT IS EXPRESSLY UNDERSTOOD AND INTENDED THAT THE FOREGOING POWERS OF ATTORNEY GRANTED IN PART II ARE COUPLED WITH AN INTEREST, ARE IRREVOCABLE, AND SHALL SURVIVE CONVEYANCE OF ANY PORTIONS OF THE DEVELOPMENT, WHETHER OR NOT MENTIONED IN ANY CONVEYANCE DOCUMENT

F. Any person or entity to whom the originally named Declarant transfers title to a majority of the residential Lots within the Development, or the entire Development, shall be considered a successor of Declarant, and will be entitled to all rights reserved by Declarant herein

### III. HOMEOWNERS ASSOCIATION

Every Owner shall be a member of the Homeowners Association The Homeowners Association is formed for the purpose of collecting and monitoring of funds created by assessments against each Owner, which assessment shall be used exclusively to promote the health, safety and welfare of the residents and for the general maintenance and upkeep of the Common Areas The Homeowners Association shall be a non-profit corporation incorporated by its members (or Declarant, if Declarant so chooses) under the laws of the State of Washington

A. Initial Meeting of Homeowners Association. After formation of the Homeowners Association, its members (or Declarant, if Declarant so chooses) may call a meeting of the Association for the purposes of determining the following matters.

- 1 Designation of a chairman to conduct the meeting.
- 2 Selection of a Board of Directors composed of three (3) Owners

**B. Annual Meeting** The Homeowners Association shall meet at least annually to approve the budget recommended by the Board of Directors and determine the amount of the assessment for the coming year, and the business to be conducted for the coming year and for election of a new Board of Directors

**C. Board of Directors.** The Board of Directors shall annually recommend a budget and recommend the amount of the annual assessment for approval by the Members. It shall administer the collection and enforcement of charges for repair, maintenance and upkeep for the Common Areas, and special assessments approved by the Members, and shall generally manage the business and affairs of the Homeowners Association. The board of directors, after its appointment, shall elect a board member as a president, and shall select other officers to whom duties may be delegated, as it deems appropriate. The board of directors shall also constitute the architectural control committee as provided in part IV A, and shall have all powers and obligations assigned herein to said committee unless they elect to appoint a separate committee. The Board of Directors and officers of the Homeowners Association shall have the duty of the management of the funds collected for the benefit of the Owners in order to promote the purposes set forth herein

**D. Budget Approval.** Unless at the Members meeting Owners with a majority of the votes in the Association reject the budget recommended by the Board, in person or by proxy, the budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected or the required notice is not given, the budget last ratified by the Owners shall be continued until such time as the Owners ratify a subsequent budget proposed by the Board of Directors. Any proposed special budget shall require ratification by members, which may be at a special meeting, in accordance with the notice and approval requirements stated above

**E. Assessments** Whether costs are collected by annual, quarterly or monthly assessments or charges, or whether costs are charged after the completion of any repair, maintenance or upkeep, they shall be a charge on the land which shall be a continuing lien upon the property against which each such assessment is made until paid. Each such assessment shall also be the personal obligation of the person who was the Owner of such property at the time the assessment or charge fell due. The personal obligation for delinquent assessments shall not pass to his successors in the title unless expressly assumed by them. Owners of Lots by their acceptance of a deed or by their signature to a contract for the purchase of a Lot agree that interest at the rate of 12% per annum, and costs and reasonable attorney's fees, to collect said assessments regardless of whether suit is actually commenced, shall be additional charges which may be collected. An officer of the Homeowners Association may record a notice of lien with the County Auditor at any time after sixty (60) days after delinquency of any assessment, which notice shall state the amount then owing. A release of lien shall be filed when assessments are

paid current, including assessments thereafter accruing, plus any interest, attorneys' fees and costs then owing

**F. Meetings, Voting, Amendments.**

**1. Voting and Notices for Special Assessment and/or Change in Covenants and Restrictions** Any special assessment or change in the Covenants and Restrictions must have the assent of two-thirds (2/3) of the votes of all members of the Homeowners Association. Written notice of such meeting called for such purpose shall be sent to all Owners or Purchasers no fewer than fourteen (14) days nor more than sixty (60) days in advance of the meeting, setting forth the purpose of the meeting, which notice shall include a summary of the proposed change or special assessment. Notwithstanding any other provision herein, the Covenants and Restrictions may not be amended so long as Declarant owns one or more parcels within the Development, without Declarant's prior written consent.

The Covenants and Restrictions of this Declaration may be amended only as herein provided. No change of conditions or circumstances shall operate to amend any of the provisions of this declaration which may be amended only in the manner provided herein. Any of the covenants herein contained may be amended and/or new covenants affecting the Development may be created, after approval as provided for above, by the filing of an appropriate document in the Office of the Auditor of Snohomish County, or other proper recording office. An amendment of this declaration executed and acknowledged by the proper Officers of the Homeowners Association shall set forth substantially the following provisions:

- a The covenant intended to be added or amended,
- b A description or designation of the part of the Development upon which such amendment or new covenant is intended to be operative, which description or designation may refer to or appear on a plat to be filed with a certificate,
- c A statement that a resolution adopting such amendment or such new covenant was duly adopted at a duly held regular or special meeting at which meeting the resolution was voted for by at least two-thirds (2/3) of the voting members of the Homeowners Association
- d Unless otherwise provided herein, any notices required to be sent to any member or Owner under the provisions of this declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Member or Owner on the records of the Homeowners Association at the time of such mailing.

**2. Notice** Written notice of the annual meeting and any special meeting shall be given not less than fourteen (14) days nor more than sixty (60) days in advance of the meeting, by the Secretary of the Homeowner's Association, or such other officer as may be designated by the Board of Directors. Notice shall be either hand delivered or sent by first class United States mail, postage pre-paid to the mailing address of each Owner or to any other.

mailing address designated by an Owner in writing. The Notice shall state the time and place of the meeting and the business to be placed on the agenda by the Board of Directors for a vote by the Owners, including the general nature of any proposed amendment to the Articles of Incorporation, Bylaws, any budget or changes in the previously approved budget that result in a change in assessment obligation, and proposal to remove a Director.

3. **Quorum** In order to conduct business a quorum of thirty-five percent (35%) of Owners entitled to vote shall be present. If the required quorum is not present, another meeting may be called subject to the notice requirement set forth above, and the required quorum at the subsequent meeting shall be one-half of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following a preceding meeting. All matters at a meeting shall be adopted or approved by a fifty-one percent (51%) majority of Owners present at such meeting, unless this Declaration expressly provides otherwise.

4. **Special Meetings** Special meetings may be called by the President, a majority of the Board of Directors, or by Owners having twenty-five (25%) of the votes in the Association.

5. **Open Meetings** All meetings of the Board of Directors shall be open for observation for all Owners and their authorized agents, except as provided herein. The Board of Directors shall keep minutes of all actions taken by the Board, which shall be available to all Owners. The Board may assemble a closed session only as allowed by RCW 64 38 035(2), as it may be amended from time to time, and in accordance with the procedures stated therein.

G. **Owners Entitled to Vote** Owners entitled to vote shall be those who have fee title ownership or a purchaser's interest in a contract of purchase for one of the Lots within the Development. The Owner or purchaser of each Lot as originally constituted when the survey was recorded shall be entitled to one vote per Lot owned.

H. **Uniform Rate of Assessments; Lots Owned By Declarant Exempt** Except as otherwise authorized herein all assessments must be fixed at a uniform rate for all Lots, provided, however, that (a) any vacant or unimproved Lot owned by Declarant (including Declarant's successor) shall not be subject to any assessment or charge herein, and (b) any Lot sold to a builder shall not pay assessments until the month following the sale or occupancy of the house (whichever comes first).

I. **Initial Assessment from the Date of Commencement** When each Lot is sold to a home buyer, either by Declarant or by a home builder who is building a home on a Lot for resale, an initial assessment of Two Hundred Dollars (\$200.00) shall be paid to the Homeowners Association, this payment shall be made directly out of escrow by the escrow agent to the Homeowners Association, at c/o Chinook Homes, Inc., P.O. Box 1025, Snohomish, WA 98291. Thereafter, until such time as a new assessment has been duly approved by the Homeowners Association, the assessment shall continue at Fifty Dollars (\$50.00) per year, payable on or before July 1 of each subsequent year. The first year's payment shall be prorated based on the

percentage of the year remaining between the date of acquisition of the home by the home buyer and the following July 1

**J. Right to Sue** The Homeowners Association, by the action of the Board of Directors, may bring an action at law against the Owner or purchaser personally obligated to pay any assessment, or foreclose the lien against the property, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of said assessment. The Homeowners Association, by the action of the Board of Directors, in its absolute discretion, may also bring suit to enforce the covenants or other rights and obligations herein

**K. Non-Waiver of Assessments** No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Road or Common Areas, or abandonment of his Lot

**L. Subordination of Assessment Liens to Mortgage Liens** The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage or deed of trust. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceedings in lieu thereof, shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessment thereafter becoming due or from the lien thereof

#### **IV. ARCHITECTURAL GUIDELINES**

No residential building shall be erected, altered, placed or permitted other than a site-built detached single family dwelling having at least One Thousand Six Hundred (1,600) square feet of finished living area for a single story dwelling, or Two Thousand Two Hundred (2,200) square feet of finished living area for a multi-level dwelling, excluding garages or carports, and having an attached or detached garage or carport. No portion of any dwelling, including decks, porches or patios, shall have roofs constructed from the following materials: metal (other than copper tile), fiberglass (except fiberglass tile), plastic or rolled on composition. No garages or outbuildings shall be erected, altered, placed or permitted within the Development which are less than three hundred (300) square feet, unless of wood construction and painted to match the exterior of the dwelling, and having a roof of the same material as the dwelling. Buildings and other structures located on each Lot shall conform to and comply with building code and other governmental requirements. Conformity to these guidelines will be determined by the Board of Directors, unless it chooses to appoint a separate Architectural Control Committee, and will function as follows:

**A. Architectural Control Committee** The Board of Directors of the Homeowners Association may appoint an Architectural Control Committee of three (3) or more persons, who must be members of the Homeowners Association which may act for the Board to the extent set forth in this declaration. One member of the Architectural Control Committee shall be appointed for one year, the second member for two years, the third member for three years. Thereafter,

members of the Architectural Committee shall be appointed or selected for three (3) year terms by the Board of Directors

**B. Jurisdiction and Purpose** The Committee shall have the right to review and either approve or reject all plans and specifications for any building based on conformity to the architectural guidelines. Enforcement of these covenants shall be carried out by the Homeowners Association, by the action of the Board of Directors, based on the determination of the Architectural Control Committee

No building shall be erected, placed or altered on any Lot or building site on the property until the building plans, specifications and plot plan are submitted by the Owner or his representative to the Architectural Control Committee and found by said Committee to be in accordance with the guidelines and the procedures established by this declaration and by the Committee. It shall be the obligation of each Owner to familiarize himself with the rules, regulations and procedures of the Committee for inspections. Plan review and consultants shall be paid for by the Association. In all respects, the Board of Directors shall also act as the Committee, unless a separate Committee is appointed by it.

**C. Approval Procedures** Any approval requested of the Committee shall be requested in writing and shall be submitted to the Homeowners Association headquarters unless the Committee shall record an instrument establishing a different place to submit such plans

In the event the Architectural Control Committee fails to respond by either approval, rejection, or request for additional information, to the Owner's application and submittal with reference to the proposed plans and specifications within fifteen (15) days after said plans and specifications have been submitted by the Owner in writing to the Committee for such proposed construction, addition, alteration or change, then and in that event compliance will be deemed to have been granted by said Committee and formal written approval will not be required and this provision shall be deemed to have been fully complied with. In the event an Owner enters into construction, addition, alteration or change of any building on a building site on the properties without having first submitted in writing the proposed plans and specifications to the Committee for such work and completes such work without any notice of non-compliance from the Homeowners Association or said Committee, then and in that event, after the lapse of six (6) months from the completion of such work if no suit or action has been brought to enjoin the construction, addition, alteration or change, or to force compliance by change or removal of such work, then this provision shall be deemed to have been fully complied with. The decision of a majority of the members of the Committee shall be the decision of the Committee.

The Committee, in the discharge of its obligations hereunder and in its deliberations, shall act objectively and fairly in making decisions concerning building plans and plot plans submitted to it by various Owners for consideration. Further, the determinations of the Architectural Control Committee, as to non-compliance, shall be in writing signed by the Committee and shall set forth in reasonable detail the reason of non-compliance.

## V. RESTRICTIONS

A. **Restrictions** The following restrictions shall be applicable to the use of any property in the Development

1. **Residential Purpose** No Lot shall be used except for residential purposes. No business of any kind shall be conducted on any Lot with the exception of (a) the business of Declarant in developing and selling all of the Lots, and (b) such home occupation which may be permitted by the appropriate local government and which is not in violation of the provisions of this Declaration

2. **Animals** No animals, livestock or poultry shall be raised, bred or kept on any Lot. Dogs, cats, and household pets, in reasonable numbers, may be kept on a Lot if they are not kept, bred or maintained for any commercial purposes, and provided that the Owners of the Lot conform to all city and county ordinances and all state laws applicable to the keeping of pets

3. **Mobile Home** No mobile or manufactured home may be placed on any portion of the Development. This restriction does not preclude the parking of a travel trailer or motorhome on the Development, for recreational use, provided that said travel trailer or motorhome is not utilized on the Development for residential purposes at any time.

4. **Parking** Each Owner must provide adequate off street parking on his Lot for at least two (2) cars. No recreational vehicles or boats should be parked on a Lot unless reasonably screened from the view of other Owners; the determination of the Board of Directors as to whether a recreational vehicle or boat is reasonably screened from view shall be final and binding

5. **Noxious Activities** No noxious or offensive activities shall be carried on upon any Lot, nor shall anything be done thereon which may be an unreasonable annoyance or nuisance to neighboring property Owners or occupants. No Lot shall ever be used in a manner that unreasonably interferes with the other Lot Owners' rights to the use and enjoyment of their respective properties

6. **Guests** Owners are responsible for the conduct of their guests

7. **Garbage** No Lot shall be used or maintained as a dumping ground for rubbish, trash, garbage or any other waste material. Any such material shall be kept in sanitary containers. Incinerators or other equipment for the storage or disposal of such material shall be kept in a clean, sanitary condition

8. **Vehicles** No junk motor vehicles shall be kept or maintained on any Lot, except in an enclosed garage. There shall be no commercial overhaul repair performed on automobiles or other vehicles within the Development. There shall be no abandoned automobiles or other vehicles within the Development – any automobile or other vehicle deemed

to be in an inoperative condition in excess of fourteen (14) days located on the Road (or dedicated city road) may be removed

9. **Utility Services** All permanent utility services and connections thereto shall be provided by underground services exclusively. No satellite dishes over two feet (2') in diameter, ham radio antennas, television antennas, other antennas or receiving devices of any type shall be permitted on the exterior of any building.

10. **Enforcement** The Declarant shall have no obligation to enforce or seek the enforcement of these covenants. The Declarant shall have no liability for the enforcement or non-enforcement of these covenants. The Homeowners Association, in its absolute discretion, by its Board of Directors, and any person or persons owning, or purchasing by contract, any property within the Development, shall have the right to prosecute any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant herein, to prevent such violation and/or to recover damages for such violation. In the event of breach of this Declaration by an Owner, the Association may assess the breaching Owner for reasonable attorneys fees, costs and expenses incurred by it on account of such breach.

11. **Modification** The restrictions herein may be amended or modified by the Homeowners Association as provided hereinabove in part III.

12. **Completion of Structures** All buildings commenced on any Lot shall be completed, including painting and landscaping, not later than eight (8) months after construction is commenced.

13. **Invalidation** Invalidation of any one of these covenants and restrictions by judgment or court order shall in no way affect any of the other provisions, and said other provisions shall remain in full force and effect.

Dated this 21 day of AUGUST, 2006

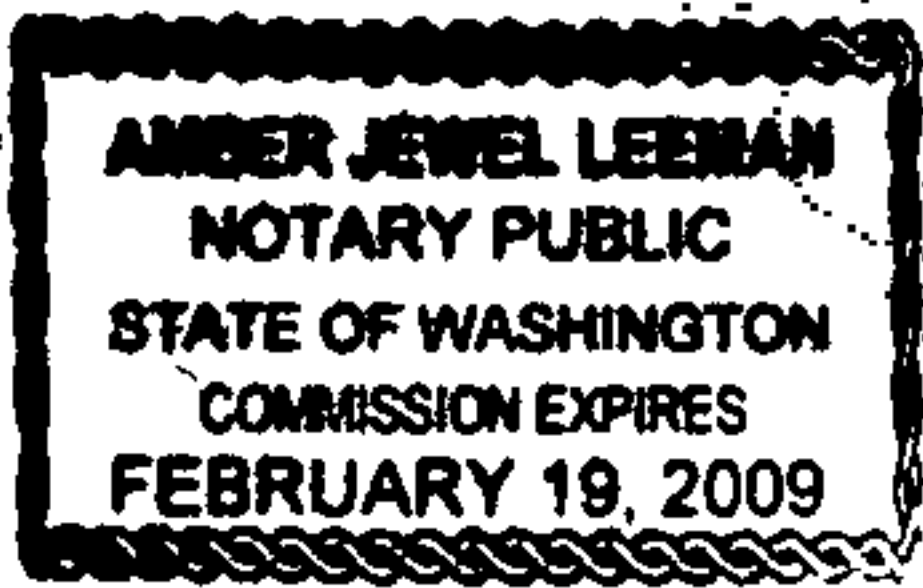
LAKWOOD CREST, LLC

By [Signature] MEMBER

STATE OF WASHINGTON )  
 ) ss  
COUNTY OF SNOHOMISH )

I certify that I have evidence that Guy Willett is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it, as the President of LAKEWOOD CREST, LLC, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED August 21, 2006



Amber Jewel Leeman  
PRINTED NAME Amber Jewel Leeman  
NOTARY PUBLIC  
in and for the State of Washington  
My commission expires Feb. 19, 2009