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**DRAFT CC&Rs**

AFTER RECORDING RETURN TO:  
Prescott Homes, Inc.,  
10613 NE 38<sup>th</sup> Pl, #17  
Kirkland, WA 98033

**DRAFT COPY**

GRANTOR Prescott Homes, Inc.  
GRANTEE Prescott Homes, Inc.

Legal Description: See "Exhibit A"

ASSESSOR's TAX PARCEL NUMBERS: #2227300071  
#2227300070

**DECLARATION OF PROTECTIVE COVENANTS,  
EASEMENTS, PARTY WALL PROVISIONS,  
CONDITIONS AND RESTRICTIONS**

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THIS DECLARATION, running with the land, executed this 23rd day of February 2006, by Prescott Homes, Inc., a Washington corporation ("Declarant") is made with reference to the following facts:

## 1 TOWNHOUSE DEVELOPMENT

1.1 Declarant is the owner of two adjacent parcels of land located in City of Shoreline, King County, Washington, commonly known as 1160 N 198<sup>th</sup> Street., and legally described on **Exhibit A** attached hereto, and graphically depicted on **Exhibit B**. As of the date of this Declaration, Declarant is in the process of subdividing Parcel 226 into eighteen (18) lots (subdivision, number #201478). The lots to be included in the plat are referred to herein as the Lots.

1.2 Declarant declares that Parcel 1160 N 198<sup>th</sup> Street and all eighteen (18) lots upon recording of the subdivision, shall be subject to the terms of this Declaration. Declarant agrees and covenants that all land and improvements now existing or hereafter constructed thereon will be held, sold, conveyed subject to, and burdened by the following easements, covenants, conditions and restrictions, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of such lands for the benefit of all of such lands and the owners thereof and their heirs, successors, grantees and assigns.

1.3 Declarant is constructing one residential townhouse dwelling structure ("each a "Townhouse") on each of the Lots as graphically depicted on **Exhibit B**.

1.4 Adjoining Townhouses share use of a common wall defined herein as a "Party Wall".

1.5 All Lots have certain non-exclusive ingress, egress, parking and utility easement rights under the terms of this Declaration.

1.6 Declarant desires to impose certain protective covenants, additional easements, Party Wall provisions, conditions, and restrictions upon the Real Property for the mutual benefit of all lots under the terms of this Declaration.

NOW, THEREFORE, Declarant hereby declares and establishes these protective covenants, easements, party wall provisions, conditions and restrictions.

## 2 DEFINITIONS

2.1 "Benefited Owner" shall mean an Owner benefiting from an easement right granted under this Agreement.

2.2 "Burdened Owner" shall mean an Owner burdened by an easement right granted under this Agreement.

2.3 "Declarant" shall mean Prescott Homes, Inc., a Washington corporation.

2.4 "Ingress, Egress, Pedestrian Access, Utility and Parking Easement" shall mean the easement designated as "Ingress, Egress Pedestrian Access, Utility and Parking Easement" and legally described on **Exhibit A** and as graphically depicted on **Exhibit B**.

2.5 "Lot" shall mean any one of the 1160 N 198<sup>th</sup> Street Lots. Each Lot shall include the land and the Townhouse located on such land.

2.6 "Owner" shall mean the record owner of a fee simple title to any Lot or Lots, which are a part of the Real Property.

2.7 "Party Wall" shall mean a wall used and intended to be used in common by two adjoining Lot Owners for the benefit and convenience of each such Lot Owner.

2.8 "Real Property" shall mean that certain real property described on **Exhibit A**.

2.9 "Structure" shall mean any improvement on the Property, including but not limited to any building, fence, wall, driveway, walkway, patio, garage, storage shed, carport, mailboxes, swimming pool, rockery, dog run or the like.

2.10 "Townhouse" shall mean any one of the eighteen (18) residential structures, which are, located on any 1160 N 198<sup>th</sup> Street Lot.

2.11 "Tract "A" shall mean that tract of land consisting of the wetland and wetland buffer area. Tract "A" shall be deeded to an entity other than Declarant or the Lot Owners of the Real Property.

2.11 "Utility" shall mean any fixtures, lines and equipment, including, without limitation, water, storm sewer, television cable, fiber optic, communications lines, drainage lines or courses, sanitary sewer, gas, water, electric and telephone lines, pipes, security systems, lighting, miscellaneous Utility conduit and other related or similar facilities

### 3 EASEMENTS

3.1 GRANT OF INTERNAL STRUCTURAL EASEMENTS FOR UTILITIES Declarant declares that utility lines, which provide services to the Lots, were or will be installed within the Townhouses at locations, which are not necessarily identified on any map or plan. Such wires, pipes and lines were installed between the floor or ceiling joist and/or in the Party Walls without regard to boundaries of ownership. Declarant grants an easement for utility purposes over and across each Lot where each such wire, pipe and/or line currently lies to favor of the Lots served by such wires, pipes and/or lines. In the event any repair or replacement of any such wire, line or pipe is required by any Lot Owner and such repair or replacement requires entry into another Lot Owner or Lot Owners' Townhouse, the "Consenting Lot Owner" (i.e., the Owner of the lot which will be entered) agrees to grant reasonable rights of entry for such purposes and further grants such other Lot Owner the right to make such repairs or replacements from within such consenting Lot Owner's Townhouse, on condition that the Lot Owner(s) in need of such entry and such work, promptly pays the cost of such work and restores the Consenting Lot Owner's Townhouse to the same condition it was before such entry and work therein. This provision is intended to be interpreted in favor of the Consenting Lot Owner who must grant entry for such purposes and shall be liberally interpreted to ensure that a Consenting Lot Owner is not damaged by such work.

3.2 GRANT OF SHARED INGRESS, EGRESS AND UTILITIES EASEMENT Each Owner of a Lot is hereby granted and conveyed a perpetual nonexclusive easement for pedestrian access and utilities over, across, under and through such portion of the Ingress, Egress, Pedestrian Access, Utilities and Parking Easement, common open space easements, and utility easements for infiltration areas as is located on any other Lot. In addition, each owner of a lot is hereby granted and conveyed a perpetual non-exclusive easement for vehicular ingress and egress and parking across that portion of the Ingress, Egress, Pedestrian Access, Utility and Parking Easement dedicated for parking and as located on Lots 7, 8 and 9. In no event shall any Owner construct any Structure in the Ingress, Egress, Pedestrian Access, Utilities, common open space, utility infiltration easements and Parking Easement Area, or cause or allow to continue any condition which would render the Ingress, Egress, Pedestrian Access, Utilities and Parking Easement Area to become impassable, difficult or dangerous to use.

3.3 GRANT OF EXTERNAL EASEMENTS Declarant grants Utility Easements including, but not limited to, electrical power wires, natural gas pipelines, cable wires, natural gas pipelines, telephone wires, security systems, water pipelines, plumbing pipelines, retention system and mail service and related equipment as follows:

3.3.1 Declarant grants Utility Easements for all typical Utility and service purposes, including, but not limited to, electrical power lines, water pipelines, infiltration areas, drainage pipes and related equipment which form a part of the drainage and retention system which services the property, cable, natural gas, mail service security systems, and telephone to all Lots, for the utilities and services as constructed, but the location not specifically called out as an easement area on the Plat. The intent of this easement is to allow

the suppliers of such Utility services a reasonable right of access and right to perform improvements, maintenance and repair of the Utility service systems.

3.3.2 Declarant grants a use and maintenance easement over "Tract "A" to benefit all Lots. Tract "A" shall be deeded to another entity and will be used and maintained by the Owners of the Lots. Maintenance will include maintenance of the boardwalk and buffer area.

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3.3.4 Declarant has built and located fences or vegetation on along property lines or as close to them as functionally and physically possible given natural, man-made, or aesthetic considerations. Declarant hereby grants Easements for all fences and vegetation as constructed, whereby they encroach on a property line.

3.3.5 Declarant grants that no structure shall be built on a Lot in such a manner as to prohibit routine maintenance and repair of any structure, and access for repair and maintenance shall not be denied.

3.3.6 The intent of these Easements are to direct and grant Owners and the suppliers of such Utility services, a reasonable right of access and right to make necessary repairs and replacement of component parts of the Utility service systems. The Owners of the Lot(s) which benefit from any work in such Utility Easement area shall bear the cost of such repair and replacement and are obligated to restore the ground surface, vegetation, fences or structures to the same condition prior to such Utility repair or replacement. The fact that Utility services are located on one specific Lot shall not impose any greater obligation of maintenance of any Utility services upon the Owners of that Lot than on any other Lot Owners.

3.4 TEMPORARY CONSTRUCTION EASEMENTS Each Owner burdened by an easement right under this Declaration hereby grants to any other Owner benefited by such easement a non-exclusive appurtenant temporary construction easement on, over and under such portion of the burdened Owner's Lot adjacent to the Ingress, Egress, Pedestrian Access, Utility and Parking Easement Area on such burdened Lot as is reasonably necessary (each a "Construction Easement Area") and on, over and under the and Utilities Easement Area to maintain, repair or replace the improvements contemplated under this Declaration. Any Owner desiring to exercise its rights under this Section 3.5 (each an "Initiating Owner") shall give any applicable burdened Owner (each a "Burdened Owner") not less than thirty (30) days prior notice of the Initiating Owner's exercise of its access rights in any Construction Easement Area located on the Burdened Owner's Lot and shall coordinate its activities therein so as to cause minimum disruption of the Burdened Owner's activities on the Burdened Owner's Lot. The Initiating Owner shall cause its contractor or contractors to conform to all reasonable requests from the Burdened Owner or its occupants regarding minimization of interference with or use of the Construction Easement Area and any access and parking areas outside the Construction Easement Area. In the event that the Initiating Owner disturbs the surface of any Construction Easement Area, it will completely and fully restore the same, together with all improvements and plantings thereon, as much as reasonably possible to the condition existing immediately before such invasion. All restoration shall be performed as soon as reasonably possible following completion of any work and shall be coordinated in advance with the Burdened Owner so as to cause the minimum amount of disruption to the use of and operations on the Burdened Owner's Lot. Notwithstanding any of the foregoing provisions of this Section 3.5, however, in the event of an emergency, an Initiating Owner may make all necessary repairs thereto without the necessity of prior notice to a Burdened Owner, provided only that the Initiating Owner gives the Burdened Owner notice that it is undertaking emergency repairs as soon as possible after commencing such repairs.

#### 4 PARTY WALLS

4.1 DECLARATION OF RELATIONSHIP The Party Walls shared by the Lot Owners which were built as a part of the original construction of the Townhouses and which were intended to be located on the common boundary line of the Lots, which share such Party Walls. All Party Walls are declared to be a Party Wall under the laws of the

state of Washington together with and subject to an easement for use by each adjoining Lot Owner. No windows, chimney flue or other openings may be made in any Party Wall without written joint consent.

4.2 ENCROACHMENT In the event any portion of any adjoining townhouse on a Lot shall actually encroach upon the adjoining Lot, or if any such encroachment shall hereinafter arise because of settling or shifting of the building structure or other cause, there shall be deemed to be an Easement in favor of the Owners of the encroaching lot to the extent of such encroachment so long as such encroachment shall exist.

4.3 MAINTENANCE The costs of reasonable repairs and maintenance of the Party Wall shall be shared equally by the Lot Owners who share use of the Party Wall.

4.4 DAMAGE AND DESTRUCTION In the event a Party Wall is damaged or destroyed including by fire, windstorm, earthquake, or other casualty, the following rules shall apply:

4.4.1 Sole Negligence or Fault If such damage or destruction was caused by the sole negligence or fault of one Lot Owner who shares the Party Wall including any acts of omission of such Lot Owner's guests, invitees or licensees, then such Lot Owner shall promptly take all necessary steps to repair such damage and restore the Party Wall to the condition it was prior to such damage or destruction.

4.4.2 Other Causes If such damages or destruction was caused other than by the sole negligence of one Lot Owner who shares the Party Wall, then both Lot Owners who share the Party Wall shall promptly repair such damage or restore the Party Wall to the condition it was prior to such damage or destruction. The Lot Owners shall contribute equally to the cost of such repair or restoration.

4.5 HOLD HARMLESS Each Owner shall fully and completely indemnify and hold any other Owner fully and completely harmless from any and all claims, costs, liabilities and damages arising out of use of any Ingress, Egress and Utilities Easement Area by itself, its agents, contractors and employees (including reasonable attorneys' fees incurred in the investigation or defense of such actions). If any mechanic's, material, laborer's or other lien is asserted against the Ingress, Egress and Utilities Easement Area or the Construction Easement Area or a Burdened Owner's Lot as a result of the construction, repair, maintenance or replacement of any of the improvements constructed in an Easement Area by or on behalf of any Benefited Owner, such Benefited Owner shall cause such lien to be discharged prior to entry of final judgment for the foreclosure of such lien and further agrees to indemnify and hold the Burdened Owner and the Burdened Owner's Lot fully and completely harmless to same extent as set forth in the first sentence of this paragraph on account of such claim or lien. Upon request of the Burdened Owner, the Benefited Owner agrees within thirty (30) days to cause such lien to be released and discharged of record, either by paying the indebtedness which gave rise to such lien or by posting bond or other security as shall be required by law to obtain such release and discharge. Nothing herein shall prevent the Benefited Owner from contesting the validity of a lien so long as the contest is pursued with reasonable diligence. In the event the contest is determined adversely to the Benefited Owner (allowing for appeal to the highest appellate court), the Benefited Owner shall promptly pay in full the required amount, together with any interest, penalties, costs or other charges necessary to release such lien. Upon the Benefited Owner's default hereunder, any amount payable by the Benefited Owner to the Burdened Owner or its successors or assigns, shall bear interest at the rate of five percent (5%) in excess of the prime rate of interest published as such in the Wall Street Journal from time to time. The Burdened Owner shall have a lien on the Benefited Owner's Lot to secure payment and performance of the Benefited Owner's obligations hereunder. Such lien shall attach and take effect only upon recordation of a claim of lien in the office of the recorder of King County, Washington and be foreclosed in the same manner as a mortgage of real property under RCW Ch. 61.12. Each Lot Owner shall indemnify and hold harmless the Owner of any adjoining lot for any labor or material liens arising from work done or material supplied to make repairs or improvements for such Owner's Lot.

## 5 RESTRICTIONS

5.1 SATELLITE DISH/ANTENNA No Lot Owner shall be permitted to install, erect and/or maintain any satellite dishes which are larger than twenty-four inches (24") in diameter and no such dish shall be situated in such a way as to unduly interfere with another Lot Owner's view. "Ham" radio antenna and antennas of a similar type are prohibited.

5.2 YARD LIGHT The existing exterior lighting fixtures were selected and installed by Declarant to provide indirect lighting. Existing lighting fixtures may from time to time be replaced with fixtures that similarly cast indirect light. The wattage or candlepower of new or replacement light bulbs shall not be unreasonably increased. Any Lot Owner may install additional external lighting fixtures provided that such additional lights do not unreasonably cast direct light in the windows of another Lot Owner's Townhouse.

5.3 PETS No animals or fowl shall be raised, kept or permitted on any lot excepting only domestic dogs or cats and excepting caged birds kept within the dwelling unit provided such dogs, cats and pet birds are not permitted to run at large and are not permitted to be kept, bred or raised for commercial purposes or in unreasonable numbers. All pets shall live within their Owner's residence or within the fenced area of each Owner's yard.

5.4 PARKING LIMITATION Each owner of a lot shall be assigned one parking stall in the Ingress, Egress, Pedestrian Access, Utility and Parking Easement area which will be located in front of each Owners garage door. In addition, there will be guest parking easements for four parking stalls located adjacent to the north property line of Lots 7, 8, and 9. It shall be the responsibility of all the lot owners to maintain and repair the parking area located in the Ingress, Egress, Pedestrian Access, Utility and Parking Easement Area pursuant to Section 6.2.6.

5.5 CLOTHING LINES No clotheslines shall be located on a Lot to be visible from the street or other Lots.

5.6 RENTAL OF UNITS Lot Owners may rent or lease Townhouses for residential purposes. However, all rental agreements must be in writing and must include language in substantially the following form:

“Tenant understands and agrees that the rental premises are subject to certain Protective Covenants, Easements, Conditions and Restrictions. Tenant agrees to conform to and abide by all the provisions imposed by said Protective Covenants, Easements and Restrictions, a copy of which is attached hereto as an Exhibit.”

Any Lot Owner that rents or leases its Townhouse must provide/ attach a clear and legible copy of this Declaration to all such rental or lease agreements.

## 6 MAINTENANCE

6.1 MAINTENANCE OF STRUCTURES AND LANDSCAPING Each Lot Owner has the obligation and responsibility to maintain his/her Townhouse in good condition and repair. Each Lot Owner shall neatly maintain, water and cultivate all trees, shrubs, flowers, lawns and other landscaping located on such Lot Owner's lot.

6.2 ROOFING AND WEATHER PROTECTION The owner of each townhouse shall maintain the roof, gutters and other weather protection related improvements of such Owner's Townhouse.

6.2.1 In the event of damage, deterioration or destruction of the roof, gutters or other weather protection related improvements of a Lot Owner's Townhouse, such Lot Owner shall promptly repair or replace the damaged, deteriorated or destroyed roof, or portion thereof, with particular care and attention to damages which may be caused to the adjoining Townhouse. If such work is ignored, delayed or not accomplished in a timely and efficient manner, each Lot Owner owes his/her adjoining Lot Owner(s) a duty to maintain and repair all such damages, deterioration and destruction in prompt and workmanlike manner.

6.2.2 In the event any roofing, rain gutter or other weather protection related improvements are replaced, the parties agree that all replacement materials shall be of comparable quality as the existing construction and be selected from materials, which closely approximate the original color.

6.2.3 In addition to all duties described herein to maintain and repair the roof, Lot Owners shall be obligated to cause a new roof to be installed on their respective Townhouse before each twentieth (20th) anniversary commencing March 1, 2007. The Owners of the Lots shall each collectively solicit at least three itemized bids for re-roofing the buildings from reputable licensed building and/or roofing contractors doing business in King County, Washington, 180 days before the expiration of said twentieth (20th)

anniversary. The Lot Owners shall jointly contract with the contractor whom the Lot Owners vote and select (in accordance with the provisions of Paragraph 7 below) and shall share the cost evenly (Lot Owners 1-6 shall each pay 1/6 of the cost to re-roof their building, Lot Owners 7-11 shall each pay 1/5 of the cost to re-roof their building, Lot Owners 12-15 shall each pay 1/4 the cost of re-roofing their building and Lot Owners 16 to 18 shall each pay 1/3 the cost to re-roof their building .)

6.2.4 In addition to all duties described herein to maintain and repair the roof, Lot Owners shall be obligated to repaint or re-stain the exterior of the two buildings on the Real Property before each tenth (10th) anniversary commencing March 1, 2007. The Owners of the Lots shall each collectively solicit at least three itemized bids for repainting or re-staining the buildings from reputable licensed painting contractors doing business in King County, Washington, 180 days before the expiration of said tenth (10th) anniversary. The Lot Owners shall jointly contract with the contract or whom the Lot Owners vote and select (in accordance with the provisions of Paragraph 7 below) and shall share the cost evenly (Lot Owners 1-6 shall each pay 1/6 of the cost of re-paint their building, Lot Owners 7-11 shall each pay 1/5 of the cost to re-paint their building, Lot Owners 12-15 shall each pay 1/4 the cost of re-paint their building and Lot Owners 16 to 18 shall each pay 1/3 the cost to re-paint their building .)

6.2.5 In the event any Lot Owner(s) fails to participate in the process of soliciting bids, selecting the contractor and/or contracting for the repaint/ restaining and/or the re-roofing work, the remaining Lot Owners are authorized to proceed without such non-participating Lot Owner's cooperation and are authorized to contract for such work, including work on the Townhouse of the non-participating Lot Owner. Notwithstanding the non-participation by any Lot Owner, such Lot Owner shall not be relieved of such Lot Owner's liability for paying the costs of such work. This provision is intended to benefit the participating Lot Owners and contractor selected to perform such work

6.2.6 The color of any paint/stain or the color of any replacement or new roofing shall be approximately the original color, unless the Lot Owners otherwise agree by a 100% vote.

6.3 MAINTENANCE OF EASEMENT AREAS Each Lot shall share equally in the costs of repair and maintenance of all Easement Areas on the Real Property. The Lot Owners shall collectively determine the time and manner of repair and maintenance of the Easement Areas, the time and manner of payment therefore by the Lot Owners, and all other matters relating to the repair and maintenance of said Easements. In the absence of a unanimous collective determination of such work and/or payment, the voting provision of paragraph 7 below shall apply.

6.4 MAINTENANCE OF PERVIOUS PAVEMENT Each Lot shall share equally in the cost of maintenance and repair of the pervious pavement areas including but not limited to annual sweeping and washing of the pavement surface using a mechanical street sweeper.

6.5 MAINTENANCE OF WETLAND BUFFER AREA IN "TRACT "A" Each Lot shall share equally in the cost of maintenance and repair of the wetland buffer area and pedestrian boardwalk. Said maintenance shall commence at the end of the Declarants obligation to maintain the buffer area plants which will be two to three years after occupancy permits are issue for the project. Regular maintenance of the buffer area will include trash and garbage pick up, repair of the pedestrian boardwalk as needed, repair of fencing as needed, and

## 7 COST OF MAINTENANCE

7.1 INDIVIDUAL EXPENSES Individual Lot Owners shall maintain exterior lighting, including the replacement of light bulbs. Such Lot Owner shall maintain exterior lights that draw power from any given lot, shall be maintained by such Lot Owners.

7.2 SHARED EXPENSES The following expenses are indicative of the expenses, which by this Declaration are intended to be shared equally by all Lot Owners: (i) maintenance and repair of improvements in the easement areas, (ii) maintenance and repair of the drainage and retention system, (iii) maintenance and repair of common utilities in the Easement Areas.

7.3 RATE OF SHARING OF EXPENSES All shared expenses shall be paid by the Lot Owners at the uniform rate of 1/4<sup>th</sup> per Lot, with the exception of party wall, roofing and exterior painting expenses, which shall be shared as outlined above. Additionally, when a Townhouse development consists of more than one structure, shared Expenses benefiting only one duplex Townhouse structure shall be shared by same structure, Lot Owners in same proportions herein declared.

7.4 DECISIONS In order to provide a structure and procedure for decisions and actions which affect more than one Lot Owner or which pertain to easement areas or maintenance or repair of improvements located in easement areas or which involve a Shared Expense, every Lot Owner, by acceptance of a deed or contract for such Lot, is hereby deemed to covenant and agree to be bound by the voting procedure set forth herein. Such voting right shall be appurtenant to the Lot owned by such Lot Owner and may not be transferred except by sale or transfer of the Lot itself. Ownership of a Lot shall be the sole qualification for voting.

7.5 VOTING Each lot shall vest its Owner(s) with one vote on all matters. No Lot shall be entitled to more than one vote. Lots owned by a husband and wife, or jointly by more than one individual or entity, shall be entitled to only one vote per lot by the Lot Owners cumulatively and not individually. Matters involving the repair and maintenance of improvements in easement areas and/or the drainage and retention system shall require an affirmative vote of one hundred percent (100%) of Lot Owners. Matters involving alterations or improvement of improvements located in the easement areas shall require an affirmative vote of one hundred percent (100%).

7.6 EXTRAORDINARY USE - COSTS In the event one or more Lot Owners should, by their use of the Ingress, Egress and Utilities Easement Area, cause the improvements in such area to be subjected to other than reasonable wear and tear and, should such improvements in the Ingress, Egress and Utilities and Easement Area(s) be damaged by such use, the Lot Owners(s) subjecting such easement area(s) to such extraordinary use shall have the obligation to repair such damage upon demand by one hundred percent (100%) of the remaining Lot Owners to restore said easement area(s) to the condition existent prior to such use. The Lot Owner who subjected the improvements to such unreasonable wear and tear shall cause the repairs to be completed and pay for all such costs.

7.7 LIEN FOR FAILURE TO PAY In the event any Lot Owner fails to pay, within thirty (30) days, of receiving a bill for a portion of any Shared Expenses or any other expense authorized by these Declarations, then the same shall become a lien against the lot, and the Lot Owner or Lot Owners who have paid in excess of their aliquot share may file a claim of lien. The lien shall be a lien against the property of the non-paying Lot Owner and foreclosure shall be in the same manner as a judicial foreclosure of a mortgage. The lien shall have perpetual existence until paid and released by a recorded lien release. The unpaid balance of any obligation owing by a non-paying Lot Owner shall bear interest at the highest legal rate in effect on the date of the lien until paid and the non-paying Lot Owner shall be liable for costs and attorney fees expended to any collection action including, but not limited to, the foreclosure of the lien. Sale or transfer of any lot shall not affect the aliquot amount of the Shared Expenses which became due prior to such sale or transfer whether a lien is filed prior to the sale or not. No sale or transfer shall relieve such Lot Owner from liability for any Shared Expenses thereafter becoming due or from the lien thereof.

7.8 PERSONAL LIABILITY The liability of a Lot Owner for Shared Expenses under the terms of this Declaration shall be the personal obligation of the Owner of the lot at the time such obligation became due. The personal obligation of such owner shall not be relieved by sale or transfer of the lot, and shall not become the personal obligation of the Lot Owner's successors in interest unless expressly assumed by the successors in interest. The new Lot Owner shall be personally liable for Shared Expenses or other charges, which become due on or after the date of sale or transfer. Provided, however, that nothing in this section shall relieve the Lot Owner from liability for Shared Expenses or the lien therefore.

## 8 GENERAL

8.1 DECLARATION The Lots shall be held, sold and conveyed subject to the easements, covenants, conditions, changes, liens and restrictions set forth herein and on the Plat. This Declaration is created for the purpose of enhancing and protecting the value, desirability and attractiveness of the Real Property. All easements, covenants, conditions, charges, liens and restrictions set forth herein shall run with the land and shall be binding on all parties

having or acquiring any right, title or interest in any Lot and shall inure to the benefit of each Lot Owner thereof, and are imposed upon each Lot as a servitude in favor of each and every other Lot as the dominant tenement or tenements.

8.2 TERM This Declaration shall be effective in perpetuity unless terminated by a termination agreement executed by the then-Owners of one hundred percent (100%) of the Lots. Any termination agreement must be in writing, signed by the approved Lot Owners, and must be recorded with the King County Auditor.

8.3 AMENDMENT BY LOT OWNER This Declaration can be amended only by an Affirmative vote of the Lot Owners of one hundred percent (100%) of the Lots. Provided, however, no amendment shall be passed which materially impairs the substantial rights of a Lot Owner as established herein. Any such amendment must be in writing, signed by the approved Lot Owners, and recorded with the county auditor. Provided, also that no amendment to this Declaration shall amend the voting requirements contained in Section 7 without the affirmative vote of one hundred percent (100%) of the Lot Owners.

8.4 NOTICE Any notice required hereunder shall be deemed effective when personally delivered or three days after mailing by certified and regular mail to the Lot Owner of public record at the time of such mailing to such Lot Owner's address as appears on the King County Assessor's tax records and to the street address of the Lot(s) herein.

8.5 ENFORCEMENT BY COURT ACTION Lot Owners shall have the right to enforce any provision of this Declaration or to recover damages resulting from any violation thereof by any proceeding at law or in equity.

8.6 CONDITION PRECEDENT TO ACTION Prior to taking legal action against any Lot Owner, written notice shall be given to the offending Lot Owner. Such notice shall specify the nature of the offense and shall also specify the action necessary to cure. Such notice shall also provide a reasonable opportunity to cure which, except in the case of an emergency, shall not be less than thirty (30) days.

8.7 AMENDMENT BY COURT ACTION Any Lot Owner shall have the right to seek amendment by way of civil suit wherein the basis for the amendment is either (a) governmental requirements, or, (b) manifest unfairness due to substantially changed circumstances beyond the control of the Lot Owner seeking the amendment. In any such court action, the court may exercise its equitable powers to grant such relief as is deemed appropriate.

8.8 EXPENSES OF ACTIONS The expenses of any corrective action or enforcement of this Declaration, if not paid by the offending Lot Owner within thirty (30) days after written notice and billing, may be filed as a lien upon such Lot, enforceable as other liens herein.

8.9 NO WAIVER Failure of any Lot Owner(s) to enforce any provision herein shall not be deemed a waiver of the right to do so.

8.10 COSTS AND ATTORNEYS FEES In the event of legal action, the prevailing party shall be entitled to recovery of actual costs and reasonable attorney's fees. For the purposes of this Declaration, "legal action" shall include suits, appeals, and any action, negotiations, demands, or otherwise where the prevailing party has necessarily and reasonably retained an attorney. If it is the intent of this provision to reimburse the prevailing party for all reasonable attorney's fees and actual costs incurred in defending or enforcing the provisions of this Declaration or a Lot Owner's rights hereunder.

8.11 SEVERABILITY Invalidation of any provision hereof shall not affect the other provisions, which shall remain in force and effect.

8.12 RELEASE UPON SALE OF INTEREST Upon the assignment, conveyance, sale or other transfer by an Owner of its entire interest in its Lot, that Owner shall be released from the obligations specific to this Declaration accruing after the effective date of such transfer if any and all amounts which shall be then due and payable by the transferring Owner to the non-transferring Owner(s) under this Declaration shall have been paid. No transferee of an Owner shall be liable for a transferring Owner's default under this Declaration if such default occurred prior to the effective date of the transfer, but nothing contained herein shall affect the existence, priority, validity or

