

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION, made on the date hereinafter set forth by UNITED HOMES CORPORATION, a Delaware corporation, and by RALPH W. CASE and MARGARET E. CASE, all hereinafter referred to as "Declarants".

WITNESSETH:

WHEREAS, Declarants are the contract purchasers and the contract sellers and all owners of certain property in Klickitat County, Washington, to be known as the plat of Timber Valley, and more particularly described as:

South Half of the South half of Section 10; South half of the Northwest quarter, Northwest quarter the Southeast quarter, North half of the Southwest quarter and Southwest quarter of the Southwest quarter of Section 11; and North-west quarter of Section 15; ALL in Township 4 North, Range 12 East, W.M.

NOW THEREFORE, Declarants hereby declare that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of and which shall run with the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall insure to the benefit of each owner thereof. (Vol 151 page 12)

ARTICLE I.

DEFINITIONS

Section 1. "Association" shall mean and refer to TIMBER VALLEY RANCHES ASSOCIATION, a Washington nonprofit corporation, its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title or contract purchaser's interest in any lot which is a part of the described properties and tract, including contract purchasers, but excluding those having any interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to that certain real property hereinbefore described and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Lot". A lot shall mean any plot of land showing upon any recorded subdivision or plat map of the properties, with the exception of certain common areas and certain streets, which shall be the other two types of areas designated upon said plat or map. The individually owned lots may also be known as "Ranches".

Section 5. "Common Areas". the tracts so designated shall be common areas owned originally by the declarants and subsequently by the Association and each of the members of the Association and owners as specified herein shall have a common interest in the use of and a common obligation toward the maintenance of the facilities or improvements in said common areas. The common areas designated in the original plat are Lots 1 and 44 in Division 1. (Vol 151 page 13)

Section 6. "Streets". The areas designated as streets and/or private roads upon the described plat in all divisions. The "Streets" will be initially owned by the declarants and will subsequently be deeded to the Association. The owners and members of the Association each have the unimpeded right to use the private roads and the common obligation to maintain, through the Association, the roads, all owners recognizing that the roads are owned by the declarants or the Association and not by Klickitat County and such roads when turned over to the Association will not meet the minimum standards for dedication to Klickitat County.

Section 7. "Recreation Easements". This refers to those parcels in the tract which are the easements set aside by the declarants, which easements are established in the plats and will be reserved upon sale of the abutting lots and which will be reserved for the common use of all lots or ranches within the plat but which shall not be for the use of the general public, said easements to be for access or ingress and egress and for recreational use only and will be used only for non-vehicular traffic.

ARTICLE II.

PROPERTY RIGHTS

Section 1. Owners' Enjoyment. Every owner shall have the right and privilege enjoyment and use in and to all common areas, all streets and all recreation easements, and have the right and privilege of use or ingress and egress over and through the common areas, streets and recreation easements, and such rights of enjoyment and use shall be appurtenant to and shall pass with the title or contract ownership of every lot, subject to the following provisions:

- (a) The right of the Association to charge reasonable fees for the use of any recreational facility situate upon the common areas;
- (b) The right of the Association to suspend the voting rights and right to the use of the recreational facilities, the streets, or the recreation easements, by an owner for any period during which an assessment against his lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of the Association's published rules and regulations;
- (c) The right of the Association to dedicate or transfer any or all of the common reas or streets to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed upon thereto by the members of the Association. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of the members and owners agreeing to such dedication or transfer has been recorded. Upon dissolution of the Association, if such occurs, common areas and streets shall be deeded to the owners of all of the lots upon the basis of each lot (vol 151 page 15) sharing an undivided interest in the common areas and streets.

Section 2. Delegation of Use. Any owner may delegate, in accordance with the By-Laws or rules of the Association, his right of enjoyment and use of the common areas, streets, and other facilities and recreation easements, such delegation being to the members of his family, his tenants, his contract purchasers, or guests of those who own or reside upon the lot or ranch.

ARTICLE III.

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every owner of a lot which is subject to assessments shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment.

Section 2. The Association shall have one class of voting membership and all owners, with the exception of declarants, shall be entitled to one (1) vote for each lot owned or for each contract purchaser's interest in said lot. When more than one person holds an interest in any lot or tract, all such persons shall be members. The vote for such lot, however, shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any lot.

ARTICLE IV. COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. (Vol 151 page 16)

The declarants, for each lot owned by them within the properties, hereby covenants, and each owner of any lot by acceptance of a contract purchaser's interest in or deed therefor, whether or not it shall be so expressed in such deed or contract, is deemed to covenant and agree to pay to the Association; (1) monthly assessments or charges, if any as assessed by the Board of Directors of the Association; and (2) special assessments, if any, or annual assessments, if any to be established and collected by the Board of Directors of the Association. The monthly and special assessments, together with interest, costs and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the property against which such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the owner, as defined herein, of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to the individual's successors in title unless expressly assumed by them; provided, however, that in the case of a sale of any lot which is charged with the payment of an assessment or assessments payable in installments, the person or entity who is the owner immediately prior to the date of any such sale, contract or assignment, shall be personally liable only for the amount of the installments due prior to said date. The new owner or contract purchaser shall be personally liable for installments which become due on or after the date.

Section 2. Purpose of Assessments. (Vol 151 page 17) The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents in the properties, including the improvement, repair and maintenance of the common areas, the streets, the recreation easements, and all services and facilities related to the use and enjoyment of the common areas, streets and recreation easements and also for the payment of taxes and insurance on the common areas, improvement of the streets and payment of taxes and insurance on the streets and improvement of the recreation easements.

Section 3. Monthly Assessment and Special Assessments for Capital Improvements.

- (a) Monthly or annual assessments collected on a regular basis shall be in such sums as may be set by the Board of Directors of the Association for the purposes specified in Section 2 above. The initial assessment for such purposes shall be \$25.00 per lot per year and the Board of Directors may increase said assessment by 10% per year without membership approval but annual increases in excess of this amount must be approved by two-thirds (2/3) of the members as set forth below.
- (b) In addition to the monthly or annual assessment to be set by the Board of Directors of the Association, the Association may levy, in any calendar year, a special assessment applicable to that year only for the purpose of deferring, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the common areas, or upon the streets (Vol 151 page 18) of the Association, including fixtures and personal property related to the common areas or to the streets, provided that any such assessments shall have the assent of two-thirds (2/3) of the members of the Association who are voting in person or by proxy at a general or special meeting of the Association, provided a quorum of the members of the Association are present at such meeting.

Section 4. Uniform Rate of Assessments. Both monthly or annual and special assessments shall be fixed at a uniform rate for all lots or tracts.

Section 5. Date of Commencement of Monthly or Annual Assessments; Due Dates. The monthly or annual assessments provided for herein shall commence as to all lots on the first day of the month following the conveyance of the common areas and private roads from declarant to the Association after the amount thereof has been fixed by the Board of Directors of the Association. Said assessments shall be due and payable on such date and on the first day of each calendar month thereafter or, should said assessments be collected on an annual basis, on the first day of the year after such conveyance and on the first day of each year thereafter. The due date of any special assessments shall be fixed by the Board of Directors in the resolution authorizing such assessments. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting (Vol 151 page 19) forth whether an assessment on a specified lot has been paid.

Section 6. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eight (8%) per cent per annum. The Association may bring an action at law against the owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessment provided for herein by nonuse of the common areas or abandonment of his lot or onuse of any facilities.

Section 7. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage (and to the lien of any second mortgage given to secure payment of the purchase price) now or hereafter placed upon any lot. Sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot which is subject to such first mortgage, or purchase money second mortgage, pursuant to a foreclosure, or deed in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to payments thereof which become due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof. (Vol 151 page 20)

ARTICLE V.

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any owner, shall have the right to enforce, by any proceeding by law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provision which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with the land and bind the land, and shall inure to the benefit of and be enforceable by the Association, or by the owner of any lot subject to this Declaration, their respective legal representatives, heirs, successors and assigns, for a term of twenty (20) years from the date of this Declaration and the date of its being recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years. The covenants and restrictions of this Declaration may be amended during the first 20-year period by an instrument signed by not less than 75% of the lot owners, and thereafter by an instrument signed by not less than 60% of the lot owners. Any amendment must be properly recorded. (VOL 151 page 21).

Section 4. Water and Waste Disposal. The recreational development and the lots governed by these restrictive covenants have no central water or waste disposal system and the installation and maintenance responsibility for water and septic tank disposal system is the responsibility of the individual lot owners or purchasers and not of the declarants or the Association.

IN WITNESS WHEREOF, the undersigned, being the declarants herein, have hereunto set their hands and seals this 10th day of April, 1970.

UNITED HOMES CORPORATION, a
Delaware corporation

By s/s Roland Jankelson Its Exec. Vice President
RALPH W. CASE MARGARET E. CASE

STATE OF WASHINGTON)

) ss:

COUNTY OF KING)

On this 10 day of April, 1970, before me personally appeared President, to me known to be the Exec. Vice of UNITED HOMES CORPORATION, the corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Signature Illegible Notary Public in and for the State of Washington, residing
at Seattle. (VOL 151 page 22)

STATE OF WASHINGTON)

) ss:

COUNTY OF KING)

On this 10 day of April, 1970, before me personally appeared RALPH W. CASE and MARGARET E. CASE, to me known to be the individuals describe in and who executed the within instrument, and acknowledged that they signed and sealed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

s/s Signature Illegible Notary Public in and for the State of Washington, residing at Seattle. (Vol 151 page 23)

This document has been signed