

DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR VALMONT PARK DIVISIONS 1 & 2

(Replaces Declarations of Covenants, Conditions and Restrictions
for Valmont Park Divisions 1 and 2 at Snohomish County
Auditor's File No. 8404260179 and 8506050081 and 8506050082)

ARTICLE I

Definitions

Section 1.1. "Association" shall mean and refer to Valmont Park Homeowners Association, its successors and assigns.

Section 1.2. "Properties" shall mean and refer to that certain real property located in Valmont Park Divisions 1 & 2 as per plats recorded at Snohomish County Auditors's file numbers 8404265001 and 8504255010.

Section 1.3. "Common Area" shall mean all real property owned by the Association in Valmont Park Divisions 1 & 2 for the common use and enjoyment of Association Members.

Section 1.4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map or maps of properties for Valmont Park Divisions 1 & 2 with the exception of the Common Area contained therein.

Section 1.5. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 1.6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a deed of trust or fee simple title to any Lot which is a part of the Properties, except that purchasers under a real estate contract shall be deemed the "Owner", as against the contract seller. Those having an interest merely as security for the performance of an obligation shall not be deemed an "Owner" as herein provided.

Section 1.7. "General Plan" shall mean the final plats for Valmont Park Divisions 1 & 2 as approved by the County of Snohomish.

ARTICLE II

Membership

Section 2.1. Every person or entity who is an "Owner" of record of any Lot that is subject by covenants of record to Assessment by the Association, shall be a Member of the Association. Ownership of such

Lot shall be the sole qualification for membership. Membership shall be appurtenant to and may not be separated from Ownership of any Lot that is subject to Assessment by the Association.

Membership in the Association automatically terminates when a Member ceases to own:

- 1) Real property in Valmont Park Divisions 1 & 2, or
- 2) Stock in a corporation that owns real property in Valmont Park Divisions 1 & 2.

ARTICLE III

Voting Rights

Section 3.1. Each Lot is authorized one vote. When more than one person holds an interest in any Lot, they shall determine among themselves the vote cast for their Lot. In no event shall more than one vote be allowed for any Lot.

ARTICLE IV

Property Rights

Section 4.1. Member's Easement of Enjoyment. Every member shall have a right and easement of enjoyment in and to the Common Area and such easement shall be appurtenant to and shall pass with title to every Lot, subject to the following provisions and the right of the Association to:

- a) limit the number of guests of Members;
- b) charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;
- c) borrow money for the purpose of improving the Common Area and facilities and in aid thereof convey a security interest in said property, and the rights of such security holder in said properties shall be subordinate to the rights of the Members hereunder;
- d) suspend the voting rights and right to use of the recreational facilities by a Member for any period during such times any Assessments against their Lot remains unpaid; and for a period not to exceed 180 days for an infraction of its published rules and regulations;
- e) dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless an instrument signed by Members entitled to cast two-thirds (2/3) of the votes of the membership has been recorded, agreeing to such dedication or transfer, and unless written notice of the proposed action is sent to every Member not less than fourteen (14) days in advance.

Section 4.2. Title to the Common Area. The Association holds fee simple title to the Common Areas.

ARTICLE V

Covenant for Assessments

Section 5.1. Creation of the Lien and Personal Obligation of Assessments. Each Owner of any Lot by acceptance of a deed thereof, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association: (a) Annual Assessments or charges, and (b) Special Assessments for capital improvements, as hereinafter provided.

Section 5.2. Purpose of Assessments. The Assessments levied by the Association shall be used exclusively for the purpose of running the Association, promoting the enjoyment, recreation, health, safety and welfare of the Owners. They may be used for the improvement and maintenance of the Common Area, Services and Facilities devoted to this purpose.

Section 5.3. Annual Assessment. The Board of Directors shall have the right and power to subject the Lots, other than Common Area, to an Annual Assessment (January 1 - December 31). Commencing January 1, 1997, the Assessment shall be \$150 per Lot per year. At the time indicated by the Board of Directors of each year thereafter, each Owner of a Lot shall pay the Association the Annual Assessment against their Lot and such payments shall be used by the Association to create and continue a fund to be used by the Association as hereinafter stated.

Section 5.3.1. Annual Assessments Obligation. The Annual Assessments together with interest thereon and costs of collection, as hereinafter provided, 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 such interest cost, and reasonable attorney's fees shall also be the personal obligation of the person who was the Owner of such property at the time when the Assessment fell due. The personal obligation shall not pass to his successors in title unless expressly assumed by them.

Section 5.3.2. Purpose. The Annual Assessment Fund may be used for:

- a) Conducting the business operations of the Association;
- b) Paying insurance;
- c) Lighting, improving and maintaining the street and dedicated right-of-way areas maintained for the general use of the Owners;
- d) Operating and maintaining any storm water drains now or hereafter constructed in Valmont Park Divisions 1 & 2 that are not or will not be under supervision of the city, county, state or other public service provider;
- e) Employing Security;
- f) Establishing and maintaining any park or recreational facilities on the Common Area;
- g) Doing anything necessary or desirable, in the opinion of the Board, to keep the property neat, in good order, eliminate fire hazards, and be of general benefit to the Members.

Section 5.3.3. Collection. Following the Annual Meeting the Treasurer will mail each Member of record a statement of Annual Assessments that identifies the Assessment is payable within thirty (30) days. Thirty (30) days after the mailing of the first statement, a notice of Assessment Delinquency shall be sent to

each Member for unpaid Assessments. Thirty (30) days after sending the delinquency notice a Notice of Pending Collection Action will be sent (Certified return receipt mail) to each Member for unpaid Assessments. Thirty (30) days after sending the Notice of Pending Collection Action the Board will initiate formal collection action. Payment plans may be arranged by contacting the Treasurer.

Section 5.3.4. Adjustment. The Annual Assessment may be adjusted from year to year by the Board as the needs of the Association, in its judgement, may require but in no event shall an increase in any year exceed 25% of the existing Annual Assessment without the approval of two thirds (2/3) of the Members voting at the Annual Meeting or Special Meeting called for that purpose. Written notice must be given to each Member of record of the Association stating the time, location, and purpose of such Meeting by ordinary mail at least fourteen (14) days prior to said Meeting.

Section 5.3.5. Liens. The Association shall have a lien on all the Lots in Valmont Park Divisions 1 & 2, to secure the payment of Annual Assessments due and to become due, and the record Owners of such Lots shall be personally liable for all Assessments.

Section 5.4. Special Assessment for Capital Improvements. In addition to the Annual Assessment authorized above, the Association may levy in any Assessment year, a special Assessment applicable to one or more years, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto, PROVIDED, that any such Assessment shall have the assent of two-thirds (2/3) of all votes of the membership who are voting in person or by proxy at such a meeting called for this purpose. Written notice must be given to each Member of record of the Association stating the time, location, and purpose of such Meeting by ordinary mail at least fourteen (14) days prior to said Meeting.

Section 5.4.1. Special Assessments Obligations. The Special Assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such Assessment is made. Provided, however, that in the event of multi-year special assessments the annual charge shall not become a charge or lien against the land or a debt of the property owner until the date the assessment is due and payable each year.

Section 5.4.2. Collection. Following the approval of a Special Assessment the Treasurer will mail each Member of record a statement for Special Assessments that identifies the Assessment is payable within thirty (30) days. In the event of multi-year special assessments, the Treasurer will mail each member of record an annual statement for special assessments that identifies the assessment as payable within 30 days. Thirty (30) days after the mailing of the first statement, a notice of Assessment Delinquency shall be sent to each Member for unpaid Assessments. Thirty (30) days after sending the delinquency notice a Notice of Pending Collection Action will be sent (Certified return receipt mail) to each Member for unpaid Assessments. Thirty (30) days after sending the Notice of Pending Collection Action the Board will initiate formal collection action. Payment plans may be arranged by contacting the Treasurer.

Section 5.4.3. Liens. The Association shall have a lien on all the Lots in Valmont Park Divisions 1 & 2, to secure the payment of Special Assessments due and to become due, and the record Owners of such Lots shall be personally liable for all Assessments during their term of ownership of such Lot.

Section 5.5. Notification. Upon demand, the Association shall furnish to any Owner or mortgagee or other interested person a statement showing the unpaid Annual or Special Assessments against any Lot or Lots.

Section 5.6. Uniform Rate of Assessment. Both Annual and Special Assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis.

Section 5.7. Quorum for Any Action Authorized under Section 5.4. At the first meeting called, provided that written notice has been given to each Member of record of the Association stating the time, location, and purpose of such Meeting by ordinary mail at least fourteen (14) days prior to said Meeting, the presence at the meeting of members or proxies entitled to cast sixty percent (60%) of all votes of the membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, provided that written notice has been given to each Member of record of the Association stating the time, location, and purpose of such Meeting by ordinary mail at least fourteen (14) days prior to said Meeting. The required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 5.8 Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage, mortgages or deed of trust, and the Association will, upon demand, execute a written subordination in accordance with this paragraph. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot which is subject to mortgage or deed of trust, pursuant to a decree of foreclosure under such mortgage or any proceeding in lieu of foreclosure thereof, or trust deed or sale under deed of trust, 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.

Section 5.9 Exempt Property. The following property subject to this Declaration shall be exempt from the Assessments created herein: (a) all properties dedicated to and accepted by a local public authority; (b) the Common Area.

ARTICLE VI

Architectural Control

Section 6.1. Intent. The intent of this Article and the Architectural Control Committee is to assure that the Lots and structures thereon maintain quality of workmanship and materials and harmony with respect to:

- (1) External design of that structure
- (2) Other structures
- (3) Location on the land
- (4) Topography and finished grade elevation

No action on anyone Lot shall deter from the overall appearance of the neighborhood. All modifications to Lots and structures shall not negatively impact the value of that Lot or any others in the Association.

Section 6.2. Approval Requirements. The following activities shall not take place on any Lots without the prior approval of the Architectural Control Committee. The Lot owner shall submit all required plans, designs, specifications, and material samples as appropriate to obtain approval for:

- (1) Clearing, grading, or removal of native vegetation or stumps,
- (2) Constructing a building, fence, bulkhead or other structure, or,
- (3) Addition to, or altering the exterior of a building, fence, wall or other structure.

The approvals shall be as provided for in Section 6.6

Section 6.3. Roofs. All dwellings shall have shake roofs unless written permission is obtained from the Architectural Control Committee.

Section 6.4. Fences. No fence or wall shall be permitted between the front portion of the house and the roadway right-of-way, except that decorative fences having a height not exceeding three feet may be constructed in said areas. All fences in the front and/or back yard shall be of wood material. All fences shall be constructed so that both sides are equal in appearance, or if not, the nicer finish side faces away from the Lot upon which the fence is constructed.

Section 6.5. Committee Members. The Architectural Control Committee shall consist of five (5) Owners elected by a simple majority of the entire voting membership. The members will remain on the committee until membership termination, self resignation, or removal by a simple majority vote of the entire voting membership. A chairman shall be elected by the committee members.

Section 6.5.1. Vacancies. The Board can appoint an interim member to the Architectural Control Committee if a vacancy occurs. The position shall be permanently filled by a Member being elected by a simple majority of the entire voting membership.

Section 6.5.2. Contact. The official method of contacting the Architectural Control Committee shall be in writing to the Architectural Control Committee or a board member.

Section 6.6. Architectural Control Committee Response. The Architectural Control Committee shall act on all applications within thirty (30) days of the date all plans and documents have been submitted to the committee. The decision of the Architectural Control Committee shall be final and binding upon all parties. If the committee fails to act within such time period, its consent shall be deemed to have been given.

Section 6.6.1. Decisions. A majority of the committee members (3) must be present at a meeting to conduct business. A majority of the members (3) can effect a decision for the entire committee.

Section 6.7. Meetings. Meetings will be held on an unscheduled basis when there is business to be conducted. All committee members must be notified of the location, time, and purpose of such meetings.

Section 6.7.1. Minutes. Minutes shall be kept of all meetings recording the location, date, time and attendance. Copies of all correspondence and decisions shall be recorded and maintained in the Association permanent records.

Section 6.8. Reporting. The committee shall prepare an annual report for the Board to be presented at the Annual Meeting. This report shall summarize the activities of the committee's previous twelve months.

ARTICLE VII

Use Restrictions

Section 7.1. Areas Covered. The area covered by these restrictions is all Lots and the Common Area.

Section 7.2. Lot Usage. No Lot shall be used except for residential purposes. No building shall be erected, placed or permitted to remain on any Lot other than one single-family dwelling with a minimum double attached garage, together with a single storage shed. Any storage shed shall be constructed in such a manner as to be in harmony with the remaining buildings on the Lot. Approval of the Architectural Control Committee is required prior to the start of any storage shed construction.

Provided, however, that the residential/single-family dwelling restriction described above shall not prohibit the use of a residential structure for a "home occupation." For purposes of defining and construing the meaning and limitations of a "home occupation." the provisions of the Snohomish County Code as are in effect now or as are amended in the future shall control and are hereby incorporated by this reference.

No lot shall be used for a residential structure which has not been constructed entirely on-site. It is the intention of this Covenant to prohibit the location of mobile homes, modular homes and any other type of off-site-built residential structure upon the lots of Valmont Park.

Section 7.3. Easements. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. Within these easements, structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the maintenance of utilities, or which may change the direction of flow of drainage channels in the easements. The easement area of each Lot and all improvements in it shall be maintained continuously by the Owner of the Lot, except for those improvements for which a public authority or utility company is responsible.

Section 7.4. Nuisances. No noxious or offensive activity shall be carried on upon any Lot nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

Section 7.5. Temporary Structures. No structure of a temporary character (e.g. recreational vehicle, tent, garage) or any other outbuilding shall be used on any Lot at any time as a residence, either temporarily or permanently.

Section 7.6. Activities. No goods, equipment or vehicle (including busses or trailers of any description) shall be dismantled or repaired outside any building.

Section 7.7. Vehicles. The Owners at no time shall keep or permit to be kept on their premises or street area any house trailers, trucks (excluding pick-up trucks of one (1) ton or less) campers, mobile homes, boats, boat trailers, recreational vehicles unless housed within a garage or suitably screened from view from the street or Common Area, except with the approval of the Architectural Control Committee.

Section 7.8. Antennas. Radio and television antennas, or satellite dishes shall be permitted, if suitably screened from view from the street or Common Area, with the written approval of the Architectural Control Committee.

Section 7.9. Fireplaces. All exposed fireplaces shall be of brick or quarry stone material or the same material as the exterior of the dwelling and specifically not cement block.

Section 7.10. Completion. Any dwelling or structure erected or placed on any Lot shall be completed as to external appearance, including finish painting and front yard landscaped, within nine (9) months from date construction begins.

Section 7.11. Signs. Only the following signs are permitted to be displayed for public view on any Lot:

- a) One professional sign of not more than one square foot.
- b) One sign of not more than five square feet advertising the property for sale or rent. Can be installed for the time the property is on the market.
- c) Up to two political or election signs, not more than 6 square feet each. Can be installed up to 1 month prior to and one day after election day.
- d) Garage or other sale type signs of not more than 6 square feet. Can be installed a day prior to and the days of sale.
- e) Miscellaneous party and special function signs of not more than 6 square feet. Can be installed up to a week prior to and the day of special function or party.

The following signs are permitted to be displayed for public view on the common areas:

- a) Real estate indicator or open house signs of industry standard sizes.
- b) Directional or announcement signs for Garage or other types of sales.
- c) Party or Special Function signs of not more than 6 square feet at each location.

The above signs can be displayed for the amount of time indicated in Section 7.11 b), d), e) as applicable.

Section 7.12. Animals. No animals, livestock, or poultry of any kind shall be raised, bred or kept on any Lot except for dogs, cats or other household pets kept in compliance with local codes, provided, they are not kept, bred or maintained for any commercial purpose.

Section 7.13. Dumping. No Lot or Common Area shall be used or maintained as a dumping ground for rubbish, debris, salvage, garbage, trash, equipment, cars, vehicles or other waste; trash, garbage or other waste shall not be kept except in sanitary containers. No yard rakings such as rocks, roots, dead grass and other materials accumulated as a result of landscaping or landscape maintenance shall be dumped on any Common Area, other Lot or streets. The proper removal and disposal of all such

materials shall be the sole responsibility of each Owner. The Association, through the Board of Directors, shall have the power to assess any Lot owner responsible for abusing said Common Areas as stated above by disposing of said materials or replacing any damaged vegetation. The Board of Directors may have any of the above stated infractions repaired, replaced and/or removed as it sees fit. The assessment stated above will be for costs associated with repairs, replacement and/or removal, including attorney fees and other applicable costs.

Section 7.14. Natural Resources. No oil drilling, oil development operations, soil refining, quarrying or mining operations of any kind shall be permitted upon any Lot or Common Area, nor shall oil wells, tanks, tunnels, mineral excavations or shafts may be permitted upon or in any Lot or Common Area. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot or Common Area.

Section 7.15. Trees. No trees other than alder may be removed from the Lots and Common Area except those with a trunk diameter of less than five (5) inches (measured three (3) feet above the ground), or less than fifteen (15) feet in height, and as may be required for constructing buildings, patios and driveways. Thinning of heavy and low growing branches and limbs and any other removal of live native trees must first have the approval of the Architectural Control Committee. The financial responsibility for all thinning, pruning and removal of trees is the responsibility of the Lot owner requesting removal.

Section 7.16. Rights. The Association, or any Owner, shall have the right to enforce, by any proceeding at 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 may be deemed a waiver of the right to do so thereafter.

Section 7.17. Force and Effect. Invalidity of anyone of these covenants by judgement or court order shall in no wise affect any of the other provisions which shall remain in full force and effect.

Section 7.18. Covenants and Restrictions. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and may be enforceable by the Association or the Owner of any Lot subject to this Declaration, their legal representative, heirs, successors and assigns for a term of twenty (20) years from the date this declaration is recorded, after which time said covenants shall automatically extended for successive periods of ten (10) years. The covenants and restrictions of the Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than eighty percent (80%) of the Owners, and thereafter by an instrument signed by not less then seventy percent (70%) of the Owners. Any amendment must be properly recorded.

ARTICLE VIII

Common Areas

Section 8.1. Responsibility. The Association shall preserve the common areas.

Section 8.2. Permission. An Owner of a lot adjoining the common area may incorporate portions of the common area immediately contiguous to the lot into the landscaping of the Owner's lot and use such

portion of the common area on a temporary basis upon Board approval. The Board of Directors shall have the right, at any time, to specifically limit or terminate any such temporary use of portions of the common area.

ARTICLE IX

Amendments

Section 9.1. Amendments. Valmont Park Divisions 1 and 2 include 63 lots. The signatures of the owners of 80% of the lots are required to amend the Covenants. Attached are the signatures of the owners of 51 lots approving these Amended Covenants, Conditions and Restrictions.