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Long C.a.R.D. No.

PL06- 0742

**PLAT OF CEDAR CREEK ESTATES
DECLARATION OF RESERVATIONS,
RESTRICTIVE COVENANTS AND EASEMENTS**

THIS DECLARATION OF RESERVATIONS, RESTRICTIVE COVENANTS, AND EASEMENTS is made on this 1th day of August, 2008, by Northern Reign Development Co., LLC, a Washington limited liability company hereinafter referred to as "Declarant".

RECITALS

- A. Declarant is the owner of real estate located in Skagit County legally described below in Section 1.2. This real property is commonly referred to and will hereinafter be referred to as the Plat of Cedar Creek Estates. The Plat of Cedar Creek Estates consists of eight (8) Lots and certain common features including open space tracts and a detention facility tract.
- B. This Declaration of Reservations, Restrictive Covenants and Easements for the Plat of Cedar Creek Estates (hereinafter referred to as CC&Rs) will relate to Lots 1 through 8 of the Plat of Cedar Creek Estates and the Common Areas. The Plat of Cedar Creek Estates is recorded under Skagit County Auditor's File Number 200810070082 at the Skagit County Recorder's Office (hereinafter referred to as the "Plat Map").

DECLARATION

NOW, THEREFORE, Declarant hereby declares that Lots 1 through 8 within the Plat of Cedar Creek Estates shall be held, sold and conveyed subject to and together with the following easements, restrictions, covenants and conditions together with the restrictions, easements, exceptions, and reservations recorded on the face of the Plat, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of the real property.

**ARTICLE I
GENERAL PROVISIONS**

Section 1.1 - RUN WITH THE LAND. These easements, covenants, restrictions and conditions hereinafter set forth are for the benefit of the Plat of Cedar Creek Estates and for each Owner of any portion thereof and shall run with the land and shall be binding on all parties having or acquiring any right, title or interest in said properties or any part thereof, and shall inure to the benefit of and pass with said property and each and every parcel thereof and shall apply to and

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bind the successors in interest of any Owner thereof.

Section 1.2 - AREA COVERED. The area covered by these Covenants is the Plat of Cedar Creek Long C.A.R.D. No. PL06-0742, as identified above and further legally described:

The West 1/2 of the Northeast 1/4 of the Northeast 1/4 and the West 1/2 of the Southeast 1/4 of the Northwest 1/4, Section 11, Township 35 North, Range 4 East, W.M., less county road right of way over and along the North 30 feet thereof, as conveyed to Skagit County by a deed recorded October 23, 1945, under Skagit County Auditor File No. 384393.

Situate in the County of Skagit, State of Washington.

Section 1.3 - GENERAL FEATURES. The Plat of Cedar Creek Estates, as of the date of this Declaration of Covenants, is located in Skagit County. The plat consists of 8 lots of approximately one acre each, and 28 acres of open space area.

Section 1.4 - SEVERABILITY. Invalidity, modification or amendment of any one of these Covenants contained herein by judgment or court order shall not, in any way, affect any of the other provisions which shall remain in full force and effect.

Section 1.5 - DEFINITIONS. In this Declaration and any amendments hereto, the following terms shall have the following meanings and all definitions shall be applicable to the singular and plural forms of such terms:

- 1.5.1 "Association" shall mean the Cedar Creek Estates Homeowners Association described in Article IV of this Declaration, its successors and assigns.
- 1.5.2 "Board" shall mean the Board of Directors of the Association and "Directors" shall mean members of the Board of Directors.
- 1.5.3 "Construction" and "Constructed" shall mean any construction, reconstruction, erection or alterations of a Structure, except wholly interior alterations to a then existing Structure.
- 1.5.4 "Declarant" shall mean Northern Reign Development Co., LLC, or such successor or assign as Declarant may designate in writing and in the records of the Auditor of Skagit County.
- 1.5.5 "Declaration" shall mean this Declaration of Reservations, Restrictive Covenants, and Easements for the Plat of Cedar Creek Estates as it may from time to time be amended.
- 1.5.6 "First Mortgage" and "First Mortgagee" shall mean respectively, (a) a recorded mortgage on a Lot that has legal priority over all other Mortgages thereon, and (b) the holder of a First Mortgage.
- 1.5.7 "Lot" shall mean any legally platted plot of land shown upon the recorded subdivision map of the property.
- 1.5.8 "Mortgage" shall mean a recorded mortgage or deed of trust that creates a lien against a Lot and shall also mean a real estate contract for the sale of a Lot.

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- 1.5.9 "Mortgagee" shall mean the beneficial owner, or the designee of the beneficial owner, of an encumbrance on a Lot created by a mortgage or deed of trust and shall also mean the vendor, or the designee of a vendor, or a real estate contract for the sale of a Lot.
- 1.5.10 "Owner" shall mean the record owner, whether one or more Persons, of fee simple title to a Lot within the Property, including a contract purchaser entitled to beneficial possession.
- 1.5.11 "Person" shall mean an individual, corporation, partnership, association, trustee or other legal entity.
- 1.5.12 "Plat" shall mean the recorded Plat of Cedar Creek Long C.a.R.D. PL06-0742 and any amendments, correction or addenda thereto subsequently recorded. The plat may hereafter be referred to as the "Plat of Cedar Creek Estates".
- 1.5.13 "Private Drainage Easement" shall mean any easement designated as such in and shown on the Plat, and further addressed in Section 2.5 hereof.
- 1.5.14 "Property" shall mean the land described on the Plat map for the Plat of Cedar Creek Long C.a.R.D. and such additions thereto as may hereafter be subjected to the terms of the Declaration, and all improvements and Structures now or hereafter placed on the land.
- 1.5.15 "Storm Water Drainage Facilities" shall mean the pipes, catch basins and other appurtenances for the conveyance of surface water runoff, together with the Detention Pond, that are located within the private road known as Summerleaf Lane and easements described herein, and Detention Pond Tract A as shown on the face of the Plat.
- 1.5.16 "Structure" shall mean any building, fence, wall, driveway, paved walkway, patio, garage, storage shed, carport, mailboxes, basketball hoop, play equipment, climbing apparatus, swimming pool, rockery, dog run or the like.
- 1.5.17 "Transition Date" shall be as defined in Section 8.1.

Section 1.6 - FORM OF WORDS. The singular form of words shall include the plural and the plural shall include the singular. Masculine, feminine, and neuter pronouns shall be used interchangeably.

Section 1.7 - DURATION. The covenants, conditions, and restrictions of this Declaration shall run with and bind the Property and shall inure to the benefit of and be enforceable by the Owners, their respective legal representatives, heirs, successors, and assigns, for a period of Twenty-Five (25) years from recording date, after which time the covenants, conditions and restrictions shall be automatically extended for successive periods of Ten (10) years each unless an instrument signed by Sixty-Seven Percent (67%) of the then Owners has been recorded agreeing to terminate the covenants, conditions, and restrictions.

Section 1.8 - EFFECTIVE DATE. This Declaration shall be effective upon recording.

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ARTICLE II EASEMENTS

Section 2.1 - COMMON AREA EASEMENTS. The Common Areas are Open Space OS-RA Lot 9, all reserved as Open Space. Every present and future Owner of a Lot within Cedar Creek Estates ("Owner") shall have the right to a non-exclusive easement for the use and enjoyment of the Common Areas, subject to the provisions of this Declaration, such uniform rules and restrictions as may be adopted by the Board of Directors and the provisions of the Plat Map. The Common Areas cannot be mortgaged or conveyed. The approval of the Plat was granted based in part on these tracts remaining as open space perpetually. The use of the Common Area which contains the Storm Detention Pond and surrounding buffer is subject to reasonable restrictions for safety and maintenance. Provided, further, that the Owner of Lot 1 shall have a license for access and the right to use for side/back yard purposes, together with the right to landscape and to maintain the area Northerly of the North line of Lot 1 and the top of the berm of the Storm Detention Pond in order to establish reasonable screening of the pond from view. Such rights shall be subject to reasonable controls by the Board of Directors, or if responsibility for such controls is delegated, then by the Architectural Control Committee.

Section 2.2 - WELL AND WELL PROTECTION ZONES. Each Lot Owner in the Plat shall have a non-exclusive easement for the construction and maintenance of a well within the area designated as "Well Protection Zone" for the corresponding lot owned by the Lot Owner, as shown on the face of the Plat. Said easement shall include the right to install and maintain power and water lines to serve the corresponding lot, which power and water lines shall be installed within the water line easement shown on the face of the Plat, as necessary to connect the corresponding lot to the Well Protection Zone. The owner of Lot 7 shall have a non-exclusive easement 10 feet in width for purposes of installation and maintenance of water and power lines over, under and across the Easterly 10 feet of Lot 6, in order to connect Lot 7 to the Well Protection Zone designated for Lot 7 on the face of the Plat. Said easement shall be appurtenant to and a covenant running with the land identified as Lot 7. All Lot Owners shall have the right to draw water from the wells, to be constructed within the Well Protection Zone corresponding to the respective lots within the Plat. The right to draw water from each well is limited to 625 gallons per day, with the exception of refilling the fire protection water tank from the well serving Lot 8. All of the Well Protection Zones identified on the face of the Plat are subject to Skagit County regulations for maintenance and protection of wells, as such regulations may, from time to time, be adopted or hereafter amended. Each Well Protection Zone shall constitute an easement appurtenant to the lot served by the corresponding Well Protection Zone. Each Lot Owner shall have the right to enter the Well Protection Zone for their corresponding lot, and undertake action to protect and maintain sanitary control within their Well Protection Zone, in accordance with applicable Skagit County regulations. Such right shall be co-existent with the right of the Association to maintain Well Protection Zones in accordance with this Declaration and applicable Skagit County ordinance.

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Section 2.3 - ROADWAY AND UTILITY EASEMENT. A non-exclusive easement for roadway and utility purposes is hereby declared over, under and across the area shown as *Summerleaf Lane (private)* on the face of the Plat. Each Lot Owner shall have the right of ingress, egress and installation of utilities and connection to storm drainage within the said private road and cul-de-sac area. Utility and storm drainage ditches shall be constructed and located within a 10-foot strip contiguous with the perimeter of the roadway identified as Summerleaf Lane.

Section 2.4 - COMMUNITY TRAIL EASEMENTS. An easement for ingress and egress over and across the Westerly 10 feet of Lot 6 is hereby declared for purposes of establishing a community trail easement connecting the Common Area to Summerleaf Lane. Further, an easement for ingress and egress over and across the Easterly 30 feet of Lot 1 and Tract A is hereby declared for the purpose of establishing a community trail connecting Summerleaf Lane to the Common Areas. These easements shall be non-exclusive, and shall be subject to reasonable rules imposed by the Association.

Section 2.5 - EASEMENT FOR STORM WATER DRAINAGE. A non-exclusive easement is hereby declared for the installation, maintenance, ingress and egress, over and across the Easterly 30 feet of Lot 1, for the purpose of constructing and maintaining storm water drain lines connecting the storm water ditches to the Detention Pond situated on Tract A within the Plat.

Section 2.6 - FIRE PROTECTION EASEMENT. An easement is hereby declared for the installation, maintenance and access to the fire protection water tank, to be located on Lot 7 and 8, straddling the shared line of said lots in the Easterly common corners thereof. The Association shall have the right of ingress, egress and maintenance within the easement area for the purpose of maintaining a fire hydrant to be located adjacent to Summerleaf Lane on the West portion of Lot 8, the water tank on the said area of Lot 7 and 8, and an area around the water tank, as built, being 10 feet in width around the perimeter of the water tank. An easement for ingress, egress, installation and maintenance of the water line and the fire hydrant is hereby declared and established along the Southerly 20 feet of Lot 8. An easement is hereby declared for installation and maintenance of a water line connecting the well serving Lot 8, to the fire protection water tank on Lot 7 and 8, which easement shall be 10 feet in width located on the Easterly 10 feet of Lot 8 within the Plat. If the easement areas as described herein are more clearly defined on the face of the plat, then the locations and widths as designated on the face of the plat shall control. All of the foregoing easements shall operate for the benefit of the Association.

Section 2.7 - SHARED DRIVEWAY EASEMENT LOT 1 AND 2. An easement for ingress, egress and utilities is hereby declared over the Easterly 30 feet of Lot 1, which easement shall be non-exclusive and shall operate for the benefit of Lot 2. The cost of maintaining the road within the said easement area as the same benefits Lot 1 and 2, shall be borne by the owners of Lot 1, Lot 2 and the Association. The Association shall allocate the maintenance costs of maintaining the said roadway equitably, in accordance with use by the respective Lot Owners and the use by

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the Association in maintaining the community trail and access to the Detention Pond on Tract A.

Section 2.8 - PROTECTION OF UTILITIES WITHIN EASEMENTS. No Structure, planting or other materials shall be placed or permitted to remain in the easement areas described for road, utility or well purposes which may damage or interfere with the installation and/or maintenance of such utilities or wells, in respect to any of the easements described herein or on the face of the Plat for such purposes. Provided that the installation of fencing or landscaping is permitted along the property lines, so long as the same is capable of removal in the event that maintenance is required for the systems within the easement areas.

Section 2.9 - EASEMENTS APPURTENANT. All of the easements granted above are appurtenant to all portions of the Development, and are for the benefit of all Owners, unless otherwise stated, 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, 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.

ARTICLE III MAINTENANCE PROVISIONS

Section 3.1 - SHARING OF MAINTENANCE AND REPAIR COSTS. The Owners hereby covenant, 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 lot, to bear and pay the costs of repair, maintenance and upkeep of the Common Areas of the Plat of Cedar Creek Estates, the community trail easement areas, the landscaping and improvements within the Common Areas, including the stone entrance sign, the storm water ditches, storm Detention Pond, fire protection water tank and associated lines and hydrant, the Well Protection Zones, and the protected critical areas within the Plat. Such obligation shall be subject to the provisions of this Declaration and those stated on the face of the Plat. Such obligation shall also include the repair, maintenance and upkeep of the roadway known as Summerleaf Lane, the road easement area across the Queen Easement connecting Summerleaf Lane to Erna Lane (Queen Easement recorded under Skagit County Auditor File No. 200205240117), the road easement connecting Summerleaf Lane to the Detention Pond on Tract A and Erna Lane as required by easement under Skagit County AFN 200206130034. Each Owner's share of such cost is to be determined by the Association in accordance with the provisions set out herein and subject to the provisions stated on the face of the Plat, together with any amendments thereto. Each Owner shall contribute equally to such expenses, unless a cost sharing arrangement is expressly stated or may be allocated with respect to a specific right granted to a specific Lot Owner.

Section 3.2 - WATER TANK REFILLING. The Association shall be responsible for refilling the

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water tank in the event that the water level in the tank is drawn down for any reason. Should the Association fail within a reasonable time to refill the fire protection water tank, then the Owner of Lot 8 shall have the responsibility and obligation to refill the water tank. The Association shall reimburse the Owner of Lot 8 for the reasonable cost of operating the well pump necessary to fill the fire protection water tank.

Section 3.3 - MAINTENANCE OBLIGATIONS. The Association shall, in addition to any other maintenance obligation described in this Declaration, repair, maintain and construct or reconstruct the improvements within the Common Area, including the stone entrance sign, the roadways and ditches installed within area described as Summerleaf Lane, the roadway within the easement area on the Easterly 30 feet of Lot 1, the storm water ditches, the storm Detention Pond, the fire protection water tank and associated lines and hydrant, the Well Protection Zones delineated on the face of the Plat, and the protected critical areas as described in the protected critical area easement to be recorded contemporaneously with this Declaration. The Association shall determine the means and timing of completing such maintenance activities for the benefit of the Owners within the Plat. The maintenance obligation shall also include the obligation to pay any property taxes due on the Common Areas described on the face of the Plat.

Section 3.4 - MAINTENANCE OF ERNA LANE. Each of the Owners further covenant and agree and bind themselves, their heirs, successors and assigns, by their acceptance of any conveyance of an interest in a Lot to bear and pay the cost of repair, maintenance and upkeep of the road known as Erna Lane, in accordance with the easement described under Skagit County Auditor File No. 200206130034 (Adkins/Munske Easement). The Association shall have the right to make assessments in order to meet the obligation for contribution toward maintenance of Erna Lane in accordance with said easement (it should be noted that the correct Auditor File Number concerning the road easement mentioned in the Adkins/Munkse Easement is 9805130064, not 9805130065). All Owners shall further contribute equally to the maintenance of a private road described under Auditor File No. 200205240117 (Queen Easement). The Association shall fix the maintenance assessment for maintenance of said roadways. Such assessment shall be a lien against the Lot of each Owner as further provided in Article X regarding assessments.

Section 3.5 - DETENTION POND MAINTENANCE.

3.5.1 Storm Water Detention Pond and Related Facilities. Within the Plat, there is provision for a storm water Detention Pond as shown on the face of the Plat. The storm water pond is designed and constructed to accommodate storm water runoff from the various Lots and roadways within the development. The county is responsible for public roadways and any drainage facilities located within public roadways. The Association shall maintain, repair, replace and otherwise manage the storm water Detention Pond and related facilities in the Common Areas in accordance with a maintenance plan submitted to and approved by Skagit County, and otherwise in accordance with the standards of Skagit County.

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3.5.2 Reimbursement to the County. If at any time Skagit County reasonably determines that any existing storm water Detention Pond or related facilities poses a hazard to life or limb, endangers property, or adversely affects the safe operation of public or private roads, such that the situation is so adverse to preclude written notice, and if the Director of the Department of Public Works takes measures reasonably necessary to eliminate the hazardous situation, then the Association shall assume responsibility for the cost of any maintenance or repair under this section, and will reimburse the county within 30 days of receipt of an invoice for such reasonable repairs. Such obligation shall then become an assessment borne equally by all Lot Owners.

3.5.3 Storm Water Maintenance Plan. The Declarant has established a Storm Water Maintenance Plan for the development. A copy of the initial Storm Water Maintenance Check List has been filed with the Plat or Plat Application. The maintenance of the drainage system and storm water Detention Pond is of primary importance in order to ensure that the Detention Pond and related conveyance ditches, culverts, and catch basins function as originally designed. The maintenance of the system is an obligation of the Association. If the Association forms a maintenance committee, then the responsibilities under the maintenance plan may be delegated to such committee. If there is no maintenance committee, then the responsibility shall reside with the Association. The Association's president shall have the right and responsibility to see to it that the maintenance of the storm water system is carried out in accordance with the maintenance plan, and shall have the right to contract for such maintenance and utilize the funds of the Association to pay such obligations. The president of the Association shall be the Designated Maintenance Person in the absence of any other person being so designated by the Association.

Section 3.6 - SPECIAL ASSESSMENT FOR CONSTRUCTION DAMAGE. In the event that any portion of the improvements in the Common Areas, including but not limited to, the road surface serving any portion of the Plat for which the Association is required to incur an expense for repair or maintenance due to specific construction activity of a particular Lot Owner, then such Lot Owner may be subject to a special assessment for the actual cost of such repairs and maintenance. Such costs shall be recoverable as an assessment pursuant to the provisions of this Declaration. Such special assessments shall be due and payable by the Lot Owner within 10 days of issuance of the assessment by the Association.

Section 3.7 - MAINTENANCE OF PROTECTED CRITICAL AREA EASEMENT. The Association shall have the right and obligation to maintain the protected critical area within the Plat, as such maintenance obligation is defined and allocated to the grantor under this protected critical area easement which is recorded contemporaneously with the recording of the Plat of Cedar Creek Long C.A.R.D. The cost of such maintenance obligation shall be chargeable to the Owners as part of their assessment, whether regular, annual or special assessment, pursuant to the

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provisions of this Declaration.

ARTICLE IV
CEDAR CREEK ESTATES HOMEOWNERS ASSOCIATION

Section 4.1 - FORM OF ASSOCIATION. The Owners shall constitute the Cedar Creek Estates Homeowners Association, which will be a nonprofit corporation formed under the laws of the State of Washington, provided that from and after the formation of such nonprofit corporation, the rights and duties of the Owner and of the corporation shall continue to be governed by the provisions of this Declaration.

Section 4.2 - ARTICLES AND BYLAWS. Before the Transition Date, Declarant will adopt Articles of Incorporation and Bylaws to supplement this Declaration, to provide for the administration of the Association and the Property for purposes not inconsistent with this Declaration. Declarant may, without the necessity of obtaining the consent of any Owner, amend the Articles and Bylaws from time to time until the Transition Date.

Section 4.3 - QUALIFICATION FOR MEMBERSHIP. Each Owner (including Declarant) shall be a member of the Association and shall be entitled to one membership for each Lot owned; provided, that if a Lot has been sold on contract, the contract purchaser shall exercise the rights of an Owner for purposes of the Association, this Declaration, and the Bylaws, except as otherwise limited, and shall be the voting representative unless otherwise specified. Ownership of a Lot shall be the sole qualification for membership in the Association.

Section 4.4 - TRANSFER OF MEMBERSHIP. The Association membership of each Owner (including Declarant) shall be appurtenant to the Lot giving rise to such membership, and shall not be assigned, transferred, pledged, hypothecated, conveyed, or alienated in any way except upon the transfer of the Lot. Any transfer of title to a Lot shall operate automatically to transfer the membership in the Association to the new Owner.

Section 4.5 - NUMBER OF VOTES. The total voting power of all Owners at the time of recording shall be eight (8) votes.

Section 4.6 - VOTING REPRESENTATIVES. An Owner may, by written notice to the Board, designate a voting representative for the Lot. The designated voting representative need not be an Owner. The designation may be revoked at any time by written notice to the Board from a Person having an ownership interest in a Lot, or by actual notice to the Board of the death or judicially declared incompetence of any Person with an ownership interest in the Lot, except in cases in which the Person designated is a Mortgagee of the Lot. This power of designation and revocation may be exercised by the guardian of an Owner, the attorney-in-fact for the Owner under a durable power of attorney, and/or the administrator or executor of an Owner's estate. If no designation has been made, or if a designation has been revoked and no new designation has

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been made, the voting representative of each Lot shall be the group composed of all of its Owners. If a Lot is owned by the husband and wife and only one of them is at a meeting, the one who is present will represent the marital community.

4.6.1 Joint Owner Disputes. The vote for a Lot must be cast as a single vote and fractional votes are not allowed. If joint Owners are unable to agree among themselves as to how their vote shall be cast before the vote is taken, they shall lose their right to vote on the matter in question.

4.6.2 Pledged Votes. An Owner may, but shall not be obligated to, pledge his vote on all issues or on certain specific issues to a Mortgagee; provided, however, that if an Owner is in default under a Mortgage on his Lot for ninety (90) consecutive days or more, the Owner's Mortgagee shall automatically be authorized to state in writing at any time thereafter that the Lot Owner has pledged his or her vote to the Mortgagee on all issues arising after such statement and during the continuance of the default. If the Board has been notified of any such pledge to a Mortgagee, only the vote of the Mortgagee will be recognized on the issues that are subject to the pledge.

Section 4.7 - ANNUAL AND SPECIAL MEETINGS. There shall be an annual meeting of the Owners in the first quarter of each fiscal year at such reasonable place and time as may be designated by written notice from the Board delivered to the Owners no less than thirty (30) days before the meeting. Special meetings may be called as allowed for in the Bylaws. Unless otherwise expressly provided in this Declaration, a quorum is present throughout any meeting of the Association if the Owners to which ten percent (10%) of the votes of the Association are allocated are present in person or by proxy at the beginning of the meeting.

ARTICLE V AMENDMENT

After the Transition Date, any Lot Owner may propose amendments to this Declaration to the Board. A majority of the members of the Board may cause a proposed amendment to be submitted to the members of the Association for their consideration. If Owners of twenty percent (20%) or more of the Lots propose an amendment in writing, then regardless of whether the Board concurs in the proposed amendment, it shall be submitted to the members of the Association for their consideration at their next regular or special meeting for which timely notice must be given. Notice of a meeting at which an amendment is to be considered shall include the text of the proposed amendment. Amendments may be adopted after a meeting with timely notice to all Persons entitled to receive notice of a meeting of the Association has been held to consider the amendment. The amendment must be approved with a written instrument signed by not less than seventy percent (70%) of the Owners of all recorded Lots in the Plat. Further, any amendment must be recorded before becoming effective. In no event shall any amendments require more onerous restrictions than those contained herein as to any existing

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Structure unless the same is unanimously approved in writing by all Owners. Notwithstanding any other provision herein, so long as the Declarant (or its successor) owns one or more Lots or parcels within the development or within the Plat these CC&Rs may not be amended without the Declarant's (or its successor's) prior written consent.

ARTICLE VI NOTICES FOR ALL PURPOSES

Section 6.1 - FORM AND DELIVERY OF NOTICE. All notices given under the provision of the Declaration or by Bylaws or rules or regulations of the Association shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, the notice shall be deemed to have been delivered on the third day of regular mail delivery after a copy has been deposited in the United States mail, first class, postage prepaid, addressed to the Person entitled to such notice at the most recent address known to the Board. Mailing addresses may be changed by notice in writing to the Board. Notices to the Board shall be given to Declarant until the Transition Date and thereafter shall be given to the president or secretary of the Association.

Section 6.2 - NOTICES TO MORTGAGEES. Any Mortgagee of a Lot may file with the secretary of the Board a written request that it be given copies of notices. Until the Mortgagee withdraws the request and satisfies the Mortgage of record, the Board shall send to the requesting Mortgagee a copy of (1) all notices of meetings of the Association; (2) all other notices sent to the Owner of the Lot covered by the Mortgagee's Mortgage; and (3) any financial statements. The provisions of this Section 5.2 shall prevail over any inconsistent provisions in the Declaration or in the Articles or Bylaws.

ARTICLE VII RESERVATION OF RIGHTS AND POWER OF ATTORNEY

Section 7.1 - RESERVATION OF RIGHTS. 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, nonprofit 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 Article IX of this Declaration, subject to change, expansion, or modification as provided for herein.
- B. The right to execute and record additional easements, covenants or similar documents with regard to the Development consistent with the final Plat as approved by Skagit County.

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- 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 Skagit County Auditor, and providing copies of said document to all other Owners at the time of said amendment or modification.
- D. 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 Article VII.
- E. Declarant reserves unto itself the right to remove marketable timber from the Common Areas (Open Space OS-RA Lot 9), for a period of two years after the occurrence of the transition date. In such event, Declarant shall be responsible for all actions normally required of the property owner in respect to forest practice management planning and reforestation, as the same may be imposed and required by the Department of Natural Resources or other governmental authority.

IT IS EXPRESSLY UNDERSTOOD AND INTENDED THAT THE FOREGOING POWERS OF ATTORNEY GRANTED IN ARTICLE VII 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.

Section 7.2 - TRANSFER OF DECLARANT'S RIGHTS AND POWERS. All rights of Declarant shall be assignable by Declarant to any Person or entity upon the recording of notice with the Skagit County Auditor of such an assignment. In the event of such an assignment, all references to Declarant herein shall mean the assignee of such rights. Also, in such event, the initial Declarant named above shall have no further rights, obligations or liabilities hereunder, except, if applicable, as a member with regard to any Lots actually retained.

ARTICLE VIII ADMINISTRATION OF PROPERTY

Section 8.1 - TRANSITION DATE. The "Transition Date" shall be the date control of the Property passes from Declarant to the Association. The Transition Date will be the earlier of (i) the date designated by Declarant in a written notice to the Owners which date may be at Declarant's election any date after this Declaration has been recorded or (ii) the 180th day after Declarant has transferred title to purchasers of eighty percent (80%) of the Lots in the Plat or (iii) five (5) years after Declarant first conveys a Lot to a Person other than an assignee of Declarant's rights hereunder. For purposes of the foregoing clauses (ii) and (iii), however, transfer of title to a Lot by Declarant to any Person or entity purchasing the Lot for constructing a Structure for resale to a Person intending to reside in the completed Structure shall be ignored until actually

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transferred to a person who intends to reside on the Lot in a completed Structure.

Section 8.2 - DECLARANT'S POWERS UNTIL TRANSITION DATE. Until the Transition Date, Declarant shall have the full power of attorney to exercise all of the rights, duties and functions of the Board of Directors and the officers of the Association, including but not limited to reviewing and approving building and landscaping plans, the adoption of rules and regulations, contracting for the purchase of goods and services, buying insurance and collecting and expending all assessments and other Association funds. Declarant may at such times as it deems appropriate select and from time to time replace an interim Board of three Directors, who need not be Lot Owners and who shall have all the powers, duties, and functions of the Board. Declarant shall have the power to contract with an experienced professional managing agent and delegate to the managing agent such powers and duties as are desirable or appropriate. Any contract made by Declarant, its managing agent, or the Board prior to the Transition Date (including management contracts) that would otherwise extend beyond the Transition Date shall be terminable by the Board after the Transition Date upon thirty (30) days' notice. Until the Transition Date, the Declarant shall not be required to conduct any meetings of the Association or Board of Directors.

Section 8.3 - TRANSFER OF ADMINISTRATION. On the Transition Date the authority and responsibility to administer and manage the Association, subject to this Declaration and the Articles and Bylaws shall pass to the Association. A Board of not fewer than three Directors elected from among the Owners shall govern the Association. The First Board (that is, the first Board elected by the Owners) will have three Directors. Declarant, or the Board will call a meeting of the Association to be held before the Transition Date for the purpose of electing the First Board.

ARTICLE IX AUTHORITY OF THE BOARD

Section 9.1 - BOARD OF DIRECTORS. A Board of Directors ("the Board") shall govern the affairs of the Association. The initial Board shall be as described in the Articles of Incorporation of the Cedar Creek Estates Homeowners Association and shall serve until the Transition Date. After the Transition Date, the Board shall consist of such number of members as provided for in the Articles of Incorporation and Bylaws of the Association. In the event of the death or resignation of any member or members of the Board, the remaining member(s) shall have full authority to appoint a successor member or members. Members of the Board shall not be entitled to any compensation for services performed as Directors pursuant to this Declaration. Upon the Transition Date and without further action by any Person or Persons, (i) the term of the initial Directors or their successors shall end, and (ii) the initial Directors and their then successors shall be released from any and all liability whatsoever for claims arising out of, or in connection with, this Declaration, excepting only claims arising prior to the Transition Date.

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Section 9.2 - ADOPTION OF RULES AND REGULATIONS. The Board is empowered to adopt, amend and revoke on behalf of the Association detailed administrative rules and regulations necessary or convenient from time to time to insure compliance with this Declaration and to promote the comfortable use, value and enjoyment of the Property. The Board of Directors of the Association shall have the right to promulgate rules regarding use and safety of open space areas for the use, benefit and safety of all of the Lot Owners and, to the extent necessary, in order to limit liability toward members of the general public. This authority in the Board of Directors shall include the ability to designate specified uses within certain portions of the Common Area for the benefit of one or more Owners for uses not inconsistent with lawful uses permitted for open space area of the specified zoning or county designation. The rules and regulations of the Association shall be binding upon all Owners and occupants and all other Persons claiming an interest in the Property or any portion of it except a governmental agency. Further, the Board is authorized to establish, amend and/or revoke a schedule of fines to enforce the Declaration, Articles, Bylaws and rules and regulations of the Association. The schedule of fines will become effective upon notification to Owners of such adoption including a copy of the schedule of fines. After it is effective, the Association in its absolute discretion, by its Board of Directors may impose fines as set forth in the schedule. Any fine imposed shall be an assessment against the Lot and subject to all the rules in Articles X and XI.

Section 9.3 - ENFORCEMENT OF DECLARATION, ETC. The Board shall have the power and the duty to enforce the provisions of this Declaration, the Articles, the Bylaws and the rules and regulations of the Association for the benefit of the Association. The failure of any Owner to comply with the provisions of this Declaration, the Articles, the Bylaws or the rules and regulations of the Association will give rise to a cause of action in the Association (acting through the Board) and/or any aggrieved Owner for recovery of damages, for injunctive relief, or for both. If a legal action is brought to interpret or enforce compliance with the provisions of this Declaration, the Articles, the Bylaws or the rules and regulations of the Association, the prevailing party shall be entitled to judgment against the other party for its reasonable expenses, court costs, and attorney's fees in the amount awarded by the Court.

Section 9.4 - GOODS AND SERVICES. The Board may acquire and pay for as common expenses of the Association including all goods and services reasonably necessary or convenient for the efficient and orderly functioning of the Common Areas and Common Area Facilities other than Lots. The goods and services shall include (by way of illustration and not limitation) policies of insurance and fidelity bonds, legal and accounting services, maintenance, repair, landscaping, gardening and general upkeep, and all supplies, materials, fixtures, and equipment that are in the Board's judgment necessary or desirable for the operation of the Property and enjoyment of it by the Owners. The Board may hire such full-time or part-time employees as it considers desirable.

Section 9.5 - BOOKS AND RECORDS. The Board shall cause to be kept complete, detailed,

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and accurate books and records of the receipts and expenditures (if any) of the Association. The books and records, authorizations for payment of expenditures, and all contracts, documents, papers, and other records of the Association shall be available for examination by Lot Owners, Mortgagees and the agents or attorneys of them, upon reasonable request. A reasonable charge for copies and staff time may be imposed by the Treasurer or President.

ARTICLE X BUDGET AND ASSESSMENT FOR COMMON EXPENSES

Section 10.1 - FISCAL YEAR, PREPARATION OF BUDGET. The Board may adopt such fiscal year for the Association as it deems to be convenient. Unless another year is adopted, the fiscal year will be the calendar year. Within thirty (30) days prior to the beginning of each fiscal year, the Board shall estimate the charges (including common expenses, and special charges for particular Lots and reserves) to be paid during such year, shall make provision for creating, funding and maintaining reasonable reserves for contingencies and operations (including, but not limited to, maintenance of Common Area Facilities), and shall take into account any expected income and any surplus available from the prior year's operating fund. If the sum estimated and budgeted at any time proves inadequate for any reason (including non-payment for any reason of any Owner's assessment), the Board may at any time levy a further assessment, which shall be assessed to the Owners in like proportions.

Notwithstanding the provisions of this Section 10.1, until Declarant's management authority terminates, Declarant may elect to collect neither the full budgeted assessment nor any assessments for reserve funds, and instead may collect and expend only the actual costs of operation.

Section 10.2 - REGULAR ASSESSMENTS. Each Owner, by acceptance of a deed to a Lot, whether or not it is stated in the deed, is deemed to covenant and agree to pay to the Association all assessments and charges against the Lot pursuant to the Declaration. The sums required by the Association for common expenses as reflected by the annual budget and any supplemental budgets shall be equally assessed to each Lot and its respective Owner, in the ratio that each Lot bears to the number of Lots in the Plat, except for maintenance charges designated to specific Lot Owners.

Provided that, upon the initial closing of each home in the Plat to a homebuyer (not a speculative builder), the buyer of each Lot shall be assessed the amount of Five Hundred Dollars (\$500.00), for the purpose of supporting the Common Areas and Association set-up costs, plus any fee associated with a lot sale in Cedar Creek Estates under the easements concerning maintenance of Erna Lane, if any. The Board shall set a budget for determining further assessments as necessary during the transition period.

Section 10.3 - SPECIAL ASSESSMENTS. In addition to the regular assessments authorized

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above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the written assent of sixty percent (60%) of the Owners of Lots in the Plat.

Section 10.4 - SPECIAL DRIVEWAY ASSESSMENTS FOR LOTS 1 AND 2. Notwithstanding Section 10.2 above, the reserves for maintenance and actual maintenance costs for the shared driveways serving Lots 1 and 2 shall be assessed to the Lots actually benefitted by the reserves and the maintenance activities and resulting costs. (See Section 2.7)

Section 10.5 - CONTRIBUTION DAMAGE ASSESSMENT. In the event that the Board of the Association determines in its reasonable discretion that a particular Lot Owner or their agents or contractors have caused damage to a portion of the Common Areas, then the Board may impose a special assessment to recover the cost of repair and maintenance of such damage. Such special assessments may be imposed upon a majority vote of the Board of Directors, and shall be due and payable upon 10 days notice, in accordance with Section 3.6.

Section 10.6 - NOTICE OF ASSESSMENT. The Association through the Board shall give each Lot Owner not less than thirty (30) days' notice of any assessment before it shall be due, except in the case on construction damage.

Section 10.7 - PROCEEDS BELONG TO ASSOCIATION. All assessments and other receipts received by the Association shall belong to the Association.

Section 10.8 - FAILURE TO ASSESS. Any failure of the Board to make the budget and assessments hereunder before the expiration of any fiscal year for the next fiscal year shall not be deemed a waiver or modification in any respect of the provisions of this Declaration, or a release of the Owners from the obligation to pay assessments during that or any subsequent year and the annual assessment amount established for the preceding fiscal year shall continue until a new assessment is prospectively established whether for all or a portion of the year.

Section 10.9 - CERTIFICATE OF UNPAID ASSESSMENTS. Upon the request of any Owner or Mortgagee or prospective Mortgagee of a Lot, the Board will furnish a certificate in a recordable form stating the amount, if any, of unpaid assessments charged to the Lot. The certificate shall be conclusive upon the Board and the Association as to the amount of such indebtedness on the date of the certificate in favor of all purchasers and Mortgagees of the Lot who rely on the certificate in good faith. The Board may establish a reasonable fee to be charged to reimburse it for the cost of preparing the certificate.

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ARTICLE XI
LINE AND COLLECTION OF ASSESSMENTS

Section 11.1 - ASSESSMENTS ARE A LIEN, PRIORITY. All unpaid sums assessed by the Association for the share of the common expenses are chargeable to any Lot, any sums specially assessed to any Lot under the authority of this Declaration or the Bylaws and any charge or expense otherwise imposed pursuant to this Declaration shall constitute a lien on the Lot and all its appurtenances from the date the assessment becomes due and until fully paid. The lien for such unpaid assessments or sums shall be subordinate to tax liens on the Lot in favor of any assessing or special district, and to all sums unpaid on all First Mortgages of record, but, to the extent permitted by applicable law, shall have priority over all other liens against the Lot. A First Mortgagee that obtains possession through a Mortgage foreclosure or deed of trust sale, or a purchaser at a foreclosure sale, shall take the Lot free of any claims for the share of common expenses or assessments by the Association chargeable to the Lot which became due before such possession, but will be liable for the common expenses and assessments that accrue after the taking of possession. The Lot's past-due share of common expenses or assessments shall become new common expenses chargeable to all of the Owners, including the Mortgagee or foreclosure sale purchaser and their successors and assigns, in proportion to the number of Lots owned by each of them. Notwithstanding any of the foregoing, however, the previous Owner or real estate contract purchaser shall continue to be personally liable for past due assessments as provided in Section 10.3. For purposes of this Section, "Mortgage" does not include a real estate contract and "Mortgagee" does not include the vendor or the assignee or designee of a vendor of a real estate contract.

Section 11.2 - LIEN MAY BE FORECLOSED. The lien for delinquent assessments may be foreclosed by suit by the Board in like manner as the foreclosure of a mortgage of real property. The Board, acting on behalf of the Association, shall have the power to bid on the Lot at the foreclosure sale, and to acquire and hold, lease, encumber, and convey the same.

Section 11.3 - ASSESSMENTS ARE PERSONAL OBLIGATIONS. In addition to constituting a lien on the Lot, all sums assessed by the Association chargeable to any Lot, together with interest, late charges, costs and attorneys' fees in the event of delinquency, shall be the joint and several personal obligations of the Owner and any contract purchaser of the Lot when the assessment is made and their grantees. Suit to recover personal judgment for any delinquent assessments shall be maintainable without foreclosing or waiving the liens securing them, and such judgment shall not operate to discharge the lien.

Section 11.4 - LATE CHARGES AND INTEREST ON DELINQUENT ASSESSMENTS. The Board may from time to time establish late charges and a rate of interest to be charged on assessments that may thereafter become delinquent. In the absence of another established, non-usurious rate, delinquent assessments shall bear interest at the rate of twelve percent (12%) per annum from the due date. If an annual assessment against a Lot is not paid when due, the

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managing agent or the Board may elect to declare all assessments against the Lot to be immediately due and payable.

Section 11.5 - RECOVERY OF COLLECTION COSTS. In any action or effort to collect delinquent assessments, whether a lawsuit is initiated or not, and with a single notice of thirty (30) days to the Owner, the Association shall be entitled to recover all costs and expenses reasonably incurred. All such costs shall become an additional assessment against the Lot from which the cost arises. Such costs include without limitation, reasonable attorneys' fees, certified mailing, filing or recording fees, any court costs, title search or litigation guarantee, and/or reasonable fees paid to any collection agency in connection with the action, in addition to taxable costs permitted by law.

Section 11.6 - REMEDIES CUMULATIVE. The remedies provided herein are cumulative and the Board may pursue them, and any other remedies that may be available under the law although not expressed herein, either concurrently or in any order.

Section 11.7 - NO AVOIDANCE OF ASSESSMENTS. No Owner may avoid or escape liability for assessments provided for herein by abandoning his Lot.

ARTICLE XII

FAILURE OF BOARD TO INSIST ON STRICT PERFORMANCE NOT A WAIVER

The failure of the Board in any instance to insist upon the strict compliance with this Declaration or Bylaws or rules and regulations of the Association, or to exercise any right contained in such documents, or to serve any notice or institute any action, shall not be construed as a waiver or a relinquishment for the future of any term, covenant, condition, or restriction. The receipt by the Board of payment of any assessment from any Owner, with knowledge of any breach by the Owner, shall not be a waiver of the breach. No waiver by the Board of any requirement shall be effective unless expressed in writing and signed by the Board. This Article also extends to the Declarant, Declarant's managing agent and the interim Board of Directors exercising the power of the Board before the Transition Date.

ARTICLE XIII

LIMITATION OF LIABILITY

So long as a Director, or Association member, or Declarant, acting on behalf of the Board or the Association, has acted in good faith, without willful or intentional misconduct, upon the basis of such actual information as is then possessed by such Person, then no such Person shall be personally liable to any Owner, or to any other Person, including the Association, for any damage, loss, or prejudice suffered or claimed on account of any act, omission, error, or negligence of such Person; provided that this Article shall not apply to the extent the liability of such Person for such act, omission error, negligence is covered by any insurance actually

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obtained by the Board.

ARTICLE XIV INDEMNIFICATION

Each Director and Declarant shall be indemnified by the Association against all expenses and liabilities including attorneys' fees, reasonably incurred by or imposed in connection with any proceeding to which such Person may be a party to, or in which such Person may become involved, by reason of holding or having held such position, or any settlement thereof, whether or not such Person holds such position at the time such expenses or liabilities are incurred, except to the extent that such expenses and liabilities are covered by insurance actually obtained by the Board and except in such cases wherein such Director or Declarant is adjudged guilty of willful misfeasance in the performance of his or her duties.

ARTICLE XV USE RESTRICTIONS

Section 15.1 - RESIDENTIAL CHARACTER OF PROPERTY AND TYPE OF CONSTRUCTION. No Lot shall be used except for residential purposes. The primary residential Structure shall contain not less than 1,500 square feet of living space and storage (not including garage area). Provided that Declarant reserves the right to approve Structures of lower total square footage if the structure is deemed by Declarant to be pleasing and suitable to the plat in architectural design and finish. Manufactured homes and/or non-site built Structures such as, but not limited to, modular homes, shall not be allowed without approval of Declarant, and, if after the Transition Date, then also a majority of the Architectural Control Committee. No storage sheds, shop or outbuildings shall be placed on the Lot unless its style and construction conforms to the general style of the residence itself and does not detract from the general appearance. The final decision as to what is permissible shall vest in the Declarant until the Transition Date, then in the Architectural Control Committee.

EXPIRATION: Section 15.1 shall expire twenty-five (25) years following the recording of this Declaration.

Section 15.2 - EXTERIOR MATERIALS. Exterior siding shall be of stone or simulated stone products, wood or simulated wood products, however no panel siding shall be permitted unless the same has the appearance of shingles, shakes or beveled siding materials. Roofing shall be of wood, metal, tile or asphalt, provided that asphalt roofing shall be of Architect 80 or better quality. Provided that other suitable materials not listed here may be utilized with the approval of the Architectural Control Committee. No corrugated or standing seam type metal siding shall be permitted on any residential structure. The use of such siding on accessory or storage structures shall be subject to approval by the Architectural Control Committee. Replacement roofing and siding material shall be the same, as far as possible, in color and style as the original roofing and

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siding materials on the majority of residences within the development. Utilization of different exterior materials including, without limitation, roofing materials, building siding materials and fencing must be approved by the applicable Architectural Control Committee before installation.

Section 15.3 - COMPLETION OF CONSTRUCTION. Any dwelling or Structure erected or placed on any Lot in this subdivision shall be completed as to external appearance, including finish painting, within nine (9) months from date of start of construction.

Section 15.4 - LANDSCAPE, FENCES, and HEDGES. All front yard landscaping must be completed within a 30 day period of time from the date of issuance of an occupancy permit for a residence constructed on a Lot or 30 days following the first date of occupancy, whichever is later.

As defined in this section, "fencing" shall mean any barrier or wall. All side yard and back yard fences shall not exceed a height of six (6) feet, or the maximum height permitted by applicable regulation, whichever is less. Front yard decorative fences shall not exceed four (4) feet in height. Fences shall be well constructed and shall not detract from the appearance of the development. Fences must be approved by the Architectural Control Committee before construction.

Section 15.5 - MAINTENANCE OF BUILDINGS AND LOTS. Subject to Section 3.1, each Owner shall, at the Owner's sole expense, keep the interior and exterior of the Structures on the Owner's Lot, as well as the Lot, in a clean and sanitary condition, free of rodents and pests, and in good order, condition and repair, and shall do all redecorating, painting, landscaping and maintenance at any time necessary to maintain the appearance and condition of the Structure and the Lot, and to prevent fire hazards upon the Lot. Each Owner shall at all times keep the front yard landscaping well maintained, including weed removal, mowing, fertilizing and watering (subject to governmental restrictions on watering). If an Owner fails to maintain the front yard, and fails to cure the defect within thirty (30) days after written notice from the Board, then the Board may, by resolution adopted by a majority of the total Board membership, engage a commercial landscape company to do necessary maintenance and may separately assess such maintenance as a charge against the Lot.

Section 15.6 - PARKING. Parking within the Plat shall be subject to the following parking rules and restrictions:

- 15.6.1 Commercial vehicles in excess of one ton load capacity parked overnight on a Lot shall be screened from view from any street. Commercial vehicles in excess of one ton load capacity shall not be parked overnight on any driveway within the plat. Passenger vehicles, pickup trucks, and vans or trucks with single rear axles and single rear tires shall not be considered commercial vehicles even if marked with business logos or signage. No on-street parking by Owners or overnight guests is permitted at any time. No more than 3

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vehicles may be parked on the street side of the residence or garage overnight. All other vehicles must be parked behind the plane of the residence or garage and properly screened from view.

- 15.6.2 Boats, campers, trailers and similar vehicles shall not be parked on a Lot for a period in excess of twenty-four (24) hours (for loading/unloading) unless the part of the vehicle nearest to the street at the front of the house is even with or behind the front wall of the garage and the vehicle is screened from view from any street.
- 15.6.3 For the purposes of this parking section, "screened from view" shall mean behind a six-foot tall solid fence or fully grown hedge.
- 15.6.4 Visitors to an Owner shall not park their recreational vehicle(s) in the street, but may park such vehicles in the driveway of a Lot for not more than fourteen (14) consecutive days, nor more than a total of thirty (30) days collectively within any twelve-month period. Only one recreational vehicle owned by a visitor shall be parked in a driveway at any one time.
- 15.6.5 No goods, equipment or vehicle (including buses or trailers of any description) shall be dismantled or repaired outside any building or residential Lot in view from any street. In addition, no Owner shall permit any vehicle that is in a state of disrepair to remain parked in view from any street or in the street for a period in excess of twenty-four (24) hours. A vehicle will be deemed to be in a state of disrepair when it has not been moved for a period of twenty-four (24) hours and is not operable in its then present condition.
- 15.6.6 Parking on private easements other than Summerleaf Lane is prohibited.

In the event that there is any violation of this parking restriction then the Board may take corrective action, as it deems necessary in accordance with Section 9.2 of this Declaration.

Section 15.7 - ANTENNAS AND SERVICE FACILITIES. All permanent utility services and connections thereto shall be provided by underground services exclusively. One or more "mini-dish" type satellite dishes are permitted without ACC approval. No other radio or television antennas, and other similar device or facilities shall be placed on a Lot within the Plat unless approved in advance by the Architectural Control Committee.

Section 15.8 - BUSINESS AND COMMERCIAL USE. No visible or audible trade, craft, business, profession, commercial or similar activity of any kind shall be conducted on any Lot nor shall any goods, construction equipment, materials or supplies used in connection with any trade, service or business be placed outside on any Lot at any time excepting the right of any home builder and the Declarant to construct residences on any Lot at any time and to store construction equipment on said Lots in the normal course of construction. Home occupation use

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of residences may be allowed if municipal regulations permit such use; provided, however, the home occupation use shall in no way affect the appearance of the residential Structure and/or garage, shall be fully enclosed without outside storage, and shall not create increased vehicle traffic, noise, vibration, smoke, dust, odors, heat, light, or glare beyond which is acceptable in a residential area.

Section 15.9 - TEMPORARY STRUCTURES. No tent, shack, garage, barn, or other outbuilding of a temporary character shall be installed or placed on any Lot for use as a residence, temporarily or permanently. All temporary Structures require Architectural Control Committee approval.

Section 15.10 - OFFENSIVE ACTIVITIES. 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. Further, no Lot shall be used in a fashion, which unreasonably interferes with the other Lot Owners' right to the use and enjoyment of their respective properties. All Owners are responsible at all times for the conduct of their guests.

Section 15.11 - RUBBISH AND TRASH. No Lot shall be used or maintained as a dumping ground for rubbish, debris, salvage, garbage, trash, equipment, cars, vehicles or other waste, such as rocks, roots, dead grass and other materials accumulated as a result of landscaping. Nor shall any such material be dumped on any other Lot, Common Area or streets. The proper removal and disposal of all such materials shall be the sole responsibility of individual Lot Owners.

Section 15.12 - SIGNAGE. No sign of any kind shall be displayed to the public view on any Lot except one professional sign of not more than one (1) square foot, one sign of not more than five (5) square feet advertising the property for sale or rent, or signs used by a builder to advertise the property during the construction and sales period.

Section 15.13 - DRILLING, MINING, ETC. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any Lot. No derrick or other Structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot.

Section 15.14 - NO FIREARMS/MOTORCYCLES. No firearms of any kind shall be discharged within the Plat or Common Areas. All Terrain Vehicles (ATVs) and off road motorcycles are not permitted to be ridden within the Plat or Common Areas.

Section 15.15 - ANIMALS. No livestock, horses, large reptiles, or pigs of any kind shall be raised, bred, or kept on any Lot, provided, however, that dogs, cats, hobby fowl, small caged rodents or small reptiles may be kept in reasonable numbers, so long as they are not kept, bred or maintained for any commercial purpose. No Lot Owner shall cause, permit or allow any animal

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in his custody to roam, run or be away from the premises of such Owner. All animal enclosures must be kept in a clean, neat and odor-free condition at all times. Barking dogs or other animals that disturb the peace of any Person or the neighborhood are not allowed. Vicious dogs (those whose temperament or habits create danger of injury to Person or other animals or create a reasonable apprehension of injury to Persons or other animals) are not allowed. Horses, stables and boarding of horses may be permitted within appropriate Open Space Areas upon approval of the Board of Directors of the Association. Notwithstanding anything set forth herein all Owners shall comply with all applicable governmental laws, codes, ordinances and relations pertaining to animals.

Section 15.16 - DAMAGE. Any damage to streets, Plat improvements, fences, landscaping, mailboxes, lights or lighting standards, street trees located on the frontage of any Lot or any other improvement within the Plat by Lot Owners, their tenants, children, contractors, agents, visitors, friends, relatives, or service personnel shall be repaired and restored to like new condition by such Owner within twelve (12) days from the occurrence of such damage.

Section 15.17 - NOISE. Noise from within Lots or caused by Owners, their tenants, children, pets and/or guests shall be kept to levels allowed under Skagit County Ordinances. Noise limits may be imposed by rules adopted by the Board of Directors.

Section 15.18 - COMPLIANCE WITH APPLICABLE STATUTES, REGULATIONS AND ORDINANCES. Notwithstanding anything stated herein, each Lot Owner(s) shall be responsible for compliance with all applicable federal, state, county and/or governmental statutes, ordinances and regulations, and any amendments thereto relating in any way to the ownership and/or improvement of the Lots within the Plat.

Section 15.19 - 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 Owner, 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.

Section 15.20 - MODIFICATION. The restrictions herein may be amended or modified by the Homeowners Association as provided herein above in Article V.

Section 15.21 - INVALIDATION. Invalidation of any one of these use 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.

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**ARTICLE XVI
ARCHITECTURAL STANDARDS**

Section 16.1 - ESTABLISHMENT OF ARCHITECTURAL CONTROL COMMITTEE. An Architectural Control Committee (ACC) is hereby established for the Plat and shall substantially follow the requirements, procedures and performance standards set forth in this Declaration of Covenants, Conditions, Restrictions and Easements.

The initial ACC for the Plat shall be the Declarant, by and through the Declarant's designee, who shall perform the functions of the ACC as set forth herein. The Declarant shall retain the responsibility for performing the functions of the ACC until 100% of the Lots have been sold or until the Declarant surrenders that responsibility prior to that time, in a written document in recordable form. Upon the termination or expiration of the right of the Declarant to act as the ACC, the Homeowners Association, acting through its Board of Directors, shall designate a minimum of two (2), but not more than five (5) Lot Owners who shall, by majority action, perform the responsibilities of the ACC. In the event the Lot Owners are not designated, the Homeowners Association Board of Directors may temporarily perform the function of the ACC.

Section 16.2 - AUTHORITY OF ACC. No Structure shall be erected, placed or altered on any Lot within the Plat until the building plans, with respect to the exterior design, materials and specifications and color schemes have been approved in writing by the ACC, as to the quality of material, harmony of exterior design with existing Structures, location and Structure on a Lot with reference to topography, elevation and relation to Structures on adjacent Lots. Color schemes must exclude primary, bright or harsh colors. The authority of the ACC is to be exercised in a reasonable manner with the goal of insuring consistent architectural standards for the benefit of the Owners of Lots in the Plat. Fencing shall be treated as a Structure for the purpose of ACC review.

Section 16.3 - SUBMISSION OF DATA TO ACC AND APPROVAL BY ACC. All applications to the ACC for approval shall be in writing and shall be supplemented by such supporting data, as the ACC shall reasonably require. The ACC's approval or disapproval shall be in writing; any disapproval by the ACC shall specify reasons for the disapproval. Submittals by or on behalf of Lot Owners shall include a plot plan drawn to scale reflecting the location of any and all Structures within the Lot and relevant elevations. In addition, the submittal shall depict or describe the design of the Structure with sufficient detail that the ACC is able to identify and review that design as well as describe the type and color scheme of all exterior materials.

In the event the ACC fails to approve or disapprove a complete application submitted to it within forty-five (45) days after the receipt of the complete application or supplemental information reasonably requested by the ACC, further approval from the ACC for the Structure or improvement identified in the application will not be required and the Lot Owner shall be

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deemed to have complied with this Covenant unless, prior to the completion of the Structure, the Lot Owner or his/her contractor has made material changes from the application submitted to the ACC and/or failed to comply with the plans and specifications submitted to the ACC or local building official.

The ACC's approval of any plan shall not constitute any warranty or representation whatsoever by the Board or any of its members that such plans were examined or approved for engineering or structural integrity or sufficiency or compliance with applicable governmental laws, codes, ordinances and regulations. Each Owner hereby releases any and all claims or possible claims against the Board or any of them, their heirs, successors and assigns, of any nature whatsoever, based upon engineering or structural integrity or sufficiency or compliance with applicable governmental laws, codes, ordinances and regulations.

DATED this 7th day of October, 2008.

DECLARANT:

Northern Reign Development Co., LLC

Martin E. Loberg
By: Martin E. Loberg, Member

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

OCT 07 2008

State of Washington)
)ss
County of Skagit)

Amount Paid \$
Skagit Co. Treasurer
By [Signature] Deputy

I certify that I know or have satisfactory evidence that Martin E. Loberg is the person who appeared before me; that he acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged as a Member of Northern Reign Development Co., LLC, to be the free and voluntary act of him for the uses and purposes contained in the instrument.

DATED: October 7, 2008.

Megan Johnson
Notary Public
My commission expires: 3/4/2012

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ATTACHMENT "A" (CONTINUED)

Maintenance Checklist for Ponds

Frequency	Drainage System Feature	✓	Problem	Conditions to Check For	Conditions That Should Exist
M,S	General		Trash & debris buildup in pond.	Dumping of yard wastes such as grass clippings and branches into basin. Unsightly accumulation of nondegradable materials such as glass, plastic, metal, foam, and coated paper.	Remove trash and debris and dispose as prescribed by the County.
M,S			Trash rack plugged or missing	Bar screen over outlet more than 25% covered by debris or missing.	Replace screen. Remove trash and debris and dispose as prescribed by the County.
M			Poisonous vegetation	Any poisonous vegetation which may constitute a hazard to the public. Examples of poisonous vegetation include: tansy ragwort, poison oak, stinging nettles, devil's club.	Remove poisonous vegetation. Do not spray chemicals on vegetation without obtaining guidance from the Cooperative Extension Service and approval from the County.
M,S			Fire hazard or pollution	Presence of chemicals such as natural gas, oil, and gasoline, obnoxious color, odor, or sludge noted.	Find sources of pollution and eliminate them. Water is free from noticeable color, odor, or contamination.
M			Vegetation not growing or is overgrown	For grassy ponds, grass cover is sparse and weedy or is overgrown. For wetland ponds, plants are sparse or invasive species are present.	For grassy ponds, selectively thatch, aerate, and reseed ponds. Grass cutting unnecessary unless dictated by aesthetics. For wetland ponds, hand-plant nursery-grown wetland plants in bare areas. Contact the Cooperative Extension Service for direction on invasive species such as purple loosestrife and reed canary grass. Pond bottoms should have uniform dense coverage of desired plant species.
M			Rodent holes	Any evidence of rodent holes if facility is acting as a dam or berm, or any evidence of water piping through dam or berm via rodent holes.	Rodents destroyed and dam or berm repaired. Contact the Tacoma-Pierce County Health Department for guidance.
M			Insects	When insects such as wasps and hornets interfere with maintenance activities, or when mosquitoes become a nuisance.	Insects destroyed or removed from site. Contact Cooperative Extension Service for guidance.



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Frequency	Drainage System Feature	✓	Problem	Conditions to Check For	Conditions That Should Exist
A			Tree growth	Tree growth does not allow maintenance access or interferes with maintenance activity (e.g., slope mowing, silt removal, or equipment movements). If trees are not interfering with access, leave trees alone.	Trees do not hinder maintenance activities. Selectively cultivate trees such as alders for firewood.
M	Side slopes of pond		Erosion on berms or at entrance or exit	Check around inlets and outlets for signs of erosion. Check berms for signs of sliding or settling. Action is needed where eroded damage over 2 inches deep and where there is potential for continued erosion.	Find causes of erosion and eliminate them. Then slopes should be stabilized by using appropriate erosion control measure(s); e.g., rock reinforcement, planting of grass, compaction.
M	Storage area		Sediment build-up in pond	Accumulated sediment that exceeds 10% of the designed pond depth. Buried or partially buried outlet structure probably indicates significant sediment deposits.	Sediment cleaned out to designed pond shape and depth; pond reseeded if necessary to control erosion.
A	Pond dikes		Settlements	Any part of dike which has settled 4 inches lower than the design elevation.	Dike should be built back to the design elevation.
A	Emergency overflow/spillway		Rock missing	Only one layer of rock exists above native soil in area 5 square feet or larger, or any exposure of native soil.	Replace rocks to design standards.
One Time	Emergency overflow/spillway		Overflow missing	Side of pond has no area with large rocks to handle emergency overflows.	Contact the County for guidance.

If you are unsure whether a problem exists, please contact a Professional Engineer.

Comments:

Key:

A=Annual (March or April preferred)

M=Monthly (see schedule)

S=After major storms (use 1-inch in 24 hours as a guideline)



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ATTACHMENT "A" (CONTINUED)

Maintenance Checklist for Conveyance Systems (Pipes, Ditches, and Swales)

Frequency	Drainage System Feature	✓	Problem	Conditions to Check For	Conditions That Should Exist
M,S	Pipes		Sediment & debris	Accumulated sediment that exceeds 20% of the diameter of the pipe.	Pipe cleaned of all sediment and debris.
M			Vegetation	Vegetation that reduces free movement of water through pipes.	All vegetation removed so water flows freely through pipes.
A			Damaged (rusted, bent, or crushed)	Protective coating is damaged; rust is causing more than 50% deterioration to any part of pipe.	Pipe repaired or replaced.
M				Any dent that significantly impedes flow (i.e., decreases the cross section area of pipe by more than 20%).	Pipe repaired or replaced.
M				Pipe has major cracks or tears allowing groundwater leakage.	Pipe repaired or replaced.
M,S	Open ditches		Trash & debris	Dumping of yard wastes such as grass clippings and branches into basin. Unsightly accumulation of nondegradable materials such as glass, plastic, metal, foam, and coated paper.	Remove trash and debris and dispose as prescribed by the County.
M			Sediment buildup	Accumulated sediment that exceeds 20% of the design depth.	Ditch cleaned of all sediment and debris so that it matches design.
A			Vegetation	Vegetation (e.g., woody shrubs or saplings) that reduces free movements of water through ditches.	Water flows freely through ditches. Grassy vegetation should be left alone.
M			Erosion damage to slopes	See Ponds Checklist.	See Ponds Checklist.
A			Rock lining out of place or missing (if applicable)	Maintenance person can see native soil beneath the rock lining.	Replace rocks to design standard.
Varies	Catch basins			See Catch Basins Checklist.	See Catch Basins Checklist.
M,S	Swales		Trash & debris	See above for Ditches.	See above for Ditches.
M			Sediment buildup	See above for Ditches.	Vegetation may need to be replanted after cleaning.



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ATTACHMENT "A" (CONTINUED)

Maintenance Checklist for Access Roads/Easements

Frequency	Drainage System Feature	✓	Problem	Conditions to Check For	Conditions That Should Exist
One Time	General		No access road exists	If ponds or other drainage system features needing maintenance by motorized equipment are present, either an access road or access from public streets is required.	Determine whether an easement to drainage feature exists. If yes, obtain the County permits and construct gravel (or equal) access road. If not, report lack of easement to the Municipality.
M			Blocked Roadway	Debris which could damage vehicle tires (glass or metal).	Roadway free of debris which could damage tires.
A				Any obstructions which reduce clearance above road surface to less than 14 feet.	Roadway overhead clear to 14 feet high.
A				Any obstructions restricting the access to less than 15 feet width.	Obstruction removed to allow at least a 15-foot-wide access.
A,S	Road Surface		Settlement, potholes, mush spots, ruts	When any surface irregularity exceeds 6 inches in depth and 6 square feet in area. In general, any surface defect which hinders or prevents maintenance access.	Road surface uniformly smooth with no evidence of settlement, potholes, mush spots, or ruts. Occasionally application of additional gravel or pitrun rock will be needed.
M			Vegetation in road surface	Woody growth that could block vehicular access. Excessive weed cover.	Remove woody growth at early stage to prevent vehicular blockage. Cut back weeds if they begin to encroach on road surface.
M,S	Shoulders and ditches		Erosion damage	Erosion within 1 foot of the roadway more than 8 inches wide and 6 inches deep.	Shoulder free of erosion and matching the surrounding road.

If you are unsure whether a problem exists, please contact a Professional Engineer.

Comments:

Key:

A=Annual (March or April preferred)

M=Monthly (see schedule)

S=After major storms (use 1-inch in 24 hours as a guideline)



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