



Skagit County Auditor \$75.00
8/22/2013 Page 1 of 4 3:00PM

After Recording Return to:

Cedar Heights Homeowners Association
P. O. Box 291
Mount Vernon, WA 98274

Document Title:

FIRST AMENDMENT TO DECLARATION OF RESERVATIONS, RESTRICTIVE COVENANTS AND EASEMENTS OF CEDAR HEIGHTS PUD 1 FIRST AMENDMENT TO DECLARATION OF RESERVATIONS, RESTRICTIVE COVENANTS AND EASEMENTS OF CEDAR HEIGHTS PUD 1

Grantor(s): Cedar Heights Homeowners Association

Grantee: Lots 1 through 221, inclusive, Tract A and Tract B of the Plat of Cedar Heights PUD 1, Phase 1, per Plat recorded under Skagit County Auditor's File No. 200701190116, records of Skagit County, Washington, and Tracts C, D, E, F, G, H, I, J and K of the Plat of Cedar Heights PUD 1, Phase 2, per Plat recorded under Skagit County Auditor's File No. 200705310138, records of Skagit County, Washington.

Legal Description: Lots 1 through 221, inclusive, Tract A and Tract B of the Plat of Cedar Heights PUD 1, Phase 1, per Plat recorded under Skagit County Auditor's File No. 200701190116, records of Skagit County, Washington, and Tracts C, D, E, F, G, H, I, J and K of the Plat of Cedar Heights PUD 1, Phase 2, per Plat recorded under Skagit County Auditor's File No. 200705310138, records of Skagit County, Washington.

Assessor's Property Tax Parcel Account Number:

Parcel Account Numbers P125697 – P125816, inclusive, and Parcel Account Numbers P126179 – P126278, inclusive.

This Amendment is made to the Plat of Cedar Heights PUD 1 Declaration of Reservations, Restrictive Covenants and Easements, dated July 9, 2013, and recorded July 11, 2013, under Skagit County Auditor's File No. 201307110091 in which the two previously-recorded phases of the PUD -- Cedar Heights PUD 1/Phase I and Cedar Heights PUD 1/Phase II -- were incorporated into one document regarding all of Cedar Heights PUD 1, and Amendments to said document: dated January 17, 2007, and recorded January 19, 2007, under Skagit County Auditor's File No. 200701190117, dated May 16, 2007, and recorded May 23, 2007, under Skagit County Auditor's File No. 200705230184; and dated June 14, 2007, and recorded

June 20, 2007, under Skagit County Auditor's File No. 200706200115; and dated May 18, 2007, and recorded May 31, 2007, under Skagit County Auditor's File No. 200705310139; and dated June 18, 2007, and recorded June 20, 2007, under Skagit County Auditor's File No. 200706200116; and dated January 4, 2008, and recorded January 11, 2008, under Skagit County Auditor's File No. 200801110076.

Article IX of the DECLARATION OF RESERVATIONS, RESTRICTIVE COVENANTS AND EASEMENTS OF CEDAR HEIGHTS PUD 1 is hereby amended to read as follows:

**ARTICLE IX
BUDGET AND ASSESSMENT FOR COMMON EXPENSES**

Section 9.1 - 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.

The Home Owners Association Board, upon agreement of a quorum of the Directors, 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 9.2 - 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 total number of Lots (Two Hundred and Twenty-One (221)) in the **Plat of Cedar Heights PUD I**.

Section 9.3 - SPECIAL ASSESSMENTS. In addition to the regular assessments authorized 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 seventy percent (70%) of the Owners of lots in the **Plat of Cedar Heights PUD I**.

Section 9.4 - SPECIAL DRIVEWAY ASSESSMENTS FOR LOTS 1 THROUGH 24. Notwithstanding Section 9.2 above, the reserves for maintenance and actual maintenance costs for the shared driveways serving Lots 1 through 24 shall be assessed to the lots actually benefited by the reserves and the maintenance activities and resulting costs. (See Section 8.7)

Section 9.5 - SPECIAL LANDSCAPE MAINTENANCE ASSESSMENTS FOR AREAS BETWEEN CURB AND FENCE. Notwithstanding Section 9.2, if the Board decides to have the association maintain one or more areas on a lot or lots between the curb and a front or side-yard fence, the cost of such landscaping shall be assessed to the lot or lots that are maintained in any reasonable manner decided upon by the Board (See Section 8.11). *Amended 1/11/2008.*



Section 9.6 - SPECIAL WHITE PICKET FENCE MAINTENANCE ASSESSMENTS. Notwithstanding section 9.2, if the board decides to have the association maintain white picket fences, the cost of such maintenance shall be assessed to the lots with maintained fences in any reasonable manner decided upon by the board (See Section 8.11). *Amended 1/11/2008.*

Section 9.7 -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 9.8 - 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 purchases 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.

Section 9.9 - NO EXEMPTION. No property, whether owned by an individual(s) or entity, is exempt from any assessment, regular or special, outlined in Sections 9.2 through 9.5 stated above. If more than one property is owned by the same individual(s) or entity, said owner is responsible for an assessment on each separate property. *Amended 4/4/2013.*

Section 9.10 – TRANSFER FEE. When a property within the **Plat of Cedar Heights PUD 1** passes from one owner to another through a Purchase and Sale Agreement, a One Hundred Sixty Dollar (\$160.00) Transfer Fee shall be assessed and paid to the Home Owners Association at the time of closing. *Amended 7/8/2013.*

Section 9.11 – PROCEEDS BELONG TO ASSOCIATION. All assessments and other receipts received by the Association shall belong to the Association and deposited into the HOA's checking account. At all times during the fiscal year, funds required to pay expenses for the next six-month period shall be maintained in the HOA's checking account. Required funds necessary shall be determined by totaling the previous year's expenditures and dividing by twelve (12) then multiplying by six (6). *Amended 7/8/2013.*

Section 9.12 – RESERVE ACCOUNT. The Cedar Heights Home Owner's Association shall have the authority to open a Reserve Account for future repair and/or improvement needs. The Reserve Account shall be an interest-bearing savings account. *Amended 7/8/2013.*

Section 9.13 – FUNDING THE RESERVE ACCOUNT. On the first day of the month following the end of each quarter of the fiscal year (April 1, July 1, October 1 and January 1), an accounting shall be done to determine if funds greater than those required to pay expenses for the next six months, as outlined in Section 9.11 above, are available. If such funds exist, they will be transferred into an interest-bearing savings account. *Amended 7/8/2013.*

Section 9.14 – USE OF RESERVED FUNDS. Any use of Reserved Funds shall be committed only after a Directors' meeting is held and a quorum vote is reached approving said expenditure.



Suggestions for improvement(s) to common areas may be made: (1) at the discretion of the Board; or (2) submitted in writing only by a property owner. A letter will then be sent to all property owners of lots within the Plat of Cedar Heights PUD 1 allowing for a two-week period of comment. Following the comment period, the Board will meet to review and discuss any and all comments received. If no comments are submitted, the Board shall discuss and vote on the proposed improvement. If approved, bids will be requested for said work. The Board will convene a second time to review and select the contractor to perform the work. Amended 7/8/2013.

Except as expressly amended hereby, the Declaration remains in full force and effect as written. Defined terms in the Declaration have the same meanings herein, except as expressly hereby modified.

CEDAR HEIGHTS HOMEOWNERS ASSOCIATION

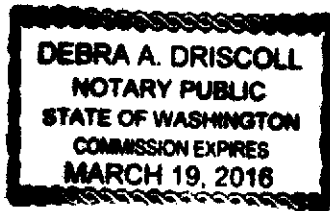
By: [Signature]
Michael Minton
Director/President

Dated this 22 day of August, 2013.

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

On this day personally appeared before me, MICHAEL MINTON, to me known to be the President and a Director of Cedar Heights Homeowners Association and acknowledged to me that he was authorized to execute the foregoing instrument as such, and that said instrument was the free and voluntary act and deed of the entity referenced, for the uses and purposes therein mentioned.

SUBSCRIBED AND SWORN TO before me this 22 day of August, 2013.



[Signature]
Print Name: Debra A Driscoll
NOTARY PUBLIC in and for the State of
Washington residing in Bainbridge
My Commission expires: 3-19-16

