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DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

FOR

BUZZIE LANE HOMEOWNERS ASSOCIATION

THIS DECLARATION of Covenants, Conditions and Restrictions (hereafter "the Declaration") is made and entered into as of JUNE 2nd, 2014 by David M. Murray and Debra L. Murray, husband and wife, (hereafter referred to as "Declarants").

RECITALS:

P49768 & P50165

A. Declarants are the developers and owners of all real property located within a portion of the NE $\frac{1}{4}$ of Section 28, and the SE $\frac{1}{4}$ of Section 21, in Township 36 North, Range 4 East, W.M., under Short CRD No. PL14-0089, filed as AF# 201406260049, styled as BUZZIE LANE (the aggregate of all of the above is hereinafter referred to as the "Property" or "Buzzie Lane").

B. Declarants deem it desirable to impose a general plan for improvement and development of the Property and for the adoption and establishment of covenants, conditions, and restrictions on the properties and each and every Lot and portion thereof governing the use, occupancy and enjoyment thereof, all for the purpose of enhancing and protecting the value, desirability and attractiveness of the Property.

C. Declarants will convey title to all of the Lots in the Property subject to this Declaration as set forth below.

NOW, THEREFORE, Declarants hereby declare that all of the Property described above shall be held, sold and conveyed subject to the following covenants, conditions and restrictions, which are for the purpose of protecting the value and desirability of, and which shall run with, the Property and be binding on all parties having any right, title, or interest in the described Lots or any part thereof, their heirs, successors and assigns in perpetuity, and shall inure to the benefit of each Owner of any portion of the Property.

ARTICLE I

DEFINITIONS

Section 1.1 "Association" shall mean "Buzzie Lane Homeowners' Association", a Washington nonprofit corporation, and its successors and assigns.

Section 1.2 "Common Areas" shall mean all real property designated on the Short CRD of Buzzie Lane as such, if any, which is owned by the Association, and which is designated for the common use and enjoyment of the Owners, their tenants, invitees, and guests.

Section 1.3 "Lot" shall mean any area of real property within Buzzie Lane designated as a residential lot by any appropriate means of governmental approval recorded or approved by the Declarants, together with all appurtenances, improvements, and residences now or hereafter built or placed on the Lot. If a Lot has an accessory dwelling unit or other additional residence located thereon, each such Lot shall count as two lots for purposes of responsibility for road maintenance, and responsibility for water charges.

Section 1.4 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot, but excluding those having such interest merely as security for the performance of an obligation. Purchasers and their assignees under recorded real estate contracts shall be deemed Owners as against their respective sellers or assigns. An Owner shall include any person who holds record title to a Lot in joint or common ownership with any other person or holds and undivided fee interest in any Lot.

Section 1.5 "Visible From Neighboring Property" shall mean, with respect to any given object, that such object is or would be visible to a person six feet tall, standing at ground level on any part of a Lot, Common Area, or street adjacent to that on which such object exists.

ARTICLE II

HOMEOWNERS' ASSOCIATION

Section 2.1 Establishment. The Association was formed on 10-25, 2013.

Section 2.2 Form of Association. The Association is and shall be a nonprofit corporation formed and operated pursuant to Title 24, Revised Code of Washington.

Section 2.3 Membership Qualification. Each Owner of a Lot in Buzzie Lane, (including Declarants) shall be a member of the Association and shall be entitled to one membership for each Lot so owned; provided, that if a Lot has been sold on contract, the contract purchaser shall exercise the rights of the Owner for purposes of the Association, this Declaration and the Bylaws, except as hereinafter 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 2.4. Voting. Members shall be all Owners and shall be entitled to one vote for each Lot owned.

Section 2.5. Bylaws of Association.

2.5.1 Adoption of Bylaws. Bylaws for the administration of the Association, and to further the intent of this Declaration, shall be adopted by the Owners at a regular or special meeting. Notice of the time, place and purpose of such meeting shall be delivered to each Owner at least ten (10) days prior to such meeting. Amendments to the Bylaws may be adopted by the Owners at a regular or special meeting similarly called. However, Declarants may adopt initial Bylaws.



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2.5.2 Bylaws Provisions. The Bylaws shall be deemed to contain provisions identical to those provided in this Declaration, and may contain supplementary, not inconsistent, provisions regarding the operation of the development and administration of the Property. The Bylaws shall establish such provisions for quorum, ordering of meetings, and details regarding the giving of notice as may be required for proper administration of the Association and the Property.

Section 2.6: Administration of the Property. The Owners covenant and agree that the administration of Buzzie Lane shall be in accordance with the provisions of this Declaration and the Bylaws of the Association which are made a part hereof.

2.6.1 Management by Declarants. The Property shall be managed by the Declarants until the earlier of:

- (a) The Declarants have conveyed 75% of the Lots.
- (b) Three years from the date of the initial recording of this instrument.

Section 2.7. Management by Elected Board of Directors. At the expiration of Declarant's management authority under Section 2.6.1, administrative power and authority shall vest in a Board of Directors elected from among the Lot Owners. The number of directors shall be specified in the Bylaws and shall be sufficient to adequately handle the affairs of the Association. The Board may delegate all or any portion of its administrative duties to a manager, managing agent or officer of the Association or as otherwise may be provided in the Bylaws. All Board offices shall be open for election at a re-organizational meeting. The Board shall elect from among its members, a president who shall preside over meetings of the Board and the meetings of the Association and such other officers as prescribed in the Bylaws.

Section 2.8. Authority and Duties of the Board. On behalf of and acting for the Association, the Board (or the Declarants or Declarant's managing agent), for the benefit of the Property and the Owners, shall enforce the provisions of this Declaration and the Bylaws and shall have all powers and authority permitted to the Board under this Declaration, including but not limited to the following:

2.8.1 Assessments. Establish and collect regular assessments (and to the extent necessary and permitted hereunder, special assessments) to defray expenses attributable to carrying out its duties hereunder and maintain an adequate reserve fund for the maintenance, repair and replacement of the roadways and any other Common Areas or any facility which must be maintained, repaired or replaced on a periodic basis, which reserve shall be funded by the assessments.

2.8.2 Services. Obtain the services of persons or firms as required to properly manage the affairs of the Property and the Association to the extent deemed advisable by the Board including legal and accounting services, property management services, as well as such other personnel as the Board shall determine are necessary or proper for the operation of the roadways or any other Common Area.



2.8.3 Insurance. Obtain and pay for policies of insurance or bonds providing coverage for fidelity of Association directors, officers and other employees.

2.8.5 Maintenance and Repair of Roadways. Pay for the costs of maintenance of all roadways so as to keep the same in a good, clean, attractive, sanitary and safe condition and in full compliance with applicable governmental laws, rules and regulations and the provisions of this Declaration. The foregoing shall include: the cost of repairing and replacing of any equipment or furnishings for the roadways as the Board shall determine are necessary and proper.

2.8.6 Enforce Declaration. Enforce the applicable provisions of the Declaration for the management and control of the Project.

2.8.7 Contracts. Contract for materials and/or services to carry out its responsibilities provided herein.

2.8.8 Financial Statements. Prepare or cause to be prepared at least annually (or more frequently if desired by the Board), a balance sheet and an operating (income/expense) statement for the Association, copies of which shall be distributed to each of the Owners within thirty (30) days after the accounting date. The operations statement shall include a schedule of assessments received and receivable, identified by the number of the Lot and the name of the Owner so assessed. The Board may require that an external audit be prepared annually by an independent public accountant within ninety (90) days following the end of each fiscal year.

2.8.9 Payment for Materials, Services, Etc. Pay for any other materials, supplies, labor, services, maintenance, repairs, structural alterations, insurance, taxes or assessments which the Board is required to secure by law, or which in its opinion shall be necessary or proper for the operation of the roadways and/or Common Area or for the enforcement of this Declaration; provided that if for any reason such materials, supplies, labor, services, maintenance, repairs, structural alterations, insurance, taxes, or assessments are provided for particular Lots or their Owners, the cost thereof shall be specially charged to the owner of such Lots.

2.8.10. Non-profit. Nothing herein contained shall be construed to give the Board authority to conduct an active business for profit on behalf of all of the Owners or any of them.

2.8.11 Exclusive Right to Contract. The Board shall have the exclusive right to contract for all goods and services, payment of which is to be made from the maintenance fund. The Board may delegate its authority to contract to officers, employees or agents in its reasonable discretion.

2.8.12 Emergency Entry. The Board and its agents or employees may enter any Lot when necessary in connection with any maintenance, landscaping or construction for which the Board is responsible or in the event of emergencies. Such entry shall be made with as little inconvenience to the Owners as practical, and any damage caused thereby shall be repaired by the Board if the entry was due to an emergency or for the purpose of maintenance or repairs to the roadways. If the emergency repairs or maintenance were necessitated by or for the Lot entered or its Owners, or requested by its Owners, the costs thereof shall be specially charged to such Lot.



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2.8.13 Attorney-in-Fact. Each Owner, by the mere act of becoming an Owner or contract purchaser of a Lot, shall irrevocably appoint the Association as his/her attorney-in-fact, with full power of substitution, to take such action as reasonably necessary to promptly perform the duties of the Association and Board hereunder including, but not limited to, the duties to maintain, repair and improve the Property, to deal with the Property upon damage or destruction, and to secure insurance proceeds.

2.8.14 Borrowing of Funds. In the discharge of its duties and the exercise of its powers but subject to the limitations set forth herein, the Board may borrow funds on behalf of the Association and secure the repayment thereof, by encumbering, subject to the limitations set forth in this Declaration, the roadways and Association's funds.

2.8.15 Additional Powers of Association. In addition to the duties and powers of the Association, as specified herein, and elsewhere in this Declaration, but subject to the provisions of this Declaration, the Association, acting through its Board, shall have the power to do all other things which may be deemed reasonably necessary to carry out its duties and the purposes of this Declaration including, but not limited to, making capital improvements, obtaining appropriate insurance and bonds, and adopting additional bylaws, rules and regulations governing the Association and Owners. In the event of conflict between this Declaration and any such additional bylaws or rules and regulations, the provisions of this Declaration shall prevail.

Section 2.9. Board Organization and Operation.

2.9.1 Election of Board of Directors, Cumulative Voting Feature and Term of Office. The members of the first Board elected by the Owners shall serve at least a one (1) year term of office; provided, the voting procedures shall assure that the expiration dates for the term of the initial Board members shall be staggered such that approximately one third of the Board shall be up for election each year. The Bylaws may provide for cumulative voting for the election of directors of the Association.

2.9.2 Vacancies. Vacancies in the Board caused by any reason other than removal of a Board member by a vote of the Association shall be filled by vote of the majority of the remaining Board members. Each person so elected shall be a Board member until a successor is elected at the next annual meeting of the Association.

2.9.3 Removal of Board Members. Any one (1) or more Board members may be removed with or without cause by a majority of the Lot Owners, at any regular meeting or special meeting called for that purpose. A successor may then and there be elected to fill the vacancy thus created. Any Board member whose removal has been so proposed by the Owners shall be given an opportunity to be heard at the meeting. Notwithstanding the above, until the re-organizational meeting, only Declarants shall have the right to remove a Board member.

2.9.4 Organizational Meeting. The first meeting of a newly elected Board shall be held immediately following the organizational meeting of the Association. No notice shall be necessary to the newly elected Board members in order legally to constitute such meeting.



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2.9.5 Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by a majority of the Board members. At least two (2) such meetings shall be held during each calendar year, one (1) of which shall be held immediately following the annual meeting of Owners. Notice of regular meetings of the Board shall be given to each Board member, personally or by mail, telephone, or facsimile, at least ten (10) days prior to the day named for such meeting.

2.9.6 Special Meetings. Special meetings of the Board may be called by the president on ten (10) days notice to each board member, given personally, by mail, telephone or facsimile. Such notice shall state the time, place and purpose of the meeting. Special meetings of the Board shall be called by the president or the secretary in like manner and on like notice on the written request of at least two (2) Board members.

2.9.7 Waiver of Notice. Before, at or after any meeting of the Board, any Board member may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Board member at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Board members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 2.10. Common Expenses and Assessments.

2.10.1 Creation of Assessment Lien and Personal Obligation of Assessments. The Declarants, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) Annual Assessments or charges; (2) Special Assessments for capital improvements, reconstruction or other special purposes; (3) Assessments to repair damage to the roads and/or water system unreasonably caused by a Lot Owner or such owner's agents, servants, guests, invitees, contractors, tenants, etc.; and an equal share of all charges imposed by any Satellite Management Agency concerning the water system. All such obligations, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien, when due and without the necessity of recording a claim to that effect, upon the property against which each such assessment is made. The lien shall have priority over all other liens and encumbrances save general taxes and local improvement assessments. Each such annual and/or special assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to successors in title unless the lien for such delinquent assessments has been properly recorded prior to title transfer or unless expressly assumed by the successor in title. However, that in the case of a sale of any Lot which is charged with the payment of an assessment or assessments payable in installments, the person or entity who is the Owner immediately prior to the date of any such transfer shall be personally liable only for the amount of the installments due prior to the transfer date. The new Owner shall be personally liable for installments which become due on and after the transfer date.

2.10.2 Purpose of Assessments. The assessments levied by the Association shall be levied exclusively for the purpose of promoting the recreation, health, safety and welfare of the



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members thereof, their guests and invitees, and shall be used to improve, protect, operate and maintain the roadways, and to provide for performance of the duties of the Board.

2.10.3 Estimated Expenses. Within sixty (60) days prior to the beginning of each calendar year or such other fiscal year as the Board may adopt, the Board shall:

- (a) Estimate the Annual Assessments and Special Assessments for particular Lots to be paid during such year;
- (b) Make provisions for creating, funding and maintaining reasonable reserves for contingencies and operations, for maintenance, repair, replacement, and acquisition of Common Areas and facilities; and
- (c) Take into account any expected income and any surplus available from the prior year's operating fund.

2.10.4 Annual Assessments.

2.10.4.1 Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an owner or until the commencement of the next fiscal year as Declarants may determine, the maximum Annual Assessment shall be Six Hundred Dollars (\$600.00) per Lot for road costs, and a maximum of Six Hundred Dollars (\$600.00) per Lot per year for water system costs.

2.10.4.2 Increases in Annual Assessments.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner or the commencement of the next fiscal year, the maximum Annual Assessment may not, without a vote of the membership as provided below, be increased above the maximum Annual Assessment for the previous year by more than the average increase in the average Skagit County assessed values of all of the lots within Buzzie Lane.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner or the commencement of the next fiscal year, the maximum Annual Assessment may be increased above the amount provided in Subparagraph (a) above by a vote of seventy per cent (75%) of the members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the Annual Assessment at an amount not in excess of the maximum.

2.10.4.3 Exceptions. Lots that are owned by the Declarant, and also Lots that are undeveloped and which have no active connection to the water system shall be



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exempt from the obligation to pay Assessments

2.10.5 Special Assessments for Capital Improvements. In addition to the Annual Assessments authorized above, the Association may levy, in any assessment year, a Special Assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, acquisition or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall not be levied in excess of Five Thousand Dollars (\$5,000) except upon a majority vote of the Owners, or valued in excess of Twenty-Five Thousand Dollars (\$25,000) except upon a seventy percent (75%) affirmative vote of the Owners, with such vote being cast in person or by proxy at a meeting called for such purpose, or if no such meeting is held, the written consent of all of the Owners.

2.10.6 Exception to Maximum Assessment Limitation. The limitations on maximum Annual Assessments under Subsections 2.10.4 and 2.10.5 shall not apply with respect to a Special Assessment against a member imposed by the Board to reimburse the Association for costs incurred in bringing the Owner or the Lot (including any structure located thereon) into compliance with the provisions of this Declaration.

2.10.7 Uniform Rate of Assessment. Both Annual and Special Assessments must be fixed at a uniform rate for all Lots, except for Special Assessments against an Owner imposed by the Board to reimburse the Association for costs incurred in bringing the Owner or his Lot (including any structure thereon) into compliance with the provisions of this Declaration

2.10.8 Due Dates for Annual Assessments. The Annual Assessments provided for herein shall commence as to all Lots on the first day of the month following either the date on which the first Lot is conveyed by the Declarants. The first Annual Assessment shall be adjusted according to the number of months remaining in the calendar year. Written notice of the Annual Assessment shall be sent to every Owner subject thereto.

2.10.9 Payment by Owners. Each Owner shall be obligated to pay its share of common expenses and special charges made pursuant to this Article to the Association. Annual Assessments shall be paid in full on or before the annual due date established by the Board. Special Assessments shall be payable annually, or in equal monthly installments on or before the first day of each month during each year, or in such other reasonable manner as the Board shall designate. Assessments for each Lot Owner shall begin on the date the Lot Owner closes the transaction in which he acquires title or any title interest in the Lot. Assessments for the initial month shall be prorated if closing occurs on other than the first of the month. Any assessment or charge which remains unpaid for at least thirty (30) days shall bear interest at the rate of twelve percent (12%) from the due date until paid. In addition, the Board may impose a late charge in an amount not exceeding twenty-five percent (25%) of any unpaid assessment or charge which has remained delinquent for more than fifteen (15) days.

2.10.10 Lien Indebtedness. In the event any Annual or Special Assessment attributable to a particular Lot remains delinquent for more than thirty (30) days, the Board may, upon fifteen (15) days written notice to the owner of such Lot, accelerate and demand immediate payment of all, or



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any portion of the assessments and charges which the Board reasonably determines will become due during the next succeeding twelve (12) months with respect to such Lot. Each Annual or Special Assessment shall be the personal debt and obligation of the Owner of Lots for which the same are assessed or charged as of the time the assessment or charge is made and shall be collectible as such. The amount of any assessment upon any Lot and the Owner or Purchaser of any Lot, plus interest at the rate of twelve percent (12%) per annum, and costs, including reasonable attorney's fees, shall be a lien upon such Lot and any structures situated thereon upon the recording of a Notice of Assessment with Skagit County. The lien for payment of such assessments and charges shall have priority over all other liens and encumbrances, recorded or unrecorded. Suit to recover a money judgment for unpaid assessments or charges shall be maintainable without foreclosure or waiver of the lien securing the same.

2.10.11 Notice of Creation of Assessment Lien. The Notice of Assessment shall not be filed of record unless and until the Board or a person designated by it, shall have mailed or otherwise delivered to the defaulting Owner, not less than fifteen (15) days prior to the recitation of such Notice of Assessment, a written Notice of Default and a demand to cure same within the fifteen (15) day period.

2.10.12 Foreclosure of Assessment Lien, Attorney's Fees and Costs. The Declarants, or the Board may initiate action to foreclose the lien of any assessment on behalf of the Association, in any action to foreclose a lien against any Lot for nonpayment of delinquent assessments or charges, any judgment rendered against the Owners of such Lot in favor of the Association shall include a reasonable sum for attorneys' fees and all costs and expenses reasonably incurred in preparation for or in the prosecution of the foreclosure action, in addition to taxable costs permitted by law.

2.10.13 Homestead Waiver. Each Owner hereby waives, to the extent of any liens created pursuant to this Article and to the extent provided by law, the benefit of any homestead or exemption law in effect at the time any assessment or installment of assessment becomes delinquent or any lien is imposed pursuant to the terms hereof. This provision shall not affect or limit the provisions of RCW 6.13.080 as amended concerning homestead exemptions for Association liens.

2.10.14 Curing of Default. The Board shall file and record a satisfaction and release of the lien created by a Notice of Assessment filed and recorded in accordance with this Article upon timely payment or other satisfaction of all delinquent assessments set forth in the Notice, and all other assessments which have become due and payable following the date of such recitation with respect to the Lot for which such Notice of Assessment was filed and recorded, together with all costs, late charges and interest which have accrued thereon. A fee of One Hundred Fifty (\$150.00) covering the cost of preparation and recordation shall be paid to the Association prior to such action. The satisfaction of the lien created by the Notice of Assessment shall be executed by any director of the Association or by any authorized representative of the Board. "Costs" shall include costs and expenses actually incurred or expended by the Association in connection with the cost of preparation and recordation of the Notice of Assessment and in efforts to collect the delinquent assessments secured by the lien and a reasonable sum for attorneys' fees.



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2.10.15 Rights of Board - Waiver of Owners. Each Owner hereby vests in and delegates to the Board or its duly authorized representatives, the right and power to bring all actions at law, including lien foreclosures whether judicially or by power of sale or otherwise, against any Owner(s) for the collection of delinquent assessments in accordance herewith. Each Owner expressly waives any objection to the enforcement, in accordance with this Declaration, of the obligation to pay assessments as set forth in this Declaration.

2.10.16 Continuing Liability for Assessments. No Owner shall be exempt from liability for his/her Annual or Special Assessments by abandonment of the Lot or the discontinuance of use of any of the Common Area.

2.10.17 Exempt Property. The following property subject to this Declaration shall be exempt from the assessments created herein:

- (a) All properties dedicated to and accepted by a local public authority;
- (b) All properties owned by the Association.

ARTICLE III

EASEMENTS, RESTRICTIONS AND RIGHTS OF ENJOYMENT IN COMMON AREAS

Section 3.1 Easements for Water System. Subject to the restrictions set forth herein, every Owner, for the benefit of their respective Lot, shall have a non-exclusive right and easement for the water system, as depicted on the Short CRD of Buzzie Lane, which easement shall be appurtenant to every Lot.

Section 3.3 Road Agreement. The owners of Lots 1, 2, 3, 4, as they are now constituted or as they may hereafter be modified by boundary adjustment, shall be obliged to maintain the roadway providing access to Lots 1, 2, 3, 4 and crossing Lots 1, 2, 3, equally, provided that if one owner (or that owner's agents, servants, guests, invitees, tenants, contractors, etc.) unreasonably damages the roadway surface, whether in the course of construction or otherwise, that owner shall be solely liable for costs of repair and/or restoration.

ARTICLE IV

GENERAL COVENANTS, CONDITIONS AND RESTRICTIONS

Section 4.1 Covenants, Conditions and Restrictions Applicable to Lots. The following covenants, conditions and restrictions shall apply to all Lots, provided that existing structures, etc. not in compliance shall be allowed to remain, and further provided that the following shall not be applicable to Lots owned by Declarant.



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4.1.1 Single Family Residences. All Lots within Buzzie Lane shall be used only for the construction and occupancy of single family dwellings and typical residential activities incidental thereto unless specifically authorized by zoning laws and regulations, this Declaration, the Association and the Declarants. No dwelling shall be erected which has a fully enclosed floor area (exclusive of a porch, patio, garage, or other accessory building) of less than 1,200 square feet. A garage capable of containing at least two cars is required to be built in conjunction with the dwelling. Notwithstanding the foregoing, and subject to this Declaration and all rules promulgated hereunder, the Owners are permitted to (i) lease or rent their Lot and improvements for residential use, or (ii) to operate a home business, provided the home business is legal, complies with zoning and other governmental regulations, creates no additional traffic, involves no advertising or signs, and does not create or result in activities which are a nuisance or annoyance to other members or residents of Buzzie Lane.

4.1.2 Prefabricated Buildings. No prefabricated buildings or structures of any nature whatsoever, specifically including mobile homes, permanent or temporary, shall be moved, placed, constructed, assembled or otherwise maintained on any Lot within Buzzie Lane, provided that mobile homes and/or RV's may be allowed on a given Lot for up to 12 months (cumulative), during the course of construction of the initial residence thereon.

4.1.3 Animals. No livestock animals, poultry or fowl shall be kept on any Lot other than animals or birds of the type and species generally recognized as common household pets in the immediate area, such as dogs, cats, canaries and parakeets which are kept on said property solely as household pets; provided that no such household pet which is or becomes an annoyance or nuisance to the neighborhood shall thereafter be kept on any Lot. No dog houses, dog runs or dog kennels may be placed on any Lot unless they are screened from the view of neighboring properties and the streets and do not create an annoyance or nuisance. All dogs shall be kept in the residence or garage at night so as to eliminate disturbances related to barking dogs while other residents are trying to sleep. A person who owns, possesses or controls a dog, cat or other animal shall not permit the animal to commit a nuisance on a sidewalk of any public place, or on a fence abutting on a public place or on any Lot where the animal is not resident. All dogs shall be kept on a leash upon departure from the Lot said dog is resident.

4.1.4 Temporary Occupancy and Temporary Buildings. No trailer, recreational vehicle, boat, basement of any incomplete building, shed, tent, shack, garage or barn, and no temporary buildings or structures of any kind, shall be used at any time for a residence, either temporary or permanent. Temporary buildings or structures used during construction of improvements on any Lot shall be removed immediately after the completion of construction.

4.1.5 Storage Sheds and Outside Storage. No storage buildings or sheds shall be moved, placed, assembled, constructed or otherwise maintained on any Lot without approval from the Architectural Control Committee. Any such storage buildings or shed must comply with Section 5.2 and 5.3 of this Declaration and any applicable Skagit County requirements.

4.1.6 Nuisances. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done on any Lot nor shall anything be done or maintained on the Property which may



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be or become an activity or condition which unreasonably interferes with the right of other Owners to use and enjoy any part of the Subdivision. Automobiles which are not in an operating condition shall not be parked or left on any street or on any part of the Property, or on any Lot other than in a garage.

4.1.7 Repair of Structure. No structure on any Lot shall be permitted to fall into disrepair and each such structure shall at all times be kept in good condition and repair and adequately painted or otherwise finished. In the event any structure is damaged or destroyed, then such structure shall be promptly repaired and rebuilt or shall be demolished and the debris removed immediately.

4.1.8 Antennas. No antenna, satellite dish or other device for the transmission or reception of television or radio (including ham radio) signals larger than two (2) feet in diameter or more than two (2) feet long, or any other similar device shall be erected, used or maintained outdoors on any Lot.

4.1.9 Trash Containers and Collection. No trash or other debris shall be placed or kept on any Lot, except in standard covered sanitary containers. In no event shall such containers be visible from neighboring property unless they are being made available for collection and then only for a period of time not exceeding twenty four (24) hours, which is deemed to be a reasonable time to effect collection. No outdoor incinerators shall be kept or maintained on any Lot.

4.1.10 Trucks, Trailers, Recreational Vehicles, Campers and Boats. No motor vehicles classed by manufacturer rating as exceeding one ton, recreational vehicle, mobile home, travel trailer, tent trailer, utility trailer, camper shell, detached camper, boat, boat trailer, or other similar equipment or vehicles may be parked, maintained, constructed, reconstructed or repaired on any street within Buzzie Lane. This subsection shall not apply to cleaning, loading or unloading and short term parking which shall be permitted for a cumulative period not to exceed seventy-two (72) hours in any calendar month.

4.1.11 Motor Vehicles. No automobile, motorcycle, motorbike, or other motor vehicle shall be constructed, reconstructed, repaired or rebuilt upon any Lot or street within Buzzie Lane and no inoperable or unlicensed vehicle may be stored or parked so as to be visible from neighboring property, Common Areas or street; provided, however, that this Subsection shall not apply to emergency vehicle repairs which (i) require less than Seventy-two (72) hours to complete; and (ii) vehicles parked in garages which are not visible from neighboring property or streets.

4.1.12 Machinery and Equipment. No machinery or equipment of any kind shall be placed, operated or maintained upon or adjacent to any Lot and in view of neighboring Lot(s), except such machinery or equipment as is usual and customary in connection with the construction (during residential construction only) of a building, appurtenant structure, or improvements on a Lot.

4.1.13 Unnatural Drainage. Under no circumstances shall any Owner, or their tenants, guests or other occupants, be permitted to alter the topographic conditions of the Lot in any way that would adversely affect or obstruct the approved and constructed storm drainage system and surface flows.



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4.1.14 Changing Lot Contours. The surface grade or elevation of the various Lots and other residential sites in Buzzie Lane shall not be substantially altered or changed in any manner which would affect the relationship of such Lot or other residential sites adjoining, or which would result in materially obstructing the view from any other Lot or residential site in Buzzie Lane, or which would otherwise produce an effect out of harmony with the general development of the immediate area in which said Lot or other residential site is located. Whether or not such alteration or change in the elevation or grade of any Lot or any residential site would be prohibited, shall be determined by the Declarants or the Association in its sole and uncontrolled discretion.

4.1.15 Fences. Fences, walls, hedges shall not at any time extend higher than six (6) feet above the ground. Field Fence wire fences will only be allowed on the exterior Lot boundaries of Buzzie Lane. The Declarants may adopt a fencing policy detailing acceptable styles of fencing if it deems appropriate.

4.1.16 Landscaping. Within one hundred eighty (180) days after the issuance of an occupancy permit for a residential structure, the Owner shall substantially complete all landscaping of the Lot. Landscaping shall emphasize plantings and other features which will compliment and enhance the native, existing character of Buzzie Lane. Each Owner shall ensure that the landscaping on their Lot is maintained to provide a neat and attractive appearance.

4.1.17 Easements. Within Buzzie Lane, easements may be established for installation and maintenance of utilities and drainage. No structure, planting or other materials shall be placed or permitted to remain which may damage or interfere with the installation and/or maintenance of such utilities, or which may change the direction of flow of water through the storm water conveyance system in the easements, or which may impair the intended function of the storm water conveyance system in the easements.

4.1.18 Signs. No signs whatsoever which are visible from neighboring property shall be erected or maintained on any Lot except:

- a) Signs required by legal proceedings, and then the sign shall not exceed 18" by 24", unless mandated by a court or Washington law;
- b) One "For Sale" or For Rent" sign not exceeding six (6) square feet in area, which shall be removed promptly upon sale or rental of the residence; and
- c) Promotional and sales signs of the Declarants and its listing realty agency associated with the initial sale of Lots within Buzzie Lane.
- d) "Temporary Signs" for political advertising, yard sales, garage sales, etc., which shall not exceed four (4) square feet in size, nor be in place for longer than 60 days.

ARTICLE V



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ARCHITECTURAL CONTROL

Section 5.1 Exterior Finish. The exterior of all structures shall be designed, built and maintained in such a manner to blend with the natural surroundings and existing structures within Buzzie Lane. Siding shall be a solid wood product or other material. No plywood siding shall be used except for detail work and only when compatible with surrounding structures. All exterior paint colors shall be consistent with surrounding structures. No primary, reflective or fluorescent colors shall be utilized in any way on any structure. Exterior trim, fences, doors, railings, decks, eaves, gutters and the exterior finish of garages and accessory buildings, if allowed, shall be designed, built and maintained to be compatible with the exterior of the structures they adjoin. All structures shall be completed as to exterior appearances, including finish painting within nine (9) months from the start date of construction; defined for purposes hereof as the date the foundation is poured, except in the event of acts of God beyond the control of the Owner or its builder.

ARTICLE VI

TERM; AMENDMENTS; TERMINATION

Section 6.1 Term; Method of Termination. This Declaration shall be effective upon the date of recordation hereof and, as amended from time to time, shall continue in full force and effect for a term of thirty-five (35) years from the date this Declaration is recorded. Thereafter, this Declaration, as amended, shall be automatically extended for successive periods of ten (10) years each, unless there is an affirmative vote to terminate this Declaration by ninety percent (90%) of the Lot Owners. If the necessary votes are obtained, then a Certificate of Termination shall be recorded in the Skagit County Records. Thereupon, this Declaration shall have no further force and effect.

Section 6.2 Amendments. This Declaration may be amended by obtaining approval of seventy percent (75%) of the total Lot Owners. Any amendment to this Declaration shall be recorded with the Skagit County Auditor as a Certificate of Amendment.

Section 6.3 Approval of Skagit County. No change to these Covenants, Conditions and Restrictions shall be effective until the same have been approved in writing by a responsible Skagit County official.

ARTICLE VII

MISCELLANEOUS

Section 7.1 Severability. Any determination by any Court of competent jurisdiction that any provision of this Declaration is invalid or unenforceable shall not affect the validity or enforcement of any of the other provisions hereof.



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Section 7.2 Rule Against Perpetuities. If any interest purported to be created by this Declaration is challenged under the Rule Against Perpetuities or any related rule, the interest shall be construed as becoming void and of no effect as of the end of the applicable period of perpetuities computed from the date when the period of perpetuities starts to run on the challenged interest.

Section 7.3 References to the Covenants in Deeds. Deeds to and instruments affecting any Lot or any part of Buzzie Lane may condition the covenants herein set forth by reference to this Declaration; but regardless of whether any such reference is made in any deed of instrument, each and all of the covenants shall be binding upon the grantee-owner or other person claiming through any instrument, each and all of the covenants shall be binding upon the grantee-owner or other person claiming through any instrument and his heirs, executors, administrators, successors and assigns.

Section 7.4 Gender and Number. Whenever the context of this Declaration so requires, words used in the masculine gender shall include the feminine and neuter genders; words used in the neuter gender shall include the masculine and feminine gender; words in the singular shall include the plural; and words in the plural shall include the singular.

Section 7.5 Captions and Titles. All captions, titles or headings of the Articles and Sections in this Declaration are for purpose of reference and convenience only and are not to be deemed to limit, modify or otherwise affect any of the provisions hereof or to be used in determining the intent or context thereof.

Section 7.6 Notices. Notice of any meeting, action or proposed action to be given to any Owner shall be deemed satisfied if notice of such action or meeting is given in person or by regular mail, postage paid, not less than three (3) days prior to the date such notice is effective.

Section 7.7 Mortgagee Protection. No breach of the covenants, conditions and restrictions contained in this Declaration or the enforcement of any provision herein shall affect, impair, defeat, or render invalid the lien of any mortgage or deed of trust made in good faith and for value, provided that the lien for assessments shall have priority pursuant to section _____ of this Declaration, but all of the covenants, conditions and restrictions shall be binding upon and effective against the title to the property acquired through foreclosure or judicial sale of any mortgage or deed of trust, and shall be held subject to all of the provisions of this Declaration.

Section 7.8 Enforcement. Any Owner shall have the right to enforce, by proceedings at law or in equity the provisions of this Declaration and any amendment thereto, including the right to prevent the violation of any restriction, condition, covenant and the right to recover damages for such violation. Failure by an Owner or the Association to enforce any restriction, condition or covenant contained in this Declaration shall in no event be deemed a waiver of the right to do so thereafter nor shall any restriction, condition or covenant lapse for want of enforcement.

IN WITNESS WHEREOF, the Declarants have affixed their signatures.



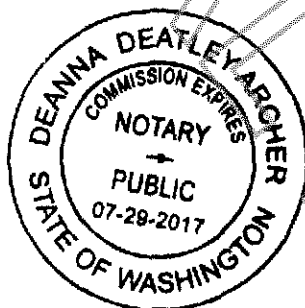
David M. Murray
David M. Murray

Debra L. Murray
Debra L. Murray

STATE OF WASHINGTON)
:SS
COUNTY OF SKAGIT)

On this day personally appeared before me David M. Murray, to me known to be one of the individuals described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 2nd day of June, 2014

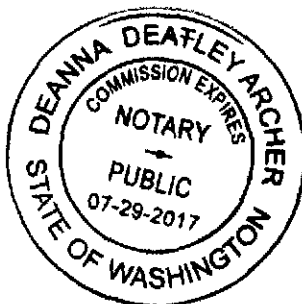


Deanna Deatley Archer
NOTARY PUBLIC in and for the State of
Washington, residing at
Mount Vernon.
My commission expires: 7/29/2017
Name: Deanna Deatley Archer

STATE OF WASHINGTON)
:SS
COUNTY OF SKAGIT)

On this day personally appeared before me Debra L. Murray, to me known to be one of the individuals described in and who executed the within and foregoing instrument, and acknowledged that she signed the same as her free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 2nd day of June, 2014



Deanna Deatley Archer



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NOTARY PUBLIC in and for the State of
Washington, residing at

Mount Vernon.

My commission expires: 7/29/2017

Name: Deanna DeAtley Archer



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