AFTER RECORDING, RETURN TO: SummerSun Estates HOA PO Box 370 Mount Vernon, WA 98273 (360) 755-3430



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AMENDED DECLARATION OF

COVENANTS, CONDITIONS, RESTRICTIONS AND RESERVATIONS FOR SUMMERSUN ESTATES 1 and 2

TITLE OF DOCUMENT:

AMENDED DECLARATIONOFCOVENANTS.

CONDITIONS, RESTRICTIONS AND

RESERVATIONS FOR SUMMERSUN ESTATES 1 and 2

GRANTOR:

SUMMERSUN ESTATES, LLC

GRANTEE:

THE GENERAL PUBLIC

LEGAL DESCRIPTION:

ABBREVIATED:

15/34/04 SW NN

FULL:

SEE EXHIBIT A and B

TAX PARCEL NO.

P-24851, P-24835

AF# 2015/10150065

ARTICLE 1 IDENTIFICATION OF DECLARANT AND PROPERTY; PURPOSE

1.1 Identification of Declarant and Property

SummerSun Estates, LLC, a Washington Limited Liability Company hereafter referred to as the "Declarant," and "Developer", is the owner in fee simple of the land described in Section 1.2 hereof, together with all improvements, easements, rights and appurtenances thereunto belonging (all collectively referred to hereinafter as the "Property"). Declarant has submitted the Property to the provisions of Mount Vernon Municipal Code, (hereinafter referred to as the "Ordinance"), and has thus created from such Property a Subdivision known as "SummerSun Estates."

1.2 Reference to Platting Documents-Legal Description of Property Affected

Concurrently here within, the Declarant has recorded with the Auditor of Skagit County, Washington the "Plat of SummerSun Estates No 2 Parcel No P-24835" and previously recorded the Plat of SummerSun Estates No 1 AFN 201510150066, this map is hereinafter referred to as the "Plat Map," which shows the location and dimensions of the Lots and Common Areas within the Community, together with other necessary information. This Declaration of Covenants thus benefits and burdens certain real property located in Skagit County, Washington and legally described on Exhibit A and B attached hereto.

1.3 Purpose

This Declaration of Covenants, together with the Plat Map referred to herein, state covenants, conditions, restrictions and reservations intended by the Declarant to affect a common plan for the development of the Property mutually beneficial to all of the described Lots. These covenants, conditions, restrictions, reservations and plan are intended to become, and by the recordation of this instrument shall be conclusively deemed to be legal and equitable servitude which shall run with the land of the Property and shall be binding upon the entire Property and upon each such Lot therein as a parcel of realty, and upon its Owners, their family members, their heirs, personal representatives, successors and assigns, and their tenants, licensees and other lawful occupants, through all successive transfers of all or part of the Property or any security interest therein, without requirement of further specific reference or inclusion in deeds, contracts or security instruments, and regardless of any subsequent forfeiture, foreclosures, or sales of Lots under security instruments, or of any forfeiture, foreclosures, or sales instituted for nonpayment of government tax, levy or assessment of any kind.

ARTICLE 2 DEVELOPMENT PERIOD; DEVELOPER'S RIGHT DURING DEVELOPMENT PERIOD

2.1 Development Period

The term "Development Period" shall mean that period of time from the date of recording this Declaration until the date when all original Lots have been sold by Developer, to bona fide third party purchasers, or if additional properties shall have been subjected to this Declaration, then until date when all original and additional Lots have been sold by Developer to bona fide third party purchasers, but in any event the Development Period shall terminate ten (10) years after the recording of this Declaration. Notwithstanding the foregoing, the Developer, at its option, may elect to terminate the Development Period at any time by recording with the Skagit County Department of Records and Elections a Notice of Termination of Development Period referencing this Declaration and stating that the Development Period is terminated. As used herein, "Lot" shall mean any one of the residential lots located within the Property; and "Lot Owner" shall mean the record owner, whether one or more persons or entities, of any Lot, including any persons or entities purchasing a Lot pursuant to the terms of a recorded real estate contract, but excluding thoses persons or entities having an interest in any Lot merely as security for the performance of an obligation. Until a Lot is sold to a bona fide third party purchaser, the Developer shall be deemed to be the Lot Owner of each Lot, but the Developer shall not be liable for assessments and fees and may be expressly excluded from other obligations to the Association as stated herein. The Developer will be deemed to be a Lot Owner for purposes of assessments by the Association in the event that any such Lot is rented or leased to any non-affiliated third party for uses consistent with the Lot as contemplated by this Declaration.

2.2 Developer's Authority During Development Period

Until termination of the Development Period, Developer hereby reserves for itself, its agent, successors or assigns, all of the rights, powers and functions of the Association and Board (as defined below) thereof, including, without limitation, the power to make assessments, collect funds, and spend monies on behalf of and through the Association for purposes consistent with this Declaration. During the Development Period, Developer hereby assigns the rights, powers and functions of the Association, the Board and all of the committees thereof to SummerSun Estates, LLC, a Washington Limited Liability Company ("Developer"), and said rights, powers and functions shall be exercised and/or performed solely by Developer. When the term "Developer" is used in connection with the rights, powers and functions of the Association, such terms shall be equivalent to, and interchangeable with, the Board, the Association, and its committees, and shall be expressly include SummerSun Estates, LLC as Declarant's Agent. Neither the Developer nor the Declarant's Agent shall have any obligation to publish financial statements, hold meetings or otherwise account to or consent with the Members, except as otherwise expressly required herein. Upon termination of the Development Period, administrative power and authority for management of the Property shall pass to the Board and Members as provided herein and in

the Bylaws (as defined below), and the authority of Declarant's Agent to act on behalf of the Developer shall automatically terminate.

ARTICLE 3 HOME OWNERS ASSOCIATION

There is hereby created an association to be called "SummerSun Estates Home Owners Association" ("Association"). The Association shall be a nonprofit corporation formed and operated pursuant to RCW 24.03 and RCW 64.38 unless said power is reserved for Developer or otherwise allocated in this Declaration. The Association shall use the name "SummerSun Home Owners Association" unless Developer elects to market the Lots under another name, in which case the Association shall use the common market name associated with the Property.

ARTICLE 4 BYLAWS OF THE ASSOCIATION

4.1 Adoption of Bylaws and Amendments

Contemporaneous with formation of the Association, Declarant's Agent, acting pursuant to its authority to act on behalf of the Association, shall adopt Bylaws of the Association ("Bylaws"). During the Development Period, Declarant's Agent shall have sole authority to amend the Bylaws. After termination of the Development Period, except as expressly provided to the contrary herein, the Bylaws may be amended from time to time by a vote of not less than sixty-six percent (66%) of the votes of all Members (including Developer, if applicable), at any regular or special meeting of the Association duly called for that purpose. As used herein, "Member" shall mean every Lot Owner who, including without limitation any Lots owned by Developer as provided for in Section 2.1 herein, as a result of such ownership, holds a membership in the association with rights and responsibilities as set forth herein and in the governing documents of the Association. Each Lot shall have one (1) membership inseparably appurtenant to it.

4.2 Initial Board of Directors

The Declarant's Agent shall designate the members of the initial Board of Directors of the Association ("Board"). The initial Board shall serve until the Developer or Declarant's Agent transfers the management and administration of SummerSun Estates Home Owners Association to the Board elected by the Members pursuant to the Bylaws after termination of the Development Period. Except as specifically provided herein to the contrary, the initial Board shall have the right to exercise all powers and perform all functions of the Board.

ARTICLE 5 MANAGEMENT OF COMMON AREAS

5.1 Control

The Developer shall have and hereby reserves for itself, its successors, agent and assigns, an easement for the right during the Development Period to utilize the Common Areas for its' business uses and purposes, including, but not limited to, uses and purposes related to the construction, promotion and development of SummerSun Estates. Upon termination of the Development Period, said Developer's easement shall automatically terminate.

5.2 Costs

Pursuant to its powers to make assessments and collect funds as set forth in Article 7 of this Declaration and in accordance with the Bylaws, the Association shall pay all costs of maintaining and operating the Common Areas ("Common Area Costs"). Notwithstanding the foregoing, during the Development Period, Developer shall advance to the Association certain funds to be utilized by the Association to pay for and/or defray the costs of maintaining and operating the Common Areas with respect to any Lots that are then unsold at the time any such Common Areas Costs arise and are properly due and payable in accordance with this Declaration ("Common Are costs Advance"). Notwithstanding the foregoing covenant, Developer does not waive or otherwise modify this Declaration with regard to other costs, fees, assessments and charges for which Developer is expressly or implied exempted from pursuant to the terms and conditions set forth herein. Not later than upon expiration/termination of the Development Period as provided for in this Declaration and prior to any transfer of control of the Association, Developer shall be reimbursed by the Association in full, for any amount of the Common Area Costs Advance then outstanding.

5.3 Common Area Maintenance

Common Areas within the Plat of SummerSun No 1 are hereby identified as Tracts A, B, C, the Detention Pond and the landscaping along Martin Road. Common Areas within the Plat of SummerSun No 2 are hereby identified as Tracts A, B and landscaping around the Detention Pond. The City of Mount Vernon will maintain the detention pond, however, the HOA will be responsible for maintaining the landscaping around the detention pond. The Association shall maintain all landscaping and associated fencing in Tracts A, B and detention pond as shown on the Plat Map attached hereto as Exhibit C.

ARTICLE 6 COVENANT FOR MAINTENANCE ASSESSMENTS

6.1 Creation of Lien and Personal Obligation of Assessment

The Association, acting through the Board and otherwise in compliance with the Bylaws is authorized to make such assessments and levy such fees against the Lots and each Lot

Owner thereof from time to time or as are necessary for the Association to fulfill its obligations under this Declaration and the Bylaws. Each Lot Owner is deemed to covenant and agree to pay to the Association all Common Area Costs assessed against its Lot by the Association in accordance with this Declaration and the Bylaws, which such consent shall be ratified by acceptance of a deed or other instrument of conveyance, whether or not it shall be so expressed in any such deed or other instrument. Common Area Costs include without limitation: (a) annual assessments or charges and (b) special assessments. Said annual and special assessments, together with interest therein and costs of collection thereof (including reasonable attorneys' fees whether or not suit is commenced), shall be a charge on the Lot and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with interest and costs of collection, shall also be personal obligation of the Lot Owner owning the Lot when the assessment is due. There shall be no assessment by the Association on any Lot until after the Lot is sold by the Developer or is otherwise provided for in Section 2.1 herein. The personal obligation for delinquent assessments, including without limitation any fees, fines, penalties, etc., shall not pass to the Lot Owner's successors in title unless the lien for such delinquent assessment has been properly recorded prior to transfer of title or unless expressly assumed by the transferee. Notwithstanding the foregoing, any right of the Association to lien any Lot as provided for in this Declaration shall not expire or otherwise terminate in the event of any transfer or sale of a Lot from one Lot owner to another, and the Association shall retain the right at all times to exercise its power under this Declaration regarding the same in accordance with the terms and conditions set forth herein. The case of the sale of any Lot which is charged with the payment of an assessment or assessments payable in installments, the person or entity who is the owner immediately prior to the date of any such sale, shall be personally liable only for the amount of the installment due prior to said sale. The new Lot Owner shall be personally liable for installments which become due on or after said sale.

6.2 Default in Payment of Assessment-Remedies

If any assessment is not paid within thirty (30) days after it is first due and payable, such assessment shall bear interest at the highest rate permitted by law, or if no limitation is imposed by law, at eighteen percent (18%) per annum, from the date on which it was due until paid. In the event any annual or special assessment remains delinquent for more than thirty (30) days, the Board my, upon fifteen (15) days' written notice to the Lot Owner, accelerate and demand immediate payment of the delinquent assessment, and any assessments which the Board reasonably determines will become due during the next succeeding twelve (12) months. If the assessments and any accrued interest is not paid in full within fifteen (15) days of the date of the notice, the Association may bring an action against the person or entity personally obligated to pay such assessment and/or record a lien for the amount of the assessment plus interest and attorney fees and costs incurred or estimated to be incurred in enforcing the lien with the county in which the Lot is located. The lien may be foreclosed in the same manner as a real property mortgage. Suit to recover a money judgment for unpaid assessments or charges can be maintained against the Lot Owner in conjunction with or separate from foreclosure of the lien. The notice of assessment shall not be filed or record unless and until the Board has delivered to the defaulting Lot Owner a notice of the intent to file the lien.

6.3 Foreclosure of Assessment Lien: Attorney's Fees and Costs

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 the Lot for nonpayment of delinquent assessments or charges, any judgement rendered against the Lot Owner in favor of the Association shall include a reasonable sum for attorney fees and costs and expenses reasonably incurred in preparation for and pursuit of such action in addition to taxable costs permitted by law. The Association shall additionally be entitled to reimbursement for all its attorney fees whether said attorney fees are incurred in negotiation, arbitration, litigation, foreclosure, or collection action, bankruptcy or appeal.

ARTICLE 7 EASEMENTS & RESTRICTIONS

The following nonexclusive, perpetual, appurtenant easements and those shown on the Map are hereby reserved for the benefit of and created, granted and conveyed to the Lot Owners Association or other parties as identified below (as used herein, the term "Map" shall additionally include subsequent Maps of divisions of SummerSun Estates which are recorded).

7.1 Utility Easements

Utility easements are granted to utility entities. The utility entities shall use the easements in such manner as to minimize inconvenience to the Lot Owners, damage to any roadway and existing structures and interference with other utilities. Said utility entities shall, at their own expense, repair any damage and restore the Property to as good a condition as existed prior to the performance of said work by said utility companies. Each Lot Owner agrees not to place locks on structures enclosing utility meters or to in any manner interfere with utility representatives' access to said meters at all times.

ARTICLE 8 INSURANCE

8.1 Liability and Hazard Insurance

The Association shall obtain insurance policies as the Board deems appropriate in the best interest of the Members, including but not limited to liability insurance. All such insurance coverage shall be written in the names of each of the Members.

8.2 Building Insurance

Every Lot Owner, at their own expense, shall insure the improvements on their Lot against loss or damage by fire or other casualty in an amount equal to the full replacement value thereof. Every Lot Owner shall secure liability insurance covering their Lot.

ARTICLE 9 AMENDMENT OF DECLARATION

9.1 Developer's Reserved Rights

The Developer reserves the right, and is hereby authorized to execute and to have recorded on behalf of all Lot Owners, any amendments to this Declaration it deems necessary prior to the termination of the Development Period. All Lot Owners hereby grant to the Developer and Declarant's Agent a full and complete power of attorney to take those actions and agree that the power of attorney granted herein shall be deemed coupled with an interst and shall be irrevocable.

9.2 Power of Attorney

All Lot Owners hereby grant to the Association (or Developer and Declarant's Agent during Development Period) a full and complete power of attorney to take any and all actions necessary to effectuate and record any amendment and agree that said amendment when authorized and recorded as provided in this Article shall be binding upon their property and them and their respective legal representatives, heirs, successors and assigns to the same extent as if they had personally executed said amendment. All Lot Owners hereby acknowledge and agree that the power of attorney herein granted shall be deemed coupled with an interest and shall be irrevocable.

ARTICLE 10 LIMIATION OF LIABILITY; INDEMNIFICATION

10.1 Limitation of Liability

No person who serves as a member of the Board, the initial Board ("Board Member") or as an officer of the Association (including Developer or Declarant's Agent) shall be personally liable to the Association or any Lot Owner or any other party for conduct as a member of the Board and shall be protected to the fullest extent permitted by law. If Washington State law is amended after adoption of this Declaration, then the liability of each Board Member of the Association shall be limited to the full extent permitted by the Washington State Law, as so amended.

10.2 Indemnification

The Association shall indemnify and hold all persons who serve as a member of the Board ("Board Member") and/or officer of the Association, (Including Developer and

Declarant's Agent), harmless to the full extent permitted under applicable law. This indemnification shall survive termination of such person as a Board Member and/or officer and shall inure to the benefit of that person's heirs, personal representatives, or assigns. The Association may, upon written request, advance expenses incurred by any Board Member and/or officers entitled to this indemnification. If a claim for indemnification or advance of expenses is not paid within sixty (60) days after a written claim has been received by the Association, the claimant shall be entitled to reasonable costs and attorneys' fees. In addition, the Association shall have the power to indemnify employees and agents of the Association, including the Developer and Declarant's Agent, to the full extent permitted under applicable law.

The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a Board Member, officer, employee, or agent of the Association against any liability asserted against him and incurred by her/him in such capacity or arising out of his/her status as such, whether or not the Association would have the power to indemnify him/her against such liability under the provisions of Washington State Law.

The Association shall indemnify, defend and hold any Board Member or officer harmless for any obligation of the Association which the Board Member or officer personally guaranteed, so long as that Association obligation has been authorized and/or ratified by the Board as provided for in the Bylaws.

If any provision of this <u>Section 10.2</u> is in violation of applicable law, then that provision shall be automatically modified to provide the broadest indemnification available under applicable law.

The rights to indemnification, limitation of liability, and to the advancement of expenses conferred in this <u>Section 10.2</u> shall not be exclusive of any other right which any person may have or hereafter acquire under any statue, the Association's articles of incorporation, Bylaws, agreement, or vote of Members, disinterested Board Members or otherwise.

ARTICLE 11 GENERAL PROVISIONS

11.1 Subordination

A breach of any of the provisions contained herein or any reentry by reason of such breach shall not defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value as to said premises or any part thereof; but said provisions shall be binding upon and effective against any Lot Owner of said premises whose title thereto is acquired by foreclosure, trustee's sale or otherwise.

11.2 Notice

Any notice required by this Declaration, Bylaws, or the rules and regulations adopted by the Association shall be deemed properly given if mailed by ordinary mail to the last address furnished to the Developer or Developer's Agent or the Association. If no mailing address has been provided, such notice shall be addressed to the address of the Lot. Such notices shall be deemed received three (3) days after it has been deposited in the U.S. mail.

11.3 Severability

Invalidation of any provision of this Declaration by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

11.4 Headings

The captions in this Declaration are for convenience only and do not in any manner affect, limit, or amplify the provisions hereof.

11.5 Right of Quiet Enjoyment

No Owner shall permit anything to be done or kept in the Owner's Unit, Limited Common Elements, Common Elements or the Real Property which would interfere with the Right of Quiet Enjoyment of the other residents of SummerSun Estates.

11.6 Rentals

A Lot Owner may rent or lease their Lot provided that no Lot may be leased or rented by any party for a period of fewer than thirty (30) days, nor shall less than the whole of any Lot be leased or rented. Additionally, any lease or rental agreement must provide that its terms shall be subject in all respects to the provisions of the Declaration, the Bylaws, and rules and regulations of the Association, and that any failure by the tenant to comply with the terms of such documents, rules, and regulations shall be a default under the lease or rental agreement. If any lease under this Section does not contain the foregoing provisions, such provisions shall nevertheless be deemed to be part of the lease and binding upon the Owner and the tenant by reason of their being stated in this Declaration. All leases and rental agreements shall be in writing. Other than the foregoing, there is no restriction on the right of any Owner to lease his Lot or residence. Notwithstanding the provisions of Section 5.1 herein or anything in the Bylaws

to the contrary, this <u>Section 11.6</u> may not be amended, deleted or otherwise modified without the unanimous consent of each Lot Owner.

ARTICLE 12 GENERAL RESTRICTIONS

12.1 Nuisances

No noxious or offensive activity shall be conducted in any portion of SummerSun Estates, nor shall anything be done or maintained therein in derogation or violation of the laws of the State of Washington or any other applicable governmental entity. Nothing shall be done or maintained on any portion of SummerSun Estates which may be or become an annoyance or nuisance to the neighborhood or detract from the value of the SummerSun Estates community.

12.2 Signs

No sign of any kind shall be displayed to the public view on any Lot without the prior written consent of the Association, except customary name and address signs and lawn signs of not more than five (5) square feet in size advertising the property for sale or rent. This Section 12.2 shall not be applicable to Developer, its agents and assigns at any time during the Development Period.

12.3 Campers, Trailers, Boats and Recreational Vehicles

Except as hereinafter expressly provided, the Common Area and/or streets located on the real property of the Property shall not be used for the overnight parking of any vehicle other than private family automobiles. No boat trailer, house trailer, camper, truck in excess of eight thousand two hundred (8,200) pounds gross weight or other recreational vehicle or similar object, or any party thereof, shall be stored or permitted to remain in the Common Area, nor on any Lot unless the same is stored or placed in a garage or is stored in rear or side yard within a fence enclosure.

The Board or its authorized representative shall give written notice of a violation to the Lot Owner or occupant, and said Lot Owner or occupant shall have ten (10) days from the date of receipt of said written notice to take whatever actions are necessary to remedy said violation. If said Lot Owner shall not comply within said ten (10) day period, the Board or its authorized representative is hereby granted the right to remove at the expense of the Lot Owner thereof any boats, trailers, campers, trucks, recreational vehicles or similar items which are parked or stored in violation of the terms and provisions hereof. Said Lot Owners hereby grant to the Association an express easement for the purpose of going upon the Lots of said Lot Owners or public streets

for the purpose of removing said boats, trailers, campers, trucks, recreational vehicles, or similar items which are parked or stored in violation of the terms and provisions hereof.

12.4 Animals

Dogs, cats and other reasonable household pets may be kept on Lots subject to such rules and regulations as may be adopted by the Association, provided that they are not kept, bred or maintained for any commercial purposed and that they shall not be kept in numbers or under conditions reasonably objectionable in a closely built-up residential community. All pets shall be kept on a leash when not in a residence or fenced yard. Pets shall not be allowed to eliminate waste on common areas or other owners' yards. The owner of any pet shall be responsible for immediate removal and disposal of any animal waste. Excessive barking, as determined by the Association, shall not be permitted. The Association may require the removal of any pet from SummerSun Estates for repeated violation of the foregoing provisions and of rules and regulations adopted by it.

12.5 Garbage

No Lot or portion thereof or any improvement thereon shall be used as a dump for trash or rubbish of any kind. All garbage and other waste shall be kept in appropriate sanitary containers located in appropriate areas concealed from view. Yard rakings, such as rocks, lawn and shrubbery clippings, and dirt and other material resulting from landscaping work shall not be dumped into public streets or ditches or on any of the Common Area. The removal and disposal of all such materials shall be the sole responsibility of the individual Lot Owner. Should a Lot Owner fail to comply with this covenant within ten (10) days following the date on which notice is mailed to him by the Association informing him of such violation, then the Association may have said trash removed and charge the expense of removal to said Lot Owner, which shall be collectible as a special assessment.

12.6 Temporary Structures

There shall be no temporary outbuildings of any kind kept on a Lot. No garage shall be used as a residence either temporarily or permanently.

12.7 Antennas

No radio or television antenna or transmitting tower shall be allowed on any Lot or residence. Notwithstanding the foregoing, satellite dish receivers shall be permitted on any Lot provided that any such device shall be on the side or the back of any residence or other permitted improvement located on the Lot and shall not exceed a maximum diameter of twenty-four (24) inches.

12.8 Storage

No storage shall be permitted under decks or overhangs or anywhere else on any Lot which is visible from any point outside the Lot.

Exhibit "A"

Description for Summersun Estates No. 1

Plat of Summersun Estates, Phase 1, LU-07-023 as per plat recorded under Skagit County Auditor's File No. 201510150066.

SUBJECT TO and TOGETHER WITH easements, reservations, restrictions, covenants, liens, leases, court causes and other instruments of record.

Situate in the City of Mount Vernon, County of Skagit, State of Washington.



Exhibit "B"

Description for Summersun Estates No.

The East 1/2 of the East 1/2 of the Southwest 1/4 of the Northwest 1/4 of Section 15, Township 34 North, Range 4 East, W.M.

EXCEPT the North 20 feet thereof;

ALSO EXCEPT that portion conveyed to the State of Washington, for highway purposes by deed dated May 29, 1986, and recorded under Auditor's File No. 8610010020, records of Skagit County, Washington.

AND ALSO EXCEPT from all of the above, the South 616 feet thereof.

SUBJECT TO and TOGETHER WITH easements, reservations, restrictions, covenants, liens, leases, court causes and other instruments of record.

Situate in the City of Mount Vernon, County of Skagit, State of Washington.



