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DECLARATION
OF
COVENANTS, CONDITIONS, RESTRICTIONS AND RESERVATIONS
FOR
R32 TOWNHOMES

TITLE OF DOCUMENT:

DECLARATION OF COVENANTS,
CONDITIONS, RESTRICTIONS AND
RESERVATIONS FOR R32 TOWNHOMES

GRANTOR:

R32, LLC

GRANTEE:

THE GENERAL PUBLIC

ABBREV. LEGAL DESCRIPTION:

LOTS A & B, BLA-2021-0013, AF#202109220134

TAX PARCEL NOS.:

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FULL LEGAL:

Page 16

TABLE OF CONTENTS

ARTICLE I	
IDENTIFICATION OF DECLARANT AND PROPERTY; PURPOSE	1
1.1. <u>Identification of Declarant and Property</u>	1
1.2. <u>Identification of Platting Documents, Community & Land Burdened</u>	1
1.2.1. <u>Platting Documents</u>	1
1.2.2. <u>Legal Description of Land Burdened by Covenants</u>	1
1.2.3. <u>Identification of the Community</u>	1
1.3. <u>Purpose</u>	1
ARTICLE II	
<u>DEFINITIONS</u>	2
ARTICLE III	
<u>DESCRIPTION OF DEVELOPMENT PLAN AND AMENITIES</u>	3
3.1. <u>Development Plan</u>	3
3.2. <u>Private Driveways, Walkways, Sewers and Storm Drainage</u>	3
3.2.1. <u>Private Driveway</u>	3
3.2.2. <u>Private Walkways</u>	3
3.2.3. <u>Sewers</u>	4
3.2.4. <u>Storm Drainage</u>	4
3.2.5. <u>Water Service</u>	4
3.3. <u>No Association</u>	4
ARTICLE IV	
<u>RESIDENTIAL UNITS & UPKEEP</u>	5
4.1. <u>Number and Location</u>	5
4.2. <u>Initial Construction of Building, Units and Other Improvements Within the Property</u>	5
4.3. <u>No Permanent Construction Within Easements</u>	5
4.4. <u>Upkeep of Units</u>	5
4.4.1. <u>Owners' General Responsibility</u>	5
4.4.2. <u>Party Walls</u>	5
4.5. <u>Upkeep of Building, Private Driveways, Walkways, Utilities, Fencing and Landscaping</u>	6
4.5.1. <u>Building 1</u>	6
4.5.2. <u>Building 2</u>	7
4.5.3. <u>Joint Access Easement</u>	7
4.5.4. <u>Private Pedestrian Access Walkways</u>	8
4.5.5. <u>Utilities</u>	8
4.5.6. <u>Fencing and Landscaping</u>	9
4.5.7. <u>Bio-Retention Swale</u>	10
4.6. <u>Adjustment of Accounts for Maintenance Share – Reserve Account Authorized</u>	10
4.7. <u>Enforcement</u>	10
4.8. <u>Owner's Individual Liability</u>	11
4.9. <u>Right of Access</u>	11
ARTICLE V	
<u>PERMITTED USES</u>	11
5.1. <u>Permitted Uses</u>	11
5.1.1. <u>Residential Use</u>	11
5.1.2. <u>Noise, Offensive or Illegal Activity</u>	11
5.1.3. <u>Vehicle Operation and Parking Restrictions</u>	11
5.1.4. <u>Signs</u>	12
5.2. <u>Uses by Declarant</u>	12

ARTICLE VI

<u>COMPLIANCE WITH LAW AND COVENANTS</u>	12
6.1. <u>Compliance by Owners and Occupants</u>	12
6.2. <u>Legal Proceedings</u>	12
6.3. <u>Costs and Attorney's Fees</u>	12
6.4. <u>No Waiver of Rights</u>	13

ARTICLE VII

<u>EASEMENTS</u>	13
7.1. <u>Easements for Units and Unit Owners</u>	13
7.1.1. <u>In General</u>	13
7.1.2. <u>Specific Easement Shown on Short Plat</u>	13
7.2. <u>Easement for Utilities</u>	13
7.3. <u>Easement for Common Driveway</u>	13
7.4. <u>Easement for Common Pedestrian Access Walkway</u>	13
7.5. <u>Easement for Drainage Swale</u>	14
7.6. <u>Easement for Water Lines and Meters</u>	14
7.6.1. <u>Building 1</u>	14
7.6.2. <u>Building 2</u>	14

ARTICLE VIII

<u>AMENDMENT OF DECLARATION OF COVENANTS</u>	14
8.1. <u>Procedure for Amendment of Declaration of Covenants</u>	14
8.2. <u>Recordation Required</u>	14
8.3. <u>Amendments by Declarant</u>	15

ARTICLE IX

<u>MISCELLANEOUS</u>	15
9.1. <u>Severability</u>	15
9.2. <u>No Right of First Refusal</u>	15
9.3. <u>Effective Date</u>	15

EXHIBIT "A"	17
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ARTICLE I
IDENTIFICATION OF DECLARANT AND PROPERTY; PURPOSE

1.1. Identification of Declarant and Property.

R32, LLC, a Washington limited liability company, hereinafter referred to as the "Declarant," is the owner in fee simple of the parcel of land in the City of Anacortes described in Section 1.2 hereof, together with all improvements, easements, rights and appurtenances thereunto belonging (all collectively referred to hereinafter as "the Property").

1.2. Identification of Platting Documents, Community & Land Burdened.

1.2.1. Platting Documents. There has been recorded with the Auditor of Skagit County, Washington two (2) unit lot subdivision plat maps, at Skagit County Auditor's File Nos. 202312190057 & 202312190058. The unit lot subdivision plat maps are hereinafter collectively referred to as the "Survey Map". The Survey Map depicts the location and dimensions of various Units within the Property, together with other necessary information.

1.2.2. Legal Description of Land Burdened by Covenants. The land burdened by this Declaration of Covenants consists of the land included legally described in Exhibit "A" attached hereto and incorporated herein.

1.2.3. Identification of the Community. The ten (10) Units and the land as described in Section 1.2.2, and any Common Areas described in this Declaration of Covenants shall be known collectively as the "Community" which also shall be known as "R32 Townhomes".

1.3. Purpose.

This Declaration of Covenants, together with the Survey Map referred to herein, state covenants, conditions, restrictions and reservations intended by the Declarant to effect a common plan for the development of the Property mutually beneficial to all of the described Units in Section 1.2.2 herein. Because this Community contains less than twelve (12) Units and any assessments contemplated are, in good faith, estimated to be no more than \$300.00 average per Unit annually, this Community is exempt from the provisions of RCW Chap. 64.90. 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 servitudes which shall run with the land of the Property and shall be binding upon the entire Property and upon each such Unit defined in Section 1.2.2 herein 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 Units under security instruments, or of any forfeiture, foreclosures, or sales instituted for nonpayment of government tax, levy or assessment of any kind.

ARTICLE II
DEFINITIONS

- 2.1. "Building 1" means the east Building constructed on the Property described in Section 1.2 hereof, which contains five (5) Dwelling Units.
- 2.2. "Building 2" means the west Building constructed on the Property described in Section 1.2 hereof, which contains five (5) Dwelling Units.
- 2.3. "Buildings" means both Building 1 and Building 2.
- 2.4. "Community" means all the Property described in Section 1.2 hereof, along with all the improvements constructed therein, and all other institutions and things serving the Owners of Units therein.
- 2.5. "Conveyance" means any transfer of the ownership of a Unit, including a transfer by deed or by real estate contract, but shall not include a transfer solely for security.
- 2.6. "Declarant" means the entity, person or group of persons acting in concert who (a) executes this Declaration of Covenants.
- 2.7. "Declaration of Covenants" means this document, which facilitates the creation of this Community; the term also includes any lawful amendments to this document.
- 2.8. "Development Plan" means any formal plan of development, however termed under the Ordinance, approved by the City of Anacortes. The term also includes any amendments thereto approved by applicable governmental entities.
- 2.9. "Dwelling Unit" means the principal housing structure consisting of the separate Units within the Building, as depicted on the Survey Map.
- 2.10. "Foreclosure" means a forfeiture or judicial or nonjudicial foreclosure of a mortgage or a deed in lieu thereof.
- 2.11. "Mortgage" means a mortgage, deed of trust or real estate contract.
- 2.12. "Person" means a natural person, corporation, partnership, limited partnership, trust, governmental body or agency, or other legal entity.
- 2.13. "Preventative Maintenance" means such Upkeep as shall be necessary from time to time to prevent premature failure of any component of a Unit or the Building.
- 2.14. "Property" or "the Property" means all the real property described as being contained within the Survey Map.

2.15. "Residential purposes" means use for dwelling and human habitation, whether on an ownership, rental or lease basis and for reasonable social, recreational or other uses normally incident to such purposes.

2.16. "Unit" means a physical portion of the Building consisting of the Dwelling Unit and associated real property designated for separate ownership as depicted on the Survey Map.

2.17. "Unit Owner" means the Declarant or any other Person who owns a Dwelling Unit, but does not include a person who has an interest in a Unit solely as security for an obligation. "Unit Owner" means the vendee and not the vendor of a Unit under a real estate contract.

2.18. "Upkeep" means any care, inspection, maintenance, operation, repair, repainting, remodeling, restoration, improvement, renovation, alteration, replacement and reconstruction that is required to maintain property in a decent, safe and sanitary condition, in keeping with the standards of the Community and with all applicable legal, administrative or regulatory requirements.

ARTICLE III

DESCRIPTION OF DEVELOPMENT PLAN AND AMENITIES

3.1. Development Plan.

The Units in this Community were authorized to be created by the City of Anacortes, with the initial Site Plan Review, approved by the City of Anacortes on August 3, 2021 (PLN-2021-0010), and pursuant to the Unit Lot Subdivision provisions of the Anacortes Municipal Code, specifically, AMC 19.32.050(D), subject to certain conditions appearing on the face of the Survey Map, some of which are reproduced in the text of the Covenants which follow.

3.2. Private Driveway, Walkways, Sewers and Storm Drainage

3.2.1. Private Driveway. The Units in the Community are served by one (1) private driveway, which provides access to the Units from the southern alleyway, off of R. Avenue, as depicted on the Survey Map and as more fully described in Section 7.3 herein ("Joint Access Easement"). The owners of each of the ten (10) Units in the Community are equally responsible for the Upkeep of the shared driveway and are required to equally share in the costs associated with the Upkeep, subject to the provisions of Section 4.8 herein.

3.2.2. Private Walkways. The Units in the Community are served by ten (10) separate private walkways; five (5) of which are connected to the existing sidewalk adjacent to R Avenue, serving Units 1-1, 1-2, 1-3, 1-4 and 1-5, as depicted on the Survey Map, and five (5) of which are connected to a common walkway ("pedestrian access") along the West boundary of the Community, serving Units 2-1, 2-2, 2-3, 2-4 and 2-5, as depicted on the Survey Map and as further described in Section 7.4 herein. Each sidewalk adjacent to R Avenue provides sole pedestrian access and use to the porch of each corresponding Unit in Building 1. Each sidewalk stemming from the pedestrian access walkway along the West Boundary of the Community, provides sole pedestrian

access and use to the porch of each corresponding Unit in Building 2. The owner of each Unit shall have sole responsibility for the Upkeep of the sidewalk serving their Unit, at their sole cost and expense. The owners of Units 2-1, 2-2, 2-3, 2-4 and 2-5, are equally responsible for the Upkeep of the pedestrian access walkway and are required to equally share in the costs associated with such Upkeep, subject to the provisions of Section 4.8 herein.

3.2.3. Sewers. The Units in the Community are each served by separate sanitary sewer lines, stemming from two (2) separate common lines within the Joint Access Easement, the locations as depicted on the Survey Map.

(a) Building 1 Sewer. Units 1-1, 1-2, 1-3, 1-4 and 1-5 are each individually responsible for any costs associated with Upkeep of the portion of the sanitary sewer line solely serving their respective Unit; costs associated with Upkeep of the common sanitary sewer line serving all five Units, shall be shared equally by Units 1-1, 1-2, 1-3, 1-4 and 1-5.

(b) Building 2 Sewer. Units 2-1, 2-2, 2-3, 2-4 and 2-5 are each individually responsible for any costs associated with Upkeep of the portion of the sanitary sewer line solely serving their respective Unit; costs associated with Upkeep of the common sanitary sewer line serving all five Units, shall be shared equally by Units 2-1, 2-2, 2-3, 2-4 and 2-5.

3.2.4. Storm Drainage. The Units in the Community are each served by separate storm drainage lines and gutters/downspouts, stemming from separate lines, gutters or downspouts, to a common line, which then drains into a bio-retention swale, the locations as depicted on the Survey Map.

(a) Gutters/Downspouts. Each Unit is responsible for any costs associated with Upkeep of the portion of the gutter/downspout solely serving their Unit.

(b) Bio-Retention Swale. The costs associated with Upkeep of the common storm drainage line serving more than one Unit, shall be shared equally by those whose Units are served. The costs associated with Upkeep of the Bio-Retention Swale, except associated landscaping (which shall be borne solely by the owner of Unit 1-1) shall be shared equally by all Units in the Community.

3.2.5. Water Service. The Units in the Community are each served by separate water lines, stemming from water meters as depicted on the Survey Map. Each Unit is responsible for the water line serving their separate Unit, at their sole cost and expense. See, Section 7.6 for more information.

3.3. No Association.

No homeowners association will be formed initially in this Community. Unit Owners are granted the right to enforce the provisions of these Covenants in Article VII of these Covenants.

ARTICLE IV
RESIDENTIAL UNITS & UPKEEP

4.1. Number and Location.

The Community contains two Buildings each containing five (5) Units zoned for residential use which were created pursuant to the City of Anacortes' Lot Unit Subdivision ordinance, AMC 19.32.050(D), and a certain survey map, recorded at Skagit County Auditor's File No. 202312190051 (collectively "Survey Map"). The location of the Buildings, the Units and their dimensions are shown on the Survey Map. 202312190058

4.2. Initial Construction of Buildings, Units and Other Improvements Within the Property.

The Buildings and related improvements, including fencing, have been constructed within the Property by or under the direction of the Declarant, according to a common design established by the Declarant and approved by the City of Anacortes on October 6, 2021 (BLD-2022-0730 – Building 1 and BLD-2022-0731 – Building 2), or as otherwise amended and approved by the City of Anacortes. Any alterations or improvements within the Buildings or any Unit in the Community that requires a permit shall be constructed in accordance with the building code and other applicable ordinances of the City of Anacortes.

4.3. No Permanent Construction Within Easements.

No permanent building, deck or other significant structure shall be constructed within the easement areas on the Units depicted on the Survey Map.

4.4. Upkeep of Units.

4.4.1. Owners' General Responsibility. Each Unit Owner, at such Unit Owner's sole expense, shall have the right and the duty to keep the Dwelling and its equipment, appliances, and fixtures contained therein in good order, condition and repair, and shall do all interior redecorating at any time necessary to maintain the good appearance and condition of the Dwelling. Each Owner shall also be responsible for the Upkeep of landscaping, decks, porches and any and all other exterior portions of the Unit, along with individual heating, ventilating or air-conditioning equipment, wherever located, installed for the sole and exclusive use of the Unit, and of any hot tub or other structure, device or equipment lying outside the Dwelling but lying within the Unit. This Section shall not be construed as permitting any interference with or damage to the structural integrity of either the Building or of any other Unit(s).

4.4.2. Party Walls. In addition to the responsibility requirements of Owners contained in Section 4.4.1, all Unit Owners shall have the following responsibilities concerning Party Walls:

(a) The cost of maintaining each Party Wall shall be borne equally by the owners of the Dwelling Units on either side of said Party Wall.

(b) In the event of damage or destruction to any Party Wall, shared monolithic slab, or shared roof if the roofline is joined ("Common Structure" herein) from any cause, other than the negligence of either party hereto, the owners of the Dwelling Units on either side of said Common Structure shall repair or rebuild said Common Structure. The cost of repair or rebuilding shall be borne equally by the owners whose Dwelling Units adjoin said Common Structure. Each such owners shall have the right to the full use of said Common Structure so repaired or rebuilt. If either owner's negligence shall cause damage to or destruction of said Common Structure and/or the non-negligent owner's Dwelling Unit, such negligent party shall bear the entire cost of repair or reconstruction. If either party shall neglect or refuse to pay his/her share, or all of such costs in case of negligence, the other party may have such Common Structure, and any portion of the Dwelling Unit, repaired or restored and shall be entitled to have a mechanic's lien on the Dwelling Unit of the party so failing to pay, for the amount of such defaulting party's share of the repair or replacement costs together with interest at the maximum rate allowable. The party having such Common Structure repaired shall, in addition to the mechanic's lien, be entitled to recover attorney's fees and shall be entitled to all other remedies provided herein or by law.

(c) No Owner shall alter or change a Common Structure in any manner, non-structural interior decoration excepted, and such Common Structures shall remain in the same location as when originally erected. Each owner to said Common Structure shall have a perpetual easement in that part of the premises of the other on which said Common Structure is located, for the purposes of such Common Structure and any other additional area necessary to repair, replace, and maintain the same.

(d) Each Owner shall keep all exterior walls of his or her Dwelling Unit in good condition and repair at his or her sole cost and expense. No Owner shall do or permit to be done any act or thing that would tend to depreciate the value of the Building (i.e. variance in design, colors, roofing, etc.).

(e) An Owner who, by his or her negligence, disinterest or willful act causes a Party Wall or roof to be exposed to the elements, shall bear the whole cost of furnishing the necessary protection against such elements and shall pay all damages resulting from such exposure.

(f) If any monolithic slab repairs are required, the entire monolithic foundation must be involved in the repair process. Owners of all Dwelling Units affected must cooperate regarding repairs to the slab. Each party shall share equally in any such necessary repair.

4.5. Upkeep of Building, Private Driveways, Walkways, Utilities, Fencing & Landscaping.

4.5.1. Building 1. All Owners of Dwelling Units within Building 1 are equally responsible for the Upkeep to Building 1, including, but not limited to, the roof, exterior walls, siding, foundation, windows and doors, subject to the following provisions:

(a) Preventative Maintenance. The Owners of Dwelling Units within Building 1 shall mutually agree upon a schedule of routine Preventative Maintenance for all components of Building 1 that requires the same, establishing appropriate times during each year

when such maintenance should occur, and identifying qualified contractors to perform such inspections and Preventative Maintenance. The costs of such Preventative Maintenance shall be shared equally between the Unit Owners within Building 1.

(b) Repairs and Maintenance. Any necessary maintenance or repair work on Building 1 shall be performed by a licensed, bonded contractor doing business in Skagit County, Washington selected by the Owners of the Units within Building 1. The Owners shall determine when the work shall occur and which of the owners shall enter into a contract for such repairs; the Non-contracting Parties shall be liable to the Contracting Party as hereinafter provided and subject to Sections 4.6 and 4.7 herein. All costs of Upkeep shall be shared equally between Units 1-1, 1-2, 1-3, 1-4 and 1-5, subject to the provisions of Section 4.8 herein.

4.5.2. Building 2. All Owners of Dwelling Units within Building 2 are equally responsible for the Upkeep to Building 2, including, but not limited to, the roof, exterior walls, siding, foundation, windows and doors, subject to the following provisions:

(a) Preventative Maintenance. The Owners of Dwelling Units within Building 2 shall mutually agree upon a schedule of routine Preventative Maintenance for all components of Building 2 that requires the same, establishing appropriate times during each year when such maintenance should occur, and identifying qualified contractors to perform such inspections and Preventative Maintenance. The costs of such Preventative Maintenance shall be shared equally between the Unit Owners within Building 2.

(b) Repairs and Maintenance. Any necessary maintenance or repair work on Building 2 shall be performed by a licensed, bonded contractor doing business in Skagit County, Washington selected by the Owners of the Units within Building 2. The Owners shall determine when the work shall occur and which of the owners shall enter into a contract for such repairs; the Non-contracting Parties shall be liable to the Contracting Party as hereinafter provided and subject to Sections 4.6 and 4.7 herein. All costs of Upkeep shall be shared equally between Units 2-1, 2-2, 2-3, 2-4 and 2-5, subject to the provisions of Section 4.8 herein.

4.5.3. Joint Access Easement. The Unit Owners are required to provide Upkeep to the shared private driveway identified in the Joint Access Easement, including any improvements required thereon, subject to the following provisions:

(a) Inspections. The Unit Owners within Building 1 and the Unit Owners within Building 2 shall each choose one (1) Representative to inspect the shared private driveway in the second quarter of each year to determine the nature and scope of any maintenance or repairs that are necessary to keep the shared private driveway functional, in good repair and appearance, for the mutual benefit of both Building 1 and Building 2. Any necessary maintenance or repair work shall be performed by a licensed, bonded contractor doing business in Skagit County, Washington selected by a majority of the owners of Units in the Community. The two representatives so appointed shall determine when the work shall occur and which of the owners shall enter into a contract for such repairs; the Non-contracting Parties shall be liable to the Contracting Party as hereinafter provided and subject to Sections 4.6 and 4.7 herein. All costs of

maintenance, repair and replacement shall be shared equally between the ten (10) Units in the Community, subject to the provisions of Section 4.8 herein.

(b) Improvements. Prior to any improvements being made to the shared private driveway, notice of any proposed improvement must be provided to each Unit Owner within the Community. The notice shall contain an estimated cost of the improvement and a timeline for the improvement to occur. Before the improvement is installed and the cost shared equally, there shall be a majority consent amount the Unit Owners within the Community. The Unit Owners shall act in good faith in discussing and agreeing upon proposed improvements.

4.5.4. Private Pedestrian Access Walkways. The Unit Owners benefitting from the private pedestrian access walkways, as depicted on the Survey Map, are required to provide Upkeep to the private pedestrian access walkways, and any improvements required thereon, subject to the following provisions:

(a) Building 2 Pedestrian Access Walkway. Representatives of the Owners of the five (5) Units in Building 2 shall inspect the shared private pedestrian access walkway in the second quarter of each year to determine the nature and scope of any maintenance or repairs that are necessary to keep the shared private pedestrian access walkway functional, in good repair and appearance, for the mutual benefit of both Units 2-1, 2-2, 2-3, 2-4 and 2-5. Any necessary maintenance or repair work in excess of \$500.00 shall be performed by a licensed, bonded contractor doing business in Skagit County, Washington selected by a majority of the owners of the five (5) Units in Building 2. The owners of Units in Building 2 shall thereafter determine when the work shall occur and which of the owners shall enter into a contract for such repairs; the Non-contracting Parties shall be liable to the Contracting Party as hereinafter provided and subject to Sections 4.6 and 4.7 herein. All costs of maintenance, repair and replacement shall be shared equally between Units 2-1, 2-2, 2-3, 2-4 and 2-5, subject to the provisions of Section 4.8 herein.

(b) Individual Walkways. Each Unit Owner within the Community shall inspect the private walkway serving their respective Unit in the second quarter of each year to determine the nature and scope of any maintenance or repairs that are necessary to keep the private walkway functional, in good repair and appearance, for the benefit of their Unit. Any necessary maintenance or repair work in excess of \$500.00 shall be performed by a licensed, bonded contractor doing business in Skagit County, Washington selected by the owner of the Unit whose walkway needs repair. All costs of such maintenance and repair shall be the sole responsibility of the Owner of Unit associated with such walkway.

4.5.5. Utilities.

(a) Building 1. Subject to and in addition to the provisions of Section 4.5.5(c)(i) below, prior to any owners of Units within Building 1 performing any installation, maintenance or repairs to the utilities serving solely such owner's Unit, notice shall be provided to the other Unit Owners within Building 1. The notice shall contain a description of the work to occur and the proposed date(s). All costs associated with the installation, maintenance or repairs of utilities shall be the sole responsibility of the owner of the Unit so benefitted by such utility. If the

utility is shared, the Owners of Units sharing the utility(ies) shall share the costs of installation, maintenance or repairs equally.

(b) Building 2. Subject to and in addition to the provisions of Section 4.5.5(c)(i), prior to any owners of Units within Building 1 performing any installation, maintenance or repairs to the utilities serving solely such owner's Unit, notice shall be provided to the other Unit Owners within Building 1. The notice shall contain a description of the work to occur and the proposed date(s). All costs associated with the installation, maintenance or repairs of utilities shall be the sole responsibility of the owner of the Unit so benefitted by such utility. If the utility is shared, the Owners of Units sharing the utility(ies) shall share the costs of installation, maintenance or repairs equally.

(c) Water Lines.

i. Building 1. Prior to any owners of Units within Building 1 performing any installation, maintenance or repairs to the water line serving solely such owner's Unit, notice shall be provided to the owner of Unit 1-5, if such work is within the water line easement area, as described in Section 7.6 herein. The notice shall contain a description of the work to occur and the proposed date(s). All costs associated with the installation, maintenance or repairs of the water line or water meter shall be the sole responsibility of the owner of the Unit so benefitted by such water line or water meter. Any such owner having the work performed, shall return the yard of Unit 1-5 and the common driveway to substantially the same condition it was in prior to the work being performed.

ii. Building 2. Prior to any owners of Units within Building 2 performing any installation, maintenance or repairs to the water line serving solely such owner's Unit, notice shall be provided to the owner of Units 1-1 and 2-1, if such work is within the water line easement area, as described in Section 7.6 herein. The notice shall contain a description of the work to occur and the proposed date(s). All costs associated with the installation, maintenance or repairs of the water line or water meter shall be the sole responsibility of the owner of the Unit so benefitted by such water line or water meter. Any such owner having the work performed, shall return the yard of Unit 1-1 or Unit 2-1, as applicable, and the common driveway to substantially the same condition it was in prior to the work being performed.

4.5.6. Fencing and Landscaping.

(a) Generally. Each Unit Owner is responsible for the Upkeep of the fencing and landscaping of their respective Lot, as well as the landscaping and street trees in the adjacent city right-of-way, at their sole cost and expense.

(b) Street Trees. The following Units are responsible for the corresponding newly planted street trees, as designated on the planting diagram attached hereto as Exhibit "B" and incorporated herein, and such Unit owners must maintain the trees per the standards of Anacortes Municipal Code, Title 16, at their sole cost and expense:

Building 1:

- i. Unit 1-1: Tree Nos 6, 7 and 8;
- ii. Unit 1-2: Tree No. 5;
- iii. Unit 1-4: Tree No. 4; and
- iv. Unit 1-5: Tree Nos. 1, 2 and 3.

Building 2:

- i. Unit 2-1: Tree Nos. 3, 4, 5 and 6;
- ii. Unit 2-5: Tree Nos. 1 and 2.

4.5.7. Bio-Retention Swale. The Unit Owners within the Community shall hire a third-party to annually inspect the Bio-Retention Swale located within Unit 1. The costs of inspection and Upkeep to the Bio-Retention Swale shall be shared equally between all ten (10) Units within the Community, subject to the provisions of Sections 4.7 and 4.8 herein. Any associated landscaping on or within the Bio-Retention Swale shall be borne solely by the owner of Unit 1-1.

4.6. Adjustment of Accounts for Maintenance Share – Reserve Account Authorized.

Upon completion of the annual maintenance to the shared private driveway and the shared bio-retention swale, the owners of all Units in the Community, as well as Units 1-1, 1-2, 1-3, 1-4 and 1-5, regarding preventative maintenance to Building 1, and the owners of Units 2-1, 2-2, 2-3, 2-4 and 2-5, regarding preventative maintenance to Building 2, and the shared pedestrian access walkway, respectively, shall determine their respective liabilities for Maintenance Share. The non-contracting Parties shall pay their Maintenance Share for such costs to the Contracting Party within 30 days of presentation of an invoice or bill therefor presented either by the contractor doing the work or by the Party who has paid the contractor for such work. Any portion of a Party's Maintenance Share remaining unpaid longer than 30 days following its due date shall bear interest at the rate of 12% per annum, or the rate charged by the contractor on the unpaid balance, whichever is greater. Alternatively, or in addition, the Owners, may separately agree to establish and maintain, at a reputable financial institution, a reserve fund designed to provide funding for long-term maintenance and repair to Building 1 and Building 2, bio-retention swale, shared private driveway and/or the shared private walkway, as applicable. In the event that such a reserve fund is established, the owners' respective payments made into such account shall be deemed to constitute portions of the Maintenance Shares of the Parties.

4.7. Enforcement.

It is hereby agreed that should any owner fail to pay their respective share of any costs to improve, repair or maintain their respective responsibilities itemized in Sections 4.4 and 4.5 herein, as applicable, the remaining owners that share such expense, as applicable, may pay for the non-paying owner's share. In such event, the paying owner(s), shall have a lien against the non-paying owner's real property and improvements. The lien arising under this section may be enforced judicially by the paying owner or their authorized representative in the manner set forth in chapter 61.12 RCW. The paying owner(s) or their authorized representative shall have the power to purchase the non-paying

owner's real property and improvements at the foreclosure sale and to acquire, hold, lease, mortgage, or convey the same. Upon an express waiver in the complaint of any right to a deficiency judgment in a judicial foreclosure action, the period of redemption shall be eight months. The paying owner may elect to take a deed in lieu of foreclosure in any such proceeding.

4.8. Owner's Individual Liability.

To the extent that any expense for Upkeep is caused by the negligence of any Owner of a Unit or that Owner's tenant, guest, invitee, or Occupant, such Unit Owner and their respective Unit shall be solely responsible for all such expenses/costs of the Upkeep.

4.9. Right of Access.

Each Unit Owner shall afford the other Unit Owners, as needed, and their agents, access through the Owner's Unit as may be reasonably necessary for the purposes of maintenance, repair and replacement of the landscaping, bio-retention swell, common driveways or common walkways, pursuant to the terms herein.

ARTICLE V
PERMITTED USES

5.1. Permitted Uses.

5.1.1. Residential Use. The Units in this Community are intended to be used for residential purposes, whether on an ownership, rental or lease basis and for common social, recreational or other reasonable uses normally incident to such purposes. Parts of a Dwelling also may be used for a professional office or other low impact commercial use, provided that such use is consistent with all applicable laws, ordinances and regulations of any governmental authority, and so long as such use does not generate any appreciable levels of client or customer traffic, bulk shipping or receiving, noise or other disturbance to other lawful occupants of the Community.

5.1.2. Noise, Offensive or Illegal Activity. No person shall cause any unreasonably loud noise anywhere in the Community, nor shall any person permit or engage in any noxious, offensive or illegal activity, practice or behavior causing annoyance, discomfort or disturbance to any person lawfully present on any portion of the Property. Quiet hours shall be observed from 11:00 p.m. to 6:00 a.m., during which only minimal noise shall be permitted to emanate from any Lot.

5.1.3. Vehicle Operation and Parking Restrictions.

(a) General Restrictions. Vehicle parking is permitted in the garage portion of the Units which have been improved for such purposes. Two off-street parking spaces are provided per Unit.

(b) No Parking on Private Driveways. No parking, or other temporary or

permanent obstruction, is permitted within the Shared Private Driveway that obstructs or blocks the use by the other owners.

5.1.4. Signs. Initially, no other sign of any kind shall be displayed to the public view on or from any Unit or the Common Areas without the prior consent of the Declarant; provided that this section shall not apply to Declarant or Declarant's agents, nor shall it be deemed to prohibit the Owner of a Unit from displaying a sign for a period of time in which the Unit is for sale or rent.

5.2. Uses by Declarant.

Nothing in the Declaration of Covenants shall be construed to prohibit the Declarant or its designees from using any Unit owned by the Declarant (or any other Unit with the permission of the Owner thereof) or any portion thereof for promotional, marketing, display or customer service purposes (such as a visitors' center) or for the closing of sales of Units. Further, the Declarant specifically reserves the right to operate a construction office or a rental, brokerage and management office at any time on Units owned or leased by the Declarant (or any other Unit with the permission of the Owner thereof), to the extent permitted by law. The Declarant may assign its rights under this subsection to or share such rights with one or more other persons, exclusively, simultaneously or consecutively with respect to the Units owned or leased by the Declarant or such persons.

ARTICLE VI
COMPLIANCE WITH LAW AND COVENANTS

6.1. Compliance by Owners and Occupants.

Each Owner and occupant of a Unit shall comply strictly with the provisions of the Declaration of Covenants. All remedies provided in this Article may be enforced against any tenant or other occupant of a Unit.

6.2. Legal Proceedings.

Failure to comply with any of the terms of the Declaration of Covenants shall be grounds for legal relief, including without limitation, actions to recover any sums due for money damages, injunctive relief, or any combination thereof and any other relief afforded by a court of competent jurisdiction, all of which relief may be sought by any aggrieved Owner, and shall not constitute an election of remedies.

6.3. Costs and Attorney's Fees.

In connection with proceeding arising out of an alleged default by any Owner or Occupant, the prevailing party shall be entitled to recover the costs of the proceeding, or any appeal therefrom, and such reasonable attorney's fees as may be determined by the Court. The Court is strongly encouraged to make such an award, to protect the values of this Community.

6.4. No Waiver of Rights.

The failure of an Owner or other party to enforce any right, provision, covenant or condition which may be granted by this Declaration of Covenants shall not constitute a waiver of the right of any such party to enforce such right, provision, covenant or condition in the future.

ARTICLE VII EASEMENTS

7.1. Easements for Units and Unit Owners.

7.1.1. In General. Each Unit has an easement in and through each other Unit for utilities and for lateral and/or subjacent support.

7.1.2. Specific Easement Shown on Survey Map. Easements shown on the Survey Map are hereby confirmed. Any easement shown on the Survey Map which benefits one or more Units in the Community, or which benefits any third parties or any real property not included within the Project, confers various rights and benefits upon such third parties or owner(s) of any such real property. Reference should be made to the Survey Map.

7.2. Easement for Utilities.

A non-exclusive perpetual blanket easement is hereby granted over and through the Property for ingress, egress, installation and Upkeep of any utility lines, sanitary sewer lines, storm drainage lines, gutters and downspouts, water lines, water meters, pipes, wires, ducts, conduits and/or other facilities and equipment for providing to any portion of the Property utilities of any type, whether public or private; such easement is hereby granted to any person installing or providing Upkeep for such utilities. Any pipes, conduits, lines, wires, transformers or any other apparatus necessary for the provision or metering of any utility may be installed, maintained or relocated, where permitted by the Declarant. See the Survey Map for further details.

7.3. Easement for Common Driveway.

Declarant hereby grants and provides a Joint Access Easement twenty-four feet (24') in width, consisting of the easterly twelve feet (12') of Units 2-1, 2-2, 2-3, 2-4 and 2-5, and the westerly twelve feet (12') of Units 1-1, 1-2, 1-3, 1-4 and 1-5, which provides the Unit Owners an exclusive reciprocal easement over and across a portion of each Unit where a common driveway has been constructed, the location of which is depicted on the Survey Map, for the purpose of ingress, egress and utilities. Such reciprocal, joint access easement, shall be a covenant running with the land for the benefit of each Unit in the Community. Upkeep and use of such easement is addressed in Section 4.5 herein.

7.4. Easement for Common Pedestrian Access Walkway.

The owners of Units 2-1, 2-2, 2-3, 2-4 and 2-5 grant an exclusive reciprocal easement over

and across a portion of Units 2-1, 2-2, 2-3, 2-4 and 2-5 where a common pedestrian access walkway has been installed, the location of which is depicted on the Survey Map, for the purpose of ingress and egress. Such reciprocal, joint use easement, shall be a covenant running with the land for the benefit of Units 2-1, 2-2, 2-3, 2-4 and 2-5. Upkeep and use of such reciprocal easement is addressed in Section 4.5 herein.

7.5. Easement for Drainage Swale.

The owners of Unit 1 grants an exclusive easement to the owners of Units 1-2, 1-3, 1-4, 1-5, 2-1, 2-2, 2-3, 2-4 and 2-5, for a bio-retention drainage swale, and associated elements, for purposes of storm drainage, the location of which is depicted on the Survey Map. Such easement shall be a covenant running with the land for the benefit of Units 1-2, 1-3, 1-4, 1-5, 2-1, 2-2, 2-3, 2-4 and 2-5. Upkeep and use of such easement is addressed in Section 4.5 herein.

7.6 Easement for Water Lines and Water Meters.

7.6.1. Building 1. The owners of Unit 1-5 grants an exclusive easement to the owners of Units 1-1, 1-2, 1-3 and 1-4, for the purpose of water lines and water meter serving each of such Units, the location of which is depicted on the Survey Map. Such easement shall be a covenant running with the land for the benefit of Units 1-1, 1-2, 1-3 and 1-4. Upkeep and use of such easement is addressed in Section 4.5 herein.

7.6.2. Building 2. The owners of Units 1-1 and 2-1 grant an exclusive easement to the owners of Units 2-1, 2-2, 2-3, 2-4 and 2-5, for the purpose of water lines and water meter serving each of such Units, the location of which is depicted on the Survey Map. Such easement shall be a covenant running with the land for the benefit of Units 2-1, 2-2, 2-3, 2-4 and 2-5. Upkeep and use of such easement is addressed in Section 4.5 herein.

ARTICLE VIII

AMENDMENT OF DECLARATION OF COVENANTS

8.1. Procedure for Amendment of Declaration of Covenants.

Amendments to the Declaration of Covenants shall be made by an instrument in writing entitled "Amendment to Declaration of Covenants" which sets forth the entire amendment. Except in cases of amendments that may be adopted by the Declarant unilaterally pursuant to Section 9.3 hereof, amendments may be adopted only if all three (3) of the Owners execute an instrument in writing containing such amendment.

8.2. Recordation Required.

Every amendment to the Declaration of Covenants must be recorded with the County Auditor and is effective only upon recording. An amendment shall be indexed in the name of the Community and shall contain a cross-reference by recording number to the Declaration of Covenants and each

previously recorded amendment thereto.

8.3. Amendments by Declarant.

The Declarant may unilaterally adopt and file amendments to the Declaration of Covenants for so long as the Declarant, or a principal of Declarant, is the Owner of any Unit in the Community or until the expiration of the time limit to exercise any Special Declarant Rights reserved by the Declarant.

ARTICLE IX
MISCELLANEOUS

9.1. Severability.

The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion thereof shall not affect the validity or enforceability of any other provision hereof, if the remainder complies with and furthers the common plan of this Community

9.2. No Right of First Refusal.

There is no right of first refusal limiting or restricting the right of any Unit Owner to sell, transfer or convey his or her Unit.

9.3. Effective Date.

This Declaration of Covenants shall take effect upon recording.

[signatures on following page]

DATED this 5th day of December, 2023.

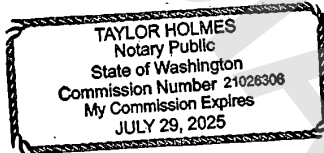
DECLARANT:
R32, LLC

By: Brian Gentry, Managing Member

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

I hereby certify that I know or have satisfactory evidence that Brian Gentry is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the managing member of the Declarant R32, LLC, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: December 5, 2023.



Taylor Holmes
NOTARY PUBLIC for the State of Washington,
Residing in Camano Island, WA
My Commission expires July 29, 2025

EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY WITHIN COMMUNITY

LOTS A and B, BLA-2021-0013, ACCORDING TO THE MAP THEREOF, RECORDED UNDER SKAGIT COUNTY AUDITOR'S FILE NO. 202109220134, RECORDS OF SKAGIT COUNTY, WASHINGTON.

CONSISTING OF THE FOLLOWING:

LOTS 1 – 6, INCLUSIVE, BLOCK 2, "PLAT OF WHITE'S FIRST ADDITION TO THE CITY OF ANACORTES," AS PER THE PLAT RECORDED IN VOLUME 2 OF PLATS, PAGE 41, RECORDS OF SKAGIT COUNTY, WASHINGTON.

SITUATE IN THE CITY OF ANACORTES, COUNTY OF SKAGIT, WASHINGTON

Tax Parcel No: P135409 & P60566

Subject to and together with any covenants, conditions, restrictions, reservations, agreements, encumbrances and other matters of record, including matters depicted on the Survey Map.

