

DECLARATION OF LIMITATIONS, COVENANTS, CONDITIONS, RESTRICTIONS,
AND RESERVATIONS

WITNESSETH

WHEREAS, HOMOLA/LIPKA PARTNERSHIP, hereinafter referred to as "Developer", has developed the real property described herein, for the benefit of Developer and its assigns; and

WHEREAS, these Declarations and Reservations hereinafter set out are to run with the land and shall be binding upon all parties and all persons owning or purchasing lots in said property and claiming under them until January 1, 2035; and

WHEREAS, the following limitations, covenants, restrictions, reservations, conditions and agreements shall run with the land and shall be binding upon and inure to the benefit of all parties hereto, their successors and assigns, and all persons claiming under them and shall be part of all transfers and conveyances of the property or any portion thereof as if set forth in full in such transfers and conveyances. Such limitations, restrictions, conditions, reservations and agreements shall be binding and effective for a period of thirty (30) years from the date hereof, at the end of which time they shall be automatically extended for successive period of ten (10) years, unless an instrument signed by a majority of the then owners of the lots within the subject property is recorded with the Clark County Auditor, agreeing to change said covenants and restrictions in whole or in part; except however, if prior to such thirty (30) year date, it appears to the advantage of the owners of the real property that these restrictions should be modified, then and in that event, any modification desired may be made by affirmative votes of 80% of the then owners of lots (one vote per lot) within the development and evidenced by suitable instrument filed for public record; and

WHEREAS, invalidation of any of these covenants by judgment or court order shall in no way affect any of the other provisions, which shall remain in full force and effect:

NOW therefor, the undersigned declare and impose the following:

1. PROPERTY SUBJECT TO THESE COVENANTS: The real property which is subject to these covenants is situated in Clark County, State of Washington, and is described as

follows, to-wit:

Tax serials Nos. 170698-000, 170699-000, 170700-000, 170701-000, 170702-000, 170703-000, 170704-000, 170705-000, 170706-000, 170707-000, 170708-000, 170709-000, 170710-000, 170711-000, 170604-000.

Lots 1 through 15 inclusive as shown on Boundary Line Adjustment Record Of Survey located in the North half of Section 12, Township 2 North, Range 3 East W.M., Clark County, Washington, recorded in Book ____, page ____ of Surveys, records of Clark County Surveyors office.

2. GENERAL PURPOSE OF THIS DECLARATION: Said property and every tract, part or parcel thereof or therein is subject to these covenants to insure its proper use and appropriate and uniform development and improvements thereof; to protect each owner of any tract, lot, part or parcel in or of said real property against improper use of any such lot, part or parcel as may depreciate the value of said property; to guard against the erection on said real property of buildings or structures built of improper or unsuitable materials; to insure the erection of attractive improvements on said real property and on appropriate locations; to secure and maintain proper setbacks from streets and adequate free spaces between structures; and in general to provide for a high type and quality of development and improvement in and on said project.

3. FORMATION OF ASSOCIATION:

(A) Requirements for Formation. At such time as the Developer may desire, but in no event beyond that date upon which 75% of the Lots in said subdivision have been sold to persons other than the Developer, related entities, other builders who intend to resell the property or involuntary successors in interests such as lending institutions, an association of lot owners to be known as Diamond Ridge Homeowners Association shall be formed. Said Association may be a Washington Non Profit Corporation at the option of the Developer or the members of the Association.

(B) Developer Responsibilities Prior to the Formation of the Association. Until the Homeowners Association is formed pursuant hereto, the Developer shall be responsible for all charges related to unsold lots pursuant to this Declaration. The Developer shall hold all membership rights in the Association until its formation, and furthermore, any references in this Declaration to Class B membership as held by the Developer, shall be effective so long as the Developer holds all membership as well.

(C) Membership. Every person or entity who is an Owner shall be a Member of the Association upon formation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be sole qualification for membership.

(D) Voting Rights. The Association shall have two classes of voting membership.

Class A. Class A Members shall be Owners, with the exception of the Developer,

and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast respecting any Lot.

Class B. The Class B Members shall be the Developer and shall be entitled to five votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership when fourteen (14) of the fifteen (15) lots are sold and closed. At this time the Association shall be fully turned over to the lot owners.

(E) Quorum for Any Action. The quorum required for any action authorized herein shall be as follows:

At the first meeting called, the presence at the meeting of Members, or of proxies, entitled to cast sixty percent (60%) of all votes of memberships shall constitute a quorum. If the required quorum is not present, another meeting may be called, subject to the same notice requirements and the required quorum at such subsequent meeting shall be one-half (1/2) of the required quorum of the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

(F) Date of Commencement of Annual/Monthly Assessments: Due Dates. The annual/monthly assessments provided for herein shall commence as to all Lots on the first day of the month following the adoption of this Declaration. The Board of Directors shall fix the amount of the annual/monthly assessment as soon as practicable and any changes in the annual/monthly assessment levy must be fixed by the Board of Directors at least thirty (30) days in advance of the commencement of the changed assessment amount. Written notice of the assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on the specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

(G) Effect of Nonpayment of Assessment: Remedies of the Association. If any assessment is not paid when due, then such assessment shall become delinquent and shall, together with such interest thereon and costs of collection thereof as hereinafter provided, become a continuing lien on the Lot which shall bind such Lot in the hands of the then Owner, his heirs, devisees, personal representatives and assigns.

If the assessment is not paid within thirty (30) days after the delinquent date, the assessment shall bear interest from the date of delinquency at the rate of twelve percent (12%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against this Lot pursuant to the then applicable provisions of Washington law and there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action, and in the event judgment is obtained, such above and reasonable attorney fees to be fixed by the court, together with the costs of the action. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use or abandonment of his Lot.

(H) Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from any liability for any assessments thereafter becoming due or from the lien thereof.

4. LAND USE AND BUILDING TYPE: None of the fifteen (15) existing lots shall be divided or short platted into separate building sites. Structures permitted shall be one single family residence. The following structures are permitted as auxiliary to a principal single-family residence: barn, private greenhouse, swimming pool, detached garage, or storage facility/workshop. No auxiliary structure shall exceed twenty (20) feet in height. No lot shall have more than three (3) auxiliary structures.

5. DWELLING SITE: The main floor area of any dwelling structure, exclusive of basements, open and screened porches and attached garages, shall be not less than 3200 square feet per floor for a one story dwelling; nor less than 2400 square feet on main floor for a dwelling of more than one story. A split level dwelling shall contain minimum main floor area of 2400 square feet for all levels exclusive of garage area with the dwelling unit included in computation of footage for such split level dwellings. The height of a single family residence shall not exceed thirty-five (35) feet from ground level. There shall be no mobile home or manufactured home used as a residence or any purpose whatsoever. Roofing materials to be 25 year architectural comp, cedar, tile or metal shingles. Painted metal roofs will not be allowed on any buildings unless they are equivalent to Standing Seam or better. No vertical siding such as T-111 shall be allowed. Any hardship or mother-in-law dwellings must meet approval of a majority of the lot owners with the property and in all respects comply with local building codes.

6. BUILDING LOCATION: No building shall be located on any lot with respect to set-back from front, side and rear lot lines, except in conformity with the planning regulations and requirements of Clark County, Washington.

7. COMPLETION: Construction of any dwelling shall be completed, including exterior decoration, within one (1) year from the date of the start of such construction. Basic lawn and landscaping shall be completed within one (1) year of completion of construction. However, if a log home is built the home may be completed within two (2) years from date of completion of construction to allow for the drying out period required for log homes. An extension to this time limit may be granted by a majority of the landowners.

8. COMMERCIAL VEHICLES: No trucks and no commercial type vehicles shall be stored or parked on any residence lot except while parked in a closed garage nor parked on any residential street in the developments except while engaged in transporting to or from a residence in the development.

9. **SIGNS**: No sign of any kind shall be erected, maintained or displayed to the public view on any lot, except one professional sign not larger than one square foot, one sign not larger than 18 by 24 inches, advertising the property for sale or rent, or signs used by the developers or a builder to advertise the property during the initial sales and construction period. This restriction, however, shall not be construed to prohibit ornamental plates designating the name of the resident or the owners thereof.

10. **EXISTING STRUCTURES**: No existing structure, residential or otherwise, shall be moved onto any lot in said development, nor shall any dwelling therein be occupied prior to its completion.

11. **TEMPORARY STRUCTURES**: No structures of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any lot at any time as a residence either temporarily or permanently.

12. **GARBAGE AND REFUSE DISPOSAL**: No lot shall be used or maintained as a dumping ground for rubbish. Trash, garage or other wastes shall not be kept except in sanitary containers pending collection and removal. All incinerators or other equipment for the temporary storage or disposal of such material shall be kept in a clean and sanitary condition.

13. **LIVESTOCK AND POULTRY**: Landowners are restricted to one animal or livestock per acre, except that not more than two (2) dogs, two (2) cats, and/or other usual small household pets may be kept, provided that they are not kept, bred or maintained for any commercial purpose, and provided that they are not permitted to cause damage, constitute a nuisance or run at large in the neighborhood. Poultry may be kept for personal consumption only.

14. **MAINTENANCE AND EXPENSE**: The lot owners shall bear the costs and expenses of repairs and maintenance of the private roads easement which is recorded under Clark Co Auditors No. _____ and incorporated hereto. This includes repairs and maintenance of all drainage facilities.

Each lot owner and/or purchaser agrees to pay the base sum of Two Hundred and no/100 Dollars (\$200.00) per year for the maintenance costs and expenses. Said Two Hundred and No/100 Dollars (\$200.00) per year may be adjusted upward annually by the affirmative vote of seventy-five per cent (75%) of the landowners (one vote per lot). The maintenance and expense assessments shall be set up in an interest-bearing savings account.

The simple majority of lot owners (one vote per lot) will elect one property owner as Treasurer to collect the yearly maintenance fees. Said Treasurer will have the authority to collect fees and pay maintenance expenses. The term of Treasurer shall be for a period of one year or until a successor is elected.

15. **ANTENNAS AND SERVICE FACILITIES**: Exterior antennas shall not be permitted to be placed upon the roof of any structure on any Lot so as to be visible from the street in front

of said Lot. No Citizens Band, short-wave, radio or other towers may be installed anywhere on the Lot or house. Clotheslines or other service facilities with the exception of satellite T.V. receivers shall be screened so as not to be visible from the street.

16. OFFENSIVE ACTIVITIES: No noxious or offensive activity shall be carried on within any private or public area nor shall anything be done or placed upon any private or public area which interferes with or jeopardizes any Owner's use or enjoyment of his Lot or may become an annoyance or nuisance to that neighborhood.

17. VEHICLES IN DISREPAIR: No Owner shall permit any vehicle to be abandoned or to remain parked out of doors upon any street or Lot for a period in excess of forty-eight (48) hours.

18. VIOLATION OF RESTRICTIONS AND ENFORCEMENT:

(A) Upon any violation or breach of any of these covenants, the Developer or a representative of the majority of the landowners may enter any lot, part or parcel in or on said real property upon or as to which such violation exists and may alter, correct, modify, remedy or summarily abate and remove, at the expense of the owner of such lot, part or parcel, any thing or condition that may be or exist thereon contrary to the provisions hereof. The Developer or the Representative shall not thereby be deemed to have trespassed upon such lot, part or parcel and shall be subject to no liability to the owner or occupant of such parcel for any such entry or other action taken pursuant to this subparagraph.

(B) Violation of any of these covenants may be enjoined, abated, restrained or otherwise remedied by any lawful means or proceedings. Proceedings to restrain violation of said covenants may be brought at any time that violation appears reasonably likely to occur in the future. In the event of proceedings brought by the Developer or any lot owner or representative thereof to enforce or restrain violation of any of said covenants, or to determine the rights or duties of any such person hereunder and the Developer, lot owner or Representative prevails in such proceedings, it may recover a reasonable attorney's fee to be fixed by the Court, in addition to court costs and any other relief awarded by the court in such proceedings.

(C) These covenants shall be binding and inure to the benefit of and be enforceable by the Developer and/or the Representative and/or the owner or owners of any lot, part or parcel in or of said property, and the respective heirs, successors and assigns of each. The failure of the Developer or the Representative or of any such owner or of any other person entitled to enforce any of said covenants to enforce the same shall in no event be deemed a waiver of the right of such person or of any other person entitled to enforce these restrictions to enforce the same thereafter.

(D) Waiver or attempted waiver of any of said covenants with respect to any lot, part or parcel in or of said real property shall not be deemed a waiver thereof as to any other lot, nor shall the violation of any of said covenants upon any lot, part or parcel or lots, parts or parcels affect the applicability or enforceability of said covenants with respect to any other lot, part or parcel.

19. AMENDMENTS: Notwithstanding, any provision to the contrary contained herein, the undersigned Developer or its successors or assigns reserve the exclusive right to amend and interpret these covenants as long as Developer or its successors or assigns own any lot affected by these covenants. Any amendment must be recorded.

20. COVENANTS TO RUN WITH THE LAND - PURCHASER'S CONTRACT: Each of these covenants shall run with the said real property and each tract, lot, part or parcel thereof and bind the Developer his successors, grantees, and assigns, and all parties claiming by, through or under them. Each purchaser of any lot, part or parcel of or in said real property shall, by acceptance or a deed or other conveyance for any such tract, lot, part or parcel thereby, be conclusively deemed to have consented to and agreed to all of said covenants for himself and his heirs, executors, administrators and assigns, and does by said acceptance covenant for himself and his heirs, executors, administrators and assigns, to observe, perform and be bound by said covenants and to incorporate said covenants by reference in any deed or other conveyance of all or any tract, lot, part or parcel thereof or therein.

21. EFFECTIVE DATE OF COVENANTS: Each of these covenants set forth in this Declaration shall continue and be binding as set forth in the introduction for an initial period of thirty (30) years from the date of recording hereof and thereafter for successive periods of ten (10) years each.

22. SEVERABILITY CLAUSE: If a court of competent jurisdiction shall hold invalid or unenforceable any part or all of any of said covenants or other provisions contained in this Declaration, such holding shall not impair, invalidate or otherwise affect the remainder of this Declaration which shall remain in full force and effect.

23. ASSIGNMENT OF DEVELOPERS RIGHTS AND POWERS: The Developer, its successors and assigns, reserves the right to vest in any corporation or association with any or all of the rights, privileges, easements, powers and duties herein retained or reserved by the Developer by supplemental Declaration and assignment, which shall be effective when recorded in the office of the County Auditor, Clark County, Washington.

24. COVENANTS ACCUMULATIVE: These covenants do not supersede or affect in any way any limitations, covenants, restrictions, or reservations heretofore recorded in the Official Records of Clark County, Washington, pertaining in whole or in part to said real property.

25. HEADINGS, ETC.: The headings of the sections and paragraphs herein contained are for convenience only and shall not be used in construction or interpretation of this Declaration. The singular may include the plural and the masculine may include the feminine, or vice versa, where the context so admits or requires.

IN WITNESS WHEREOF, the undersigned, being the Developer and Owner of all the

Lots described herein, has hereunto set its hand and seal this ____ day of December, 2005.

HOMOLA/LIPKA PARTNERSHIP

By *Timothy L. Homola*
TIMOTHY L. HOMOLA, Partner

By *J. N. Lipka*
JEFFREY N. LIPKA, Partner

STATE OF WASHINGTON)

: ss.

COUNTY OF CLARK)

I certify that I know or have satisfactory evidence that Timothy L. Homola and Jeffrey N. Lipka are the persons who appeared before me, and said persons acknowledged that they signed this instrument, on oath stated that they were authorized to execute the instrument and acknowledged it as the partners of the HOMOLA/LIPKA PARTNERSHIP to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 2-10-06

B. M. Jamieson
Notary Public
My appointment expires: 4-15-09

