

DECLARATION OF PROTECTIVE COVENANTS, RESTRICTIONS,
LIMITATIONS, CONDITIONS, AND AGREEMENTS WITH RESPECT
TO LAUREL HILLS PLAT, SHORT PLAT SUBDIVISION NUMBER 421525

WHEREAS, NORCON DEVELOPMENTS, LTD, a Canadian corporation, is the owner of the following described real property in King County, State of Washington:

Lots 1 through 58, inclusive, and tracts A, B and C, Laurel Hills, according to the plat thereof recorded in Volume 122 of Plats, pages 23 to 25, records of King County, Washington.

WITNESSETH

WHEREAS, it is the desire of NORCON DEVELOPMENTS, LTD, that said declaration of protective covenants be recorded and by thereby impressed upon the land; NOW, THEREFORE.

In consideration of the acceptance hereof by several purchasers and grantees of deeds to lots in said short plat subdivision number 421525 (hereinafter referred to as the "subdivision") their heirs, devisees, personal representatives, successors and assigns, and all persons or concerns claiming by, through or under such grantees, hereby declares to and agrees with each and every person who is and who shall become owner of any of said lots that said lots shall be and hereby are bound by the covenants set forth herein and that the lots included in said subdivision shall be held and enjoyed subject to and with the benefit and advantage of the protective covenants, restrictions, limitations, conditions and agreements for the term hereinafter stated in paragraph 23 as follows:

1. Purpose and Intent. The purpose and intent of these covenants is to insure all grantees that their properties in this subdivision shall at all times be owned, used or occupied for single family residential sites; that buildings and structures thereon shall enhance the quality of their property and immediate environment; to preserve the quality and value of their property under everchanging circumstances; and maintenance of common areas and easements.
2. Ownership.
 - (a) No lots or any part thereof in said subdivision shall be sold or conveyed to anyone other than a member of good standing in the Laurel Hills Homeowners Association, (hereinafter sometimes referred to as the "Association"), so long as the only requirement for membership in the Laurel Hills Homeowners Association is satisfactory evidence that said applicant for membership has either sufficient funds on hand to acquire the afore-mentioned property and/or a firm commitment from a recognized financial institution that it will fund the acquisition, in whole or in part, plus the tender of then-prevailing assessment fee for one year.
 - (b) It is a condition of the estate conveyed that the grantee of any deed shall not give or convey the property conveyed to him or any part thereof to any person who is not a member of the Laurel Hills Homeowners Association at the time of such transfer, lease, gift or conveyance; PROVIDED, HOWEVER, that in the event of a gift, testamentary devise or transfer by operation of law, the donee, devisee or transferee shall have ninety (90) days from the effective date of transfer to satisfy the requirement of this condition.

(c) Any deed or conveyance, directly or indirectly, or an will, judicial proceeding or transfer by operation of law, in violation of this covenant, restriction or limitation, shall be void and of no effect.

3. Occupancy and use. No lot or any part thereof in the subdivision shall be used or occupied by anyone other than a member of the Laurel Hills Homeowners Association and his or her immediate family; nor shall any such lot be used or occupied for any purpose other than as a single family residence. The conduct or carrying on of any manufacturing, trade, business, commerce, industry, profession or other occupation whatsoever upon any such lot or any part thereof, or in any building or structure erected thereon, shall constitute a breach of this restriction. In the event that a member of the Laurel Hills Homeowners Association leases his lot, or any portion thereof, the owner shall be primarily liable for any assessments owed to the Association.

4. Residential Sites. A residential site shall mean any lot in the subdivision, and it shall be owned, used or occupied only as a single residential site. No lot or portion of lot or contiguous group of lots shall ever be divided, resubdivided, or replatted in any manner which would bring about lots which would not qualify as residential sites under the provisions of this paragraph or in violation of any setback, lot size, or other governmental requirement.

5. Architectural Control Committee. For the purpose of further assuring the development of the lands in the subdivision as a residential area of high standard, NORCON DEVELOPMENTS, LTD. hereby creates an Architectural Control Committee. Said Committee shall have the authority to make decisions as described in this document and to sue to enforce all the provisions contained herein.

The initial Architectural Control Committee shall be composed of

- A) John McNestry (2 votes)
- B) Dennis P. Anderson (1 vote)
- C) J. Patrick Barry (1 vote)
- D) Darrell Dirks (1 vote)

Committee decisions are made based upon the vote of a simple majority of its members. Neither the members of the Committee nor a designated representative shall be entitled to compensation for services performed pursuant to this document. Until the sale of the last lot in Laurel Hills, NORCON DEVELOPMENTS, LTD. reserves the right to demand immediate resignation of any member of the Committee at any time, and to appoint a successor; further, NORCON DEVELOPMENTS, LTD. reserves the right to dissolve the Committee and to create a new Architectural Control Committee.

In the event of the death, resignation or other inability to serve or any member of the Committee, the remaining member or members shall have the authority to designate a successor.

Upon sale (by NORCON DEVELOPMENTS, LTD.) of the last lot in Laurel Hills, the Architectural Control Committee shall become the sole responsibility of the Laurel Hills Homeowners Association. After the occurrence of the aforesaid event, the then recorded owners of a majority of the lots shall have the power through a duly recorded written instrument, to change the membership of the Committee or to withdraw from the Committee or restore to it any of its powers and duties.

6. Building Plans, Plot Plans and Setbacks. For the purpose of further assuring the development of the lands in the subdivision as a residential area of high standard, the Architectural Control Committee reserves the right to control the building structures placed on each residential site. The owner or occupants of each such site, by acceptance or title thereto or by taking possession thereof, covenants and agrees that no building, wall, fence,

swimming pool or other structure shall be placed upon said premises unless and until the plans and specifications therefor and the plot plan have been approved in writing by the Architectural Committee, or its nominee. Each such building, wall, swimming pool or other structure shall be placed on the premises only in accordance with the plans and specifications and plot plans so approved. Refusal of plans and specifications or refusal of the plans and specifications as it relates to its location on the plot plan may be based upon any grounds, including purely aesthetic grounds, which in the sole and uncontrolled discretion of NORCON or its nominee, shall deem sufficient to meet the purposes and intentions of these covenants.

No alteration in the exterior appearance (including without limitation, the color) of any buildings or structures shall be made without like approval of the plans and specifications and plot plan; PROVIDED, HOWEVER, that if the alteration is only in regard to color, a sample of the color need only be submitted for approval.

The Architectural Control Committee will endeavor to approve or disapprove the plans and specifications submitted in writing by the owner or a residential site in the subdivision within thirty (30) days after receipt of a written request therefore.

7. Single Family Residence Exclusively. Only one single family dwelling shall be allowed or erected on any residential site in the subdivision and said dwelling shall be occupied by one (1) immediate family. No such dwelling house shall exceed two stories in height nor have a private garage for more than three cars. If the residence is a one-story dwelling, the ground floor area of the main structure, exclusive of one story open porches and garages, shall not be less than 2200 square feet. If the building constructed is a two-story dwelling, the ground floor, exclusive of open porches and garages, shall be not less than 1200 square feet.

No structure of a temporary character, trailer, basement, tent, shack, garage, barn or any other out building shall be used on any lot at any time as a temporary or permanent residence.

No home may be constructed on any lot by anyone other than a contractor licensed as a general contractor under the laws of the State of Washington unless the owner has received prior approval by the Architectural Control Committee. All homes constructed on each lot shall be built with new material, with the exception of decor items such as used brick, weathered planking and similar items. The Architectural Committee shall make the final determination as to whether used material is a decor item or not. All construction of properly authorized dwellings, structures or improvements on any residential site shall be completed as to external appearance, including finished painting, within six (6) months after date of commencement of construction. The septic tank shall be connected prior to occupancy.

The Architectural Control Committee shall have the sole and exclusive right to grant an exception to the specifications set forth in this paragraph. The intent of granting an exception is to permit exceptions when changing circumstances may warrant such and the intent and purposes of these covenants can still be accomplished.

8. Setback Lines. No building shall be erected on any residential site so that any part thereof is not in compliance with any setback requirements by the applicable governmental entity.

Further, no building shall be located within forty (40) feet of the front lot line, or within twenty (20) feet of any road right-of-way or easement. Further, no building shall be located within fifteen (15) feet of a side lot line, nor within thirty (30) feet of the rear lot line. For the purpose of this agreement, eaves, steps, open porches, and chimneys shall be considered as part of a building. In the event that King County regulations are more restrictive than the above described regulations, King County regulations shall prevail.

9. Hedges and Fences. No hedge over six (6) feet in height nor any approved fence over six (6) feet in height shall be constructed, erected, placed, planted, set out, maintained or permitted; PROVIDED, HOWEVER, if a fence or hedge affects a neighbor's view, any fence or hedge over fifty-four (54) inches in height shall be by mutual agreement only. Trees, shrubs and other plantings, not constituting a hedge or other solid screen, shall be exempt from the height restrictions imposed by this paragraph if the location thereof is approved in the manner provided in paragraph 6 above.

10. Utilities Easements. The Architectural Control Committee, its successors and assigns, shall have the exclusive right subject to any exceptions contained herein, to approve or disapprove any easement for water, electricity, gas, cable, television, sewers and/or other utilities running across, over, under or through the aforesaid described property, and shall solely receive any and all compensation for such easement, regardless of whether the Architectural Committee is the owner in fee of that property on which the easement is to be located; PROVIDED, HOWEVER, that any easement which runs over, across or through any residential site, excluding any street within the subdivision, is also subject to approval of the owners of the residential site on which the easement is to be located.

11. Aerials. No aerial, whether it be for television or radio, shall be erected or placed on any residential site which is more than six (6) feet in height above the highest point (exclusive of chimneys) on the building or structure upon which it is erected. No ham radio antenna or aerial shall be erected or placed on any residential site.

12. Landscaping. All landscaping must be completed within forty-five (45) days of the final inspection by King County.

It shall be the responsibility of each property owner to keep his lot in a pleasing, park-like condition, free of brush, brambles, dead trees, piles of stumps, or any condition that would be an eyesore. Further, no lot or adjoining area shall be used or maintained as a dumping ground for garbage, trash or other waste material and such material shall not be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition. For the purpose of this provision, paragraph 6 shall be deemed to extend to such plantings and the Architectural Control Committee may impose such conditions upon the granting of such approval as they in their uncontrolled discretion shall deem proper.

It is the lot owner's obligation to landscape and to maintain the landscape to the asphalt road.

No trees other than alder and brushy growth may be removed from within the setback areas as listed in paragraph 8 without prior approval of the Architectural Control Committee; except for those trees with a trunk diameter of less than five (5) inches, and as may be required for planned landscaped areas, driveways, trails, utilities and for park out, including thinning of heavy and low growing branches and limbs.

In order to limit surface water pollution, landowner shall use low phosphorus perentile fertilizer only.

13. Detergent. Homeowners shall use only low phosphate detergents.

14. Signs. No sign of any kind shall be displayed to the public view on any lot, except one sign of not more than five (5) square feet advertising the property for sale or rent, or signs to be used by a builder to advertise the property during the construction and sale period.

15. Animals. Household pets shall not be kept in such numbers as to constitute a nuisance. No more than two horses shall be kept on one plotted tract. No cloven hoofed animals or poultry shall be kept on the premises. In no instance shall horses, dogs, poultry or other birds or animals be kept, bred or maintained for business purposes. No household pet

which is or becomes an annoyance or nuisance to the neighborhood shall be thereafter kept on any lot.

16. Parking and Boat Storage. No platted streets shall be used for permanent parking of private or commercial vehicles, and all such vehicles illegally parked shall be removed by a bonded towing firm and the owner shall be responsible for all towing charges, other costs and reasonable attorney's fees.

No boats, trailers, motorhomes, disabled vehicles or similar vehicles shall be parked or stored on any lot in the position whereby said vehicle will be visible either from the street or from the homes on the other lots. The storage of said vehicles is subject to approval by the Architectural Committee or its nominee, and such approval shall be in the same manner and the same extent as provided in paragraph 6 above.

17. Clothelines. No owner or occupant of any residential site shall place or permit clotheslines thereon which are visible from any place outside the premises.

18. Garbage Disposal. The owners of the residential site in said subdivision will provide sanitary disposal for all garbage and rubbish. Such disposal shall be handled so that no garbage can or other receptacle shall be visible from any place outside the premises, except on the regularly scheduled day for removal of the garbage and rubbish.

19. Driveway. Asphalt or concrete surfacing will be required on all driveways.

20. Sewage Disposal. No individual sewage disposal system shall be permitted on any lot unless the system is designed, located and constructed in accordance with the requirements, standards and recommendations of the County public health authorities. Approval of such system shall be obtained from such authority.

21. Oil Drilling. No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted on or in any lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted on any lot.

22. Common Area. Tract A will be a common area, for the sole use of the Laurel Hills Homeowners Association. The association shall be responsible for its maintenance and for decisions regarding its use.

23. Duration of Restrictions. The covenants, restrictions, limitations and conditions contained herein shall constitute a servitude upon all lots in the subdivision conveyed by NORCON, its successor or assigns, to any grantee and shall run with the land and be binding upon all such grantees and all persons claiming by, through and under them. The acceptance of any such conveyance by any such grantee shall constitute an agreement upon the part of such grantee himself, his heirs, devisees, personal representatives and assigns to all such covenants and conditions. Said covenants, restrictions, limitations and conditions shall remain in full force and effect for a period of ten (10) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years each, unless by written agreement of the then owners of seventy-five percent (75%) of the lots in the subdivision are agreed to terminate or change them in whole or in part. Any such termination or change so agreed to shall become effective upon the recording of such agreement, duly signed and acknowledged by the necessary parties as above provided.

24. Remedies for Violations. In the event of violation or breach or attempted violation or breach of any of these covenants, restrictions, limitations and conditions by any person or concern claiming by, through or under NORCON DEVELOPMENTS, LTD, or by virtue of

any judicial proceedings, NORCON, the Architectural Control Committee, Laurel Hills Homeowners Association, the owner of any lot in the subdivision or any of them jointly or severally, shall have the right to proceed at law or in equity to compel compliance with the terms hereof or to prevent such violation or breach. A prevailing party seeking to enforce a breach of any of these covenants, restrictions, limitations and conditions shall be awarded reasonable attorney's fees and costs of suit as part of any judgment or decree entered in connection therewith.

25. Non-Waiver. The failure to enforce any right, reservation, covenant, restriction, limitation and condition herein contained however long continued, shall not be deemed a waiver of right to do so thereafter, either as to the breach or violation involved or as to any similar breach or violation occurring prior or subsequent thereto and no such failure shall bar or affect the endorsement of any such right, reservation, covenant, restriction, limitation and condition as to any breach or violation thereof.

26. Invalidation. The invalidation by any court of any reservation, covenant, restriction, limitation and condition herein contained shall in no way affect any of the other provisions hereof, and the same shall remain in full force and effect.

27. Waiver of Restrictions and Limitation. NORCON (or its nominee, including the Architectural Control Committee) hereby reserves the right to enter into any agreement with the grantee of any lot or lots in the subdivision to deviate from the conditions, restrictions and limitations contained in this Declaration which in its sole opinion are necessary but still ratify the intent and purposes of these restrictions and covenants. In certain particulars in a specific case, and deviation which shall be manifested in an agreement in writing, shall not constitute a waiver of any condition, restriction or limitation as to the remaining lots and the same shall remain fully enforceable as to the other lots located in the subdivision and additional subdivisions.

28. Laurel Hills Homeowners Association.

(a) Form of Association. Initially the Laurel Hills Homeowners Association may be an unincorporated association. There shall be a Board of Directors elected by a majority of the qualified members within one year after all lots within the subdivision and additional subdivisions have been sold. Until all of said lots have been sold, the Board of Directors shall be composed of:

John McNestry

The Board may at any time it deems advisable in the exercise of its sole discretion, without necessity or prior approval or other action by the members being necessary, cause such unincorporated Association to be converted to a non-profit corporation under the laws of the State of Washington; provided, that, from and after the formation of such non-profit corporation, the rights and duties of the members and of such corporation shall continue to be governed by the covenants, conditions, restrictions and limitations contained in this Declaration.

(b) Membership Qualifications. Each fee owner in this subdivision and additional subdivisions shall be required to become a member of the Homeowners Association and shall be entitled to one membership for each lot so owned; provided, that if a lot has been sold on contract the contract purchaser shall exercise the rights of the owner for purposes of the Association and the By-laws, except as hereinafter specified. All other terms and conditions for qualifying as a member of the Association are provided in paragraph 2 above.

29. Assessments for Maintenance. In the event the Laurel Hills Homeowners Association maintains any property within the subdivision, the owner of each lot within the subdivision shall be assessed as necessary an equal share of the total cost of maintaining such property.

Any maintenance assessment, including dues, shall be joint and several personal debts and obligations of the members as of the time the assessment is made and shall be collectible as such. The amount of any assessment, whether regular or special, assessed to any lot owner plus interest at the current per annum maximum legal rate in the State of Washington for any delinquency and costs, including reasonable attorney's fees, shall be a lien upon the member's lot. Suit to recover a money judgment for unpaid assessments shall be maintainable without foreclosure or waiver of the lien securing the same. A vote of fifty-one percent (51%) of the lot owners favoring the expenditure of funds for maintenance shall be binding on all members of the Association.

30. By-laws of the Association. By-laws for the administration of the Association and for other purposes not inconsistent with the intent of this Declaration, shall be adopted or amended by the Association by concurrence of those voting owners owning sixty percent (60%) of the voting power at a regular or special meeting. Notice of the time, place and purpose of such meeting shall be delivered to each owner at least ten (10) days but not more than thirty (30) days prior to such meeting. Amendments to the By-laws may be adopted by the same vote at a regular or special meeting similarly called, provided that notice of any such meeting shall duly set forth the amendment(s) to be voted upon at the meeting. NORCON DEVELOPMENTS, LTD. may adopt initial By-laws.

NORCON DEVELOPEMENTS, LTD.

DATED:

By

John McNestry, President

(Corporate Seal)

STATE OF WASHINGTON)

) SS.

COUNTY OF SNOHOMISH)

On this 24th day of September, 1982, before me personally appeared JOHN McNESTRY, to me known to be the PRESIDENT of the corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

NOTARY PUBLIC

State of Washington, residing at Edmonds