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Skagit County Auditor

2/22/2006 Page 1 of 34 9:31AM

**AMENDED & RESTATED DECLARATION
OF
COVENANTS, CONDITIONS, RESTRICTIONS AND
RESERVATIONS
FOR
ELK HAVEN ESTATES**

TITLE OF DOCUMENT:

AMENDED & RESTATED DECLARATION OF
COVENANTS, CONDITIONS, RESTRICTIONS
AND RESERVATIONS FOR ELK HAVEN
ESTATES

DOCUMENTS AFFECTED
GRANTOR:

AF# 200208060084
LANDMARK BUILDING AND DEVELOPMENT,
INC.; LaCHANCE [KEVIN F. & VALERIE J.];
BARTON [RONALD F. & DONNA J.]; MASON
[ALLAN]; McNEIL [COLLIN & MARGARET]

GRANTEE:
ABBREV. LEGAL DESCRIPTION:

THE GENERAL PUBLIC
LOTS 1 - 37, ELK HAVEN ESTATES, PER PLAT
AT AF # 200208060083

TAX PARCEL NOS.:

SEE ATTACHED

P119380

FIRST AMERICAN TITLE CO.

148765-4

ACCOMMODATION RECORDING ONLY

1/12/06

ELK HAVEN TAX PARCELS

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4797-000-002-0000 P119381
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4797-000-035-0000 P119414
4797-000-036-0000 P119415
4797-000-037-0000 P119416



200602220047
Skagit County Auditor

TABLE OF CONTENTS

ARTICLE I – PRELIMINARY MATTERS, PURPOSE	1
1.1. Identification of Original Covenants and Prior Amendments	1
1.2. Purpose of Amendment	1
1.3. Description of Procedures Required for Amendment	1
ARTICLE II – DEFINITIONS	1
ARTICLE III – DESCRIPTION OF LAND WITHIN THE COMMUNITY	4
ARTICLE IV – LOTS	4
4.1. Number and Location	4
4.2. Height Restrictions, Building Setbacks	4
4.3. Construction on Lots	4
4.3.2. Roofing	5
4.3.3. Accessory Structures	5
4.3.4. Driveways	5
4.3.5. Fences	5
4.4. Landscaping Installation	7
4.5. Wells and Septic Systems	7
4.6. Upkeep of Lots	7
ARTICLE V – COMMON AREAS	7
5.1. Common Areas	7
5.2. Maintenance, Repair and Replacement - Upkeep	8
5.2.1. General Authority	8
5.2.2. Upkeep of Stormwater System	8
5.3. No Interference with Common Areas	8
5.4. Rights of Skagit County	8
5.4.1. General Rights and Benefits	8
5.4.2. Specific Rights	8
5.5. Right of Access	9
ARTICLE VI – MAINTENANCE OF DRAINAGE SYSTEM AND OPEN SPACE AREAS	9
6.1. Stormwater Drainage Facilities	9
6.2. Protected Critical Area Easements	9
6.2.1. General Provisions	9
6.2.2. Rights of Lot Owners	9
6.2.3. Association's Rights & Responsibilities	9
6.3. Upkeep of Stormwater Drainage Facilities by Association	10
6.4. Perpetual Existence - Rights of Skagit County	10
ARTICLE VII – OWNERS ASSOCIATION	10
7.1. Name and Form of Association	10
7.2. Powers of Association	10
7.3. Membership and Voting Rights	10
7.4. Bylaws of Association	10
ARTICLE VIII – MANAGEMENT OF ASSOCIATION	11
8.1. Management in General	11
8.2. Professional Management	11

(i)



200602220047
Skagit County Auditor

8.3.	Authority of the Board	11
8.3.1.	General Authority	11
8.3.2.	Incurring and Payment of Common Expenses	11
8.3.3.	Acquisition of Property	11
8.3.4.	No Business Authority	11
8.3.5.	Board as Attorney in Fact	11
ARTICLE IX – PERMITTED USES; ARCHITECTURAL UNIFORMITY		12
9.1.	Permitted Uses	12
9.1.1.	Residential Use	12
9.1.2.	Commercial Use	12
9.1.3.	Temporary Structures	12
9.1.4.	Vehicle Parking and Use	12
9.1.5.	Interference with Association Personnel	13
9.1.6.	Effect on Insurance	13
9.1.7.	Surface Water Run-Off	13
9.1.8.	Cuts and Fills - Slope Maintenance	13
9.1.9.	Signs	13
9.1.10.	Animals	13
9.1.11.	Offensive or Illegal Activity	14
9.1.12.	Noise	14
9.1.13.	Compliance with Environmental Laws	14
9.1.14.	Hazardous Substances	14
9.1.15.	Mining	14
9.1.16.	Trash	15
9.1.17.	Trash and Recycling Facilities	15
9.1.18.	Landscaping; Utility Lines	15
9.1.19.	Open Fires	15
9.1.20.	Lighting	15
9.1.21.	Clotheslines	15
9.1.22.	Television and Radio Antennas, Dishes	16
9.1.23.	Construction Activities	16
9.1.24.	Uses by Declarant	16
9.1.25.	Lease Restrictions	16
9.1.26.	Assignment or Subletting	16
9.2.	Architectural Control	17
9.2.1.	General Authority of Board of Directors	17
9.2.2.	Time for Response; Variances	17
9.2.3.	No Liability for Architectural Review	17
ARTICLE X – ASSESSMENTS AND LIENS FOR COMMON EXPENSES		18
10.1.	Assessments for Common Expenses	18
10.1.1.	Liability of Lots	18
10.1.2.	Limited Common Assessments	18
10.1.3.	Timing of Payments	18
10.1.4.	Owners Personally Liable for Common Expenses	18
10.2.	Liability Following Conveyance of Lot	19
10.3.	Statement of Unpaid Assessments	19
10.4.	Lien for Assessments	19
10.5.	Perfection of Lien	19
10.6.	Priority of Lien	19
10.7.	Enforcement of Lien	19
10.8.	Limitation of Lien Enforcement	20

(ii)



200602220047

Skagit County Auditor

10.9. Rent Subject to Lien for Assessments 20

10.10. Remedies Cumulative 20

ARTICLE XI – INSURANCE MATTERS 20

11.1. Authority, Name of Insured 20

11.2. Deductible 20

ARTICLE XII – CONDEMNATION 20

ARTICLE XIII – COMPLIANCE WITH LAW AND COVENANTS 21

13.1. Compliance by Owners and Occupants 21

13.2. Enforcement by Association. 21

ARTICLE XIV – LIMITATION OF LIABILITY 21

14.1. No Liability for Equipment Failure, Etc. 21

14.2. No Bailment. 21

ARTICLE XV – MORTGAGEE PROTECTION 21

ARTICLE XVI – EASEMENTS AND SPECIAL DECLARANT RIGHTS 22

16.1. Easements for Lots and Lot Owners 22

16.1.1. In General 22

16.1.2. Specific Easement Shown on Subdivision Plat 22

16.2. Easement for Association Functions 22

16.3. Easement for Utilities 22

16.4. Easement for Emergency Access 22

16.5. Easements for Declarant 22

16.6. Special Declarant Rights 22

ARTICLE XVII – AMENDMENT OF DECLARATION OF COVENANTS 23

17.1. Procedure for Amendment of Declaration of Covenants 23

17.2. Recordation Required. 23

17.3. Amendments by Declarant 23

ARTICLE XVIII – MISCELLANEOUS 24

18.1. Notices for All Purposes, Delivery 24

18.2. Severability 24

18.3. No Right of First Refusal 24

18.4. Effective Date 24



THIS AMENDMENT is made this _____ day of _____, 2006 by the Elk Haven Association, an unincorporated Washington homeowners association, by and through all of its undersigned members ("Association").

ARTICLE I

PRELIMINARY MATTERS, PURPOSE

1.1. Identification of Original Covenants and Prior Amendments.

An instrument entitled "Elk Haven Estates Covenants, Conditions and Restrictions and Declarations" ("the Declaration of Covenants"), was recorded by its Declarant at Auditor's File No. 200208060084 among the land records of Skagit County, Washington, along with a plat (the "Subdivision Plat") of Elk Haven Estates (the "Subdivision"), which was contemporaneously recorded at Auditor's File No. 200208060083.

1.2. Purpose of Amendment.

The Declaration of Covenants, as amended, was intended to facilitate the orderly development of the Subdivision. Certain aspects of the Declaration of Covenants were inconsistent with this goal, and actually impeded such orderly development. The Association desires to make management of the Community, and responsibility for the maintenance, repair, replacement and insurance of the improvements therein subject to the Association's jurisdiction, more consistent with the mutual needs and expectations of its members. 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 Lot therein as a parcel of realty, and upon its Owners or possessors, and their heirs, personal representatives, successors and assigns, 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.

1.3. Description of Procedures Required for Amendment.

Since the original Declaration of Covenants did not contain standard provisions permitting amendment by the Association's officers, the Association's members have executed this Amendment.

ARTICLE II

DEFINITIONS

2.1. "Architectural Review Coordinator ('ARC') means the individual designated by the Declarant or the Board of Directors, to coordinate compliance with the Design Guidelines of the Community.



2.2. "Assessment" means all sums chargeable by the Association against a Lot including, without limitation: (a) Regular and Special Assessments for Common Expenses, charges, and fines imposed by the Association; (b) interest and late charges on any delinquent account; and (c) costs of collection, including reasonable attorneys' fees, incurred by the Association in connection with the collection of a delinquent Owner's account.

2.3. "Association" or "Owners Association" means the nonprofit corporation which has been or will be incorporated to manage the Common Areas of this Subdivision and enforce the provisions of the Governing Documents.

2.4. "Board of Directors" means the body with primary authority to manage the affairs of the Association, as provided in the Washington Homeowners Association Act, RCW 64.38. Limitations on the powers of the Board are specified in the Bylaws of the Association.

2.5. "Common Areas" means those portions of the property for which the Association has responsibility for some maintenance and/or control under this Declaration. Common Areas are further defined and described in Article V hereof.

2.6. "Common Expenses" means expenditures made by or financial liabilities of the Association, together with any allocations to reserves; without limitation, such expenses include those necessary or desirable for maintaining, repairing, replacing, insuring or managing the Common Areas, along with taxes, other insurance, professional services and all other goods and services provided by the Association to its members.

2.7. "Common Expense liability" means the liability for Common Expenses allocated to each Lot pursuant to Section 10.1.1 of this Declaration.

2.8. "Community" means all the Property within the Subdivision, along with all the improvements constructed therein and all other institutions and things serving the Lots therein which are governed by the Association.

2.9. "Conveyance" means any transfer of the ownership of a Lot, including a transfer by deed or by real estate contract, but shall not include a transfer solely for security.

2.10. "Declarant" means the entity, person or group of persons acting in concert who (a) executed the original Declaration of Covenants, or (b) became a successor to any Development Right or Special Declarant Right reserved under that Declaration of Covenants; in this Community, Landmark Building and Development, Inc., has succeeded to the original Declarant's rights..

2.11. "Declarant control" means the right of the Declarant or persons designated by the Declarant to exercise the Special Declarant Rights or to adopt amendments to the Declaration of Covenants pursuant to Sections 16.6 and 17.3 respectively of this Declaration of Covenants.

2.12. "Declaration of Covenants" means this document, which facilitates the creation and management of this Community; the term also includes any lawful amendments to this document.

2.13. "Design Guidelines" means the standards developed by the Board of Directors pursuant to Article IX hereof, and any standards established by the Declarant.



2.14. "Development Plan" means any formal plan of development, however termed under the Ordinance, approved by Skagit County. The term also includes any amendments thereto approved by applicable governmental entities.

2.15. "Dwelling" means the principal housing structure constructed in accordance with standards developed by the Board of Directors pursuant to Article IX hereof, and any standards established by the Declarant.

2.16. "Foreclosure" means a forfeiture or judicial or nonjudicial foreclosure of a mortgage or a deed in lieu thereof.

2.17. "Governing Documents" means the Declaration of Covenants, the Subdivision Plat, the Bylaws of the Association along with any Rules and Regulations adopted by the Board of Directors.

2.18. "Limited Common Expenses" are portions of the Common Expenses for which one or more, but fewer than all Lot Owners may become liable under the terms of the Governing Documents.

2.19. "Lot" means a physical portion of the Subdivision designated for separate ownership, the boundaries of which are depicted on the Subdivision Plat.

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

2.21. "Mortgage" means a mortgage, deed of trust or real estate contract.

2.22. "Person" means a natural person, corporation, partnership, limited partnership, trust, governmental subdivision or agency, or other legal entity.

2.23. "Property" or "the Property" means all the real property described as being contained within the Subdivision Plat and all improvements, easements, rights and appurtenances associated therewith. The term, where appropriate, also includes all real property which may be acquired by the Association pursuant to Section 8.3.3 hereof.

2.24. "Purchaser" means any person, other than the Declarant or a dealer, who by means of a disposition acquires a legal or equitable interest in a Lot other than (a) a leasehold interest, including renewal options, of less than twenty years at the time of creation of the Lot, or (b) as security for an obligation.

2.25. "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.

2.26. "Special Declarant Rights" means rights reserved for the benefit of the Declarant (a) to maintain sales offices, management offices, signs advertising the Community, and models on Lots within the Community; and (b) to cause the Association to take various actions more fully described in Section 16.5 hereof.



2.27. "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.

ARTICLE III

DESCRIPTION OF LAND WITHIN THE COMMUNITY

The land on which the Lots, Common Areas and other improvements of this Subdivision are located is situated in Skagit County, Washington, and is more particularly described on the Subdivision Plat.

ARTICLE IV

LOTS

4.1. Number and Location.

The Subdivision contains thirty-seven (37) Lots which are depicted on the Subdivision Plat. The Lots are accessed from public roads known as Renic Drive, Jusjay Lane and Valeria Place.

4.2. Height Restrictions, Building Setbacks.

4.2.1. Height Restrictions.

The height of structural improvements erected on Lots shall be restricted to the lower limit of that required under applicable County ordinances, any applicable building code or other ordinance in effect at the time of application for a building permit therefor, or the following: No structural improvement shall exceed thirty-five (35) feet in height measured by the vertical distance from the average finished grade of the lot on which the structural improvement is constructed to the average height of the highest gable of a pitch or hip roof.

4.2.2. View Covenants.

In addition to the height requirements specified in Subsection 4.2.1 above, the Board of Directors, or its Architectural Review Coordinator ("ARC"), who may condition approval of construction within a Lot such that any permitted improvements shall not unreasonably compromise any scenic view visible from Dwellings constructed on surrounding Lots.

4.2.3. Side Yard Setbacks.

A twenty-foot (20 ft.) building setback from each side yard shall be provided on each Lot. The Board may authorize specific exceptions based on Lot size and on the location of homes on adjacent Lots.

4.3. Construction on Lots.



4.3.1. Design Guidelines.

Design shall be generally consistent with the theme of the Community established by the Declarant. One-story Dwellings constructed on any Lot shall have not less than 1,200 square feet of living space, exclusive of porches, patios and garages. Multi-story Dwellings constructed on any Lot shall have not less than 1,500 square feet of living space, exclusive of porches, patios and garages. Each Dwelling shall have a minimum of a two-car garage. Roofing materials, color and pitch shall be approved by the Board of Directors. The Board of Directors shall have the authority to adopt more specific Design Guidelines and procedures to implement the basic theme contained herein, pursuant to Section 9.2 hereof.

4.3.2. Roofing.

Roofs may be constructed of architectural grade composition material, shake, or other materials approved by the Board. All roofing materials shall have a minimum 30-year rating.

4.3.3. Accessory Structures.

In addition to approved Dwellings, shops, barns and sheds may also be constructed, from such materials and with such painting, trim features and other characteristics as to maintain architectural compatibility with the Dwelling on the Lot. By way of example and not of limitation, if the Dwelling is painted beige, the shed should be painted beige.

4.3.4. Driveways.

Driveways shall be constructed of crushed gravel, asphalt or concrete.

4.3.5. Fences.

Except for any fence installed by the Declarant or by the Association, no fence shall be installed within 35 feet of the road right-of-way, except with the written approval of the Board of Directors. Fences are subject to the Design Guidelines of the Community.

4.3.6. Design Review.

To preserve a harmonious architectural and aesthetic appearance of the lands and improvements within the Subdivision, no new construction or improvements of any nature whatsoever shall be constructed or placed on any Lot until detailed plans depicting all such improvements have been reviewed and approved by the Board or its Architectural Review Coordinator ("ARC"). Two copies of such plans, specifications and related data must be submitted to the Board, along with a Design Review Fee; until December 31, 2007, such fee shall be in the amount of \$75.00 and \$300.00 thereafter. The builder and/or Lot Owner are encouraged to submit plans to the ARC at the earliest possible date. The Design Review Fee may be adjusted by resolution of the Board of Directors to accommodate changes in municipal requirements, design variability and economic circumstances such as CPI indices.

4.3.7. Time for Approval - No Construction Prior to Approval.



The Board shall approve or disapprove plans, specifications and details within seven (7) days of receipt thereof. If the Board fails to respond within (7) days, then the plans shall be deemed approved. No construction activity may commence prior to such approval.

4.3.8. Governmental Permits.

Approval by the Board of Directors shall not relieve an Owner from the obligation to obtain any required governmental permits. The Owner shall deliver all approvals and permits required by law to the Board of Directors, as appropriate, prior to the commencement of any construction requiring such approval or permit. If any application to any governmental authority for a permit to make any such structural addition, alteration or improvement to any Lot or improvement located on any Lot requires execution by the Association, and provided consent has been given by the Board of Directors, then the application shall be executed on behalf of the Association by an Officer, without incurring any liability on the part of the Board of Directors or the Association to any contractor, subcontractor or materialman on account of such addition, alteration or improvement, or to any person having a claim for personal injury or property damage arising therefrom.

4.3.9. Timing of Construction.

Any person obtaining approval of the Board of Directors as required by Section 9.2 hereof shall commence construction or alteration in accordance with plans and specifications approved within six months after the date of approval and shall substantially complete any construction or alteration within eighteen months after the date of approval, or within such other period as specified in the approval. Construction shall not be deemed to be completed until the improvement is finished, the Lot has been cleaned of construction debris, a certificate of occupancy has been obtained and all exterior decks, porches, patios, walkways and driveways are complete. Notwithstanding the foregoing, the Board of Directors' approval may provide for a different period during which to commence or complete construction. If any such person does not commence work within six months after approval, or such other time period determined by the ARC, then approval shall lapse.

4.3.10. No Deviation from Plans.

Any person obtaining approval of the Board of Directors shall not deviate materially from the approved plans and specifications without the prior written consent of the ARC. Such person shall notify the ARC when the alterations or improvements are complete. Approval of any particular plans and specifications or design does not waive the right of the ARC to disapprove such plans and specifications, or any elements or features thereof, if such plans and specifications are subsequently submitted for use in any other instance or by any other person.

4.3.11. Certificate of Compliance.

Upon the completion of any construction or alterations in accordance with plans and specifications approved by the Board of Directors, the Board of Directors shall, at the request of the Owner thereof, issue a certificate of compliance which shall be *prima facie* evidence that the construction or alteration referenced in such certificate has been approved by the ARC and has been constructed or installed in compliance with the provisions of this Article. The certificate shall not be used and may not be relied upon for any other purpose, and shall not constitute a representation either as to the accuracy or sufficiency of the plans and specifications reviewed by the ARC or the quality or soundness of the construction.



alterations or improvements. The ARC may impose a reasonable charge to cover the costs of preparation and inspection.

4.4. Landscaping Installation.

Each Lot Owner is responsible for landscaping his/her Lot.

4.5. Wells and Septic Systems.

4.5.1. Wells.

Wells shall be installed within well protection zones established on each Lot. Pumps and related equipment shall be maintained within an approved enclosure providing visual and acoustical buffering from neighboring property owners and occupants.

4.5.2. Septic Systems.

Septic systems shall be properly installed and appropriately maintained by their Owners in such a manner as not to become a nuisance or interfere with the proper functioning of Common Areas or well protection zones.

4.6. Upkeep of Lots.

Each Lot Owner shall, at his or her sole expense, have the right and the duty to keep the Lot and its improvements in good order, condition and repair and shall perform all Upkeep, decorating, landscaping and painting at any time necessary to maintain its good appearance and condition. Each Owner shall perform this Upkeep responsibility in such manner as shall not unreasonably disturb or interfere with the other Owners.

4.7. Damaged Improvements.

If a building or other major improvement located upon a Lot is damaged or destroyed, the Owner thereof shall restore the site either (i) by repairing or reconstructing such building or improvement or (ii) by clearing away the debris and restoring the site to an acceptable condition compatible with the remainder of the Property. Unless the Board of Directors permits a longer time period, such work must be commenced within four months after the casualty and be substantially completed within twelve months after the casualty. The four-month period may be extended for a reasonable period thereafter in the event that repairs or reconstruction have not commenced because of factors beyond the control of the Owner, provided that the Owner has exercised and does thereafter continue to exercise due diligence in an effort to commence required work.

ARTICLE V

COMMON AREAS

5.1. Common Areas.



The Common Areas of the Subdivision consist of areas depicted on the Subdivision Plat described as being subject to easements for drainage purposes or for Protected Critical Areas for Wetlands and/or Fish and Wildlife Habitat Areas. In addition, areas designed to provide vegetation buffers adjacent to roadways, common mailbox facilities and the like shall constitute Common Areas.

5.2. Maintenance, Repair and Replacement - Upkeep.

5.2.1. General Authority.

The Association, through its Board of Directors, shall be responsible for any Upkeep of the Common Areas which has not been provided by the Lot Owner[s] and which is required to maintain the functionality of such Common Areas. Skagit County required the creation of the Common Areas as a condition of its approval of this Subdivision and has also required that the Association remain responsible for maintenance of such Common Areas in perpetuity. The County is not responsible for maintenance of any of the Common Areas, but has the authority to do so under Section 5.4 hereof.

5.2.2. Upkeep of Stormwater System.

All necessary Upkeep of the Stormwater System shall be conducted by the Association in accordance with the provisions of Section 6.2 of these Covenants. The dumping of solvents, oil, concrete or concrete residue, or water that is heavily laden with sediments, is expressly prohibited anywhere in the Community. Its perimeter fence and landscaping features shall be perpetually maintained in a manner consistent with Skagit County regulations and the requirements of the Association's insurance carriers.

5.3. No Interference with Common Areas.

In general, the Common Areas are designed to be left in an undisturbed condition. No Lot Owner shall obstruct any of the Common Areas nor shall any Lot Owner place or cause or permit anything to be placed on or in any of the Common Areas without the approval of the Board. Except as provided in Section 6.2.2 hereof, nothing shall be altered or constructed in or removed from the Common Areas except with the prior written consent of the Board of Directors.

5.4. Rights of Skagit County.

5.4.1. General Rights and Benefits.

These Covenants contain provisions which require the owners of Lots within the Community to provide ongoing compliance with the conditions of approval of the Plat. The obligations of the Lot Owners to the County are for the benefit of the County, and shall not operate to create an obligation of the County or by the County to the Owners or to any third party. The rights of Skagit County contained in this Section 5.4 are cumulative, and in addition to all other rights and privileges held by the County, and are not in lieu thereof. The obligations of the Owners to the County shall not be amended or altered without the express written consent of the County.

5.4.2. Specific Rights.

Skagit County shall have the right, for the benefit of the County and of the public health, safety and welfare, to perform or provide Upkeep to any or all of the Common Areas of the Community in



the event that the Association or the Owners, or any of them, should fail to perform or provide such Upkeep in a competent and/or timely manner. In the event that Skagit County shall incur any costs or expend any funds, directly or indirectly [including without limitation the cost of the County's own equipment and employees in performing or providing any such Upkeep], the Association shall be liable to the County for all costs and expenses so expended or incurred.

5.5. Right of Access.

Each Lot Owner shall afford to the Association, and to its agents or employees, access through the Owner's Lot as may be reasonably necessary for the purposes of maintenance, repair and replacement of the Common Areas. If damage is inflicted on the Lot or its any improvements or appurtenances as a result of such activities, the Association shall be liable for the repair thereof.

ARTICLE VI

MAINTENANCE OF DRAINAGE SYSTEM AND OPEN SPACE AREAS

6.1. Stormwater Drainage Facilities.

The drainage areas and facilities are designed to provide stormwater retention capacity for the Subdivision. No uses of any such areas may be made which interfere with the proper functioning of the drainage facilities. Further, no permanent structure of any sort may be erected within the drainage areas. The dumping of solvents, oil, concrete or concrete residue, or water that is heavily laden with sediments, is expressly prohibited anywhere in the Subdivision.

6.2. Protected Critical Area Easements.

6.2.1. General Provisions.

Tracts A, B, C, D, E, F, G, H, J, K, L, M, N, P, Q, R, S, T, U & V on the Subdivision Plat ["Critical Areas"] shall be protected and left undisturbed in their natural state, for wetland protection and fish and wildlife habitat. No clearing, grading, filling, logging or removal of woody material or planting of non-native vegetation is allowed within such areas absent the written approval of Skagit County on a case by case basis.

6.2.2. Rights of Lot Owners.

Lot Owners may use such Common Areas for such purposes and in such a fashion as not to impair the functionality of such areas. Improvements may be constructed within such areas by a Lot Owner in compliance with Skagit County Critical Area Standards, as amended, so long as the Owner provides proper Upkeep for such improvements. If such improvements are abandoned, the land shall be restored to be consistent with the surrounding natural vegetation.

6.2.3. Association's Rights & Responsibilities.

The Association shall have the right to provide Upkeep to the Protected Critical Area Easement Areas when necessary to protect adjacent and/or downstream Lot Owners from injury or harm,



and/or to avoid the necessity for Skagit County to exercise its rights under Section 5.4 hereof to perform such Upkeep.

6.3. Upkeep of Stormwater Drainage Facilities by Association.

All necessary Upkeep of the components of the Stormwater System shall be conducted by the Association in accordance with the provisions of the DOE Stormwater Management Manual for Western Washington ["DOE Stormwater Manual"], as the same may be updated from time to time.

6.4. Perpetual Existence - Rights of Skagit County.

The restrictions contained in this Article VI shall exist in perpetuity. No changes in the uses described herein for any of the Critical Areas may occur without the advance written approval of Skagit County.

ARTICLE VII

OWNERS ASSOCIATION

7.1. Name and Form of Association.

The name of the Association shall be the "Elk Haven Community Association." The Association has been or will be incorporated by the Declarant as a non-profit corporation under the laws of the State of Washington. The rights and duties of the members and of said corporation shall be governed by the provisions of the Homeowners Association Act and of this Declaration of Covenants. The Association shall remain organized as a profit or nonprofit corporation. In case of any conflict between Chapter 24.06 RCW, the Nonprofit Miscellaneous and Mutual Corporations Act, and the Homeowners Association Act, Chapter 64.38 RCW, the Homeowners Association Act shall control.

7.2. Powers of Association.

The Association shall have, through its Board of Directors, all powers available to homeowners associations under the Homeowners Association Act, and such additional powers as may be prescribed in the Bylaws of the Association.

7.3. Membership and Voting Rights.

The Owner of each Lot shall be a member of the Association, and such membership shall be an inseparable appurtenance to the Owner's Lot. Membership and voting rights are further specified in the Articles of Incorporation and Bylaws of the Association. Each Lot is entitled to one vote in the Association.

7.4. Bylaws of Association.

Bylaws for the administration of the Association, and for other purposes not inconsistent with the Homeowners Association Act and this Declaration of Covenants have been or will be prepared by the Declarant, subject to the approval of the initial Board of Directors of the Association.

ARTICLE VIII

MANAGEMENT OF ASSOCIATION

8.1. Management in General.

Management of the Association shall be performed by the Board of Directors of the Association, pursuant to the provisions of the Association's Bylaws, which shall be consistent with the provisions of the Homeowners Association Act.

8.2. Professional Management.

Provisions for professional management of the Association are made in Section 8.2 of the Bylaws.

8.3. Authority of the Board.

8.3.1. General Authority.

The Board, for the benefit of the Community and the Owners, shall enforce the provisions of the Governing Documents and shall have all powers and authority granted to the Board or the Association under the Homeowners Association Act and this Declaration of Covenants which are not expressly subject to the approval of the Owners.

8.3.2. Incurring and Payment of Common Expenses.

The Board shall acquire and shall pay for, as Common Expenses, all goods and services deemed necessary or desirable for the proper functioning of the Association.

8.3.3. Acquisition of Property.

The Board may acquire and hold in the name of the Association, for the benefit of the Owners, tangible and intangible personal property and real property and interests therein, and may dispose of the same by sale or otherwise. Such property shall thereafter be held, sold, leased, rented, mortgaged or otherwise dealt with for the benefit of the Association as the Board may direct.

8.3.4. No Business Authority.

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

8.3.5. Board as Attorney in Fact.

Each Owner, by the act of becoming an Owner of a Lot, shall be deemed to have irrevocably appointed the Board of Directors as his or her attorney-in-fact, with full power of substitution, to take such actions as are reasonably necessary to perform the duties of the Association and Board hereunder, including, but not limited to, the duties to maintain, repair and improve the Property, to grant licenses and easements, and to secure and distribute condemnation awards and/or insurance proceeds affecting the Common Areas.



Board members shall be elected by the Owners each year, pursuant to provisions of Washington State Law. The Bylaws contain certain limitations on the powers of the Board of Directors.

ARTICLE IX

PERMITTED USES; ARCHITECTURAL UNIFORMITY

9.1. Permitted Uses.

9.1.1. Residential Use.

The Lots in this Subdivision shall be used for permanent residential purposes only, whether on an ownership, rental or lease basis and for common social, recreational or other reasonable uses normally incident to such purposes. The Board may also permit the use of all or part of a Lot 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, noise or other disturbance to other lawful occupants of the Community. As a condition to consenting to such office use, the Board may require the Lot Owner to pay any increase in the rate of insurance for the Association which may result from such office use, and to provide proof of adequate personal/business liability insurance coverage. No mobile homes or manufactured homes are permitted.

9.1.2. Commercial Use.

Other than the home business uses authorized in Section 9.1.1 hereof, there shall be no commercial uses permitted on the Property.

9.1.3. Temporary Structures.

No structure of a temporary character, and no trailer, shack, shed or other temporary accessory buildings shall be erected, used or maintained on any Lot except in connection with construction activities, and then only during such time periods for construction as provided in Section 4.3.9 hereof.

9.1.4. Vehicle Parking and Use.

9.1.4.1. General Restrictions.

Vehicle parking is permitted on portions of the Lot which have been improved for such purposes. To preserve the value of the Lots in this Subdivision and protect the safety of its occupants, no vehicle may be parked continuously on any road or street for longer than 24 hours.

9.1.4.2. Oversized or Junk Vehicles.

Large commercial-style vehicles (including without limitation trucks, tractors, large vans or other types of vehicles or equipment which either require a commercial vehicle operator's license or which exceed 12,000 lbs in gross vehicle weight), Junk vehicles (as defined in RCW 46.55.010), or any other type of vehicle or equipment which exceeds 30 feet in length may be stored, kept or maintained within



a Lot, so long as they are enclosed within a garage or other enclosure, or substantially screened from view from the street or from other Lots by vegetation, fencing, Lot location or other means approved in writing by the Board. No more than 3 Junk vehicles may be kept on any Lot. The Board may require removal of any such vehicle or equipment if not authorized by this Section; if it is not removed from the Property, the Board may cause its removal at the risk and expense of the owner thereof, under such reasonable procedures as may be consistent with the provisions of RCW 46.55. Failure of an Owner or other occupant to remove such a vehicle or equipment from may result in any or all the procedures and/or remedies available under the Governing Documents.

9.1.5. Interference with Association Personnel.

No person shall engage or direct any employee of the Association on any private business of the Owner or otherwise direct, supervise or in any manner attempt to assert control over such employee during the hours such employee is employed by the Association.

9.1.6. Effect on Insurance.

Nothing shall be done or maintained in any Lot or in the Common Areas which will increase the rate of insurance on the Common Areas or Lots without the prior written consent of the Board. No Owner shall permit anything to be done or maintained in his or her Lot or in the Common Areas which will result in the cancellation of insurance on any Lot or any part of the Common Areas.

9.1.7. Surface Water Run-Off.

No Lot shall be improved in such a way as to cause excess surface water run-off that may damage or inconvenience other Lots or contiguous properties or the owners thereof.

9.1.8. Cuts and Fills - Slope Maintenance.

No cuts or fills on any Lot shall be made in such a way as to interfere with established slopes so as to damage any roadway or Common Areas, or so as to cause inconvenience to other Lots or contiguous properties or the owners thereof.

9.1.9. Signs.

Initially, no sign of any kind, other than those described below, shall be displayed to the public view on or from any Lot or the Common Areas without the prior consent of the Board; provided that this section shall not apply to Declarant or Declarant's agents, nor shall it be deemed to prohibit the Owner of a Lot from displaying a sign for a period of time in which the Lot is for sale or rent. The Board may by resolution establish further policies regarding signs, to reflect the sentiments of the Community while giving due regard to traditional democratic rights of free speech, religion and expression of Persons owning or occupying Lots in the Community. The Board's judgment in such matters shall be conclusive, except to the extent necessary to satisfy State or Federal law governing such matters. However, Owners are free to display on their Lot signs no larger than 6 square feet for a period not to exceed ten (10) days at one time, and further not to exceed more than ten (10) collective days total during any given three (3) month period. Displaying any sign that is less than 1 square foot shall be allowed, without restriction.

9.1.10. Animals.



The ownership and keeping of well-behaved animals which do not normally leave a Lot is permitted, subject to Rules and Regulations which may be adopted by the Board of Directors. Cattle, horses, llamas, alpacas, goats, sheep and other domestic animals, with the exception of pigs, may be maintained, but they must be maintained behind an enclosure and/or fencing at least 35' feet from the road right-of-way. The owner of any animal maintained within the Community shall keep such animal properly attended and under such owner's control, and shall clean up after such animal and shall not permit unhealthy deposits of fecal matter, urinary residue or foodstuffs from or for such animal to accumulate anywhere on the Common Areas or in any well protection zone. All dogs must be on a leash at all times that they are not on their Owner's lot. Any person who keeps or maintains any animal upon any portion of the Property shall be deemed to have indemnified and agreed to hold the Association, each Lot Owner and the Declarant free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such animal within the Subdivision. The Board may at any time require the removal of any animal which it finds is or has become an unreasonable source of annoyance, and may exercise this authority for specific animals even though other animals are permitted to remain.

9.1.11. Offensive or Illegal Activity.

No noxious, offensive, excessively noisy or illegal activity shall be carried on in any Lot or Common Areas, nor shall anything be done therein which may be or become an unreasonable source of annoyance or nuisance to other Owners.

9.1.12. Noise.

No person shall cause or create any unreasonably loud noise anywhere on the Property. Unless changed by rules and regulations, "quiet hours" shall exist between 10:00 p.m. and 8:00 a.m. on Sundays through Thursdays, and between Midnight and 8:00 a.m. on Fridays and Saturdays.

9.1.13. Compliance with Environmental Laws.

Use of the Lots and Common Areas of this Subdivision may be subject to various federal, state and local laws, regulations and guidelines now in effect and/or hereafter enacted, relating to or affecting the Property, concerning the impact on the environment of construction, land use, and the maintenance and operation of structures located thereon. No Lot Owner shall cause, or permit to be caused, any act or practice by negligence, or omission, or otherwise, that would adversely affect the environment or do anything or permit anything to be done that would violate any of the said laws, regulations or guidelines. The foregoing shall cover all requirements whether or not foreseeable at the present time and regardless of their expense.

9.1.14. Hazardous Substances.

A person shall maintain or store on or in the Property only such property and materials which may be legally possessed by such person. No person shall improperly store within or release from a Lot or into the Common Areas any petroleum distillates, liquid or aromatic hydrocarbons, medical wastes or infectious biological agents, acids, caustics, carcinogens, mutagens, heavy metals, or any other inflammable, toxic, explosive, radioactive, or other type of substance which may be hazardous to either the Community or to the public health or safety, or the health or safety of any lawful occupants of the Community, any and all such substances being known herein as Hazardous Substances.

9.1.15. Mining.



No Lot shall be used for the purposes of boring, mining, quarrying, exploring for or removing oil or other hydrocarbons, minerals, gravel or earth except with the prior written approval of the Board of Directors.

9.1.16. Trash.

Except in connection with construction activities, no burning of any trash and no accumulation or storage of litter, refuse, bulk materials, building materials or trash of any other kind shall be permitted on any Lot. Any such burning shall be conducted only in accordance with the terms of any governmental regulations or required permit. No incinerator shall be kept or maintained upon any Lot. However, building materials may be permitted on any Lot, so long as they are stored in such a manner as to not be viewed.

9.1.17. Trash and Recycling Facilities.

Trash and recycling containers shall be maintained so as to be not visible from the roadway, except on scheduled collection days. Trash containers are subject to further regulation by the Board of Directors.

9.1.18. Landscaping; Utility Lines.

No tree, hedge or other landscape feature shall be planted or maintained in a location which obstructs sight-lines for vehicular traffic on public streets or on any private roadways maintained by the Association. Pavement, plantings and other landscape materials shall not be placed or permitted to remain upon any Lot: (i) if such materials may damage or interfere with any easement for the installation or maintenance of utilities; (ii) in violation of the requirements of such easements; (iii) unless in conformity with public utility standards; or (iv) if such materials may unreasonably change, obstruct or retard direction or flow of any drainage channels. Otherwise, the installation of such materials within utility easements shall be encouraged. Except for permanently installed propane tanks for household use, and except for hoses and the like which are reasonably necessary in connection with construction activities or normal landscape maintenance, no water pipe, sewer pipe, gas pipe, power line, drainage pipe, television cable or other similar transmission line shall be installed or maintained upon any Lot above the surface of the ground.

9.1.19. Open Fires.

Open burning is permitted on the Property so long as it is consistent with County Regulations. Outdoor fireplaces, grills and chimneys may be used if equipped with fire screens to prevent the discharge of embers or ashes.

9.1.20. Lighting.

No exterior lighting shall be directed outside the boundaries of a Lot. No pole lighting in excess of 8' in height is permitted within 100 feet from the roadway or from the Dwelling on an adjacent Lot.

9.1.21. Clotheslines.

Clotheslines may be installed within portions of the Lot that are no closer to the roadway than the nearest rear corner of the Dwelling on the Lot.



9.1.22. Television and Radio Antennas, Dishes.

Per published regulations of the Federal Communications Commission, Satellite TV antennas/dishes 1 meter or less (approximately 36") in diameter may be installed within any Lot. Larger satellite dishes and other types of reception or transmission antennas may be installed within a Lot only if reasonably screened from view from other Lots and the roadways. Ham radio and "citizens band" antennas may be used for transmission purposes only so long as they do not cause interference with electronic equipment of neighboring property owners. No reception or transmission devices may be located within the Common Areas unless expressly permitted by the Board of Directors.

9.1.23. Construction Activities.

This Section shall not be construed as forbidding any work involved in the construction or Upkeep of any portion of the Property so long as such work is undertaken and carried out (i) with the minimum practical disturbance to persons occupying other portions of the Property; (ii) in such a way as does not violate the rights of any person under other provisions of this Declaration of Covenants; and (iii) in accordance with all applicable restrictions in the Rules and Regulations, the resolutions of the Board of Directors and the other provisions of this Declaration of Covenants. The Board of Directors may approve temporary structures for construction purposes which may otherwise be in violation of the Governing Documents or the Rules and Regulations.

9.1.24. Uses by Declarant.

Nothing in the Governing Documents shall be construed to prohibit the Declarant or its designees from using any Lot owned by the Declarant (or any other Lot with the permission of the Owner thereof) or any portion of the Common Areas for promotional, marketing, display or customer service purposes (such as a visitors' center) or for the closing of sales of Lots. Further, the Declarant specifically reserves the right to operate a construction office or a rental, brokerage and management office at any time on Lots owned or leased by the Declarant (or any other Lot with the permission of the Owner thereof) and on any portion of the Common Areas, 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 Common Areas and Lots owned or leased by the Declarant or such persons.

9.1.25. Lease Restrictions.

With the exception of an institutional lender in possession of a Lot following a default under a first mortgage, a foreclosure proceeding or any deed or other arrangement in lieu of foreclosure, or a pre-closing or post-closing occupancy arrangement incident to a *bona fide* sale of a Lot, no Lot Owner shall be permitted to lease all or any portion of a Lot for periods of less than thirty days. Any lease agreement shall be required and deemed to provide that the terms of the lease shall be subject in all respects to the provisions of this Declaration of Covenants, the Bylaws and Rules and Regulations, and that any failure by the Lessee to comply with such provisions shall be a default under the lease, entitling the Association to enforce such provisions as a real party in interest. All leases shall be in writing. A lease, as defined herein, shall include month-to-month rentals. Any tenant or subtenant of any portion of a Lot shall be deemed to have assumed all the responsibilities of an Owner under this Section of the Declaration of Covenants.

9.1.26. Assignment or Subletting.



The assignment or subleasing of a Lot shall be subject to the same limitations as are applicable to the leasing or renting thereof. An Owner or tenant may not exempt himself or herself from any liability under this Declaration of Covenants or the Bylaws or Rules and Regulations by assigning or subleasing the occupancy rights to his or her Lot.

9.2. Architectural Control.

9.2.1. General Authority of Board of Directors.

To assure the health, safety and enjoyment of persons lawfully using any portion of this Subdivision, and to promote visual harmony within the Community, the Association, through its Board of Directors or its Architectural Review Coordinator, shall have the power and the duty to enforce architectural control over the improvements constructed within the Community, in the manner hereafter provided. The Board of Directors shall regulate the external design, signage, appearance, use and maintenance of the Property in accordance with the provisions of the Declaration of Covenants. No construction within the Subdivision may occur absent the approval of the Board of Directors. The Board of Directors may from time to time establish requirements regarding the form and content of plans and specifications to be submitted for approval. The Board of Directors shall have the power to impose reasonable application fees and charges for the costs of reports, analyses or changes proposed by an Owner. Such fees shall be specially assessed against the Owner. The Board of Directors may adopt Design Guidelines to provide guidance to Owners and their contractors and design professionals in tailoring construction of improvements to the overall appearance of the Community. Design Guidelines approved by the Board of Directors shall be enforceable as if set forth herein in full.

9.2.2. Time for Response; Variances.

The Board of Directors shall act on all matters properly before it within seven days after submission of a complete application, in such form as may be prescribed by the Board of Directors. The Board of Directors shall be obligated to answer any written request for approval of a proposed structural addition, alteration or improvement within fifteen days after the first Board of Directors meeting held following such referral to the Board, and failure to do so within the stipulated time shall constitute a consent by the Board to the proposed structural addition, alteration or improvement. The Board of Directors shall have the authority, either by act or omission, to waive enforcement of or grant variances from any written Design Guidelines without a specific finding that enforcement of such guidelines would impose an unfair burden on such Owner, but describing the variance and the reasons therefor in a written instrument which shall be part of the records of the Association. Upon such written approval of any specific variance or exception from the requirements of the Design Guidelines, all development conforming to such variance or exception shall be deemed to comply. Variances from side-yard setback and front yard fencing setback distance requirements must be made for Lot 14, due to tight site conditions; fencing materials shall remain subject to Design Guidelines.

9.2.3. No Liability for Architectural Review.

Neither the Declarant nor the Board of Directors nor its ARC shall be liable to any party for any good faith action or failure to act under the provisions of this Declaration.



ARTICLE X

ASSESSMENTS AND LIENS FOR COMMON EXPENSES

10.1. Assessments for Common Expenses.

10.1.1. Liability of Lots.

The total amount of the estimated funds required to pay the Common Expenses of the Association set forth in the Annual Budget adopted by the Board of Directors for the fiscal year shall be assessed equally against the Lots in the manner prescribed in the Bylaws.

10.1.2. Limited Common Assessments.

(1) To the extent that any Common Expense is caused by the negligence or misconduct of any Lot Owner, the Association may, subject to the provisions of the Bylaws, levy a Limited Common Assessment for that expense against the Owner's Lot. In addition and without limitation, the liability of a Lot Owner to pay for expenses associated with any costs, fees, charges, insurance deductibles or fines imposed or incurred by the Association associated with the Lot, along with any costs and/or attorney's fees recoverable under the Governing Documents, and interest on any delinquent account shall be deemed a Limited Common Assessment which, unless otherwise directed by the Board, shall be due and payable within thirty (30) days following their imposition.

(2) Any portions of the Common Expenses which vary among the Lots based upon the size of the Dwelling constructed on the Lot, the usage of services or facilities, or other factors which justify differential assessment rates, may be assessed differentially among the Lots.

10.1.3. Timing of Payments.

Until changed by resolution of the Board of Directors, the annual Assessment against each Lot for its share of the Common Expenses shall be due and payable on the first day of the month of February of each year. The Board may adopt further payment policies which permit payment in installments under conditions to be determined by the Board.

10.1.4. Owners Personally Liable for Common Expenses.

Each Assessment shall be the joint and several obligation of the Owner(s) of the Lot to which the same are assessed as of the time the Assessment is due. Suit to recover a personal judgment for any delinquent Assessment shall be maintainable in any court of competent jurisdiction without foreclosing or waiving the lien securing such sums. No Lot Owner may exempt himself or herself from liability with respect to the Common Expenses by waiver of the enjoyment of the right to use any of the Common Areas or by leasing, rental or abandonment of his or her Lot or otherwise. The failure or delay of the Board of Directors to adopt the Annual Budget for any year shall not constitute a waiver or release in any manner of a Lot Owner's obligation to pay his or her allocable share of the Common Expenses as herein provided, and in the absence of an Annual Budget or adjusted Annual Budget, each Owner shall continue to pay (with or without notice) an Assessment at the rate established for the preceding fiscal year until an Assessment is made under a current Annual Budget or adjusted Annual Budget and notice thereof has been sent to the Lot Owner.



10.2. Liability Following Conveyance of Lot.

A selling Lot Owner shall not be liable for the payment of any part of the Common Expenses assessed against his or her Lot subsequent to a sale, transfer or other conveyance by him of such Lot. The purchaser of a Lot shall be jointly and severally liable with the selling Lot Owner for all unpaid Assessments against the Lot up to the time of the conveyance without prejudice to the purchaser's right to recover from the selling Lot Owner the amounts paid by the purchaser therefore. The holder of a mortgage or other purchaser of a Lot who obtains the right of possession of the Lot through foreclosure shall not be liable for Assessments that became due prior to such right of possession. Such unpaid Assessments shall be deemed to be Common Expenses collectible from all the Lot Owners, including such mortgagee or other purchaser of the Lot. Foreclosure of a mortgage does not relieve the prior Owner of personal liability for Assessments accruing against the Lot prior to the date of such sale as provided above.

10.3. Statement of Unpaid Assessments.

The Association, upon written request, shall furnish to a Lot Owner or a mortgagee a statement signed by an officer or authorized agent of the Association setting forth the amount of unpaid Assessments against that Lot.

10.4. Lien for Assessments.

The Association shall have a lien on a Lot for any unpaid Assessments levied against a Lot from the time the Assessment is due. If an Assessment is payable in installments, the Association has a lien for the full amount of the Assessment from the time the first installment thereof is due.

10.5. Perfection of Lien.

Recording of this Declaration of Covenants constitutes record notice and perfection of the lien for Assessments. While no further recording of any claim of lien for Assessments shall be required to perfect the Association's lien, the Association may record a notice of claim of lien for Assessments under this section in the real property records of the county in which the Subdivision is located.

10.6. Priority of Lien.

A lien under this Section shall be prior to all other liens and encumbrances on a Lot except: (a) Liens and encumbrances recorded before the recording of the Declaration of Covenants; (b) a mortgage on the Lot recorded before the date on which the Assessment sought to be enforced became delinquent; and (c) liens for real property taxes and other governmental assessments or charges against the Lot.

10.7. Enforcement of Lien.

The lien arising under this section shall be enforced judicially by the Association or its authorized representative in the manner set forth in chapter 61.12 RCW. The Association or its authorized representative shall have the power to purchase the Lot 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 Association may elect to take a deed in lieu of foreclosure in any such proceeding.



10.8. Limitation of Lien Enforcement.

A lien for unpaid Assessments and the personal liability for payment thereof is extinguished unless proceedings to enforce the lien are instituted within six years after the amount of the Assessments sought to be recovered becomes due.

10.9. Rent Subject to Lien for Assessments.

From the time of commencement of an action by the Association to foreclose a lien for nonpayment of delinquent Assessments against a Lot that is not occupied by the Owner thereof, the Association shall be entitled to the appointment of a receiver to collect from the lessee thereof the rent for the Lots as and when due. If the rental is not paid, the receiver may obtain possession of the Lot, refurbish it for rental up to a reasonable standard for rental Lots in this type of project, rent the Lot or permit its rental to others, and apply the rents first to the cost of the receivership and attorneys' fees thereof, then to the cost of refurbishing the Lot, then to applicable charges, then to costs, fees, and charges of the foreclosure action, and then to the payment of the delinquent Assessments. Only a receiver may take possession and collect rents under this subsection, and a receiver shall not be appointed less than ninety days after the delinquency. The exercise by the Association of the foregoing rights shall not affect the priority of preexisting liens on the Lot.

10.10. Remedies Cumulative.

The remedies provided are cumulative and the Board may pursue them concurrently, along with any other remedies which may be available under the law although not expressed herein.

ARTICLE XI

INSURANCE MATTERS

11.1. Authority, Name of Insured.

The Board of Directors may obtain and maintain casualty and liability insurance under such terms and for such amounts as shall be deemed necessary by the Board of Directors.

11.2. Deductible.

The deductible, if any, on any policy of insurance purchased by the Board of Directors, shall be paid by the Association as a Common Expense. Funds to cover the deductible should be included in the Association's operating reserve account.

ARTICLE XII

CONDEMNATION

In the event that any Common Area of the Subdivision becomes subject to eminent domain proceedings, the Association shall be a necessary party to such proceedings.



ARTICLE XIII

COMPLIANCE WITH LAW AND COVENANTS

13.1. Compliance by Owners and Occupants.

Each Owner and occupant of a Lot shall comply strictly with the provisions of the Governing Documents. All remedies provided the Association in this Article may be enforced against any tenant or other occupant of a Lot.

13.2. Enforcement by Association.

The Board of Directors shall have primary responsibility for maintaining and enforcing compliance with the covenants, conditions and restrictions contained in the Governing Documents. Without limiting the authority and powers conferred upon the Board by the Homeowners Association Act, the Board shall have the rights and powers described and limited in Section 7 of the Bylaws.

ARTICLE XIV

LIMITATION OF LIABILITY

14.1. No Liability for Equipment Failure, Etc.

Except to the extent covered by insurance obtained by the Board pursuant to Article XI, neither the Association nor the Board nor the Declarant shall be liable for any failure of any equipment or services obtained by the Board, or for injury or damage to person or property caused by the elements, or for inconvenience or discomfort resulting from any action taken to comply with any law, ordinance or orders of a governmental authority. No diminution or abatement of liability for Common Expense Assessments shall be claimed or allowed for any such injury or damage, or for such inconvenience or discomfort.

14.2. No Bailment.

Neither the Board of Directors, the Association, any Owner nor the Declarant shall be considered a bailee of any personal property stored or placed on the Common Areas (including property located in vehicles parked on the Common Areas), whether or not exclusive possession of the particular area is given to an Owner for parking or otherwise, nor shall they be responsible for the security of such personal property or for any loss or damage thereto, whether or not due to negligence, except to the extent covered by insurance in excess of any applicable deductible.

ARTICLE XV

MORTGAGEE PROTECTION

Any representative of a Mortgagee or the institutional insurer of any mortgage may attend and address any meeting which a Lot Owner may attend.



ARTICLE XVI

EASEMENTS AND SPECIAL DECLARANT RIGHTS

16.1. Easements for Lots and Lot Owners.

16.1.1. In General.

Each Lot has an easement in and through each other Lot and the Common Areas for utilities and for lateral and/or subjacent support.

16.1.2. Specific Easements Shown on Subdivision Plat.

Easements shown on the Subdivision Plat are hereby dedicated, declared and established. Any easement shown on the Subdivision Plat which benefits one or more Lots in the Subdivision, or which benefits any third parties or any real property not included within the Community, confers various rights and benefits upon such third parties or owner(s) of any such real property, and may also impose obligations upon the Association. Reference should be made to the Subdivision Plat.

16.2. Easement for Association Functions.

There is hereby granted and reserved to the Association, or its duly authorized agents and representatives, such easements as are necessary to perform the duties and obligations of the Association as are set forth in the Governing Documents. Without limitation, such easements include those necessary for the Association to perform Upkeep to entry monuments, landscaping, and fencing.

16.3. Easement for Utilities.

Non-exclusive perpetual easements have been granted over and through those portions of the Property designated on the Subdivision Plat for ingress, egress, installation and Upkeep of any utility lines, 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 easements are hereby confirmed with respect to any person installing or providing Upkeep for such utilities.

16.4. Easement for Emergency Access.

A non-exclusive perpetual easement is hereby granted on, over, under and across the Common Areas to all police, fire, ambulance and other rescue personnel for the lawful performance of their functions during emergencies.

16.5. Easements for Declarant.

The Declarant reserves to itself and its any lawful successors an easement through the Common Areas for any and all activities necessary or desirable to complete the development of the Community or for exercising Special Declarant Rights.

16.6. Special Declarant Rights.



The Declarant has reserved the following Special Declarant Rights, which may be exercised at the sole cost and expense of the Declarant, for the purpose of furthering and completing the development of the Subdivision: (1) To grant architectural approval for construction within the Community; (2) to create and/or modify easements and related improvement on Lots owned by the Declarant; (3) to maintain sales offices, management offices, signs advertising the Subdivision, and models on the Property, on Lots owned by the Declarant; and (4) to incorporate the Association on behalf of the Lot Owners; the Declarant shall be deemed to hold a proxy from all Lot Owners during the Declarant Control Period for the sole purpose of incorporating the Association. The Declarant Control Period is defined in the Bylaws of the Association. It shall terminate no later than when the last Lot in the Community is sold by the Declarant.

ARTICLE XVII

AMENDMENT OF DECLARATION OF COVENANTS

17.1. 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 as otherwise specifically provided for in this Declaration of Covenants, any proposed amendment must be approved by a majority of the Board prior to its adoption by the Owners. Except in cases of amendments that may be adopted by the Declarant unilaterally pursuant to Section 17.3 hereof, amendments may be adopted only at a meeting of the Owners if at least sixty-seven percent (67%) of the votes in the Association are cast for such amendment, or without any meeting if all Owners have been duly notified and Owners holding at least sixty-seven percent (67%) of the votes in the Association consent in writing to such amendment. In all cases, the amendment when adopted shall bear the acknowledged signature of the President of the Association, who shall certify that the amendment was properly adopted.

17.2. 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 Subdivision and shall contain a cross-reference by recording number to the Declaration of Covenants and each previously recorded amendment thereto.

17.3. Amendments by Declarant.

The Declarant may unilaterally adopt and file amendments to the Declaration of Covenants and to the Subdivision Plat for so long as the Declarant is the Owner of any Lot in the Subdivision or until the expiration of the time limit for the exercise of any Development Rights or Special Declarant Rights reserved by the Declarant, for the limited purposes of: (1) conforming them to the actual location of any of the constructed improvements, (2) to establish, vacate and relocate utility easements or access road easements on Lots that it owns, (3) to satisfy the written requirements of any title insurance company, or (4) to correct any nonmaterial technical errors contained in the Governing Documents or clarify provisions of same.



ARTICLE XVIII

MISCELLANEOUS

18.1. Notices for All Purposes, Delivery.

18.1.1. Any notice permitted or required to be delivered under the provisions of the Declaration of Covenants or the Bylaws may be delivered either personally or by mail, addressed to the person entitled to such notice at the most recent address given by such person to the Board in writing, or to the most recent address known to the Board. Notice to the Owner of any Lot shall be sufficient if mailed to his or her Lot if no other mailing address has been given to the Board. Mailing addresses may be changed from time to time by notice in writing to the Board. Notice to be given to the Association may be given to Declarant until the initial Board has been constituted and thereafter shall be given to the President or Secretary of the Association, or to its Registered Agent.

18.1.2. New Lot Owners must supply their names and addresses, along with the names and addresses of their respective Mortgagees, to the Secretary of the Association promptly after conveyance.

18.2. 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 the Act and furthers the common plan of this Subdivision

18.3. No Right of First Refusal.

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

18.4. Effective Date.

This Declaration of Covenants shall take effect upon recording.

DATED this 19th day of January, 2006.

ELK HAVEN COMMUNITY ASSOCIATION, by all its Lot Owners:

DECLARANT: LANDMARK BUILDING AND DEVELOPMENT, INC.

By

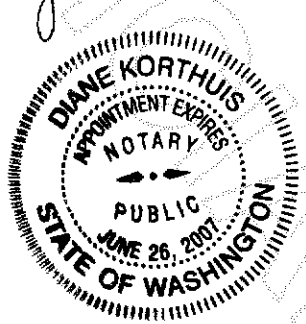

JOHN ELLIS, its President



STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

I hereby certify that I know or have satisfactory evidence that JOHN ELLIS 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 President of the Declarant, LANDMARK BUILDING AND DEVELOPMENT, INC., to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: January 19th, 2006.



Diane Korthuis
NOTARY PUBLIC for the State of
Washington. My Commission
expires June 26, 2007



200602220047
Skagit County Auditor

OWNER[S] OF LOT 5

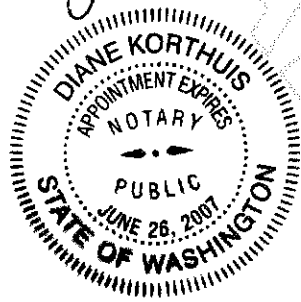
Kevin F. LaChance
KEVIN F. LaCHANCE

Valerie J. LaChance
VALERIE J. LaCHANCE

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

I hereby certify that I know or have satisfactory evidence that KEVIN F. & VALERIE J. LaCHANCE is/are the person[s] who appeared before me, and said person[s] acknowledged that [s]he /they signed this instrument, and acknowledged it to be the free and voluntary act of such person[s] for the uses and purposes mentioned in the instrument.

DATED: January 23rd, 2006.



Diane Korthuis
NOTARY PUBLIC for the State of
Washington. My Commission
expires June 26, 2007



200602220047
Skagit County Auditor

OWNER[S] OF LOT 13

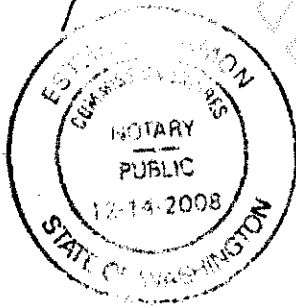
Mason Allan

MASON ALLAN

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

I hereby certify that I know or have satisfactory evidence that MASON ALLAN is/are the person[s] who appeared before me, and said person[s] acknowledged that [s]he /they signed this instrument, and acknowledged it to be the free and voluntary act of such person[s] for the uses and purposes mentioned in the instrument.

DATED: February 6, 2006.



Esther Hornum
NOTARY PUBLIC for the State of
Washington. My Commission
expires 12-14-08



200602220047
Skagit County Auditor

OWNER[S] OF LOT 14

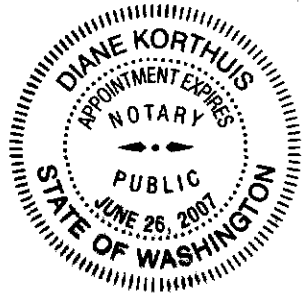
Ronald F. Barton
RONALD F. BARTON

Donna J. Barton
DONNA J. BARTON

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

I hereby certify that I know or have satisfactory evidence that RONALD F. BARTON & DONNA J. BARTON is/are the person[s] who appeared before me, and said person[s] acknowledged that [s]he /they signed this instrument, and acknowledged it to be the free and voluntary act of such person[s] for the uses and purposes mentioned in the instrument.

DATED: January 19th, 2006.



Diane Korthuis
NOTARY PUBLIC for the State of
Washington. My Commission
expires June 26, 2007



200602220047
Skagit County Auditor

OWNER[S] OF LOT 32

Collin McNeil

COLLIN McNEIL

Margaret McNeil

MARGARET McNEIL

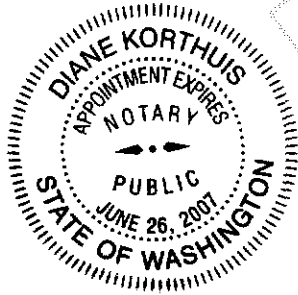
STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

I hereby certify that I know or have satisfactory evidence that COLLIN McNEIL & MARGARET McNEIL is/are the person[s] who appeared before me, and said person[s] acknowledged that [s]he /they signed this instrument, and acknowledged it to be the free and voluntary act of such person[s] for the uses and purposes mentioned in the instrument.

DATED: January 19th, 2006.

Diane Korthuis

NOTARY PUBLIC for the State of
Washington. My Commission
expires June 26, 2007



200602220047
Skagit County Auditor