

Amendment to reflect change of date of page 3 from June 1, 1990 to September 18, 1990, located in Article 2.8.

Read and Approved

Frank E. Clark
Patricia A. Clark

COPY

Dated: 9-20-91

CHELAN RIDGE DECLARATION OF RESTRICTIVE COVENANTS

This Declaration made this 18 day of September, 1990, by Azure Corporation, a Washington corporation, hereinafter called the Declarant, provides as follows:

Article I

Purpose

1.1 Declarant is the owner of certain real property in the County of Chelan, State of Washington, legally described as follows, to-wit:

Lots 1 through 28, inclusive, and Lots 30 and 31, Plat of Chelan Ridge, Chelan County, Washington, according to the plat thereof recorded in Volume 9 of Plats, pages 71, 72 and 73, records of Chelan County, Washington.

and is desirous of subjecting the aforescribed real property and any other property as provided for in Section 3.2 below, to the restrictions, covenants, reservations, easements and charges hereinafter set forth, each and all of which is and are for the benefit of said property and for each owner thereof, and shall inure to the benefit of and pass with said property and each and every parcel thereof and shall apply to and bind the successors in interest and any owner thereof. These easements, restrictions, covenants and conditions are intended to protect the value and desirability of the aforesaid real property.

1.2 Azure Corporation hereby declares that the afore-

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described real property and any other property as provided for in section 3.2 below, is and shall be held, transferred, sold and conveyed subject to the conditions, restrictions, covenants, reservations, easements and charges hereinafter set forth and referred to as "Chelan Ridge Declaration of Restrictive Covenants."

Article II

Definitions

The following words when used in this Declaration or any supplemental declarations, unless the context shall prohibit, shall have the following meanings:

2.1 "Association" shall mean the Chelan Ridge Community Association, a Washington non-profit corporation.

2.2 "Board" shall mean the Board of Directors of Chelan Ridge Community Association.

2.3 "Building Site" shall mean any lot or portion thereof, or any two or more continuous lots, or a parcel of land of record in a single ownership and upon which a structure may be erected in conformance with the requirements of this Declaration.

2.4 "Bylaws" shall mean the Bylaws of the Association

2.5 "Committee" shall mean the Architectural Control Committee.

2.6 "Common Property" shall mean land and/or facilities which the Association owns and/or maintains.

2.7 "Declarant" shall mean Azure Corporation, a Washington corporation, its successors and assigns.

2.8 "Declaration" shall mean this Chelan Ridge Declaration

of Restrictive Covenants dated the 18 day of September, 1990, as the same may be supplemented or amended from time to time.

2.9 "Development" shall mean all property included in any plat which is subject to this Declaration or which is made subject to this Declaration by specific reference.

2.10 "Facility" shall include playground equipment; trail systems, not accepted by the County of Chelan as sidewalks; street furniture; and all other common buildings, appurtenances or land improvements for common use by Chelan Ridge residents or the general public.

2.11 "Leased Living Unit" shall mean an apartment consisting of one or more rooms intended for use and occupancy by a tenant of the owner.

2.12 "Living Unit" shall mean any structure or portion of a structure situated upon the properties designed and intended for use, occupancy and ownership as a residence by a single family.

2.13 "Owner" shall mean the record owner, whether one or more persons or entities, of fee simple title to any building site or living unit situated upon the properties, but shall not mean a mortgagee nor a condominium association owning record title to a tract or land on which is located a condominium development.

2.14 "Properties" shall mean all the property hereinabove described and all property included in subsequent plats or conveyances by specific reference and additions thereto subject to this Declaration or any supplemental declaration under the provisions of Article III hereof.

Article III

Property Subject To This Declaration

3.1 Property Description: The real property which is and shall be held and conveyed, transferred and sold subject to the conditions, restrictions, covenants, reservations, easements and charges with respect to the various portions thereof set forth in the various clauses and subdivisions of this Declaration is located in the County of Chelan, State of Washington and is more particularly described in Article I above. No property other than that described above shall be deemed subject to this Declaration unless and until specifically made subject thereto.

3.2 Addition Procedures: The Declarant, any shareholder of Declarant or the Board may, from time to time, subject additional real property to the conditions, restrictions, covenants, reservations and charges herein set forth by appropriate reference hereto. Declarant shall effect such addition by recording a Plat of the real property to be added or by Deed or conveyance containing appropriate dedication language and refer to this Declaration, and by:

3.2.1 Describing the real property being added and designated the permissible uses thereof.

3.2.2 Setting forth any new or supplemental restrictions or covenants which may be applicable to such added property, including limited or restrictive uses of common areas. Such supplemental declaration may contain such additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties. In no event, however, shall such supplemental declaration revoke, modify or add to the covenants established by this Declaration with respect to the specific real property already subject to this Declaration.

Article IV

Chelan Ridge Community Association

4.1 General: The Association is a Washington non-profit corporation organized to further and promote the common interest of property owners in the development. The Association shall have such powers in the furtherance of it's purposes as are set forth in it's Articles and Bylaws.

The Association shall operate and maintain at its cost in neat and good order, and for the use and benefit of the owners of the property in the development, all land, facilities and/or utility systems from time to time designated, transferred or conveyed by the Declarant to the Association and the Association shall accept any such transfer or conveyance from Declarant. When the Declarant conveys common properties to the Association, such conveyance shall be by an appropriate Deed, transferring marketable title. The Association shall be responsible for the monthly street light fee until such fees are assumed by any municipal corporation or other public agency.

4.2 Membership: Members of the Association shall be every owner of a fee or undivided fee interest in any building site or living unit subject by covenants of record to assessment by the Association and every person who holds a contract purchaser's interest of record in a building site or living unit. There shall be no other qualification for membership except as set forth above. Membership shall terminate on transfer of fee simple title by an

owner or the contract purchaser's interest by the contract purchaser who qualifies as a member. If an owner sells a building site or living unit by contract of sale, upon recordation thereof the owner's membership shall terminate and the contract purchaser's membership shall commence.

4.3 Voting Rights: Each member will be entitled to one vote for each building site or living unit in which he holds the interest required for membership by Section 4.2 above; provided however, with respect to living units which are part of a townhouse, rowhouse or cluster type apartment or condominium development, voting rights shall be commensurate with participation in assessments as hereinafter provided in Section 6.3 below. If more than one person holds such interest or interests, all such persons shall be members, but the vote for such building site or living unit shall be exercised as the persons holding such interest shall determine between themselves, provided that in no event shall more than one vote be cast with respect to any such building site or living unit.

Article 5

Administration of Property; Rights Retained by Declarant

5.1 Transition Date. The "Transition Date" shall be the date control of the property passed from Declarant to the Association of Owners. The Transition Date will be either (1) the date designated by Declarant in a written notice to the owners, which date may at Declarant's election be any date after this Declaration has been recorded; or (2) the 60th day after Declarant

has sold all of the building sites.

5.2 Declarant's Powers Until Transition Date. Until the Transition Date, Declarant shall have the full power and authority to exercise all of the rights, duties and functions of the Board of Directors and the officers of the Association. Declarant may at such times as it deems appropriate select and from time to time replace an interim board of three to five directors, who need not be owners or purchasers, who shall have all the powers, duties and functions of the Board. Any contract made by Declarant, or the interim board that would otherwise extend beyond the Transition Date shall be terminated by the Board after the Transition Date upon 30 days' notice.

5.3 Transfer of Administration. On the Transition Date the authority and responsibility to administer and manage the Association, subject to this Declaration and the Bylaws, shall pass to the Association. The Association shall be governed by a Board of not fewer than three nor more than five directors elected from among the owners. The initial Board will have three directors. Declarant or the interim board of directors will call a meeting of the Association to be held before the Transition Date for the purpose of electing the initial Board.

Article VI

Property Rights In The Common Properties

6.1 Member's Easements of Enjoyment: Subject to the provisions of Section 6.3 of this Article, every member shall have a right of easement and enjoyment in and to the common properties,

and such easement shall be appurtenant to and shall pass with the title to every Lot or living unit and upon recordation of a Contract of Sale of any Lot or living unit.

6.2 Title to Common Properties: The Declarant may retain legal title to the common properties until such time as it has completed improvements thereon and until such time as in it's opinion the Association is able to maintain the same. Notwithstanding the foregoing, the Declarant shall convey the common properties to the Association free and clear of all liens and encumbrances not later than December 31, 2010. The Declarant if directed by the Association pursuant to the same vote of membership as required for dedication of the common properties may convey the common properties to a municipal corporation, public agency or authority rather than convey such common properties to the Association.

6.3 Extent of Members' Easements: The rights and easements of enjoyment created hereby shall be subject to the following:

6.3.1 The right of the Association to limit the number of guests of members.

6.3.2 The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated on the common properties.

6.3.3 The right of the Association to suspend the enjoyment rights of any member for any period during which any assessment remains unpaid and for any period not to exceed thirty (30) days for any infraction of it's published rules and regulations.

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6.3.4 The right of the Declarant and the Association in accordance with it's Articles and Bylaws to mortgage said property as security for any loan, the purpose of which is improvement of the common properties. In the event of a default upon any such mortgage, the

lender's rights hereunder shall be limited to a right after taking possession of such properties to charge admission and other fees as a condition of continued enjoyment by the members, and if necessary, to open the enjoyment of such property to a wider public until the mortgage debt is satisfied, whereupon the possession of such property shall be returned to the Association and all rights of the members hereunder shall be fully restored.

6.3.5 The right of the Association to dedicate or transfer all or any part of the common properties to any municipal corporation, public agency or authority for such uses and purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer, however, shall be effective except pursuant to a vote of the members as provided by the Articles of Incorporation.

6.4 Delegation of Use: Any member may delegate in accordance with the Bylaws, his rights of enjoyment to the common properties to the members of his family and his tenants.

Article VII

Covenant For Maintenance Assessment

7.1 Creation of the Lien and Personal Obligation of Assessment: Declarant, for each Lot and living unit within the properties, hereby declares that each owner of any building site or living unit by acceptance of the Deed or other conveyance, shall be deemed to covenant and agree to pay to the Association annual assessments and special assessments for capital improvements. Such assessments shall be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided shall be a continuing lien upon the property against which each such assessment, together with such

interest thereon and costs of collection thereof as hereinafter provided, shall also be a personal obligation of the person who is the owner of such property at the time when the assessment fell due. Such personal obligation shall not pass to his successors in title unless expressly assumed by them.

7.2 Purpose of Assessments: The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, enjoyment and welfare of the residents in the properties and in particular, for the improvement and maintenance of property, services and facilities devoted to the purpose and related to the use and enjoyment of the common properties and of the homes situated upon the properties. Without limiting the generality of the foregoing, assessments may be used to lease facilities for the use of residents in the properties and to pay the monthly street light fees.

7.3 Basis of Annual Assessment: The maximum annual assessment for any single-family building site shall be Three Hundred Dollars (\$300.00) per year. Structures composed of leased living units and condominium developments of more than one living unit in height shall be assessed at one hundred percent (100%) of the assessment per building site improved by a single-family detached dwelling unit for each leased living unit in such structure or each living unit in such condominium.

Upon the vote of the membership as hereinafter provided, the Association may change the maximum annual assessment fixed by this section prospectively.

7.4 Special Assessment For Capital Improvements: Upon vote of the members of the Association in the manner hereinafter set forth, the Association may levy in addition to annual assessments a special assessment in any calendar year applicable to that year only, for the purpose of defraying in whole or in part the cost of construction or reconstruction or expected repair or replacement of a described capital improvement upon the common properties, including necessary fixtures and personal property related thereto. The assessment ratio for any living unit or structure as determined pursuant to Section 7.3 shall be applicable to special assessments.

7.5 Voting and Notices For Special Assessment and Change of Maximum Assessment: Any special assessment or change in maximum annual assessment must have the consent of two-thirds of the votes of members at a meeting duly called for that purpose and said assessment must be subsequently approved by the Board of Directors. Written notice of such meeting called for such purpose shall be sent to all members at least thirty (30) days in advance of the date of such meeting, setting forth the purpose of the meeting.

7.6 Date of Commencement of Annual Assessment: The initial annual assessments shall commence on the first day of such month as determined by the Board of Directors of the Association, and shall be made for the balance of the calendar year and shall be due and payable on the date fixed by the Board. Annual assessments for any year after the first year shall become due and payable on January 1st of such year.

The amount of the initial annual assessment for the first

year in which assessments are made or for any property which becomes subject to assessment for the first time shall be pro-rated on a calendar year basis according to the date of the first assessment or the date on which property first became subject to assessment.

The due date of any special assessment shall be fixed in the Resolution authorizing such assessment.

7.7 Duty of Board of Directors: The Board of Directors shall fix the amount of the annual assessment against each building site or living unit and give the owner subject thereto written notice of such assessment at least thirty (30) days in advance of the due date of such assessment. The Board shall cause to be prepared a roster of the properties subject to assessments with assessments applicable to each such property and shall keep such roster in the Association office, subject to inspection by any owner.

The Association shall, upon demand, at any time furnish to any owner liable for an assessment a certificate in writing setting forth whether the assessments on the property owned by such owner have been paid.

7.8 The Effect of Non-Payment of Assessments; Lien of Association: If an assessment is not paid on the due date hereinabove set forth, such assessment shall become delinquent and shall bear interest at the rate of twelve percent (12%) per annum from such due date. The Secretary of the Association shall file in the Office of the County Auditor in which the property is located, within ninety (90) days after such delinquency, a

statement of the amount of the delinquent assessments together with interest and upon payment in full thereof, shall execute and file a property Release of such lien. Such assessment with interest set forth above shall constitute a lien on such building site or living unit from the date of filing notice of delinquency until the lien is released as herein provided. The Association may bring an action at law to enforce payment of a delinquent assessment against the owner personally obligated to pay the same and may enforce such lien in the manner provided by law with respect to a lien on real property.

In the event a Judgment or Decree is obtained in favor of the Association, the Owner shall be liable for the Association's Court costs and disbursements and a reasonable attorney fee to be fixed by the Court, such costs, disbursements and attorney fees to be further secured by such lien. No owner may waive or otherwise escape liability for assessments by non use of the common properties or abandonment of his building site or living unit.

7.9 Subordination of the Lien to Mortgages: The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or Deed of Trust. Sale or transfer of any building site or living unit shall not affect the assessment lien. However, the sale or transfer of any building site or living unit which is subject to any mortgage or Deed of Trust, pursuant to a decree of Foreclosure under such mortgage or any proceeding in lieu of foreclosure thereof including sale under a Deed of Trust, shall extinguish any lien of an assessment which became a lien prior to

such sale or transfer. Such sale or transfer shall not release such building site or living unit from liability from any assessments thereafter becoming due or from the lien thereof.

7.10 Exempt Property: The following property subject to this Declaration shall be exempted from the assessments, charges and liens created herein:

7.10.1 All properties to the extent of any easement or other interest therein dedicated and accepted by a municipal corporation or other local public authority and devoted to public use.

7.10.2 All common properties.

7.10.3 Land owned or being acquired by Declarant.

7.10.4 Land owned or held by a contractor licensed as a general contractor under the statutes of the State of Washington who acquires the same as a single family lot or lots for the purpose of engaging in the business of construction and sale of a residential unit or units shall be exempt from assessments for a period of twelve (12) months after the date of closing of said acquisition; unless said lot or lots is sooner conveyed to a third party not otherwise exempt by this Article.

7.10.5 Land owned or held by the initial building entity who acquires same as a building site for the purpose of engaging in the business of construction and sale of multiple family, condominium or townhouse developments shall be exempt for a period of twelve (12) months after the date of closing of said acquisition to complete construction of the particular development and qualify thereon for issuance of the certificate of occupancy or similar documentation for a specific unit of a multiple-family, condominium or townhouse development; unless said unit is sooner conveyed to a third party not otherwise exempt by this paragraph; provided however, that the exemption provided by this paragraph shall be voidable by the Board of Directors of the Community Association if, in their discretion, the building entity does not commence without unnecessary delay in the construction of said developments nor proceed thereon in a timely manner after the date of closing of said acquisition."

Article VIII

Restrictions on Use of Property by Occupants

8.1 Use Restrictions: The following restrictions shall be applicable to the use of any property subject to this Declaration:

8.1.1 No animals or fowls shall be raised kept or permitted upon the properties or any part thereof, excepting only domestic dogs or cats and excepting caged pet birds kept within the dwelling house, provided said dogs, cats and pet birds are not permitted to run at large and are not kept, bred or raised for commercial purposes or in unreasonable numbers.

8.1.2 No part of the properties shall be used for the purpose of exploring for, taking therefrom or producing therefrom gas, oil or other hydrocarbon substances.

8.1.3 No noxious or offensive activity shall be carried on upon the properties or any part thereof, nor shall anything be done or maintained thereon which may be or become an annoyance or nuisance to the neighborhood or detract from its value as a high class residential district.

8.1.4 No owner or occupant shall remove or significantly alter any tree in any street, right of way, park or recreational area or other part of the common properties or properties unless permission in writing is first granted by the Association.

8.1.5 No garbage, refuse or rubbish shall be deposited or kept on any lot or building unit except in a suitable container. All areas for the deposit, storage or collection of garbage or trash shall be substantially shielded or screened from neighboring property, and private recreation areas or common areas; provided, however, that garden trash that is required to be placed at a designated point in order to be collected may be placed and kept at such designated point and need not be in any container for period not exceeding twenty four (24) hours. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

~~8.1.6~~ Grading, clearing, removal or cutting of natural vegetation and/or stumps shall not be permitted without prior written approval of the Architectural Control Committee.

**CHELAN RIDGE
COMMUNITY ASSOCIATION
P.O. BOX 171
CHELAN, WA 98816
(509) 687-2381**

**NOTICE OF BALLOT TO CHANGE
COVENANTS, CONDITIONS & RESTRICTIONS**

*PLEASE READ & MAIL IN YOUR COMPLETED BALLOT
IF YOU ARE NOT ATTENDING THE ANNUAL MEETING.*

Article VIII (8) of the Chelan Ridge Community Association CC&R's addresses restrictions of use of property by occupants.

Article 8.1.9 reads: No commercial enterprise, excepting mail order, shall be permitted on any portion of the property.

It has been brought to our attention on several occasions that Article 8.1.9 is too restrictive as written and is unnecessarily restrictive as to what the intent is.

The intent of Article 8.1.9 is to restrict commercial enterprises that create vehicle traffic responding to a wholesale or retail sales venture and/or that turns the property into a manufacturing site or a storage site for materials or vehicles.

Many people now have home offices that they conduct business from. With the escalation of telecommunications and computer advances, this will become more common, especially in outlying areas such as Chelan Ridge. As Article 8.1.9 is currently written, in-home offices are not allowed.

Also, many people create products within the confines of their homes without any visibility or adverse effect to the neighborhood. One example is a woman that wanted to make doll clothes which she has traditionally done from her home with the help of her kids. Another example is a person who sells Mary Kay Cosmetics part-time and uses her home to make sales calls and stock product. Many retired people conduct part-time business ventures such as producing handiwork that they are skilled in to telemarketing to supplement their income. UPS, Federal Express and the US Postal Service currently make personal deliveries within Chelan Ridge on a regular basis with no adverse effect to the community.

At last years annual meeting it was discussed that we change Article 8.1.9 to allow in-home offices and small enterprises that can be conducted completely inside the home buildings and that don't create any related traffic from that enterprise except standard delivery services that are already operating within Chelan Ridge for personal business.

It was proposed that a new policy be created to take the place of the current Article 8.1.9 and that it be voted upon by the membership.

Please read and vote on the ballot on the following page. Please mail in before October 1, 1997 if you are not attending the annual meeting.

8.1.7 It shall be the duty of the owner or occupant of any building on private property to connect all roof drains and area storm drains on this property to the public or primary storm sewer system unless the Committee deems such connection to be unnecessary.

8.1.8 It shall be the duty of the owner or occupant of any building site to remove any and all noxious weeds.

8.1.9 No commercial enterprise, excepting mail order, shall be permitted on any portion of the property.

8.1.10 No lot shall be further divided, subdivided or reduced in size.

8.1.11 No motor home, camper, tent or trailer shall at any time be used as a residence temporarily or permanently, except, however, a builder or lot owner in possession of a Chelan County building permit may, upon notification of the Architectural Control Committee, for a period of twelve (12) months from the date the building permit is issued use a trailer or portable unit for temporary shelter to assist in their ability to construct a permanent residence.

8.1.12 No inoperable cars, trucks, motorhomes, campers, boats or vehicles shall be kept on any lot without the prior written approval of the Architectural Control Committee.

8.1.13 All construction must be in accordance with applicable County fire rules and regulations, including but not limited to: 1) ~~Site preparation for fire protection normally requires the removal of all fine forest fuels for a 30 foot radius around the primary structure. Specifically, fine forest fuels include all weeds and combustible debris. No stacking of firewood next to the primary residence shall be permitted. Additionally all trees within 100 feet of the primary residence should be thinned so that the crowns do not touch each other and should be pruned of all dead limbs and debris within 10 feet of the ground.~~ 2) All chimneys shall be equipped with an approved spark arrestor and all tree branches within 15 feet of the chimney shall be removed; 3) All exterior roofing material shall either be treated with an approved fire retardant material or made of a noncombustible material.

Article IX

Architectural Control Committee

9.1 Architectural Control Committee: The Board of Directors

shall appoint an Architectural Control Committee of three (3) or more persons, which Committee may act for the Board to the extent set forth in this Declaration. One member of the Architectural Control Committee shall be appointed for one year; the second member for two years; the third member, for three years. Thereafter, members of the Architectural Committee shall be appointed or selected for three (3) year terms.

9.2 Jurisdiction and Purpose: The Committee shall adopt, subject to Board approval, architectural rules, regulations and procedures applicable to construction, maintenance and improvement on the properties. The Committee shall have the right to review and thereby either approve or reject all plans and specifications for any building or structure to be constructed or modified within the properties which do not conform to the architectural rules, regulations and procedures. Enforcement of these covenants shall be carried out by the Chelan Ridge Community Association.

9.2.1 No building shall be erected, placed or altered on any Lot or building site (single family attached, single family detached or multi-family) on the property until the building plans, specifications, plot plan and landscape plans to include erosion control are submitted by the owner or his representative to the Architectural Control Committee and found by said Committee to be in accordance with the architectural rules, regulations and procedures. It shall be the obligation of each owner to familiarize himself with the architectural rules, regulations and procedures of the Committee. All costs incurred by the Committee for inspections, plan review and consultants shall be paid for by the Association.

9.3 Approval Procedures:

9.3.1 Any approval requested of the Committee shall be requested in writing and shall be submitted to the Association headquarters unless the Committee shall

record an instrument establishing a different place to submit such plans.

9.3.2 In the event the Architectural Control Committee fails to respond to the owner's application and submittal with reference to proposed plans and specifications within thirty (30) days after said plans and specifications have been submitted by the owner in writing to the Committee for such proposed construction, addition, alteration or change, then and in that event, compliance will be deemed to have been granted by said Committee and formal written approval will not be required and this provision shall be deemed to have been fully complied with. In the event an owner enters into construction, addition, alteration or change of any building on a building site on the properties without having first submitted in writing the proposed plans and specifications to the Committee for such work and completes such work without any notice of non compliance from the Association or said Committee, then and in that event, after the lapse of six months from the completion of such work with no suit or action having been brought to enjoin the construction, addition, alteration or change or to force compliance by change or removal of such work with this provision then approval will not be required and this provision shall be deemed to have been fully complied with. The decision of a majority of the members of the Committee shall be the decision of the Committee.

9.3.3 The Committee, in the discharge of its obligations hereunder and in its deliberations, shall at objectively and fairly in making decisions concerning various plans, specifications, plot plans and landscape plans submitted to it by various owners for consideration. Further, the determinations of the Architectural Control Committee, as to non compliance, shall be in writing signed by the Committee and shall set forth in reasonable detail the reason of non compliance.

Article X

Restrictions on Construction.

Maintenance and Improvement

10.1 Restrictions: The architectural rules, regulations and procedures adopted by the Committee and approved by the Board are applicable to construction, maintenance and improvements on

the properties.

10.2 Right of Entry of Association Representative: Any agent or member of the Architectural Control Committee may at any reasonable pre determined hour or hours upon twenty four (24) hours notice during construction or exterior remodeling, enter and inspect any of said property as to its maintenance or improvements to determine if there has been compliance with the provisions hereof. The Association and any agent or officer thereof shall not thereby be deemed guilty of any manner of trespass for such entry or inspection.

10.3 Evidence of Compliance With Restrictions: Records of the Association with respect to compliance with the provisions of this Declaration shall be conclusive evidence as to all matters shown by such records. After the expiration of one (1) month following the completion of any construction, addition, alteration or change to any building on a building site, in the absence of any notice to comply or in the absence of any suit to enjoin such work or to force compliance be change or removal of such work within said period, then and in that event said structure work, improvement or alteration shall be deemed to be in compliance with the provisions of this Declaration.

Article XI

Maintenance Obligations of Owner

11.1 Vacant Lots: It is the intent of these restrictions that vacant Lots be maintained in a reasonably presentable

condition. Therefore, the Association shall have the right at all times to enter upon any Lot or building site that is vacant and unplanted or untenanted by the owner, after reasonable notice to the owner, to remove debris, weeds or other waste material and to trim, cut back, remove if damaged or dead, cultivate and/or maintain hedges, trees, shrubs, plants or lawns and to charge the expense thereof to the owner as an assessment. The Association shall have the rights with respect to such assessment as set forth in Article VI as to annual and special assessments.

11.2 Owner's Obligation to Maintain Planting: Where the Association has permitted an owner to plant a portion of the common properties abutting the owner's property in accordance with the owner's landscaping design, the owner shall thenceforth be obligated to maintain at his own expense such plantings. Failure of the owner to maintain the landscaping of such portion of the common properties or parking bays thereon, shall give the Association a right upon reasonable notice to the owner to maintain such areas of the common properties and to charge the expense thereof to the owner as an assessment to be collected in the manner provided in Article VII.

11.3 Reasonable Notice: "Reasonable notice", as that term is used in this Article, shall mean mailing by certified mail to the last known address of the owner shown on the books of the Association not less than ten (10) days before entry on such owner's property is made or maintenance of such landscaping is undertaken pursuant to Section 11.2.

Article XII

Erection of Signs or Structures by Declarant

12.1 Nothing contained in this Declaration shall be construed to prevent the erection or maintenance by Declarant or its duly authorized agent of structures or signs for the conduct of its business in connection with or upon the properties while the same or any part thereof is owned by Declarant.

Article XIII

General Provisions

13.1 Duration: Covenants and restrictions of this Declaration shall run with and bind the land and shall inure to the benefit of and be enforceable by the Association or the owner of any building site or living unit subject to this Declaration, their respective legal representatives, heirs, successors and assigns in perpetuity. The covenants and restrictions of this Declaration may be amended as herein provided. No change of conditions or circumstances shall operate to amend any of the provision of this Declaration which may be amended only in the manner provided herein.

Except for provisions relating to voting rights of members, limitations on the amount of assessments or annual charges and rights of members in common areas, none of which may be changed if more than thirty three and one third (33 1/3) percent of the members of the Association entitled to vote thereon cast their vote against the change, any of the covenants herein contained may be amended and/or new covenants affecting the Development may be

created by the filing of an appropriate document in the Office of the Auditor of Chelan County, or other property recording office. An amendment to this Declaration executed and acknowledged by the proper officers of the Association shall set forth substantially the following provisions:

13.1.1 The covenant intended to be added or amended;

13.1.2 A description or designation of the part of the Development upon which such amendment or new covenant is intended to be operative, which description or designation may refer to or appear on a plat to be filed with a certificate;

13.1.3 A statement that a resolution adopting such amendment or such new covenant was duly adopted at a duly held regular or special meeting of the Board after a meeting of the members of the Association, at which meeting the resolution was voted for by more than fifty (50%) percent of the voting members of the Association. If such amendment related to the voting rights of the members, the limitations on the amount of the Assessment or annual charge or the rights of members of common areas, such statement shall represent that not more than thirty three and one third (33 1/3) percent of the member of the Association entitled to vote thereon cast their vote against the amendment.

13.2 Notice: Unless otherwise provided herein, any notice required to be sent to any member or owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears a member or owner on the records of the Association at the time of such mailing.

13.3 Enforcement: The Association or any owner shall have the right to enforce by any proceeding at law or in equity all restrictions, conditions, covenants and reservations imposed by

the provisions of this Declaration and a similar right shall exist with respect to recovery of damages for any such violation. Failure of the Association or of any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereunder.

13.4 Severability: Invalidation of any one of these covenants or restrictions by Judgment or Court Decree shall in no way affect any other provisions which shall remain in full force and effect.

13.5 Effect of Municipal Ordinance: Police, Fire and other public safety Ordinances of any municipal corporation having jurisdiction over any portion of the properties shall govern where more restrictive than these covenants and restrictions.

13.6 Interpretation of Covenants: The Board shall have the right to determine all questions arising in connection with the Declaration and to construe and interpret the provisions of the Declaration and its good faith determination, construction or interpretation shall be final and binding.

IN WITNESS WHEREOF, the undersigned being the Declarant herein has hereunto set its hand and seal as of the day and year first hereinabove set forth.

AZURE CORPORATION

By: William Dean Haggerty
Its President

By: David J. Langford
Its Secretary

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CHELAN COUNTY WA
WENATCHEE, WA

Amendment to Chelan Ridge Declaration
of Restrictive Covenants

On May 8th, 1991, at the special meeting of the Chelan Ridge Homeowners Association, and in response to the unanimously adopted resolution, the members, pursuant to Article 13.1, amended the Chelan Ridge Declaration of Restrictive Covenants dated September 18, 1990, and recorded under Chelan County Auditors file # 900910033 and 9010020001 as follows:

- 1) Article 6.3.4 is stricken
- 2) Except for the matters stated in this Amendment, all of the provisions contained in the Chelan Ridge Declaration of Restrictive Covenants remain in full force and effect.

Dated this 8 day of May 1991

Read and Approved

Walter E. Clark
Patricia A. Clark

Dated: 5-20-91

Chelan Ridge Community Association

By

John W. Walker
President

By

James M. Urness
Secretary

STATE OF WASHINGTON)

SS.

COUNTY OF CHELAN)

On this 8 day of May, 1991, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, appeared John A. Walker and James M. Urness to me known to be the President and Secretary, respectively, of Chelan Ridge Homeowners ASSOCIATION, the corporation that executed the foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes herein mentioned, and on oath stated that they are authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

Witness my hand and official seal hereto affixed the day and year first above written.

[Seal or stamp]

Marian Eastley
NOTARY PUBLIC in and for the State of
Washington, residing at Chelan
My appointment expires: 3-5-95