

ORIGINAL

DECLARATION OF COVENANTS, CONDITIONS, RESERVATIONS
AND RESTRICTIONS FOR LAKERIDGE ESTATES

The undersigned Owners of the following described real property do hereby adopt the following covenants, conditions and restrictions:

THE WEST 8 ACRES OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 24, TOWNSHIP 39 NORTH, RANGE 1 EAST, W.M.

AND THAT PORTION OF THE NORTHEAST QUARTER OF Section 24, TOWNSHIP 39 NORTH, RANGE 1 EAST, W.M., DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE EAST LINE OF SAID SECTION 24, 2140 FEET SOUTH AS MEASURED ON SAID EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 24; THENCE SOUTH ALONG THE EAST LINE OF SAID SECTION 24 TO THE SOUTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 24; THENCE WEST ALONG THE SOUTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 24 TO THE WEST LINE OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 24; THENCE NORTH ALONG THE WEST LINE OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 24 TO A POINT WHICH IS WEST OF THE POINT OF BEGINNING; THENCE EAST TO THE POINT OF BEGINNING.

SITUATE IN WHATCOM COUNTY, WASHINGTON.

(Hereinafter referred to as the "Property").

R E C I T A L S :

A. The Property is a 59 lot subdivision known as the Plat of Lakeridge Estates, including roads, utilities and common areas, (hereinafter referred to as the "Subdivision").

B. It is the desire and intention of the Declarant to sell the Lots in the Subdivision and to impose on the Lots mutually beneficial restrictions under a common plan or scheme of improvement for the benefit of all Lots, tracts or lands in the Subdivision with the future Owners of those lands, and such other persons, corporations or entities as may be designated herein.

C. It is the desire and intention of the Declarant to establish and maintain a common plan for all property included in this Subdivision, which will result in a residential area where property values, desirability and attractiveness will be enhanced and protected.

D. Lots 15, 17, 18, 19 and 20 of the Plat of Nubgaard Ridge, recorded in Book 16 of Plats, Page 54, are each affected by development on the Property. Therefore, such Lots should have certain rights, including rights to membership in the Association, as set forth in this Declaration.

NOW, THEREFORE, the Declarant hereby certifies and declares that the conditions, covenants and restrictions herein set forth shall run with the land and shall be binding on all parties having or acquiring any right, title or interest in the Subdivision or any part thereof.

I. LAND CLASSIFICATIONS AND DEFINITIONS

- A. **"Declarant"** shall mean Lakeridge Estates Inc., a Washington Corporation.
- B. **"Declaration"** shall mean and refer to the contents of this entire document and amendments.
- C. **"Owner"** shall refer to the record Owner, including trustees and including vendees under real estate contracts, whether one or more persons or entities, but shall not include a mortgagee or beneficiary under deed of trust. Owners shall also include builders who purchase Lots for construction and resale.
- D. **"Lot"** shall refer to any platted single-family residential Lot designated by Arabic number located within the Subdivision. Lot shall also include Lots 15, 17, 18, 19 and 20 of Nubgaard Estates; provided such Lots elect to become members of the Association pursuant to Article VIII.
- E. **"Dam"** shall refer to the earthen dam spillway and other improvements associated with the dam that was used to create Nubgaard pond.
- F. **"Common Areas"** refers to the Nubgaard Pond Tract, access tracts, landscaping tracts and the ten foot (10') utilities, landscaping and sign easement located along the eastern ten feet (10') of Lots 1, 4, 5, 6 and

59, all designated on the face of the Plat of Lakeridge Estates.

- G. **"Improvements"** improvements shall mean and include without limitation any building, out buildings, private roads, driveways, parking areas, fencing, retaining walls, swimming pools, screening walls, ornamentation, signs, stairs, decks, hedges, wind breaks, plantings, planted trees, shrubs, poles, lighting, hot tubs or any other structure or landscaping.
- H. **"Association"** shall refer to the private non-profit corporation established pursuant to Article VII of this Declaration.

II. ARCHITECTURAL CONTROL

A. Architectural control shall be accomplished by one or more individuals designated as the Architectural Reviewer. The initial Architectural Reviewers shall be Gary Craig and Trevor Jones.

B. To preserve the architectural and aesthetic appearance of the Subdivision, no new construction or improvements of any nature whatsoever shall be placed on any Lot until detailed plans have been reviewed and approved by the Architectural Reviewer (hereinafter referred to as the **"AR"**). Two copies of such plans, specifications and related data must be submitted to the AR. Upon approval, one shall be retained in the records of the AR and one copy shall be returned to the Owner, appropriately marked.

C. The AR shall consider in addition to architectural and aesthetic issues the location of improvements on the Lot and its effect on views from other Lots. The AR's determination on all matters shall be solely within the discretion of the AR and shall not be subject to appeal.

D. The AR shall approve or disapprove plans, specifications and details within seven (7) days of the receipt thereof. If AR fails to respond within seven (7) days then the plans shall be approved.

E. Neither the AR nor any person who succeeds him/them shall be liable to any party for any action or for any failure to act under or pursuant to the provisions of this Declaration, provided that the AR shall have proceeded hereunder in good faith and without malice.

F. If either of the ARs resign or are unwilling or unable to serve, then the remaining AR shall have full authority granted above. If both ARs resign or are unwilling or unable to serve, then the Declarant shall, within thirty (30) days, appoint at least one (1) AR. If the Declarant fails or refuses to appoint an AR, then the Association may elect to exercise the power granted to the AR. This election must be made by an affirmative vote of more than fifty percent (50%) of the members of the Association at a special meeting called for that purpose.

III. LOT USE RESTRICTIONS AND REQUIREMENTS

A. All Lots shall be used exclusively for permanent residential purposes.

B. No business activities of any kind or type shall be conducted on any Lot.

C. Boats, utility trailers, trucks of one-ton or more capacity, campers, travel trailers, motorhomes, pickup/camper and similar items or vehicles, shall not be stored/parked on public access street overnight. Storage or long-term parking shall at all times be kept beside or behind the Owner's home or in a garage or other storage facility.

D. No Lot Owner shall deposit or permit the accumulation of any trash, ashes, garbage or other refuse or debris on his or her Lot or about the Subdivision, except as kept in covered trash receptacles.

E. No improvement which has been partially or totally destroyed by fire, or otherwise, shall be allowed to remain in such state for more than three (3) months from the time of such destruction.

F. Each Lot Owner shall keep his or her Lot neat and orderly in appearance and shall not cause or permit any noxious or odorous objects which are unsightly in appearance to exist on his or her Lot or within the Subdivision.

G. All automobiles and all other permitted vehicles, if kept parked on any Lot, shall be in good order and working condition. Partially wrecked vehicles, discarded vehicles or vehicles which are in a state of disrepair, shall not be kept on any Lot.

H. No firearms or explosives shall be discharged within the boundaries of the Subdivision.

I. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets may be kept, if they are not kept, bred or maintained for commercial purposes.

J. No signs or billboards shall be placed on any Lot, except that one identification sign bearing the Owner's name and address may be placed upon the Owner's Lot, not exceeding two square feet in size. Owners may place "for rent" and "for sale" signs on their respective Lots. Owners may display signs of a political nature, promoting a candidate or a political proposition during periods of political campaigns.

K. 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 and the Owners thereof.

IV. BUILDING RESTRICTIONS

A. No building or structure shall be erected, constructed, located, placed or allowed to stand on a Lot other than one single-family dwelling for each Lot. Each dwelling shall have the following minimum areas:

(i) Ranch style - site coverage of 1,600 square feet (excluding double garage);

(ii) Two level and split level - site coverage of at least 1,600 square feet (including garage, but excluding upstairs) minimum 2,200 square feet of finished living area (excluding a third level basement).

B. The maximum time limit for the completion of the building structure and exterior finish shall be seven (7) months from start of work.

V. LANDSCAPING

A. Each Lot Owner is responsible for landscaping of his or her Lot.

B. The front yard of each home (from the street to the building face) shall be covered with lawns, landscaping, decking and/or paving within eight (8) months of the commencement of the construction of the dwelling.

C. Fences are permitted to enclose back yards only. Fences shall be composed of living material (such as hedges,

shrubs or trees), or decorative, cedar wood fencing less than six feet (6') high. No front yard fences are allowed. However, the AR may authorize specific exceptions.

D. No trees or shrubs shall be planted or maintained on any Lot that unreasonably interfere with views that other Lots may possess.

E. All fencing located at or near the south boundary line of Lots 29, 30, 31, 32, 36 and 37 shall be all of the same style, which shall be established and approved by the AR. Such fencing shall be designed to UBC standards to meet wind loading requirements for Class B exposure.

VI. COMMON AREAS

A. The Common Areas shall be used exclusively by members of the Association, their guests and invitees. All use of the Common Areas shall be consistent with regulations established by the Association.

B. The Common Areas are hereby granted, conveyed and quit claimed by the Declarant to the Association.

C. The Association shall, if requested by the City of Ferndale, convey and dedicate one or more of the Common Areas to the City of Ferndale for a drainage, park, trail and/or open space purposes.

D. The Association shall be responsible for the inspection and maintenance of Nubgaard Pond. The Association shall adhere to the guidelines contained within an Operations and Maintenance Manual produced by Ayers Professional Group Inc., for the Dam. The Manual shall be filed with the City of Ferndale after completion of the Dam improvements. If there is any failure of the Dam the Association shall immediately notify the City of Ferndale and the State Department of Ecology's Dam Safety Division of such failure.

E. Any costs associated with inspection, maintenance and repair of the Dam shall be borne by the Association.

F. One of the improvements located within the Common Areas is a bioswale located to the east of Nubgaard Pond. The Association shall be responsible for continued maintenance of the bioswale in such a manner that it continues to fulfill its intended purpose.

G. The Association shall defend, indemnify and hold the City of Ferndale harmless from any liability that it may incur as a result of failure of the Dam. The Association shall maintain a

public liability policy insuring against this hazard in an amount of not less than \$1,000,000 and shall make the City of Ferndale a named insured under such policy of insurance.

H. No Improvements, shrubs or trees shall be placed or maintained upon the Common Areas that interfere with views of Nubgaard Pond from Lots 15, 17, 18, 19 and 20, of Nubgaard Estates.

I. Owners of Lots 15, 17, 18, 19 and 20 of Nubgaard Estates shall have the right of access to Nubgaard Pond Tract. Each such Owner may use and enjoy the Nubgaard Pond Tract in common with all Lot Owners, subject only to reasonable rules and restrictions placed on such use by the Association, and provided such Nubgaard Lot Owner has joined the Association pursuant to Article VIII of this Declaration.

J. Subarticles B through I of this Article VI shall not be amended without first receiving the prior written consent of the City Council of the City of Ferndale.

VII. ASSOCIATION

A. The Association shall be organized as a Washington Non-profit Corporation at the instance of the Declarant, and each Lot Owner shall be a member of the Association. Upon the acceptance and recording of the plat of Lakeridge Estates, each Owner of a Lot thereof shall also become a member of the Association. The Declarant shall designate and appoint the Board of Directors and Officers of the Association until such time as the Declarant has sold eighty (80%) percent of its Lots within the Subdivision. When eighty (80%) percent of such Lots have been sold by the Declarant, then control of the Association shall be turned over to the members, and the members shall elect from their number the Board of Directors and Officers of the Association as determined by the Articles of Incorporation and By-Laws of the Association. Irrespective of the foregoing, the Declarant, at its sole and exclusive option, may elect at any time prior to the sale of the eighty (80%) percent of its Lots within these Subdivisions to transfer control of the Association to the members thereof. Each membership shall be appurtenant to a Lot in the Subdivision and such membership shall automatically transfer with the conveyance of such Lot.

B. The Association shall be formed for the following purposes:

i. Regulating, maintaining, cleaning improving, repairing and preserving the Common Areas and the improvements thereon.

ii. The enforcement of these covenants and restrictions, and the payment of taxes imposed on the Common Areas.

iii. The acquisition of insurance for the Association.

VIII. NUBGAARD ESTATES LOTS:

A. The Owners of Lots 15, 17, 18, 19 and 20 of the Plat of Nubgaard Ridge, recorded in Book 16 of Plats, Page 54, records of Whatcom County, Washington, and their successors and assigns, shall have the right to be a member of the Association. (hereinafter "Nubgaard Lot Owner") The election by each Nubgaard Lot Owner to be a member of the Association shall be made in writing in the form set forth in Exhibit "A". Such election shall not be effective until the election document set forth in Exhibit "A" has been signed before a Notary Public and delivered to the Declarant or the Association after the Association has assumed control, pursuant to subparagraph A of Article VII. The membership election shall be recorded by the Declarant or the Association.

B. A Nubgaard Lot Owner, once a member, shall have all rights and responsibilities of other Owners under the Association, including the duty to pay assessments and the right to vote and hold office.

C. If a Nubgaard Lot Owner wants to be removed as a member of the Association, that may be accomplished by filing with the Auditor of Whatcom County, Washington, a Notice Revoking Membership in the Association. Once made, such revocation shall be final and the Lot Owner shall not in the future be able to reinstate membership without consent of the Association.

IX. ASSESSMENTS AND LIENS

A. Authority. The Association shall be empowered to establish and to collect dues and assessments upon Lots in the Subdivision for the common benefit of such Lots.

B. Purposes. Dues shall be collected for the purposes set forth in subparagraph B of Article VII.

C. Personal Obligation and Lien Foreclosure. Dues and assessments shall constitute a personal obligation of any Owner of record of a Lot on the due date thereof and shall also constitute a lien on the Lot assessed. Such lien may be enforced by the Association in the same form and manner of procedure as foreclosure of real property mortgages under the laws of the State of Washington.

D. Amounts Included. Each Owner and each party hereinafter owning or claiming an equity interest in a Lot agrees that in the event of such foreclosure action involving such Lot, the Owner or Owners thereof or other party asserting an equity interest therein will pay the Association's expenses of title examination and insurance, the cost of attorney's fees incurred by the Association and court costs, as well as all other costs reasonably and necessarily incurred in such foreclosure action. In any such action, delinquent assessments shall bear interest at the rate of 12% per annum from the date the same became due until the date of the entry of the judgment of foreclosure thereon.

E. Other Liens and Foreclosure Actions. The method and manner provided for foreclosure of liens set forth in this paragraph shall pertain to all liens referred to in this Declaration. First mortgage liens placed upon any Lots for the purpose of constructing improvements thereon or other bona fide liens provided for by the laws of the State of Washington shall be, from the date of recordation of such liens, superior to any and all charges, assessments and liens thereafter asserted pursuant to this Declaration.

F. Annual Statement. As soon as shall be practical in each calendar year, the Association shall send a written statement to each Owner setting forth the dollar amount of the assessment for such Lot for such calendar year. The Association may, in its sole discretion, provide for payment of such assessments on a periodic basis during such calendar year, with or without a service charge.

G. Penalty on Delinquent Assessments. If an Owner shall fail to pay any installment of an annual assessment within thirty (30) days from the date the same is due, then the entire annual assessment for such Lot shall be delinquent and shall become immediately due and payable, shall bear interest at the rate of 12% per annum thereafter until paid and shall also bear a penalty in such amount as shall be determined by the Board of the Association.

H. Delinquency For More Than Ninety (90) Days. If the Owner of any Lot shall be delinquent in the payment of the annual assessment, or any installment thereof, for more than ninety (90) days following the date the same is due, then the Association shall have the right to commence legal action seeking a personal judgment against such Owner and, in addition thereto, shall have the right to foreclose its lien upon such Lot.

I. Rules and Procedures for Billing and Collecting Assessments. The Association shall have the power and authority to adopt rules and procedures respecting the billing and collecting of annual assessments, which shall be binding upon all Owners and Lots.

J. Increase in Assessments. The amount of the annual assessment against each Lot shall be initially determined and may thereafter be increased or decreased for any one year period, or any such greater period, as may be determined by the affirmative vote of at least fifty-one (51%) percent of the voting members of the Association, represented in person or by proxy, at a meeting, annual or special, called for such purpose; provided, however, that any Lot Owner who is delinquent in the payment of assessments shall not be entitled to vote thereon.

K. Application of Assessment. The Association shall apply all funds received by it pursuant to this Declaration in the following order:

(a) Administrative costs and expenses incurred by the Association in the exercise of its powers, authority and duties described in its Articles of Incorporation and By-Laws;

(b) The payment of taxes and insurance premiums on the Common Areas and the payment of utility charges therefor, including, if not otherwise paid by the City of Ferndale, the charge for electricity supplied for street lighting within the Subdivision.

(c) The service, repair, maintenance and/or replacement of any and all improvements to the Common Areas.

L. Authority to Maintain Surplus. The Association shall not be obligated to spend in any particular time period all of the sums collected or received by it during such time period or any other time period. The Association may carry forward, as surplus, any balances remaining. The Association shall not be obligated to apply any such surplus to the reduction of the amount of the annual assessment in any future year.

X. PROTECTION OF MORTGAGE OR DEED OF TRUST HOLDER

No violation or breach of any covenant, condition, reservation or restriction contained in this Amended Declaration, or in any supplement hereto, and no action to enforce the same, shall defeat, render invalid or impair the lien of any mortgage or deed of trust taken in good faith and for value against any title or interest in any Lot which is the subject of an action arising from such violation or breach. A purchaser of any such Lot at a trustee's sale, Sheriff's sale or Tax Foreclosure sale shall take title to such Lot free and clear of any violations or breaches which have occurred on such Lot, or by the previous Owner thereof, prior to such foreclosure, but such purchaser shall nevertheless take subject to this Declaration and to any amendments hereto.

XI. ENFORCEMENT

The Association, the Declarant, any Owner and the City of Ferndale as to Articles VI and VIII of this Declaration shall have the right to enforce any proceedings at law or in equity, all covenants, conditions, restrictions, reservations, liens and charges now or hereafter imposed by this Declaration. The failure of the Association, the Declarant, any Owner and/or the City of Ferndale to enforce any rights hereunder shall not be deemed to constitute a waiver of the right to do so thereafter. The prevailing party in any litigation involving the enforcement of any provision of this Declaration shall be entitled to judgment for the reasonable attorney's fees and costs incurred in such litigation by such prevailing party.

XII. GRANTEE'S ACCEPTANCE

The grantee of any Lot subject to this Declaration shall, by the acceptance of a deed conveying title thereto or by the execution of any contract for the purchase thereof, whether from Declarant or any subsequent Owner of such Lot, accept such deed or contract upon, and subject to, each and every provision of this Declaration and the provisions contained herein, including the jurisdiction, rights and powers of Declarant, and by such acceptance shall, for himself, his heirs, personal representatives, successors and assigns, covenant, consent and agree to and with Declarant and to and with the grantees and subsequent Owners of each of the Lots within the Subdivision, to keep, observe, comply with and perform all obligations set forth herein.

Each such grantee also agrees, by such acceptance, to assume, as against Declarant, its successors or assigns, all of the risks and hazards of ownership and occupancy attendant to such Lot, including, but not limited to, its proximity to the Common Areas, public paths, ponds, or other water courses.

XIII. AMENDMENT TO DECLARATION

Each and every provision of this Declaration shall run with and bind the land and shall inure to the benefit of, and be enforced by, the Association, the Declarant, the Owners of any Lots subject hereto, their respective legal representatives, heirs, successors and assigns, for a period of twenty (20) years from the date that this Amended Declaration is recorded, after which time this Amended Declaration shall be automatically extended for successive periods of twenty (20) years, unless an instrument terminating or amending this Amended Declaration is signed by not less than sixty percent (60%) of the Owners of all

Lots within the Subdivision, which instrument shall then be filed of record with the Whatcom County Auditor. During the first twenty (20) year term hereof, this Declaration may be amended by an instrument signed by not less than seventy-five (75%) percent of the Owners of all Lots within the Subdivision. Any such amendment shall take effect upon being recorded with the Whatcom County Auditor; provided in no event shall the provisions contained in Articles VI and VIII of this Declaration be amended and/or terminated without the prior written consent of the City of Ferndale.

DATED this 13th day of June, 1995.

DECLARANT:

LAKERIDGE ESTATES, INC.

By Trevor Jones
TREVOR JONES, President

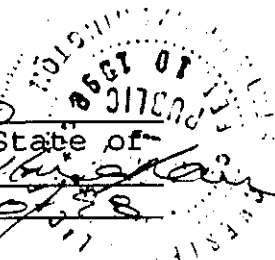
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STATE OF WASHINGTON)
) ss:
COUNTY OF WHATCOM)

On this 13th day of June, 1995, before me personally appeared GARY CRAIG to me known to be the President of the corporation that executed the within and foregoing instrument and acknowledged to me that they signed the same as their free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN UNDER my hand and official seal the day and year first above written.

[Signature]
Notary Public in and for the State of
Washington, residing at Bellingham
My Commission Expires 2/10/98



WHATCOM COUNTY
BELLINGHAM, WA
06/28/95 08:52 AM
REQUEST OF: AYERS PRO
Shirley Forslof, AUDITOR
BY: TRR, DEPUTY
\$18.00 D/RC