

AFTER RECORDING RETURN TO:

Robert J. Burnett, Attorney at Law
Parsons, Burnett, Bjordahl, Hume, L.L.P.,
Steamlant Square, Suite 225,
59 S Lincoln St,
Spokane, Washington 99201

**DECLARATION
OF
COVENANTS, CONDITIONS, RESTRICTIONS AND
RESERVATIONS
FOR
PLANTES FERRY PLACE**

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| Document Title: DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS & RESERVATIONS FOR PLANTES FERRY PLACE |
| Grantor/s: Upriver Developments, LLC. |
| Grantee/s: The General Public |
| Legal Description (abbreviated): 03 25 44 EWM NE1/4 of NW 1/4 |
| Assessor's Tax Parcel ID#: 45032.9064; 45032.1601 - 45032.1610 |
| Reference #: |
| Note: The Auditor/Recorder will rely on the information provided on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein. |

ARTICLE I

IDENTIFICATION OF DECLARANT AND PROPERTY; PURPOSE

1.1. Identification of Declarant and Property.

UPRIVER DEVELOPMENTS, LLC., a Washington Limited Liability Company, hereinafter referred to as the "Declarant," are the owners in fee simple of the land described in Section 1.2. hereof, together with all improvements, easements, rights and appurtenances thereunto belonging (all collectively referred to hereinafter as "the Property"). Declarant has submitted the Property to the provisions of City of Spokane Valley and has thus created from such Property a subdivision known as "Plantes Ferry Place".

1.2. Reference to Platting Documents.

Declarant owns all Lots and Tracts within the Plat of Plantes Ferry Place, recorded at Auditor's File, 6772198 records of Spokane County, Washington [the "Plat Map"]. All such Lots and their associated Common Areas referenced as Tracts on the Plat Map and any improvements constructed thereon shall be known collectively as the "Community", which shall be known as Plantes Ferry Place. A 2nd phase of this plat is planned for 2019 which will involve the re-platting of Lot 9 into 5 lots. The infrastructure improvements for the 2nd phase have been installed with the improvements in this plat. Lots 1 & 2 of this 2nd phase will access Wellesley Ave. Lots 3 – 5 will access Woodlawn Lane created by this plat. These lots may be incorporated into this declaration by a recorded subsequent amendment. References to the forthcoming 2nd phase may also be mentioned in this document for clarity.

1.3. Purpose.

This Declaration of Covenants, together with the Plat Map referred to herein, state covenants, conditions, restrictions and reservations intended by the Declarant to effect a common plan for the development of the Property mutually beneficial to all of the described Lots. 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, their family members, their heirs, personal representatives, successors and assigns, and their tenants, licensees and other lawful occupants, 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.

ARTICLE II

DEFINITIONS

2.1. "Architectural Review Coordinator" ('ARC') means the individual or Committee which may be designated by the Declarant or the Board of Directors pursuant to Section 9.2 hereof, to coordinate

compliance with the Design Guidelines of Plantes Ferry Place. Therefore, references to Board herein may also refer to the designated "ARC".

2.2. "Assessment" means all sums chargeable by the Association against a Lot Owner including, without limitation: (a) Regular, Special and Limited 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 incorporated at the direction of the Declarant to manage the Common Areas 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.

2.5. "Builder" means any individual or company who purchases one or more Lots for the purpose of constructing single-family dwellings for resale to consumers in the ordinary course of its business.

2.6. "Common Areas" means all portions of the subdivision other than the Lots. Such areas may be denoted as "Tract A", Woodlawn Lane easement on the Plat Map and include areas of land, along with specific facilities and improvements. To the extent that some Common Areas may be depicted within the boundaries of any Lot, such Common Areas consist of easements burdening such Lot for the benefit of the Association or other Owners and Occupants of the Community. Common Areas are further defined and described in Article III hereof.

2.7. "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.

2.8. "Common Expense Liability" means the liability for Common Expenses allocated to each Lot pursuant to Section 10.1 of this Declaration.

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 Upriver Developments, LLC, a Washington Limited Liability Company, or its assigns named in an instrument signed by the Declarant and recorded in the Auditor's office of Spokane County.

2.11. "Declaration of Covenants" means this document and any lawful amendments thereto.

2.12. "Foreclosure" means a forfeiture or judicial or non-judicial foreclosure of a mortgage or a deed in lieu thereof.

2.13. "Governing Documents" means the Declaration of Covenants, the Plat Map, the Bylaws of the Association, Civil Engineer's "Operations and Maintenance Manual", 3rd Party Operations and Maintenance Agreement/s, along with any Rules and Regulations adopted by the Board of Directors.

2.14. "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.

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

2.16. "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.

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

2.18. "Occupant" means a person lawfully occupying any Lot; the term includes Lot Owners, family members and tenants of Lot Owners.

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

2.20. "Property" or "the Property" means all the real property described as being contained within the Plat Map and, where appropriate, includes all real property which may be from time to time either added to the Subdivision by the Declarant or acquired by the Association pursuant to Section 8.3.3 hereof.

2.21. "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.

2.22. "Special Declarant Rights" means rights reserved for the benefit of the Declarant to: (a) Complete improvements indicated on the Plat Map; (b) maintain sales offices, management offices, signs advertising the subdivision, and models; (c) use easements through the Common Areas for the purpose of making improvements within the subdivision; (d) appoint or remove any officer of the Association or any member of the Board of Directors; or (e) make unilateral amendments to the Declaration during any period of Declarant Control reserved in this Declaration including Special Declarant Rights are described herein.

2.23. "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 and with all applicable legal, administrative or regulatory requirements.

ARTICLE III

DESCRIPTION OF DEVELOPMENT PLAN AND GENERAL THEME

3.1. Development Plan.

The Community will be developed in two phases. Phase #1 is a 9 lot short plat (SHP-2018-0006). Phase #2 is a forthcoming 5 lot long plat of Lot 9 of the final short plat (SHP-2018-0006) for a total of thirteen lots (13) single family lots and dwellings and associated Common Areas. The Association has perpetual responsibility for maintenance of all the Common Areas of this Community for the common benefit of the Lot Owners.

3.2. General Theme - Amenities.

This Community is located along Heroy and Wellesley Avenues in the City of Spokane Valley, east of the Plantes Ferry Sports Stadium in Spokane County. The Community is designed to include the following Common Areas, Tract “A” & easement rights and improvements within the areas of “Woodlawn Lane” together with referenced improvements:

- Stormwater and open space landscape Tract “A”
- Easement and improvements for a private curbed and paved street, “Woodlawn Lane”,
- Private street lights.
- Community security gating (optional). Installation and operational cost of the intend gating at the east end of Woodlawn Lane accessing Lot 8, not included.
- Plat entry sign
- U.S. Mail box installation along the west side of Woodlawn Lane in the southern area of Tract “A” as determined by mutual agreement between the post office and declarant.

ARTICLE IV

LOTS

4.1. Number and Location.

The completed subdivision will contain 13 lots, with Nine (9) single family Lots in the first phase (SHP-2018-0006) and Five (5) single-family Lots in the second phase (designed, but TBD). The first 8 lots of the first phase are addressed also follows:

- Lot 1 – 12919 E Heroy Ave
- Lot 2 – 12911 E Heroy Ave
- Lot 3 – 12907 E Heroy Ave
- Lot 4 – 4706 N Woodlawn Ln
- Lot 5 – 4710 N Woodlawn Ln
- Lot 6 – 4716 N Woodlawn Ln
- Lot 7 – 4715 N Woodlawn Ln
- Lot 8 – 4720 N Woodlawn Ln
- Lot 9 – TBD 5 lots to be determined 2nd phase plat

See the final plat map (SHP-2018-006) for the locations of referenced addressed lots.

4.2. Upkeep of Lots.

Each Lot Owner shall, at his or her sole expense, have the right and the duty to keep the Lot, the dwelling thereon and any other improvements in good order, condition and repair and shall do all 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.

4.3. 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 and Systems.

The Common Areas consist of the Woodlawn Lane easement, private road and curb improvements, a system of street lights, a private stormwater drainage system including common landscaped area, all of which have been described with particularity in Article III.

5.1.1. Stormwater Drainage System. This stormwater system consists of a series of individual lot street catch basins along Tract "A" directing stormwater grassed swale for infiltration and drainage including the drainage channels within the Woodlawn Lane improved easement area.

5.1.2. Operational Responsibilities – Association. All installations of Tract "A" & "Woodlawn Lane" shall be operated and maintained by the Association.

5.1.2.1. Operation and Maintenance. Refer to the Plantes Ferry Place Operations and Maintenance Manual for further information on the stormwater systems design, as-built plans, specifications, recommended maintenance policies and procedures. See the attached Exhibit "A"

5.1.2.2. Status of Common Areas - Appurtenance to Lots. The Declarant declares that each Lot, except for Lots 1 & 2 in 2nd phase, has allocated to it an equal undivided interest in the Common Areas, which interest shall be conclusively presumed to be a perpetual appurtenance to such Lot, and which is

known as the Lot's Allocated Interest in the Common Areas. Lots 1 & 2 in the 2nd phase will be accessed from Wellesley Ave and address impervious storm water requirements on their respective lots. This Allocated Interest shall be deemed included with each Lot in any conveyance of such Lot, irrespective of whether so stated in the conveyance deed. No Allocated Interest in the Common Areas may be severed from, mortgaged or conveyed separately from the Lot. Any purported severance, mortgaging or conveyance shall be void. Each Lot Owner shall thus be a tenant in common with all other Lot Owners with respect to the Common Areas.

5.2. Maintenance, Repair and Replacement.

The Association, through its Board of Directors, shall be perpetually responsible for Upkeep of all the Common Areas, except as provided in the Civil Engineer's Operations and Maintenance Manual.

5.3. Uses of Common Areas - No Interference.

The Common Areas shall be used for their normal intended purposes. No Owner or Occupant shall make any personal or proprietary use of any of the Common Areas, nor shall any person obstruct any of the Common Areas nor place or cause or permit anything to be placed on or in any of the Common Areas without the approval of the Board. Nothing shall be altered or constructed in or removed from the Common Areas except with the prior written consent of the Board of Directors. The Board may promulgate rules and regulations to further govern the uses of Common Areas.

5.4 Right of Access.

Each applicable 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

SPECIAL MAINTENANCE REQUIREMENTS - SCHEDULE OF REGULAR MAINTENANCE

6.1. Upkeep of Street Lights and Stormwater Drainage Facilities.

6.1.1. General Provisions. The drainage facilities are designed to provide stormwater drainage capacity for the Community. The system of street lights is designed to provide lighting for Heroy Ave along plat and Woodlawn Ln. No uses of any such areas may be made which interfere with the proper functioning of such facilities. The Association shall perpetually maintain, as provided below, all such areas and facilities in good and sightly condition for their intended purposes, continuously providing all maintenance, repair and replacement thereof, along with re-painting street lights and landscape maintenance. The dumping of solvents, oil, concrete or concrete residue, or water that is heavily laden with sediments, is expressly prohibited anywhere in the Community.

6.1.2. Upkeep of Stormwater Drainage Facilities. All components of the Stormwater Drainage System, whether located in Common Areas, easements, and/or other tracts shall be maintained in

accordance with the provisions of the Civil Engineer's Operations and Maintenance Manual as approved by the authorizing municipalities, and otherwise in accordance with any relevant DOE Stormwater Management Manual prepared for use in Eastern Washington ["DOE Stormwater Manual"], as the same may be updated from time. In particular, maintenance of drainage facilities includes, but is not limited to, structures, swales; replacement of drainage facilities as needed; cleaning wet-well sediments and debris; and maintaining, live native-type dryland grasses or lawn turf located in common areas or tracts, with optional shrubbery and/or trees, which do not obstruct the flow of storm drainage water as originally designed. The Association is also responsible for removing and disposing of the sediments and debris located in drainage facilities and street channels situated within the Tract "A" & "Woodlawn Lane". Each lot owner of Lots 1 – 3 (SHP-2018-0006) are responsible for any plantings, irrigation and maintenance of storm drainage areas directly front their respective lot including the respective costs. Maintenance of stormwater areas on all lots shall be conducted at such time the City of Spokane Valley deems necessary. The Association shall be responsible for payment of all claims and other liabilities which may become due for said drainage system maintenance responsibilities for Tract "A" & "Woodlawn Lane". The City of Spokane Valley has reserved the right but not the obligation to perform work that is necessary to maintain the drainage system but that has not been performed by the Association and/or Lot Owners, and to recover any and all costs so incurred by the City from the Lot Owners and/or their Association.

6.2. Schedule of Regular Maintenance.

The Board shall develop a schedule of routine maintenance for the Common Areas which require Upkeep, establishing appropriate times during each year when such maintenance should occur. The Board should also periodically undertake an analysis of the adequacy of the Association's reserve fund; such analysis should (i) ascertain the probable remaining useful life of each component of the Common Areas which will require replacement or major repairs, (ii) estimate the probable cost of such replacement or repair for each such component, (iii) establish an annual reserve budget which would, when funded, minimize the necessity for the imposition of a special assessment upon the Owners within the foreseeable future.

ARTICLE VII

OWNERS ASSOCIATION

7.1. Name and Form of Association.

The name of the Association shall be "Plantes Ferry Place 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 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, along with such additional powers as may be prescribed in the Articles of Incorporation or any Bylaws of the Association. The Association has the general responsibility to maintain, repair, replace, manage and insure the Common Areas of the Community, to enforce the Covenants contained herein, and to perform such other and further functions as may be provided in the Governing Documents.

7.3. Membership an Appurtenance.

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. Individual Lot cost responsibilities however shall be allocated to each lot within the plat phases as to the benefit or use of the Association facilities by each lot.

7.4. Membership and Voting Rights.

Membership and voting rights are specified in the Articles of Incorporation and Bylaws of the Association

7.5. Bylaws of Association.

Bylaws for the administration of the Association and for other purposes not inconsistent with the Homeowners Association Act and this Declaration shall be adopted by Board of Directors of the Association.

7.6. Perpetual Existence - Rights of City of Spokane Valley.

The Association shall have perpetual existence; it may not be dissolved or abandoned, nor may the Association's obligations under this Declaration with respect to the Common Areas be altered or abandoned absent the advance written approval by Spokane County. Should the corporate charter for the Association be dissolved for any reason in violation of the foregoing, the Association shall become a partnership under which the Lot Owners shall be jointly and severally liable for all obligations imposed upon the Association under these Covenants.

ARTICLE VIII

MANAGEMENT OF ASSOCIATION

8.1. Management by Declarant.

The Declarant has reserved the rights to (a) appoint and remove the Officers and members of the Board of Directors of the Association, and (b) make unilateral amendments to the Declaration for a period of time known as the "Declarant Control Period". Limitations on the Declarant Control Period are specified in Section 16.4. hereof.

8.2. Professional Management.

Provisions for professional management of the Association appear in the Bylaws.

8.3. Authority of the Board.

8.3.1. General Authority. The Board, for the benefit of the Community, 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 which are not expressly subject to the approval of the Owners. The Board has the statutory power to adopt Rules and Regulations to facilitate the proper governance of the Community.

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.

ARTICLE IX

PERMITTED USES

9.1. Permitted Uses.

9.1.1. Residential Use. The Lots shall be used for residential purposes and for common social, recreational or other reasonable uses normally incident to residential use. Portions of a dwelling may also be used for a professional office or other form of home business office, provided that such use is consistent with all applicable laws, ordinances and regulations of any governmental authority, and provided that no such use will involve excessive levels of customer traffic or bulk shipping or receiving. As a condition for such office use.

9.1.2. Trees and Vegetation. Following the construction of a dwelling structure on a Lot, its Owner(s) shall endeavor to preserve mature trees on the Lot and properly maintain any landscaping

vegetation on the Lot, so as to enhance the appearance and value of the Lots in the Subdivision and to prevent the spread of noxious weeds.

9.1.3. Surface Water Run-Off. Each Lot Owner is directly responsible to control the drainage of excess surface water run-off.

9.1.3.1. Landscaped Lot Area 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.

9.1.3.2. Roof Drainage. All roof areas must have complete gutter systems installed with down-spouts. On hill side areas down-spouts shall be directed to catch basins and site drainage systems which allow disbursement into soils below the frost line to prevent surface overflow onto other lots. Gutter installations are required prior to occupancy. Owners are responsible to maintain and clean the gutter systems as needed to insure workable operations.

9.1.3.3. Lot Impervious Surface Drainage. All lot impervious surface slopes must be installed with in a manner that drains residual surface or over-spray irrigation and storm water to the adjacent street of access.

9.1.4. 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.

9.1.5. Privacy Fencing. All privacy fencing is limited to a height not to exceed six (6) feet from the Lot surface. Portions of any fencing within Twenty 20 ft of street frontages may not exceed 3 ft or meet other fencing limitations as may be required by the City of Spokane Valley. Any new lot boundary perimeter fencing shall be of complementary materials, blending colors and height with the existing plat boundary fencing installed by Declarant. New fencing or replacement fencing along plat or lot boundaries must be white vinyl post, tan panel and of consistent styling. Fence styles for any lot areas inside lot boundaries may be modified in accordance with the need and application, however limited to six (6) feet from lot surface. Privacy fencing by the owners or owner's builder is mandatory along abutting plat side-yard and back-yard lot boundaries and shall be completed within sixty (60) days of receiving occupancy permit or sixty (60) days from when weather and ground conditions allow.

9.1.5.1. Front Yard Fencing. Fencing between the front building line may extend to the outside edge of the sidewalk or where no sidewalk exists to the edge of the utility easement boundary. All fencing within this area must match in color and type and be limited to a height of three (3) feet within 20 ft of the front access street to avoid visual obstructions for vehicle drivers when entering roads from driveways.

9.1.5.2. Fence Maintenance. Fencing along the east boundary has been installed just inside of the east boundary and shall be maintained by the associated lot owner within thirty (30) days of the defect occurrence. Property owners east of the east plat boundary have no ownership or responsibility of fence maintenance. Westerly plat boundary fencing has been installed over the plat boundary and cost shared with the adjacent westerly plat owner. Mutual maintenance and cost responsibility with that owner is expected. For fencing within the plat, an abutting plat Lot owner may maintain fence by mutual agreement

with the installing owner or upon the failure of the installing owner to maintain the fence as outlined in this paragraph. Fencing maintenance costs along abutting plat side-yard and back-yard lot boundaries shall be equitably and/or proportionately shared by the adjacent lot owner/s within thirty (30) days of the repair completion. Other privacy fencing may be installed and perpetually maintained by a Lot Owner, provided that any such fencing be of good quality, that it be maintained in a safe and proper condition and similar timely manner as referenced herein. Any damaged fence must be repaired by Owners within thirty (30) days of damage occurrence. The Board may adopt further rules relating to fencing.

9.1.6. Vehicle Use Restrictions. Vehicles shall be operated in a safe and sensible manner within the Community. Bicycles or other means of human powered transportation shall have the right-of-way over other non-human powered vehicles. Pedestrians have the right-of-way over all other non-human and human powered traffic upon the private road within plat. Private driveways within the plat are excluded and controlled by the lot owner. Owner access to lot driveways must not be restricted. The driveway at the east end of the Woodlawn Lane hammerhead serving Lot 8 is for the access of that lot only, not accessible except by permission and may be gated by owner at any time.

9.1.6.1. Parking. The Owner of each Lot shall maintain off-street parking on its Lot (inclusive of its garage and driveway) able to accommodate at least two (2) automobiles.

9.1.6.2. Campers, Boats, Recreational Vehicles and other Non-Passenger Vehicles. Campers, boats, boat trailers, recreational vehicles, golf carts, commercial vehicles, or other types of non-passenger vehicles, equipment, implements, or accessories may not be kept or stored on any private street within the Community or on any Lot, except as provided below:

9.1.6.2.1. Campers, boats, boat trailers, recreational vehicles, recreational trailers, and other non-passenger vehicles, equipment, implements, or accessories may be stored or kept within an enclosed garage, or on the side of the dwelling, provided that it is fully screened from view by a screening structure or fencing approved by the Board.

9.1.7. Underground Utilities. All utilities are required to be located underground. Existing overhead electrical services to Lot 8 from Wellesley Ave shall be transferred to existing underground within Two years of this final plat recording.

9.1.8. No Improvements or Fill Material. No Owner may place or construct any improvements, except necessary stone retaining walls on sloped areas, over the dry utility easements located on his or her Lot (as shown on the Plat Map or any separate easement agreement or dedication now existing or hereafter granted pursuant to the terms of this Declaration), or fill or alter the drainage swales or any other stormwater facilities located on his or her Lot.

9.1.9. Rental Restrictions. An Owner shall be entitled to rent or lease his or her Unit, subject to the following:

9.1.9.1. Owner Responsibility. Owner shall be responsible for any violations by tenants and shall be solely responsible for either correcting or eliminating such violations or getting tenant to do the same.

9.1.10. Air Conditioning Units. No Owner shall install, or permit to be installed or maintained, air conditioning units through exterior modifications of its dwelling or through window openings. The only air conditioning units that will be permitted are those air conditioning units which are considered central in nature and installed on a slab in the rear or side yard of a Lot outside of and adjacent to the dwelling.

9.1.11. Disabled Vehicles or Vehicles in Disrepair. No Owner shall permit any vehicle that is in an extreme state of disrepair to be abandoned or to remain parked on Heroy Ave or Woodlawn Lane.

9.1.12. Maintenance or Repair of Vehicles. Any maintenance or repair of vehicles or other machinery or equipment must take place entirely within the enclosed garage of an Owner, except on Lot 8 repairs may occur outside of the garage or shop areas.

9.1.13. Pets, Livestock and Poultry. No animals or livestock of any kind shall be raised, bred or kept on any Lot, except for cats, dogs or other generally recognized household pets of a reasonable number, provided that they are not kept, bred, or maintained for any commercial purpose; and provided further, than no more than three (3) adult animals may be kept on a single Lot. Poultry may be kept if a specific coup or other outside enclosure is provided. All such animals and poultry and their permitted numbers shall be kept in strict accordance with all local laws and ordinances (including leash laws). Any said animal or fowl who's breed has a characteristic of perpetual reoccurring barking, clucking or similar noise may be restricted as deemed necessary and at the sole discretion of the Board. Owners shall be responsible for cleaning up after their pets' waste. No animal shall be allowed to run at large, and all animals shall be kept within enclosed areas for pets which must be clean, sanitary, and reasonably free of refuse, insects and waste at all times.

9.1.14. Garbage and Refuse Disposal. No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept, or disposed of, on any Lot except in sanitary containers. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. No cans, bags, containers or receptacles for the storing or disposal of trash, garbage, refuse, rubble, debris, or recyclable materials shall be stored, kept, placed or maintained on any Lot where visible from any street except solely on a day designated for removal of garbage, rubbish, or recyclable materials, and on which days only such cans, bags, containers, and receptacles may be placed in front of a residence and beside a street for removal, but shall be removed from view before the following day.

9.1.15. Window Treatments. Aluminum foil, reflective film, newspapers or similar treatments shall not be placed on windows or glass doors. Professional placement of exterior retractable fabric window or door awnings must be color coordinated with the home structure. Owners however shall insure that each installation is properly maintained and shall be timely replaced once torn or faded.

9.1.16. Setback Lines. All dwellings and other structures (including fences), permanent or temporary, habitable or uninhabitable, must be constructed, placed and maintained in conformity with setback standards imposed by the local governmental jurisdictional authority. Lot ownership areas and setbacks shall be determined from the survey pins. Existing fencing may not be directly over surveyed boundaries where complete maintenance is intended for the adjacent owner.

9.1.17. Household Chemicals. Owners shall be prohibited from dumping or otherwise disposing of household chemicals within the Property, including, but not limited to, cleaning agents, automotive fluids, paint, solvents and other toxic chemicals.

9.1.18. Rezoning Prohibited. No Owner may apply to the local zoning authority to rezone a Lot to any classification allowing commercial, institutional or other non-residential use. Owners of Lots 1 & 2 in the 2nd phase may apply for conditional use permits of more extensive commercial purposes that are compatible with the existing residential uses of the plat since these lots directly front on Wellesley Ave. Lot 8 due to its lot size and limited end-of-road access may be used for contractor purposes, shop and equipment storage and maintenance purposes in conjunction with residential purposes as allowed within the City of Spokane Valley for the R3 zone.

9.1.19. Lot Consolidation and Division. No Lot may be consolidated with another Lot and no Lot may be further subdivided.

9.1.20. Snow Removal: Unless snow removal services are contracted by the Board as a service to all plat owners in conjunction with the snow removal processes from the internal private roads, the owners of lots with adjacent sidewalks shall be responsible to the timely removal of snow from their adjacent sidewalk. Further, owners shall remove snow from their respective driveways to other areas of their lot frontages adjacent to their driveway, and not into the private roadway areas.

9.2. Architectural Control

9.2.1. General Authority of Declarant and Board of Directors: To assure the health safety and enjoyment of persons lawfully using any portion of this Community, and to promote visual harmony within the Community, the Board or if so appointed by the Board, the Architectural Review Coordinator ("ARC") shall have the power to enforce architectural control over the improvements constructed within the Community. Initially, the Declarant shall perform such architectural control and may regulate the external design signage, appearance, construction, use and Upkeep of the Property in accordance with Design Guidelines adopted for this purpose. Following the termination of the Declarant Control Period, or at such earlier time as the Declarant may permit, the Board of Directors may promulgate or modify Design Guidelines for the Community and may perform architectural control to the extent permitted in this Declaration of Covenants. The Board of Directors shall have the power to impose reasonable application fees to evaluate any additions or changes to a Dwelling proposed by an Owner; such fees shall constitute a Limited Common Assessment against the affected Owner.

9.2.1.1. Home Design Parameters: The following general parameters shall be applied:
Roof Designs: Except for roof slopes on Lot 8, the minimum roof slopes are no less than 5/12 and no more than 8/12; Full hip, dutch hip roof, gambrel, saltbox, shed (except if extended at an equal or a lesser elevation than the eave of a gable roof - pitch can be no less than 1/2 of the gable pitch), mansard, arched roof designs shall not be allowed. Eye-brow hips allowed which still provide for no less than a 2/3^{ds} flat sided gable area. Beamed façades in the upper areas in gables with different siding patterns and circular, 1/2 circle, triangular or rectangular large attic vents will be encouraged. Adjacent homes shall have differing gable, siding and coloration designs. Smaller peak venting cupola designs may be approved on an individualized basis. **Soffits**: No less than 1 ft and no greater than 1 1/2 ft in soffits and continuous vented soffits at eaves. All eaves shall be guttered with continuous seamless systems closely matching trim colors, draining to lot landscaped areas and/or catch basins which prevent storm water entering the street or

adjacent properties. **Siding:** Available siding types and variation requirements shall be identified, (lap, board and batten, shake, masonry, Faux materials, etc., combinations). *Vinyl siding not allowed.* Primed and painted LP manufactured wood grain designs for siding and trim offered in standard basic plans with Hardi-cement type board siding and trim available as defined as an upgrade option. Window trim not less than 3 ½ inches in width. ¾” primed and painted cedar trim materials may be used if LP or Hardi-cement type trim materials are not available. There shall be no less than 2 siding-type wall/gable variations for ranchers and 3 siding-type wall/gable variations for 2 story homes. **Masonry:** Each home, except on Lot 8, shall have a short wall of rock, brick or Faux masonry panels for the primary street side of home. Homes shall also have no less than two tone paint schemes with muted colors combinations for siding and trim. **Windows:** Each home will have insulated double or triple pane vinyl or vinyl faced windows. Windows facing street will have at least some type of window perimeter accent grid. **Doors:** Each home will have painted paneled insulated steel doors as a standard with fiberglass door types offered as an upgrade.

9.2.2. Time for Approval – No Construction Prior to Approval: The Board/ARC shall approve or disapprove plans, specifications and details within Thirty (30) days of receipt thereof. If the Board/ARC fails to respond within such period, then the plans shall be deemed approved. No construction activity may commence prior to such approval.

9.2.3. Authority to Grant Variances. The Board/ARC 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 reason therefor in a written instrument that 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 lawful.

9.2.4. Authority to Delegate Review Functions. The Declarant may designate an individual to perform the architectural review functions of the Board described in Section 9.2.1. hereof. Following the termination of the Declarant Control Period, the Board of Directors of the Association may designate an individual to be the “ARC”, or establish an Architectural Review Committee (also to be known as the “ARC”), to coordinate compliance with the Design Guidelines of the Community.

9.2.5. No Liability for Architectural Review: Neither the Declarant nor the Association nor any permitted designee shall be liable to any party for any good faith action or failure to act under the provisions of this Declaration of Covenants.

9.3. Development and Sales Activities.

9.3.1. Declarant Facilities. So long as Declarant owns any Lot, Declarant shall have the right to construct and maintain upon portions of the Common Areas and any Lots owned by Declarant such facilities and activities as Declarant, in its sole opinion, may require or desire in connection with the construction and sale of dwellings and Lots, including (but not limited to) business and construction offices (within dwellings or in free standing trailers); signs, banners and flags; model units; and sales offices (within dwellings or in free standing trailers), subject to compliance with governmental ordinances.

9.3.2. Builder Activities and Facilities. So long as a Builder owns any Lot within the subdivision, the Builder shall have the right to construct and maintain upon any Lot owned by the Builder

such facilities and activities as the Builder reasonably requires or desires in connection with the construction and sale of dwellings on Lots owned by the Builder, including (but not limited to) business and construction offices (within Units or in free standing trailers); signs, banners and flags; model Units; and sales offices (within dwellings or in free standing trailers), subject to rules and restrictions established by Declarant from time to time and subject to compliance with governmental ordinances.

9.4. Uses by Declarant.

The Declarant has reserved Special Declarant Rights in Section 16.3. & .4. hereof, which permit the Declarant to make certain uses of the Common Areas of this Community.

ARTICLE X

ASSESSMENTS AND LIENS FOR COMMON EXPENSES

10.1. Assessments for Common Expenses - Liability of Lots - Association Assesses Developed Lots.

Except as provided in Section 10.1.4. hereof, 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 each fiscal year shall be assessed equally against the Lots containing completed Dwellings in the manner prescribed in Section 10.2. hereof. All expenses associated with Lots containing uncompleted shall be borne by the Declarant or the Owner(s) of such Lot(s), as appropriate.

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

10.1.2. Special Assessments. The Board of Directors may levy a Special Assessment for the purpose of defraying the cost of any unexpected repair or other nonrecurring contingency, or to meet any other deficiencies in operations or reserves occurring from time to time, but by statute, the Budget Ratification process described in Section 10.1.6. must be undertaken by the Board with respect to any such Assessment.

10.1.3. Limited Common Assessments.

10.1.3.1. 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 and any applicable law, 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 Upkeep provided by the Association to such Lot, any other costs, fees, charges, insurance deductibles or fines imposed or incurred by the Association associated with the Lot under this Declaration, 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.

10.1.3.2. Upon a resolution approved by at least a majority of all possible votes in the Association, any portions of the Common Expenses which vary among the Lots based upon divergent usage of services or facilities, or other factors which justify differential assessment rates, may be assessed differentially among the Lots.

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.

10.1.5. Budget for Common Expenses. Within thirty (30) days following the Annual meeting of the Association, or at such other time as may be deemed necessary or desirable by the Association's accountant, the Board shall prepare an Annual Budget which shall estimate the Common Expenses, described generally in the Covenants, to be paid during such year. The Budget shall also contain provisions for creating, funding and maintaining reasonable reserves for capital improvements, replacements, major repairs and the amount(s) of any deductible from insurance policies obtained by the Association, and shall further take into account any expected income and any surplus available from the prior year's operating fund. Income to support the expense items in the Budget shall be derived from assessments against the Lots in the Community, but may also include other sources of revenue which may be available to the Association from time to time.

10.1.6. Meeting of Association to Ratify Budget. Within thirty days after adoption of any proposed budget for the Association, the Board of Directors shall provide a summary of the budget to all the Owners and shall set a date for a meeting of the Owners to consider ratification of the budget not less than fourteen nor more than sixty (60) days after mailing of the summary. Unless at that meeting the Owners to which a majority of the votes in the Association are allocated reject the budget, the budget is ratified, whether or not a quorum is present. In the event the proposed budget is rejected or the required notice is not given, the periodic budget last ratified by the Lot Owners shall be continued until such time as the Owners ratify a subsequent budget proposed by the Board of Directors. Pursuant to RCW 64.38.025(3), this procedure shall be deemed to govern both general assessments and special assessments; this Section of these Bylaws may not be amended without the advice of counsel, since its terms are controlled by law.

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. 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.

10.4. Perfection of Lien.

Unless otherwise prohibited by law, recording of this Declaration 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 Spokane County.

10.5. 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; (c) liens for real property taxes and other governmental assessments or charges against the Lot; or (d) any other lien which applicable law grants priority over the Association's lien.

10.6. Enforcement of Lien.

The lien arising under this section may 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, any period of redemption shall be as prescribed by applicable law. The Association may elect to take a deed in lieu of foreclosure in any such proceeding.

10.7. 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 the time period provided by applicable law after the amount of the Assessments sought to be recovered becomes due.

10.8. 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.

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

12. Eminent Domain

In the event that Common Areas of the Community are become 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.

13.3. Legal Proceedings.

Failure to comply with any of the terms of the Governing Documents shall be grounds for legal relief, including without limitation, actions to recover any sums due for money damages, injunctive relief, foreclosure of the lien for payment of Assessments, or any combination thereof and any other relief afforded by a court of competent jurisdiction, all of which relief may be sought by the Association or, if appropriate, by any aggrieved Owner, and shall not constitute an election of remedies.

13.4. Costs and Attorney's Fees.

The Association shall be entitled to recover any costs and reasonable attorneys' fees incurred in connection with the collection of delinquent Assessments, whether or not such collection activities result in suit being commenced or prosecuted to judgment, unless prohibited by applicable law. In addition, the Association shall be entitled to recover costs and reasonable attorneys' fees if it prevails on appeal and in the enforcement of a judgment. In any other proceeding arising out of an alleged default by an Owner, the prevailing party shall be entitled to recover the costs of the proceeding, and such reasonable attorney's fees as may be determined by the court. In the event that the prevailing party is the Association, the costs and attorney's fees so awarded shall constitute a Special Assessment against the Owner's Lot.

13.5. Late Charges and Interest.

The Board may impose and collect reasonable late charges to encourage prompt payment of Assessments. Until changed by resolution of the Board with advice of counsel, the Board may collect a late charge: (a) when any Assessment or installment thereof is received by the Association more than ten (10) days beyond the due date of such Assessment or installment; (b) in an amount not to exceed the greater of twenty-five \$25.00 dollars or ten percent (10%) of the amount of said Assessment or installment. Delinquent Assessments shall bear interest from the date of delinquency at the rate of twelve (12%) percent per annum, or the maximum rate permitted under RCW 19.52.020 on the date on which the Assessments became delinquent.

13.6. No Waiver of Rights.

The failure of the Association, the Board of Directors or of an Owner to enforce any right, provision, covenant or condition which may be granted by the Governing Documents or the Act, shall not constitute a waiver of the right of the Association, the Board or the Owner to enforce such right, provision, covenant or condition in the future.

13.7. Remedies Cumulative.

A suit to recover a money judgment for unpaid Assessments may be maintained without foreclosing or waiving the lien securing the same, and a foreclosure may be maintained notwithstanding the pendency of any suit to recover a money judgment. All rights, remedies and privileges granted to the Association, the Board of Directors or any Owner pursuant to any term, provision, covenant or condition of the Governing Documents or the Act shall be deemed to cumulative and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such other privileges as may be granted to such party by the Governing Documents or the Act or at law or in equity.

13.8. Occupants Subject to Rights and Responsibilities of Owners.

Any tenant or other Occupant of an Owner shall be deemed to be bound by all portions of the Governing Documents that are binding upon the Owner, with the exception of the obligation to pay the dues, assessments and other charges owing by the Owner to the Association. All rights, remedies and procedures available to the Association when dealing with Owners under the Governing Documents shall be available to the Association when dealing with any tenant of an Owner. In addition, the Association shall have the right (but not the obligation) to terminate the lease of a tenant who, following a proceeding under Section 7.10. of the Bylaws, has been found to have violated the Governing Documents; the Association shall be deemed a “real party in interest” in any legal proceeding brought to enforce this right.

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

15. 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. Specific easement shown on plat map.

16.1.2. Plat Map Easements. Easements shown on the Plat Map are hereby confirmed. Any easement shown on the Plat Map 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 Plat Map.

16.2. Easement for Association Functions.

16.2.1. In General. 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.

16.2.2. Easement to Maintain Stormwater System Components. There is specifically granted and reserved to the Association, or its duly authorized agents and representatives, the easement rights to perpetually provide Upkeep to all components of the Stormwater Drainage System located within any Lot in the Community.

16.2.3. Easement for Utilities. A non-exclusive perpetual blanket easement is hereby granted over and through the Property 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 easement is hereby granted to any person installing or providing Upkeep for such utilities. Any pipes, conduits, lines, wires, transformers or any other apparatus necessary for the provision or metering of any utility may be installed, maintained or relocated where permitted by the Declarant or where approved by resolution of the Board of Directors. See the Plat Map for further details.

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

16.3. 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.

16.4. Special Declarant Rights.

16.4.1. General Reservation. The Declarant has reserved the following Special Declarant Rights for the purpose of furthering and completing the development of the Community: To complete any improvements indicated on the Plat Map filed with the Declaration; to exercise any Development Right

reserved by the Declarant in this Declaration; to maintain sales offices, management offices, signs advertising the Community, and models on the Property, all in such location or locations as the Declarant may unilaterally determine; to use easements through the Common Areas for the purpose of making improvements within the Community; and to control the Association during the Declarant Control Period described in Section 16.4.2 below. The Declarant shall be deemed to hold a proxy from all Lot Owners during the Declarant Control Period for all such purposes.

16.4.2. Declarant Control Period and Turnover Date. The Declarant has reserved the right to designate a majority of the members of the Board of Directors of the Association, and to appoint or remove any Officer of the Association or any member of its Board of Directors or of any Committee, for a period of time not to exceed five (5) years from the date of incorporation of the Association, which date shall be deemed the Turnover Date and control of the Association shall vest in the Owners, subject to the following limitations: The Declarant Control Period shall terminate sixty days after conveyance of ninety percent of the Lots to Owners other than the Declarant. 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.

16.4.3. Legal Status of Special Declarant Rights. Each Special Declarant Right reserved by Declarant in this Declaration of Covenants has been, is and shall remain an equitable servitude burdening all lands subject thereto and running with such lands. Each Special Declarant Right shall exist for the benefit of the Declarant and/or any assignee of Declarant and/or any successor declarant. Declarant has and shall retain, with respect to each Special Declarant Right, a power coupled with Declarant's interest in said lands.

ARTICLE XVII

AMENDMENT OF DECLARATION OF COVENANTS

17.1. Procedure for Amendment of Declaration of Covenants.

Amendments to the Declaration shall be made by an instrument in writing entitled "Amendment to Declaration of Covenants" which sets forth the entire amendment. 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 67% percent 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 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.

17.2 Recordation Required.

Every amendment to the Declaration 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 and each previously recorded amendment thereto.

17.3 Amendments by Declarant.

In addition to specific amendment rights granted elsewhere in this Declaration, the Declarant reserves the right to unilaterally amend this Declaration for any purpose until conveyance of the first Lot to a person other than Declarant. Thereafter, Declarant may unilaterally amend this Declaration if such amendment is necessary to (a) bring this Declaration into compliance with any provision of law; (b) correct scriveners' or clerical errors; (c) add or remove part of the Property from the Community by the filing of a Declaration of Annexation or Removal. Declarant shall also have the right to unilaterally amend this Declaration for any other purpose prior to the Turnover Date provided that the amendment is not a material change to the development plan or a cause a material adverse effect upon any Owner, unless such Owner grants consent.

ARTICLE XVIII

MISCELLANEOUS

18.1. Notices for All Purposes, Delivery.

Any notice permitted or required to be delivered under the provisions of the Declaration 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.

18.1.1. 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.

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Exhibit "A" - Simpson Engineer's, Operations and Maintenance Manual for Plantes Ferry Place

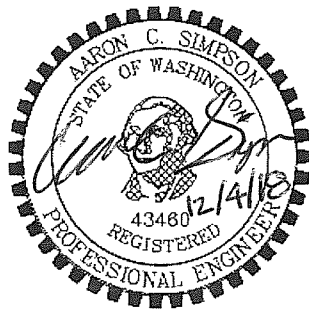
Exhibit "A" - Plantes Ferry Place, CC&R's

PLANTES FERRY PLACE

SHP-2018-0006

OPERATION AND MAINTENANCE MANUAL

December 04, 2018



Design Engineer
Simpson Engineers Inc.
909 N. Argonne Rd.
Spokane Valley, WA 99212

Maintenance Plan

for the Private Roads and Drainage Control System at Plantés Ferry Place

Lots 1 - 9

Owners of homes and/or lots within Plantés Ferry Place will become members of Plantés Ferry Place Community Association. The surface water drainage facilities and private roads located within Plantés Ferry Place are for the use of the members of The Plantés Ferry Place Community Association on an equal basis, subject to the provisions promulgated by the Association in the *Declaration of Covenants, Conditions, Restrictions and Reservations for Plantés Ferry Place*. It shall be the responsibility of the Association to inspect and maintain the stormwater drainage system and private road serving the included properties as per the maintenance schedule outlined herein. This maintenance agreement runs with the land and is binding upon the property owners, their heirs, successors and assigns.

This plat contains the following private facilities, which require regular maintenance, and these private facilities are shown in the attached exhibit:

- Private street called Woodlawn Lane
- Signs: “No Parking – Fire Lane” signs and Stop Sign with Private Road Plates
- Stormwater ditches, swales, ponds, and drywells

The lots numbered as Lots 4-9 in this plat are utilizing or are benefitting from these facilities until Lot 9 is re-platted next year. The owners of these lots are responsible for (details described later):

- The continued operation and maintenance, including repair and replacement as needed, of these facilities,
- Providing funds to finance the continued operation and maintenance of these facilities,
- The administration of this plan with each property owner being bound by this plan and with the responsibilities to be shared equally between each property owner, and,
- Establishing a maintenance committee and designating a member to be responsible for the administration of this plan.

The City of Spokane Valley assumes no responsibility at all for any operation or maintenance of the facilities mentioned herein or the administration of this plan.

1.00 PURPOSE

This maintenance plan is to provide:

1. General operations and maintenance responsibilities for the following described facilities, and,
2. Cost estimates of the assessments to be provided by each property owner within the plat for the funding of this maintenance.

2.00 GENERAL OPERATIONAL CHARACTERISTICS

Private Streets

The private street is intended to provide access from the public street to the lots. One of the more important accesses being provided is that for emergency vehicles. Therefore, it is essential that the street remain clear and in good condition throughout the whole year. Typical private streets are designed to deliver a usable service life of 20-30 years, if properly maintained. Maintenance details are discussed below in Section 3.0.

Drainage Facilities

The private drainage system in this plat is intended to collect, treat, and discharge stormwater runoff generated by onsite improvements and, possibly, also stormwater from adjacent properties that has historically flowed onto this site. The drainage facilities consist primarily of ponds and drywells. Stormwater runoff from the street is routed into the grassy pond where the grass and underlying soil provide treatment and infiltration. When large storms occur, the high flows will go into the drywell(s) for subsurface disposal. It is important to provide adequate maintenance activities to ensure that the drainage facilities remain silt and dirt free, as this silt and dirt will affect their performance. Maintenance details are discussed below in Section 3.0.

3.00 MAINTENANCE REQUIREMENTS AND SCHEDULES

Private Streets

The following describes the main components of the private street, and the recommended maintenance.

The private street pavement should be visually inspected each season (spring, summer, fall, and winter). Special attention should be paid in the spring when the spring thaw occurs.

Pavement and gutter cleaning: Inspect and remove debris and obstructions from pavement surface and roadside gutters and inlets.

Crack Seal: The inspector should be mindful of cracks and seams in the asphalt paving surface, as asphalt pavement is not a rigid surface but a flexible surface. Because of typical flexible pavement characteristics, even a 1/2-inch crack on the pavement surface can represent a 1-inch to 2-inch crack at the bottom face of the pavement that cannot be seen. Cracks and seams allow water intrusion that can lead to alligator cracks, settlement, potholes, and eventually pavement failure. Cracks or seams in the street surface may become evident as early as the 5th year into the street's design life. These cracks and

seams should be “crack sealed” by an asphalt specialist or paving company on an annual basis, preferably prior to October, to prevent water intrusion.

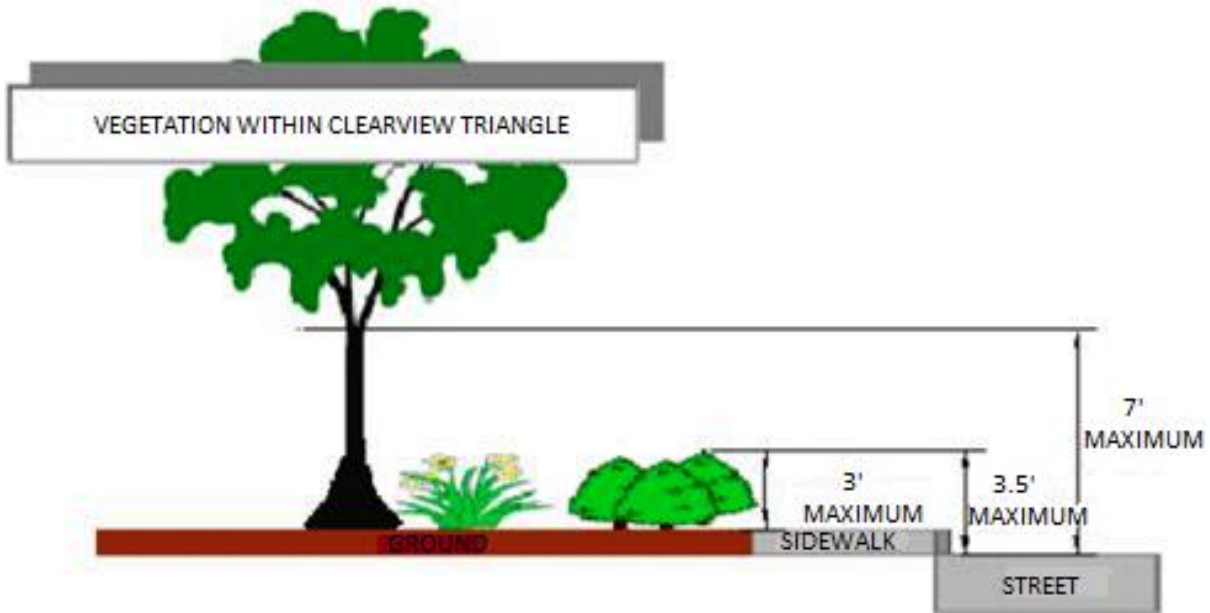
Fog Seal: A “fog seal”, also known as a “seal coat”, is a light application of a diluted, slow-setting asphalt emulsion to the surface of an aged pavement. Fog seals are low-cost and are used to minimize weathering of the asphalt surface and restore flexibility to the pavement section and are generally suitable for low-volume private streets. The expected life of a fog seal is 3 to 5 years and the overall life of the pavement will be extended with each application. As a caution, though, excessive applications may result in a built-up asphalt layer on top of the original asphalt pavement surface that can be very smooth and cause a loss of skid resistance. The maintenance committee should consult with an asphalt specialist or paving company to determine when a fog seal is necessary.

Snow-Ice: During the winter, the private street should be snow plowed and have the ice removed as often as necessary to maintain lot access, especially for emergency vehicles. The concrete stairs should be snow shoveled and ice removed as often as necessary to maintain pedestrian access. Snow plowing also ensures that snow melt and stormwater runoff can reach the roadside swales without ponding and eliminates the potential for water intrusion into cracks and seams that can create potholes and pavement failure through repetitive freeze/thaw cycles.

Signs: All signs associated with the private street, such as the “No Parking – Fire Lane” signs should be visually inspected on an annual basis. Ensure that the sign posts are vertical and that the signs are clearly visible and easy to read. The design life of the signs will typically depend on the amount of sun exposure and the level of fading. The signs should be replaced when they are damaged, stolen or beginning to fade.

Clearview triangle: On each side of the private road where it intersects the public road is a triangular area in which the vegetation needs to be trimmed to specific heights to make sure that motorists entering onto the public street can adequately see oncoming traffic (see figure below and Spokane Valley Municipal Code section 22.70.020) . Trimming to occur as needed.

Clearview Triangle Vegetation Trimming Requirements



Drainage Facilities

The drainage facilities consist of ponds and drywells and are located as shown in the attached exhibit. The following describes these facilities and the recommended maintenance.

A visual inspection of the drainage facilities should be conducted each season (spring, summer, fall and winter) and after significant rainfall and snowmelt events. For long duration storms, greater than 24 hours, the drainage facilities should be inspected during the storm event to identify any developing problems and safely correct them before they become major problems.

In general it is important to provide adequate maintenance activities to ensure that the vegetated areas and structures remain silt, dirt and debris free because accumulations of these will affect the swale's function for stormwater treatment and storage volume as well as the ability of the drywell to discharge stormwater. Should these facilities fill up or become clogged, the only remedy would be to remove the material. Therefore, periodic maintenance is a must.

Ponds:

The pond needs to be maintained to ensure a strong, healthy, dense vegetative cover and that it is free of debris. Maintenance of the pond located on or adjacent to a lot shall be the responsibility of that lot's owner unless it is agreed upon by the maintenance committee to have these facilities professionally maintained. Maintenance items include:

- Regular watering and mowing, grass should be kept at about 2-4 inches in height,
- Removing trash, debris, noxious weeds and items that reduce the amount of vegetative cover,
- Inspecting the pond side slopes and bottom making sure there are no breaches or breaks or erosion. Immediately repair with a sandy loess soil, compacted in place and follow up after the storm event with seeding or sodding the repair and more substantial maintenance activities if needed,
- Repairing mowing damage,
- Removal and replacement of the grass and underlying soil if it becomes contaminated to the extent that the grass is not healthy.

Ponds should completely drain in 72 hours or less after rainfall. Water ponding over 72 hours after rainfall may be an indication of over compaction or siltation. If failure is deemed to be due to over compaction, replacement of compacted soils with free draining soils that meet the treatment requirements may be necessary.

Drywells –

Maintenance items include:

- Periodically visually inspect the grate and remove any deleterious debris and trash.
- Each September visually inspect the inside of the drywell barrel(s) by removing the grate to look into the structure. Have all debris and trash removed. Sediment must be removed before buildup reaches the bottom of the lowest slot out of the drywell in the barrel wall. Contact a professional to remove the debris, trash and sediment buildup. Do not enter the drywell.

Facilities Inventory:

The plat listed above contains the following **Stormwater Drainage Facilities:**

| | Catch Basin Inlets | Access Manholes | Drywells | Pipe, LF (approx.) | Ponding Areas |
|--|--------------------|-----------------|----------|--------------------|---------------|
| <u>Plantes Ferry Place</u> <u>Woodlawn Lane</u> | 0 | 0 | 1 | 0 | 1 |

The plat listed above contains the following **Private Road Facilities:**

| | Pavement Overlay (SF) | Asphalt SY (1.5”) @ \$10.00/SY | Adjust MH @ \$300/Unit | Adjust WV / CO @ \$200/Unit | Street Signs |
|--|-----------------------|--------------------------------|------------------------|-----------------------------|--------------|
| <u>Plantes Ferry Place</u> <u>Woodlawn Lane</u> | 6,820 | 758 | 3 | 0 | 10 |

* * *

Sinking Fund for Annual Costs

for the Private Roads and Drainage Control System at Plantés Ferry Place

Lots 4-9

Updated December 4, 2018

The following are assumptions, estimates and recommendations for providing annual set-aside funds for annual maintenance costs and future replacement costs in the form of a sinking fund for the portions of the private road and drainage system that may need replacement or major renovation within the next 20 years. The sinking fund is an approximation of the replacement costs of the private roads and primary drainage facilities that are the responsibility of Plantés Ferry Place Community Association.

The fund reserve amount is computed with consideration for probable inflation over the life of the materials, structures, and facilities, and includes a summary of the amount of money to be set aside annually for the fund and the annual charge per lot to equal the annual set-aside.

Note that the sinking fund calculations are only an estimate, using approximated values. The Homeowners' Association should use these computations as a guide, and modify them as needed to more accurately reflect actual costs.

Assumptions:

1. The drainage facilities and private road are constructed properly, as per the approved plans, details and City of Spokane Valley Standards.
2. Inspection and minor maintenance & repairs (e.g. removing debris) performed by Association members/volunteers; labor charge = zero or minimal
3. Roadway life = 20 years
4. Concrete life = 40 years
5. Pipes: assume 50% replacement of pipes in 20 years
6. All ponds will need reseeding every 5 years.

Estimated Operation & Maintenance Costs:

Operation cost of the surface runoff drainage facilities is essentially zero, as there are no electric or fuel-driven pumps or other devices specified for the system. Maintenance items, as detailed in the *Maintenance Plan*, include the following:

- **Ponding Areas** (Woodlawn Lane):

Removal of sediment/debris, and inspection/repair of curb inlets. Approximate annual maintenance cost: \$25 per pond, plus reseeding @ \$25 per pond per 5-year cycle = \$ 30/year per pond.

Mow ponds (12 mowings per year @ \$20/visit).

Approximate annual mowing cost: (\$20/mow x 12 visits) = \$240 per year

Total approximate annual cost: 1 Pond at (\$30) + (\$240) = (1 x \$30) + \$240 = \$ 270.

- **Storm System Drywells** (1 Single Barrel Drywell):

Clearing grates, removing vegetation, repairing (grouting) cracks at approximate annual cost of \$20 per drywell, plus vactoring once per 5 year period at approximately \$150 per drywell;

Total approximate annual cost: 1 Drywells at (\$20 + \$30) = \$ 50

- **Street Signs** (9 Signs):

Assume 1 sign per 10 years will need to be replaced due to damage. Replacement signs are approximately \$150 per sign.

Total approximate annual cost: \$15/year

- **Private Roads** (7,177 square feet):

Annual field review and asphalt patch/crack sealing as needed = \$150/year

Fog Seal asphalt every five (5) years = \$60/ year

Annual snow and ice removal as needed = \$1,200/year

Annual street sweeping = \$200/year

Total Approximate Annual Operation & Maintenance Costs:

$(\$270 + \$50 + \$15 + \$150 + \$60 + \$1,200 + \$200) =$ approximately \$ 1,945 per year

Estimated Construction Cost for Asphalt Overlay with Utility Adjustments:

(Includes Private Roads Only)

| | |
|---|-----------------|
| • Asphalt Overlay (From facility inventory) | \$ 7,578 |
| • Manhole Adjustments (From facility inventory) | \$ 900 |
| • Water Valve and Cleanout Adjustments (From facility inventory) | \$ 0 |
| • Total Projected Costs (With 2018 Costs) | \$ 8,478 |

- **Sales Tax (8.8%) plus Contingencies**

Assume approximately 10% of construction costs additional **\$ 1,594**

Total Approximate Construction Costs: $\$ 8,478 + \$ 1,594 =$ **\$ 10,072**

Sinking Fund Reserve Account
Calculations for Operation & Maintenance Costs plus Replacement Costs

| <u>Symbol</u> | <u>Factor</u> | <u>Cost</u> |
|---|--|---------------|
| OM | Annual Operation and Maintenance costs | \$ 1,945 |
| <hr/> | | |
| PV ₁ | Present Value of Drainage Ponds, Structures, and Signs | \$ 3,400 |
| PV ₂ | Present Value of Asphalt Overlay and Utilities | \$ 10,072 |
| <hr/> | | |
| PV _{1/4} | Assume 25% replacement of drainage system in 20 years ¹ | \$ 850 |
| FV ₁ | Future Value of PV ₁ and PV ₂ to replace in 20 years ² assuming inflation = 3%, (@3% and n= 20, F/P = 1.8061; (PV _{1/4} + PV ₂)(F/P) FV = (\$850+ \$10,072)(1.8061) = \$ 19,726 | \$ 19,726 |
| A ₁ | Annual Set-aside for future replacement costs assume conservative investment, interest = 1.5% [@ 1.5% and n = 20, A/F = 0.0432; A = FV ₁ (A/F)] | \$ 852 |
| Total Annual Charge = Annual O&M Costs + Annual Set-aside = OM + A = | | \$ 2,797 |
| <u>Total Annual Charge per Lot</u> = (OM + A) / (6) = | | <u>\$ 466</u> |

1. The inflation rate over the past 15 years has been approximately 3%.
2. Interest rates are presently relatively low, with money market rates below 1.5%.